

## Understanding the Impact of Family Caregiving on Work

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**The number of workers with eldercare responsibilities is on the rise. This trend highlights the need to better understand the impact of family caregiving on work, and how working caregivers can better manage their work and caregiving responsibilities.**

### Most Family Caregivers Juggle Caring for an Aging Relative or Friend with Employment.

The “average” U.S. caregiver is a 49-year-old woman who works outside the home and spends nearly 20 hours per week—the equivalent of another part-time job—providing unpaid care to her mother for nearly five years.<sup>1</sup>

Family caregivers are as likely to be employed as noncaregivers. The majority (74 percent) of adults with eldercare responsibilities have worked at a paying job at some point during their caregiving experience.<sup>2</sup>

An estimated 61 percent of family caregivers of adults age 50 and older are currently employed either full-time (50 percent) or part-time (11 percent).<sup>3</sup>

### More Workers Have Eldercare Responsibilities.

Forty-two percent of U.S. workers have provided care for an aging relative or friend in the past five years. About half (49 percent) of the workforce expects to be providing eldercare in the coming five years.<sup>4</sup>

In 2011, 17 percent of workers in the United States provided eldercare,<sup>5-7</sup> up from 13 percent in 1999.<sup>8</sup>

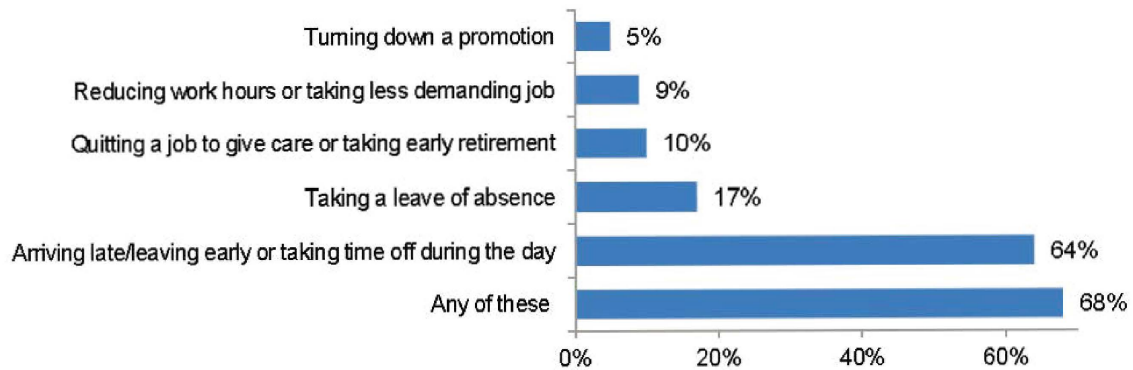
- Some 20 percent of all female and 16 percent of all male workers in the United States are family caregivers.<sup>9</sup>
- Nearly one in four (22 percent) middle-aged and older workers (ages 45 to 64)—typically caring for a parent—report being family caregivers: the largest of any age group in the labor force.<sup>10</sup>
- Workers with eldercare responsibilities cut across all racial and ethnic groups, including African Americans (21 percent), Hispanics (20 percent), whites (17 percent) and Asians (14 percent).<sup>11</sup>

### Eldercare Responsibilities Can Interfere with Paid Employment.

When it becomes stressful to juggle caregiving activities with work and other family responsibilities, or if work requirements conflict with caregiving tasks, some caregivers make changes in their work life, especially if they cannot pay for outside help. In a recent national survey, one in five (19 percent) retirees left the workforce earlier than planned because of having to care for an ill spouse or other family member.<sup>12</sup>

Nearly seven in ten (68 percent) caregivers report making work accommodations because of caregiving. These adjustments include arriving late/leaving early or taking time off, cutting back on work hours, changing jobs, or stopping work entirely (see figure 1).

**Figure 1**  
**Work Accommodations Due to Caregiving for an Adult Age 50 or Older**



Source: National Alliance for Caregiving and AARP, *Caregiving in the U.S. 2009*.

Family caregivers with the most intense level of caregiving (those who provide 21+ hours of care each week) or those who live with their care recipient are especially likely to report having to make workplace accommodations.<sup>13</sup>

Compared to other demographic groups, low-income workers, minorities, and women are more likely to reduce their work hours or leave the workforce because of their caregiving role.<sup>14</sup>

The experience of working caregivers with eldercare responsibilities differs from that of workers with childcare or no dependent care responsibilities. Research has found that working caregivers of aging relatives report having less access to flexible work options to carry out their work and caregiving responsibilities, and perceive significantly lower job security than workers with childcare needs.<sup>15</sup>

### **Family Caregivers Face Financial Hardships if They Must Leave the Workforce Due to Eldercare Demands.**

Family caregivers may forego earnings and Social Security benefits if they cut back on work hours or quit their jobs to give care. They also can lose job

security, career mobility, and employment-related benefits such as health insurance and contributions to retirement plans.<sup>16</sup> Even small reductions in work hours to provide unpaid care can have long-term consequences for retirement security.<sup>17</sup>

Family caregivers (age 50 and older) who leave the workforce to care for a parent lose, on average, nearly \$304,000 in wages and benefits over their lifetime. These estimates range from \$283,716 for men to \$324,044 for women.<sup>18</sup>

Evidence suggests that assuming the role of caregiver for aging parents in midlife may substantially increase women's risk of living in poverty in old age.<sup>19</sup>

### **The Costs of Caregiving Affect Both Individual Workers and Employers.**

U.S. businesses lose up to an estimated \$33.6 billion per year in lost productivity from full-time working caregivers. Costs associated with replacing employees, absenteeism, workday distractions, supervisory time, and reductions in hours from full-time to part-time all take a toll. The average annual cost to employers per full-time working caregiver is \$2,110.<sup>20</sup>

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Research also shows a link between working caregivers with eldercare responsibilities and their health care costs.

- In one study, employers paid about 8 percent more for the health care of caregiver employees compared to noncaregivers, potentially costing U.S. businesses \$13.4 billion per year.
- Both younger employees (age 18 to 39) and older employees (age 50+) with eldercare responsibilities were more likely to report fair or poor health in general.<sup>21</sup>

### Eldercare Benefits Can Help Working Caregivers Better Manage Their Caregiving Responsibilities and Their Jobs.

U.S. businesses first began adding eldercare resources to the range of work-family programs in the mid-1980s. These early workplace supports were modeled after childcare programs that included resource and referral services.<sup>22</sup>

Studies have documented that implementation of eldercare programs can benefit both employers and employees. Eldercare programs improve worker retention, productivity, stress levels, and health among workers.<sup>23</sup>

Examples of such workplace programs include referral to caregiver resources in the community, on-site support groups for working caregivers, and discounted backup home care for emergency needs.

Employers have found eldercare benefits to be a competitive advantage both in new employee recruitment and retention of existing employees.

### Workplace Policies that Support and Accommodate Working Caregivers Show Business Benefits.

Numerous studies have found that flexible workplace policies enhance employee productivity, lower absenteeism, reduce costs, and appear to positively affect profits. They also aid recruitment and retention efforts, allowing employers to retain a talented and knowledgeable workforce and save the money and time that would otherwise have been spent recruiting, interviewing, selecting, and training new employees.<sup>24</sup>

In addition to specific eldercare benefits, flexible work options, family leave, and paid sick days are vital policies for working caregivers. These workplace benefits can help working adults balance their work, personal lives, and family caregiving responsibilities.

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## Endnotes

<sup>1</sup> National Alliance for Caregiving (NAC) and AARP, *Caregiving in the U.S. 2009* (Bethesda, MD: NAC, and Washington, DC: AARP, November 2009). Funded by the MetLife Foundation.

<sup>2</sup> Ibid.

<sup>3</sup> Ibid.

<sup>4</sup> K. Aumann, E. Galinsky, K. Sakai, M. Brown, and J. T. Bond, *The Elder Care Study: Everyday Realities and Wishes for Change* (New York, NY: Families and Work Institute, October 2010).

<sup>5</sup> K. Mantos and E. Galinsky, *2012 National Study of Employers* (New York, NY: Families and Work Institute, 2012).

<sup>6</sup> Gallup, Inc., *More than One in Six American Workers Also Act as Caregivers*. Gallup-Healthways Well-Being Index (July 2011), <http://www.gallup.com/poll/148640/one-six-american-workers-act-caregivers.aspx>.

<sup>7</sup> Bureau of Labor Statistics, *American Time Use Survey Summary: 2011 Eldercare Module Results*, <http://www.bls.gov/news.release/atus.nr0.htm>.

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<sup>8</sup> M. B. Neal and D. L. Wagner, *Working Caregiver Issues: Challenges and Opportunities for the Aging Network*. Issue Brief, National Family Caregiver Support Program (Washington, DC: Administration on Aging, 2001).

<sup>9</sup> Gallup, Inc., *More than One in Six American Workers Also Act as Caregivers*.

<sup>10</sup> Ibid.

<sup>11</sup> Ibid.

<sup>12</sup> R. Hellman, C. Copeland, and J. Van Derhei, *The 2012 Retirement Confidence Survey: Job Insecurity, Debt Weigh on Retirement Confidence, Savings*. Issue Brief Number 369 (Washington, DC: Employee Benefit Research Institute, March 2012).

<sup>13</sup> NAC and AARP, *Caregiving in the U.S. 2009*.

<sup>14</sup> E. R. Giovannetti, J. L. Wolff, K. D. Frick, and C. Boulton. Construct validity of the work productivity and activity impairment questionnaire across informal caregivers of chronically ill older patients. *Value Health* 12, no. 6 (September 2009): 1011–17.

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<sup>16</sup> L. Feinberg, S. C. Reinhard, A. Houser, and R. Choula, *Valuing the Invaluable: 2011 Update, The Growing Contributions and Costs of Family Caregiving*, AARP Public Policy Institute on the Issues 51 (Washington, DC: AARP, June 2011).

<sup>17</sup> J. Y. Ko, D. M. Aycocock, and P. C. Clark, “A comparison of working versus nonworking family caregivers of stroke survivors,” *Journal of Neuroscience Nursing* 39, no. 4 (August 2007): 217–25.

<sup>18</sup> The estimate of \$303,880 on average (rounded to \$304,000) in lost income and benefits over a caregiver’s lifetime includes about \$115,900 in wages, \$137,980 in Social Security benefits, and conservatively \$50,000 in pension benefits. MetLife Mature Market Institute, *The MetLife Study of Caregiving: Costs to Work Caregivers: Double Jeopardy for Baby Boomers Caring For Their Parents* (Westport, CT: MetLife Mature Market Institute, 2011).

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<sup>20</sup> MetLife Mature Market Institute and National Alliance for Caregiving (NAC), *MetLife Caregiving Study: Productivity Losses to U.S. Business* (Westport, CT: MetLife Mature Market Institute, and Bethesda, MD: NAC, 2006). The lost productivity estimates are based on the 2004 survey of U.S. caregivers conducted by NAC and AARP, *Caregiving in the U.S. 2004*.

<sup>21</sup> MetLife Mature Market Institute, National Alliance for Caregiving, and University of Pittsburgh, *MetLife Study of Working Caregivers and Employer Health Care Costs* (Westport, CT: MetLife Mature Market Institute, February 2010).

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<sup>24</sup> U.S. Equal Employment Opportunity Commission, *Employer Best Practices for Workers with Caregiving Responsibilities* (Washington, DC: Equal Employment Opportunity Commission, 2009), <http://www.eeoc.gov/policy/docs/caregiver-best-practices.html>.

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