



Facts on Aging Family Caregiving

Florida State University

Pepper Institute
on Aging &
Public Policy

Family caregivers are the backbone of the long-term-care workforce in the United States, providing about 80% of those services, worth \$257 billion a year. Over three-quarters of adults in need of long-term care depend on family and friends as their only source of help. Despite their growing numbers and significant contribution to the healthcare economy, family caregivers are faced with little advocacy and many challenges – from shrinking health care budgets to increasing conflicts with their work and private life.

The Changing Face of Caregiving

- Cost containment in all phases of healthcare has drastically shortened hospital lengths of stay. According to the CDC, the average hospital stay for people 65 and older in 2001 was 5.8 days, less than half the 1970 figure of 12.6 days. Patients today are routinely discharged home with the need for continued medical care. Medication regimens are now complex, expensive, and require sophisticated monitoring.

Source: Family Caregiving: Current Challenges for a Time-Honored Practice, Generations (Winter 2003/2004)

- Although some homecare services provide limited assistance, their presence does not decrease the amount of informal care provided. On the contrary, the presence of paid help presents another managerial responsibility, as adult children find themselves operating like personnel managers for their ailing parents, having to recruit workers, check references, set wages and supervise.

Source: Family Caregivers on the Job: Moving Beyond ADLs and IADLs, Generations (Winter 2003/2004)

- While families have been taking on extra responsibilities and costs, the amount of support available to them has been diminishing. Medicare-funded home healthcare has been placed under more restrictive payment rules, and state budgets are also under severe strain, limiting Medicaid benefits.

Source: Family Caregiving: Current Challenges for a Time-Honored Practice, Generations (Winter 2003/2004)

- Increases in longevity, declining household size, and a general shortage of direct health care workers collectively point to fewer caregivers for growing numbers of older adults in the coming years.

Source: Caregivers of Frail Elders: Updating a National Profile, The Gerontologist (2006)

Statistics on Caregiving: A Profile

- The typical caregiver is a 46-year-old Baby Boomer woman with some college education who works and spends more than 20 hours per week caring for her mother who lives nearby.
- Female caregivers provide more hours of care and provide a higher level of care than male caregivers.
- The average length of caregiving is 4.3 years.
- Most caregivers (89%) are helping relatives.
- Many caregivers fulfill multiple roles. Most caregivers are married or living with a partner (62%), and most have worked and managed caregiving responsibilities at the same time (74%).

Source: National Alliance for Caregiving & AARP

- Florida has the highest proportion of elders age 65+ among its population nationwide:
 - Number of informal caregivers in the state: 1.6 million (US: 27.2 million)
 - Caregiving hours per year: 1.5 billion (US: 29 billion)
 - Market value of informal care: \$17 billion (US: \$257 billion)

Source: National Conference of State Legislatures (2006)

- A notable trend is the increase across all relationships in the proportion of primary caregivers "going it alone" without help from family, friends, or paid caregivers. The proportion of primary caregivers without any help from others increased significantly from 34.9% in 1989 to 52.8% by 1999. During the same time, the proportion of caregivers who received help from family or friends declined from 38.5% to 28.0%, while the proportion of caregivers who relied on paid assistance declined from 26.6% to 19.2%.

Source: Caregivers of Frail Elders: Updating a National Profile, The Gerontologist (2006)

The Economy of Caregiving

Caregiving also has a substantial impact on business. Absenteeism, replacing employees who quit in order to provide care and other caregiving-related activities can have serious financial consequences to employers. For instance:

- The average caregiver costs an employer \$2,110 per year. The total annual cost for all caregivers is \$33.6 billion.
- Of the 2.4% of employees who leave the workforce entirely to be caregivers, the cost to replace them is \$6.6 billion.
- Absenteeism, reported by the majority of caregiving employees, costs \$5 billion, while partial absenteeism, affecting virtually all working caregivers, accounts for nearly \$2 billion in losses.
- Workday interruptions, at least one hour per week per caregiver, cost \$6.3 billion.
- Having a crisis that requires attention during the workday is experienced by 60% of employed caregivers and costs \$3.8 billion.

Source: MetLife Caregiving Cost Study: Productivity Losses to U.S. Business (2006)

- Long-term care is expensive. One year of care in a nursing home, based on the 2006 national average, costs over \$62,000 for a semi-private room. One year of care at home, assuming you need periodic personal care help from a home health aide (average is three

times a week), would cost almost \$16,000 a year.

Source: National Clearinghouse for Long-Term Care Information

- The cost of long-term care in 2000 was estimated at \$123 billion, and is expected to more than double to \$295 billion by 2030. These figures are particularly impressive in that they exclude all accounting of family caregivers' efforts. The implications of reductions in family caregivers' help could be enormous.

Source: Caregivers of Frail Elders: Updating a National Profile, The Gerontologist (2006)

Whereas people know precisely when they enter a job, entry into caregiving might be gradual and insidious, in some instances, becoming a fait accompli before one is fully aware of it.

Profiles in Caregiving: The Unexpected Career, by C.S. Aneshensel (1995)

Women and Caregiving

- The number of working women age 55 and older is projected to increase by 52% between 2000 and 2010, from 6.4 million to 10.1 million. As workforce participation increases, caregiving could pose even

greater financial challenges for many women workers, due mostly to lost wages from reduced work hours, time out of the workforce, family leave or early retirement.

Source: Family Caregiver Alliance

Women caregivers are:

- Significantly less likely to receive a pension and, when they do, the pension is about half as much as those that men receive.
- Likely to spend an average of 12 years out of the workforce raising children and caring for an older relative or friend.

Source: Social Security Administration (2002)



**Pepper Institute on Aging
and Public Policy**

Florida State University
College of Social Sciences
Tallahassee, FL 32306-1121
(850) 644-2831 • aging@fsu.edu
www.pepperinstitute.org