



## The cost of caregiving: wage loss among caregivers of elderly and disabled adults and children with special needs

### Background

- Up to 50 million people in the United States have some form of disability. While disabilities are most prevalent among elderly adults, whose share of the population is increasing, 7% of children also have major limitations in their activities, while 15.6% have a special health care need.
- As a result, working-age adults are increasingly providing care to family members: 54.1 million provide unpaid care to an adult aged 18 years or older, and 16.8 million to a child with special needs. Most of these caregivers are employed, most often in full-time jobs.
- Caregiving responsibilities often conflict with work schedules. A 2009 study found that 78% of adults caring for children with special needs have had to come to work late, leave early or take a short time off or a long-term absence at some point while working and being a caregiver; 64% of caregivers of persons 50 years of age or older with a chronic or disabling condition reported similar experiences.
- Particularly as medical care tasks are increasingly shifting to informal family care providers, examining the ability of families with an adult or child with special needs to maintain earnings is critical. Individual income affects both personal health status and children's health status, while households that include a member with disabilities commonly face high out-of-pocket healthcare expenses.
- Employed parents often cite paid leave, flexibility policies, and dependent care benefits as workplace policies that make it more feasible to balance the demands of a job and their children. These policies may also be helpful when employed adults have a child or adult with special needs in their family.
- This is the first study to assess whether employed adults who live with or care for children or adults with special needs are at increased risk of wage or income loss, and to identify the degree to which workplace policies such as paid leave and flexibility can buffer the financial risks of special needs caregiving.



### Methods

- This study analyzes a sample of special needs caregivers, drawn from the Work, Family and Community Nexus (WFCN) Survey, a random-digit dial (RDD), nationally representative survey designed and carried out to assess the impacts of working conditions on job outcomes and family and community well-being.
- To investigate the factors contributing to wage loss among employed special needs caregivers, this study selected all respondents aged 18 years or older who are currently employed and who provide care to an adult needing assistance with activities of daily living or live with an adult or child with chronic or disabling health issues.
- Earle and Heymann examined associations between caregiving responsibilities, workplace conditions, and wage loss. Next, using logistic regression models, the authors examined whether and to what extent workplace policies and conditions mediate this relationship, and evaluated the degree to which the experiences of men and women are different.

### Findings

- One-fifth (21%) of working parents reported that their caregiving responsibilities had caused them to lose income or wages. Having a child with special health needs as well as the hours spent providing care to an adult who needs assistance were significantly associated with having lost income or wages.

## Findings (continued)

- Employees who live with a child with a health problem are 48% more likely to have lost wages. Each adult with health issues that an employee is responsible for raises the chances of wage loss by 29%. At the same time, access to paid leave for family health needs reduces the likelihood of wage loss by 30%, and having a supportive supervisor reduces the odds of experiencing wage loss by 37%.

- Female employees were 69% more likely to report losing income or wages due to caregiving ( $p=0.001$ ). For female employees, each child with health problems in the household is associated with an increase in the likelihood of wage loss of 86% ( $p=0.001$ ), while each additional adult needing assistance increases the odds of wage loss by 39% ( $p=0.009$ ).

## Discussion

- In the U.S., just over half of all employees had access to paid sick leave in their jobs as of 2010,<sup>1</sup> while only a third had access to paid leave to care for a sick child, and even fewer had access to paid leave to care for an adult family member. These access gaps reflect the U.S.'s status as a global outlier in its failure to provide paid leave. As of 2008, 163 countries guaranteed paid sick leave, while 48 guaranteed paid time off to care for children's health and 33 provided paid leave to care for adult family members.<sup>2</sup>

- This study suggests that expanding access to paid leave that can be used for caregiving, alongside greater workplace flexibility and a supportive workplace culture, could enable millions of Americans to better balance their work and caregiving responsibilities, without risking loss of jobs or income.

- Moreover, these types of policies are especially important for women. If women continue to shoulder more of the caregiving demands and suffer greater wage losses as a result, economic gender disparities will persist or increase.

*Table 1. Logistic regression estimating impact of caregiving demands and workplace policies on the probability of losing income or wages.*

	Odds ratio	CI
Number of adults with health problems	1.29**	(1.09–1.54)
Number of children with health problems	1.48**	(1.10–1.98)
Paid leave for family health	0.70*	(0.51–0.97)
Paid vacation or sick leave	0.72	(0.49–1.07)
Can set regular schedule	1.02	(0.74–1.44)
Can change start and end times	1.08	(0.78–1.50)
Accommodating supervisor	0.63*	(0.44–0.92)
Supports for child and/or elder care	0.98	(0.67–1.46)
Female	1.69**	(1.25–2.29)
Age in years	1.00	(0.99–1.02)
Health status is 'good'	0.52**	(0.36–0.76)
Days of work missed to provide care	1.05**	(1.01–1.04)
Number of children in the household	0.96	(0.79–1.15)
No children in household	0.70	(0.45–1.08)
No adults with health issues being cared for	0.86	(0.57–1.30)
Hours/week spent caring for children	1.00	(1.00–1.01)
Hours/week spent caring for adult with health condition	1.03**	(1.01–1.04)
Hours worked per week	1.00	(0.99–1.01)
Job tenure (years)	1.01	(0.99–1.03)
Observations	1392	

Note: Model also includes race and proximity of adult care recipient. Neither was significant. \* $p < 0.05$ ; \*\* $p < 0.01$ .

<sup>1</sup> As of March 2016, 64% of private industry workers and 90% of state and local government workers had access to some paid sick leave. U.S. Bureau of Labor Statistics, Employee Benefits In The United States – March 2016.

<sup>2</sup> As of 2012, 170 countries provided paid sick leave. As of 2014, 60 countries provided paid leave specifically for children's health needs, while 40 countries provided paid leave specifically for adult family members' health needs.

*This research brief presents key findings from the following article: Earle A & Heymann SJ. The Cost of Caregiving: Wage Loss Among Caregivers of Elderly and Disabled Adults and Children with Special Needs. Community, Work & Family. 2012; 15(3), 357-375. To access this and other WORLD publications, please visit <http://worldpolicy-center.org/publications>.*

