

CHILD AND ELDER CARE

How Do We Care for Our Loved Ones?



Facing the Challenge

Women are the primary caregivers in American society, whether they care for children, elderly parents or other family members. Informal caregiving by families and friends is the backbone of the long-term care system. It's vital within families and for the national and local economy.

Informal caregiving means the unpaid care given voluntarily to aging, ill, or disabled persons by their families and friends. Such care ranges widely—from administration of medicine to assistance with eating, bathing, dressing, shopping and transportation.

Caregiving often severely curtails both women's work and personal lives—limiting or precluding employment; reducing productivity and advancement at work; and creating stressful, unbalanced lives. This reality is borne out in the data as well as the focus group discussions conducted by the Women's Summit (see page 54).

While these challenges hold true for most women with dependents, they are most keenly felt by wom-

en of low or moderate income. The cost of reliable dependent care is expensive. The need for public grants and subsidies is far outstripping available resources. Children on the waiting list for child care subsidies in Charlotte-Mecklenburg exceed those receiving help. Slots within adult day care centers are going unused because seniors can't afford the service.

Dependent needs are escalating. Many middle-aged women are having children later in life, continuing to work and caring for elderly parents living longer because of medical advancements. These women are "sandwiched" between care of their children and care of their parents.

Furthermore, the population aged 65 years and older is to grow dramatically over the next two decades. The leading edge of the baby boomers is just now hitting traditional retirement age of the early sixties. In Mecklenburg County, this population is projected to grow by 85 percent from 2005 to 2020.

According to the National Family Caregiving Center report on future trends, "Women will become a more pronounced majority, particularly in our

oldest age groups. We will have a significant gender gap in terms of family caregiving. The majority of older men live with a spouse likely to be able to provide care; the majority of older women do not. Although more boys than girls are born, men tend to die earlier. By the time Americans are in their forties, it evens out; when we are in our sixties, women far outnumber men; and of those over 100—our fastest growing population group—80 percent are women. Men usually marry younger women, and older men are much

more likely than older women to remarry. The result? In their later years, far more women than men live alone and in poverty. The implications for family caregiving are huge."¹

Making the Case

In Mecklenburg County, more than eight out of 10 caregivers within a family are women. That's based on data reported to the Family Caregiver Support Program in Mecklenburg County from

ACTION

The Women's Summit has determined the need for child and elder care is great, especially among low- to moderate- income families. The need is also great for a cultural shift that supports caregiving responsibilities, which fall disproportionately on women. The Summit recommends forming a dependent care coalition and identifying resources to support its staffing. The coalition would serve three purposes:

- Educate decisionmakers and the public on the impact of dependent care issues on women, children, families, employers and Charlotte-Mecklenburg.
- Document the costs, both direct and indirect, of not addressing the issue of family care in the immediate or near term.
- Build public and private sector will toward addressing the huge gap of dependent care resources relative to need.

This action would require \$80,000 per year for two years for a full-time coalition staff member and related support. Child Care Resources Inc., the Council on Aging, and Partners in Out-of-School Time would serve as content experts and work collaboratively with the Women's Summit.

The Summit's role would include these activities:

- Convening meetings across diverse leadership groups.
- Increasing awareness of the dependent care needs of low-income working women and the inadequacy of funding and services to address these needs.
- Improving understanding of the impact of dependent responsibilities on the successful employment of women.
- Advocating for increased local, county, and state investment in dependent care services/subsidies.

June 2002 through February 2007. The study shows that 83.5 percent of family caregivers are women.²

In 2004, North Carolina ranked 11th in the nation in number of caregivers, caregiver hours per year and economic value of those hours. Some 840,345 caregivers gave 900 million hours of time, worth \$8.9 billion. The latter figure is based on the estimated cost of care if informal caregiving had to be replaced with paid workers.³

The issue of dependent care is impacting employers. “Businesses that continue to ignore the changing workforce and its dependent care needs will find it increasingly more challenging to survive in the future, as an estimated 85 percent of the workforce will be comprised of working parents by 2009, and an estimated 40 percent of workers will have some type of elder care responsibilities by the end of 2002,” noted a 2001 report for the Charlotte-Mecklenburg Workforce Development Board.⁴ Employers are increasingly recognizing the need to address dependent care issues in the workplace and make the workplace more family-friendly.

What Constitutes Caregiving?

Women on average spend 17 years of their lives caring for children and 18 years caring for elderly parents.⁵ Experts estimate that more than 44.4 million Americans are caregivers to adult friends or family members. One-fifth of the population (21 percent) serve as unpaid caregivers to an adult family member or friend.⁵ A “family caregiver is someone who is responsible for attending to the daily needs of another person. Family caregivers are responsible for the physical, emotional and often financial support of another person who is unable to care for him/herself due to illness, injury or disability. The care recipient may be a family member, life partner or friend. Family caregivers are sometimes described as “informal,” a term professionals use to describe those who care for family members or friends in the home, typically without pay. “Formal” caregivers, including home health care providers and other professionals, are trained

and paid for their services. Some formal caregivers are trained volunteers associated with an agency.”⁵ The care delivered by informal and family caregivers adds up to \$257 billion each year.⁵

Child Care

In 2007, demographers estimated 173,607 children in Mecklenburg County from birth through age 13.⁶ Of children from birth through age 12, the North Carolina Division of Child Development reports that 30,322 were enrolled in some form of licensed child care in Mecklenburg County as of June 30, 2007. That number represents approximately 17 percent of the 173,607 in the first estimate. (Note: Child care is licensed through the age of 12 years.)

Thus, the vast majority of children in Mecklenburg County are being cared for either by family members, through other child care arrangements or, if the children are older (ages 10 through 18), through a patchwork of out-of-school activities, such as sports teams, after-school interest groups, and church activities.

A total of 7,926 children aged birth to 12 years received child care subsidies in December 2007, while 5,557 additional children remained on the organization’s child care subsidy waiting list due to insufficient subsidy funding from state and federal government. In total, an additional \$31,831,692 would be needed to provide child care subsidy to all of these children for one year (\$17,284,824 would be needed for the 2,586 waiting list children who are birth through two years of age; \$8,303,808 would be needed for the 1,418 3- through 5-year-olds on the waiting list; and \$6,243,060 would be needed for the 1,553 6- through 12-year-olds on the child care subsidy waiting list).

The current income threshold for a family of four to qualify for child care subsidy in North Carolina is \$44,191 (75 percent of state median income). The North Carolina Budget and Tax Center estimates the living income standard (LIS) for a family of four in Mecklenburg County to be \$47,400. If the ceiling

were raised to the community LIS, then the number on the waiting list would be even higher.

Take the example of the almost 6,000 children in December 2007 on the waiting list for assistance. That number would be much higher if the subsidy program addressed the needs of those children whose families are in the earnings gap between the current threshold and what is deemed a “bare-bones lifestyle” to meet basic budget needs in this area for housing, food, child care, health care, transportation, taxes and credits, and clothing. In summary, funds are insufficient to serve all children who are currently eligible for the program, and the eligibility levels are set such that many who need the assistance do not qualify at all.

Extensive research over the past two decades demonstrates the value of children participating in high-quality child care. The data show that children gain a critical foundation for school success. Also, the investment is cost effective to the community in terms of improved family self-sufficiency, an increased tax base and improved child outcomes, particularly among low-income children.

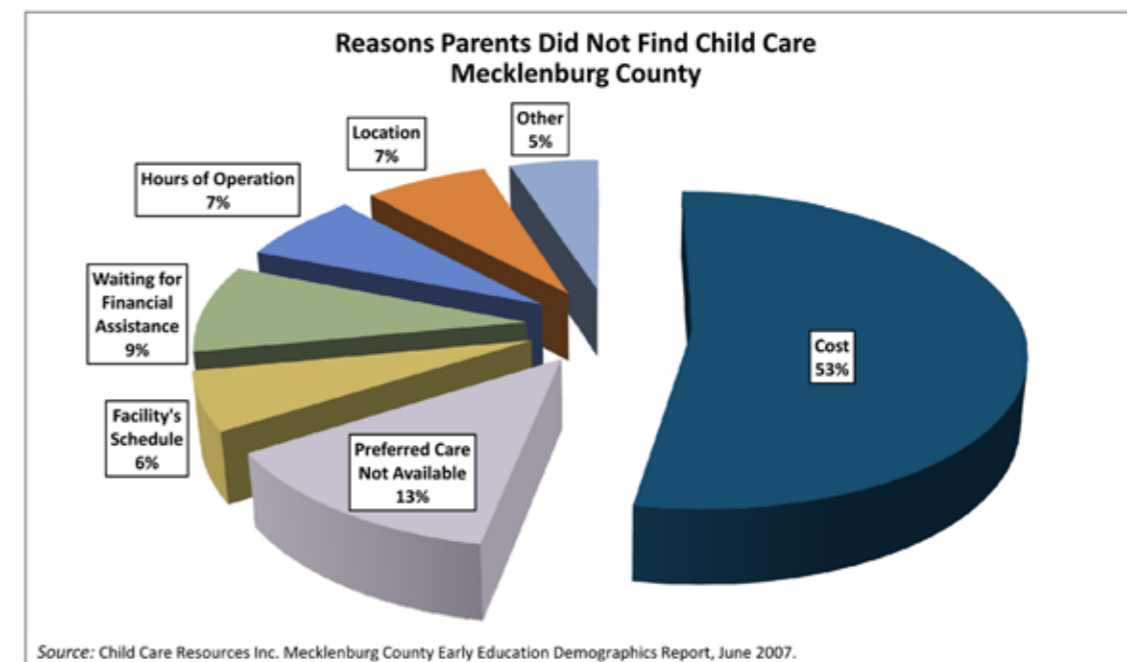
The majority of children under the age of 6 in Mecklenburg County live either with both parents or with their mother. Some 86 percent live with two parents, where one or both work, or with their mother, who works. About 7 percent live with their father, who works. Eight percent live in households not participating in the labor force. (Note: The numbers slightly exceed 100 percent because they are rounded.)⁷

The biggest reason parents in Mecklenburg seek child care is employment. More than eight of 10 (82 percent) cited that reason. The remaining 18 percent was split into five categories.⁸

The biggest reason parents don’t take advantage of child care is cost. More than half (53 percent) of those who did not find child care reported cost as the reason. The second most common reason (13 percent) was the lack of available preferred care.⁸

Cost of child care is expensive, presenting an enormous challenge for parents of low or moderate incomes. Included are many parents who have young children and are in their early earning years.

Consider that the weekly cost for a preschool child runs \$128 to \$170 per week and for a school-age child \$79 to \$138 per week. Average annual costs



range from \$4,600 to \$8,341 for one child.⁸ These figures are based on rates at licensed child care facilities, both centers and family homes.

Government programs provide child care subsidies for low and moderate-income families. In addition to helping working parents afford the cost of child care, the subsidies play an even larger role. They enable families to move closer to self-sufficiency, keep teen parents in school, help families receiving other monetary assistance to re-enter the workforce and ensure that children have equal access to quality early education programs.⁹

But the amount of money in subsidies pales compared to the need. In October 2007, more children were on the waiting list for child care subsidies in Mecklenburg County than receiving them. Child Care Resources Inc., the nonprofit agency that administers Mecklenburg County's subsidy programs, helped 7,881 children in October 2007, while 7,905 children were on the organization's waiting list. Furthermore, many children in Mecklenburg County who should be eligible for assistance are not. That's because the income it takes to live in Charlotte-Mecklenburg is higher than the state average, but the subsidy formula doesn't allow for that difference.

The problem is also worsening among those who are eligible. The number of children on Child Care Resources' waiting list grew by 39 percent from June 2007 to October 2007.

Currently, the agency's 2007–08 allotment of \$45,213,234 in child care subsidies from the state would have to more than double to meet the need of those on the waiting list. An estimated \$45,740,372 in additional funds is needed.

With school-age children, nearly a quarter (22 percent) have no after-school adult supervision, based on figures from Partners in Out-Of-School Time (POST), an organization that advocates on behalf of out-of-school needs of school-age children in Mecklenburg County. The 22 percent figure is a state



“Every day I have to leave my children with different people. I can't afford child care.”

—Women's Summit focus group participant

number and translates to 33,313 children in Mecklenburg without adult supervision after school.

POST reports that 22 percent of North Carolina school-age children have no adult supervision in the afternoons, leaving them at great risk. In Mecklenburg County, there are 93,509 children aged 6 to 13 years of age and an additional 57,913 children between the ages of 14 and 18. If state trends are used to project local need, approximately 33,313 children have no afternoon adult supervision. Providing access to out-of-school programming for these children would cost approximately \$153,239,800 per year.

Responsibility for children most often primarily rests with their mothers and/or grandmothers. In order for these women to participate in the workforce, additional funding is needed to support the

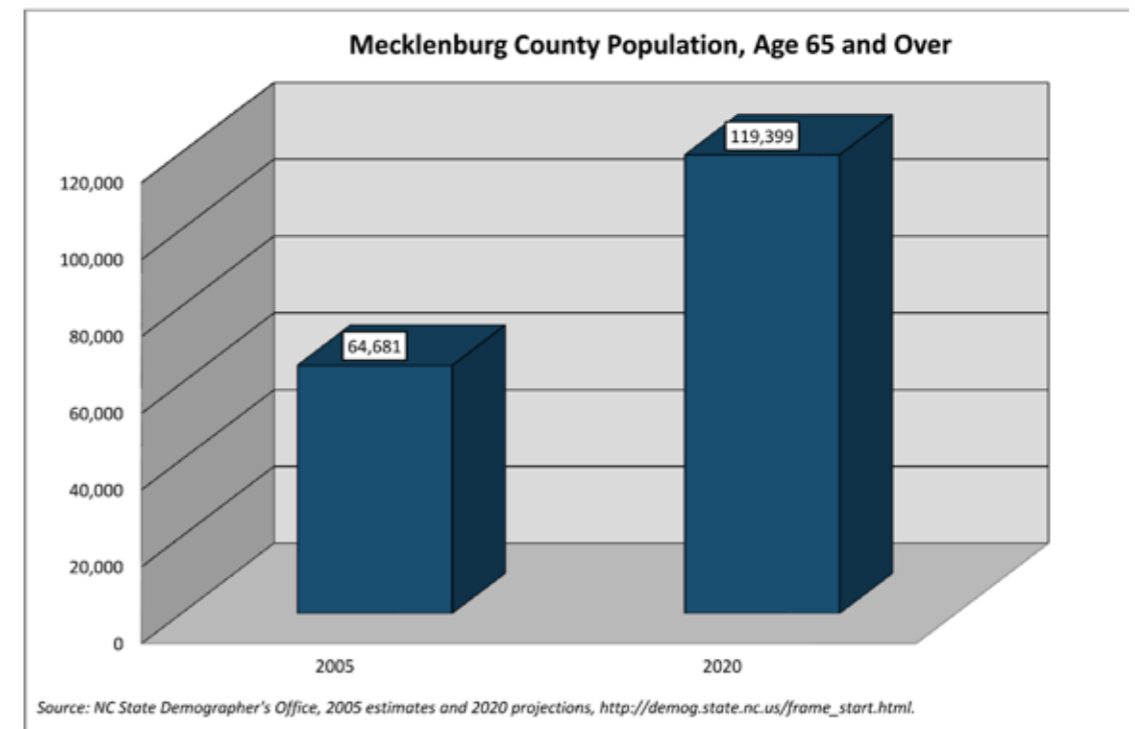
creation and/or expansion of high quality out-of-school time programs (particularly for older children and youth) and their operating costs and/or tuition/fees. Extensive research documents the critical need for older youth to have access to high quality out-of-school time programs because school occupies less than half of the time that their mothers or grandmothers are at work. Nearly half 47.2 percent of the students in Charlotte-Mecklenburg Schools qualify for free or reduced price lunch. Their mothers' and grandmothers' current participation in the workforce is impaired by the distraction and costs of worry and long-distance caretaking of these 14- to 18-year-old students who are either home alone or on the community's streets.

Those children are more likely to get involved in violence, crime and sexual activity. Data show youth are 37 percent more likely to become teen parents if they are not involved in after-school activities.¹⁰ Providing out-of-school programming for these 33,313 children would cost approximately \$153 million per year.¹⁰

Elder and Kinship Care

With people living longer and baby boomers moving into their senior years, the number of people aged 65 years and older is rising dramatically. The North Carolina State Demographers Office estimates the number of people age 65 years and older in Mecklenburg County will grow to a resounding 85 percent from 2005 to 2020, from 64,681 to 119,399.¹¹

Furthermore, a high percentage of these individuals will need help with activities of daily living (ADL), such as eating, dressing, bathing, personal hygiene-related tasks, transfers (the ability to get in and out of a bed or chair), ambulation and communication. Data compiled by the Charlotte Regional Indicators Project show that about half of this age group needed help with at least one of these daily tasks, based on data from 14 Charlotte regional counties in 2000. The regional average was 46.4 percent needing help with at least one ADL, a figure in keeping with state averages. The North Carolina average was 45.7 percent; South Carolina, 46.4.¹²



“It’s a hard choice to put a loved one in a nursing home—when there’s no one to help.”

—Women’s Summit focus group participant



National studies show that women do about 70 percent of the caregiving for their elderly relatives. Two out of three of these caregivers hold jobs. Women with ailing parents are much more likely to feel depressed and worried about having enough time for family members.¹³

“Later marriages, later child-bearing and long lifespans are forcing more women into taking responsibility for their kids and their parents,” says social demographer Janice Wassel of the University of North Carolina at Greensboro. “The ‘sandwich’ years don’t even go away by the 60s anymore,” wrote Marilyn Elias in *USAToday*.¹³ “We’ve got these 60-year-olds who take care of 92-year-old parents and 16-year-old kids,” Wassel said.

In North Carolina, a 2003 survey of employers showed that many people serve dual roles of caregiver and employee. These demands take a toll. Employers noted that 62 percent of their employees have provided care or assistance to an older person, 51 percent said that an employee has asked for time off for caregiving (32 percent noted requests for time off under the Family Medical Leave Act) and 62 percent said that caregiving has had a major or minor effect on employee performance.¹⁴

In 2007, the Joint Economic Committee of the U.S. Congress published a fact sheet on the high cost of

elder care on families, businesses and the economy. Of nearly nine million frail elderly people living at home, the vast majority has modest financial resources, lacks private long-term insurance and thus relies on help from family caregivers.

The informal care by unpaid caregivers is the greatest source of “spending” for long-term care. In 2005, it accounted for one-third (33.2 percent) of national spending on long-term care, representing \$102.7 billion. Such informal care has tremendous economic value, enabling millions of older Americans to live at home rather than in nursing homes.

Other highlights of the committee report include:¹⁵

“Adult children are the most common elder care providers (53 percent). Spouses account for 28 percent of elder caregivers. Nearly 60 percent of all caregivers aged 35 to 39 years also have a dependent child.

“The average caregiver provides about 25 hours of care each week. Primary caregivers provide nearly 50 hours per week, or more than a full-time job.

“Caregivers pay a price for informal elder caregiving. Over half (53 percent) of adult caregivers

work full-time, while an additional 10 percent work part-time. Many take time out of the workforce, cut back hours or lose out on opportunities for advancement. Overall, the average caregiver loses \$659,000 in lifetime wage and pension wealth due to caregiving.

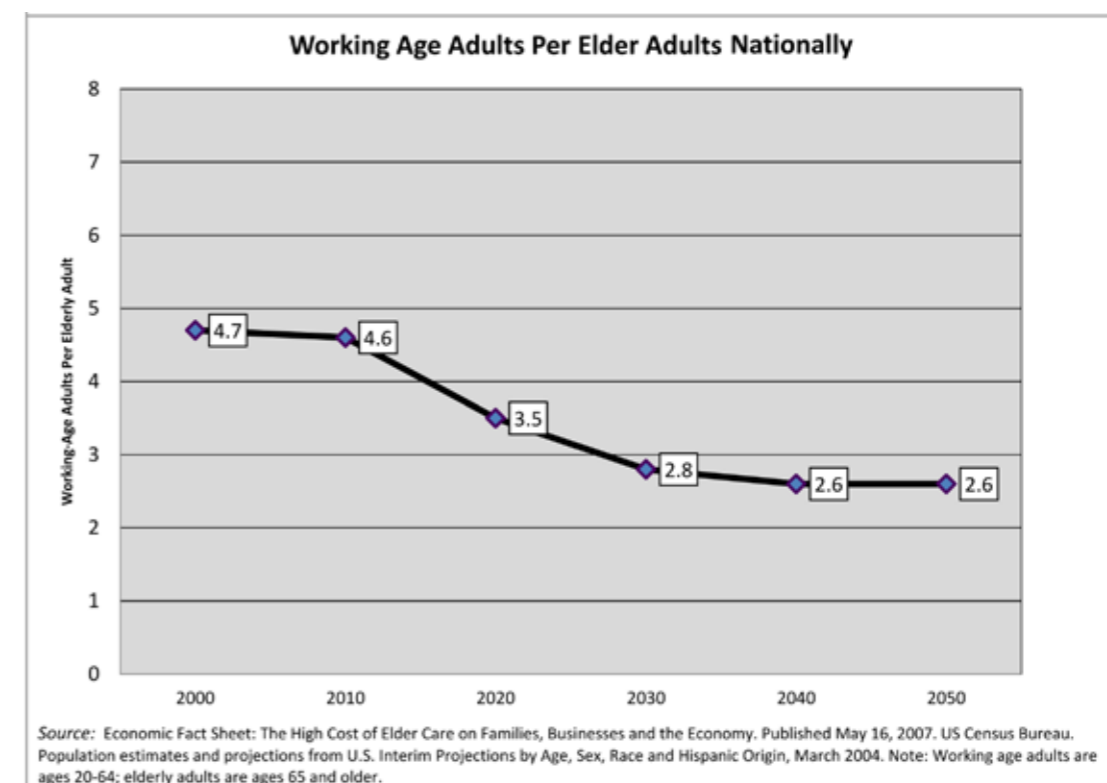
“Your health suffers if you’re caregiving long-term. Even you can’t be there 24/7.”

—Women’s Summit focus group participant

“Employers also pay a price. In 2002, 35 percent of all workers reported providing informal care to a senior relative, compared with only 25 percent in 1996. In addition to curtailing their work hours, many employees conduct care activities at work and make other adjustments to accommodate their caregiving responsibilities. Overall, caregiving is estimated to cost U.S. business over \$33 billion each year in lost productivity. Lost productivity has a direct impact on the rate of economic growth and thus on the U.S. standard of living. Additionally, foregone earnings result in lower tax revenues, lower retirement savings, greater financial insecurity and potentially greater reliance on government programs.

“The burden will intensify in the future. The aging of the baby boomers, continued advances in medical technology that enable the frail elderly to live at home longer and the difficulty in recruiting and retaining paid caregivers will increase the demand for informal caregiving, even as the number of potential caregivers for each elderly adult will shrink, intensifying the pressures on those providing care.”

As with child care, cost is a major issue with adult day services that support families dealing with elderly family members. Such services emerged in the 1960s and serve about “400,000 U.S. adults who may be frail or disabled with



“Sometimes the person you are caring for looks good, so outsiders don’t understand the real needs of caregivers.”

—Women’s Summit focus group participant



some dementia or other cognitive impairments,” according to *The Charlotte Observer* reporter Pam Kelley, who specializes in coverage of older adults.

“These programs can delay or prevent the need for institutional care,” Kelley writes. “They give family members a break from caregiving while offering clients socialization and activities, such as craft and exercise programs. Such stimulation can slow the progress of dementia, experts say.”¹⁶

Apart from a recently opened high-end adult day care center, The Ivey, most such operations in Mecklenburg are nonprofits that charge from \$40 to \$60 per day. They draw from public funding, such as Medicaid, state block grants and veterans benefits, Kelley says.

She identified 11 centers in Mecklenburg County with a capacity to serve 468 individuals. Slots remain open at many centers because of poor marketing, stagnant public funding and lack of public awareness about the service, she writes. As of early

2008, more than 50 people were on waiting lists for public grants or subsidies to attend a center.¹⁶

Currently, Mecklenburg County Department of Social Services provides \$4,593,289 per year to fund In-Home Aide Services, Adult Day Care/Day Health and Caregiver Support Services to keep seniors and adults with disabilities in their own homes. The funding comes from a combination of federal, state and local money and voluntary consumer contributions. On average, 30 customers per month are turned away because funds for In-Home Aide Services have been exhausted. The cost of providing services for all of these people for one year would be \$2,288,400 for a total of \$7,119,289. Providing care in the community is considerably less expensive than care in a facility, and most caregivers and their loved ones want to remain in their own homes. In-Home Aide Services to support a caregiver cost an average of \$5,000 per year compared with the other levels of care, in ascending order of need: \$13,200 for Adult Day Health; \$48,000 for Adult Care Home and \$60,000 for nursing home care. At the lowest levels of In-Home care, people who need help with housekeeping and errands are

unlikely to need placement in a facility when services are not available. At the higher level of In-Home Aide Services and in the Adult Day Health centers, however, people need assistance with bathing, eating and taking their medications and constant attention to their medical status and safety. For this group of people, a caregiver must provide round-the-clock care or place the loved one in a facility when services are not available. In order for caregivers to remain in the labor force as their elders age, funding is necessary to establish and expand services and subsidize their cost for low-to middle-income working women and families.

To serve these individuals for one year would cost \$2.3 million, a little over half of the current budget, but a major savings over the cost of alternatives. The \$60,000 annual cost of a nursing home is nearly five times that of adult day health services for a year, at \$13,200. The \$48,000 per year for an adult care home is nearly six times of in-home aide services for a year, at \$5,000.

The estimates for unmet need are probably only a small portion of the actual unmet need in the

county. These numbers do not include women who may be waiting for Medicaid funded services or who may not be aware that services are available. Women who are not able to get the services they need are often forced to choose between ending or reducing their employment to stay home with an elderly or disabled loved one or leaving them in unsafe situations.

The amount of funding needed to support women’s dependent care responsibilities is staggering and often immobilizes those who learn of the tremendous need. Yet community and political will must be mobilized to begin to incrementally leverage from local and state level, public and private sectors the needed resources to increase awareness of, attention to, and funding to address the dependent care responsibilities of low-to moderate-income women. The women then could participate in the labor force and not risk the safety, health, education and/or well-being of those children, youth and/or elders who depend on them as well as their own safety, health and well-being.

