

POLICY NOTE

REDUCING THE UNEQUAL BURDEN OF UNPAID ELDER CARE WORK

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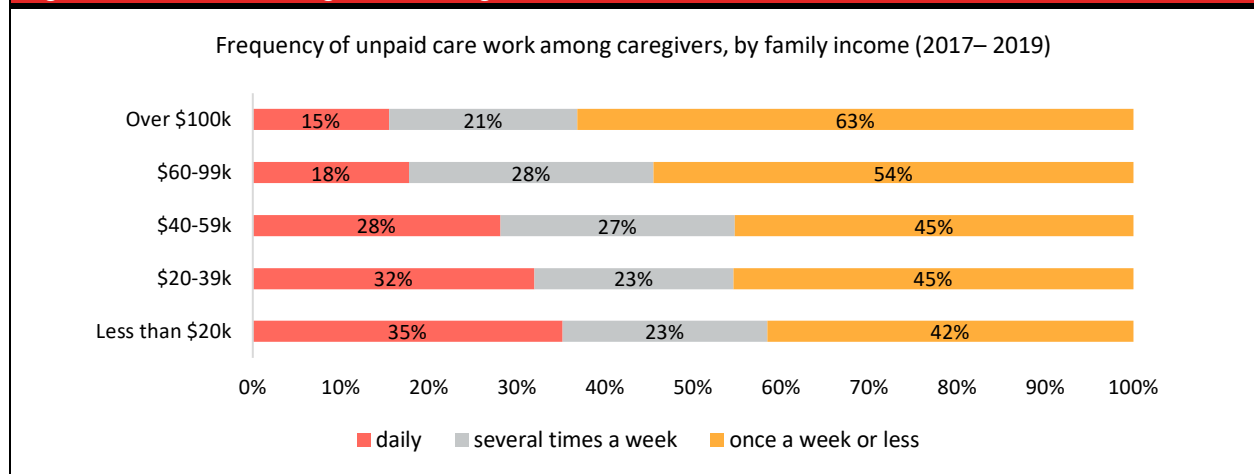
Elevator Pitch: Unpaid care work—the vast majority of such work in the United States—is primarily shouldered by economically vulnerable people. The costs associated with unpaid care work compound existing economic insecurity, leading to higher rates of poverty in old age. Supporting informal caregivers by recognizing caregiving as work by expanding their access to social safety net programs and providing paid family care leave is essential.

The U.S. disproportionately relies on unpaid caregivers to look after and care for its aging population. In fact, one estimate suggests that 75-80 percent of total care hours for older adults is provided by informal caregivers.¹ Unpaid caregivers number in the millions, with 40.4 million individuals ages 15 and older providing some amount of unpaid elder care between 2017 and 2018.² Such caregivers provide an invaluable service to society, but many face costs from foregone employment, lost income and benefits, and lost access to work-dependent welfare supports, which only compound over time.

Caregivers who stop working due to caregiving responsibilities not only lose their current income but also suffer long-term financial consequences. This is known as the "scarring effect" of non-employment, where prolonged absence from the workforce leads to a permanent reduction in earnings potential, especially for those at the lower and higher ends of the income distribution.³

Moreover, non-employment also means that on top of missing out on the opportunity to save for retirement, caregivers do not obtain Social Security work credits, which are earned through paid employment and are crucial for retirement

Figure 1: Low-Income Caregivers Face High Elder Care Burdens



Source: SCEPA calculations based on American Time Use Survey, 2017–2019 pooled data

Note: Sample includes all individuals ages 25 and over. Person weight, 2006 methodology

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security. Without these credits, caregivers will receive lower Social Security benefits, or may not be eligible for benefits at all, which further worsens their financial situation in retirement.⁴

Low income and Black and Hispanic caregivers face the heaviest caregiving burdens, which are often compounded by simultaneous child caregiving. Of caregivers, nearly a third of those from low-income families provide daily elder care, compared to just 15 percent of caregivers from high-income households. It is no wonder that unpaid elder care labor and economic insecurity are linked; indeed, low income may itself be a result of elder caregiving.

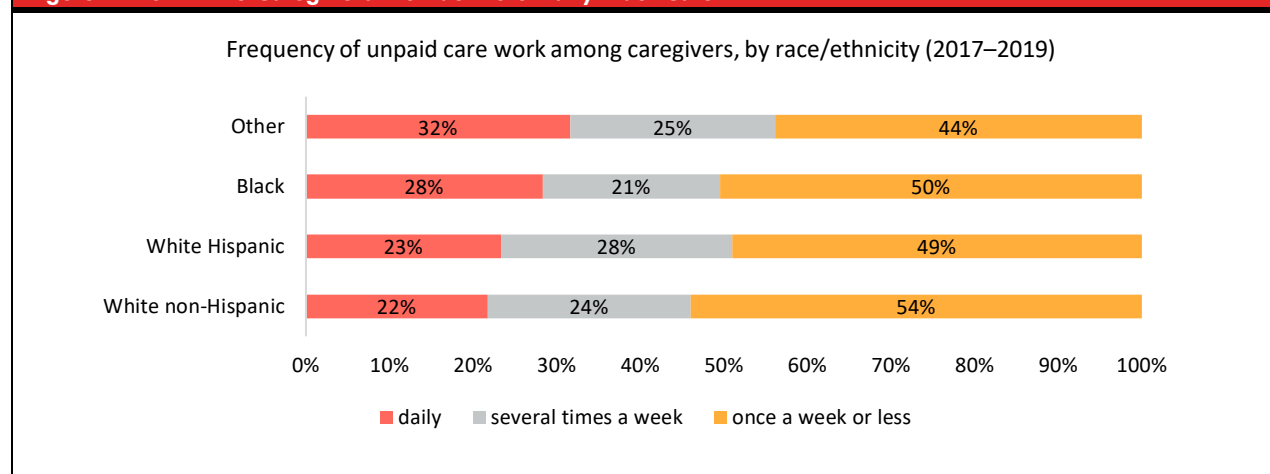
Current demographic projections indicate that the U.S. will see a near 40 percent increase in the share of the population ages 75 and older over the next ten years.⁵ Such trends in both the number and share of aging older adults will place an increasing burden on family caregivers in years to come, many of whom are already performing unpaid care under significant constraints. It is therefore crucial that the U.S. implement policies that redefine work and employment and bolster supports for informal elder care providers, to ensure that caregivers have the support and resources necessary to continue providing care without facing economic insecurity.

Economically Vulnerable Caregivers Shoulder the Heaviest Care Burdens

Though higher income households are most likely to provide some amount of unpaid elder care (see Appendix), economically vulnerable caregivers are most likely to provide *daily* eldercare. Narratives around informal elder care often center middle-income white women given that they have the highest prevalence of caregiving (see Appendix), but these narratives fail to acknowledge the differences of burden among caregivers by household income and race/ethnicity. In fact, 35 percent of caregivers in families who make less than \$20,000 and 32 percent of caregivers in households making \$20,000 to \$39,000 are providing daily unpaid

elder care, compared to just 15 percent of caregivers in households that make \$100,000 or more (Figure 1). Individuals in this income category are also most likely (63 percent) to provide care only once a week or less often, compared to lower-income brackets. Patterns for the intensity of eldercare responsibilities bear out similarly when looking at the data by race and ethnicity. Specifically, Black and white Hispanic caregivers are more likely than their white non-Hispanic counterparts to provide daily elder care and less likely to provide lower-intensity care (Figure 2).

Figure 2: Non-White Caregivers Provide More Daily Elder Care



Source: SCEPA calculations based on American Time Use Survey, 2017-2019 pooled data
Note: Sample includes all individuals ages 25 and over. Person weight, 2006 methodology

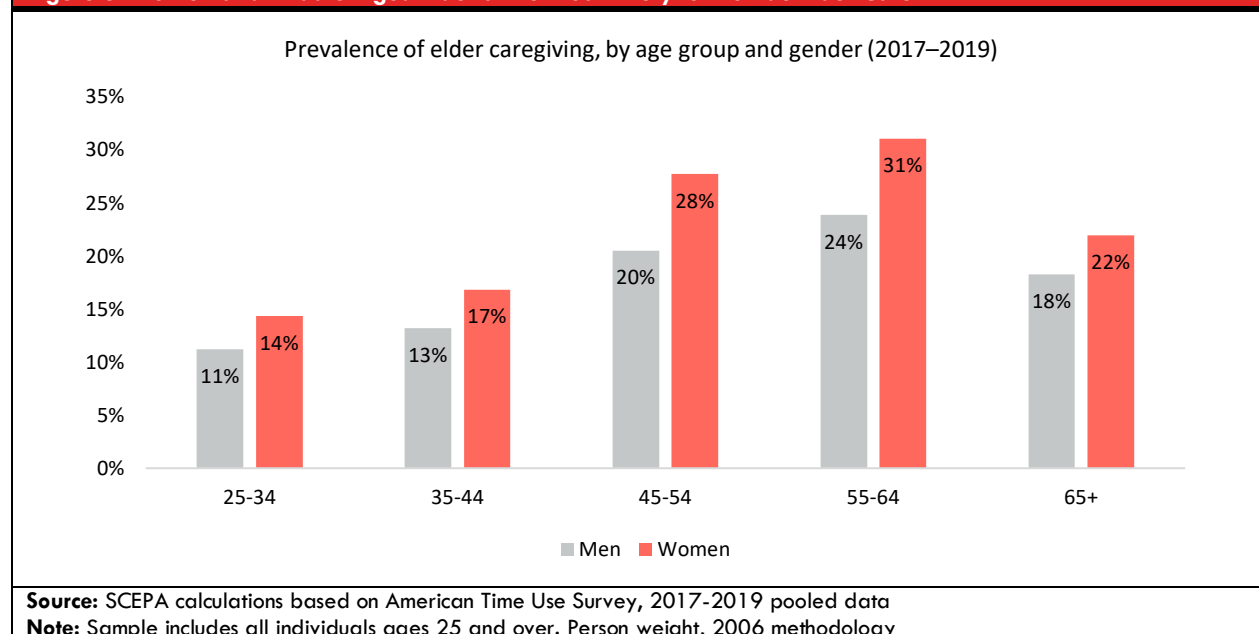
Unpaid Elder Caregivers Face a Double Squeeze

Informal childcare responsibilities may compound the burdens of unpaid eldercare. As individuals age, their older family members do too, and unpaid eldercare rates tend to increase with age, peaking for those ages 55-64 (Figure 3). Dubbed the “sandwich generation,” middle-aged caregivers to aging parents may still have dependent children for whom they provide unpaid care or may be providing childcare for a grandchild.⁶ 15 percent of individuals providing unpaid eldercare also engaged in unpaid childcare in the same day, according to pooled

American Time Use Survey data for 2017 to 2019 (author’s calculations). Other research suggests that nearly half of adults in their 40s and 50s are facing this double bind when you take into account the financial support of both parents and children.⁷

Women and adults age 45 and older are most likely to provide unpaid elder care compared to men and younger age cohorts. Of all households, women were almost 30 percent more likely to provide care than their male counterparts (Figure 3).

Figure 3: Women and Middle-Aged Adults Are Most Likely to Provide Elder Care



The Costs of Unpaid Elder Care Compound Over Time

The clear demographic differences in burdens of unpaid eldercare suggest that low income may itself be a result of elder caregiving. Indeed, research indicates that providing unpaid elder care earlier in life increases individuals’ risk of poverty in older age as caregivers forego employment and thus lose out on income and employment-dependent benefits.⁸⁹ One 2014 study estimated that total foregone income from unpaid U.S. eldercare amounted to \$522 billion annually.¹⁰ Other research confirms this loss by

showing that starting caregiving leads to a reduction in employment, and that this reduction persists even after two years.¹¹

For low-income families, paid elder care is prohibitively expensive and out of reach. In 2016, for example, the average cost of assisted facility living ranged from \$3,628 to \$6,844 a month, depending on the accommodations, while hourly rates of home-based care were \$20–\$20.50 an hour.¹² Individuals who are able to afford to pay for some amount of elder care services have

greater freedom to make choices regarding their time allocations to paid work, unpaid care, or other activities. Lower income individuals, however, are more constrained in their care options.

Though individuals in higher income households have a greater prevalence of unpaid elder care and are likely to have the highest nominal opportunity costs of foregoing employment, they are also less likely to have to leave the labor force entirely to provide such care. These individuals may also be partnered, have greater retirement savings, and own their homes, all of which are factors that mitigate the risk of poverty due to forgone work. Additionally, individuals from higher income households are much more likely to be able to afford formal elder care, which they

may substitute entirely for or pair with unpaid care.

The economic costs of unpaid care work extend beyond the loss of earnings. Government social and economic policies that systematically undervalue unpaid work and marginalize those without formal employment increase the actual economic costs of unpaid care work for caregivers. Low-income daily caregivers who cannot afford formal employment are excluded from social safety net programs with work requirements, such as the Earned Income Tax Credit (EITC) and are excluded from Medicaid in some states.¹³ Thus, the costs of providing informal elder care include losing out on access to social safety net programs that are often important to low-income individuals and households.

Policy Recommendations

Expand program eligibility by redefining work and employment

Social programs that have work requirements, such as EITC or Medicaid in some states, should expand their definitions of employment to include unpaid elder care work. Other programs like unemployment insurance should consider expanding “good cause quits” to include those forced to leave jobs due to elder care responsibilities.¹⁴ Unpaid elder care is a reality faced by millions of Americans and excluding such informal labor from definitions of work and employment has significant costs. Policies designed to help low-income households that condition on formal employment ultimately rob caregivers of valuable resources as they provide an invaluable service to the U.S.’s aging population. Policies that redefine work and employment would help provide informal caregivers with basic economic security so that they may continue providing such care.

Provide care credits for Social Security

Caregivers who leave the labor force face a greater risk of poverty at older ages, as on top of losing earnings and potential retirement savings, they do not accumulate sufficient Social Security benefits. The impact on Social Security accrual is particularly important considering that the majority of those providing unpaid eldercare are women who have longer life expectancies compared to men. Providing care credits for Social Security could help mitigate a cycle of elder poverty brought on by the government’s failure to support vital caregiving activities, including elder care and childcare.¹⁵

Provide paid family care leave and improve access to part-time employment

Some elder caregivers may only need to provide care for short periods following particular incidences or health shocks, while others may only need to provide care on a part-time basis. Providing such caregivers with universal paid family care leave and policies to promote the accessibility of part-time employment¹⁶ will help those individuals remain partially employed and ultimately reduce their costs of providing unpaid elder care work.

Appendix

Data and Methodology

We use American Time Use Survey (ATUS) data pooled across 2017-2019 to calculate pre-pandemic unpaid eldercare prevalence and frequency estimates. The ATUS is a nationally representative survey conducted by the US Bureau of Labor Statistics on non-institutionalized individuals in the United States age 15 and older. Starting in 2011, the ATUS introduced questions about time spent on unpaid eldercare designed to identify eldercare providers and to measure the time they spent performing such care. As part of this module, respondents are asked whether they have provided “any care or assistance for an adult who needed help because of a condition related to aging” in the past three months. If respondents have provided any care, they are then asked how often they provided this care and are given options of “daily,” “several times a week,” “about once a week,” “several times a month,” “once a month,” “one time,” or “other.”

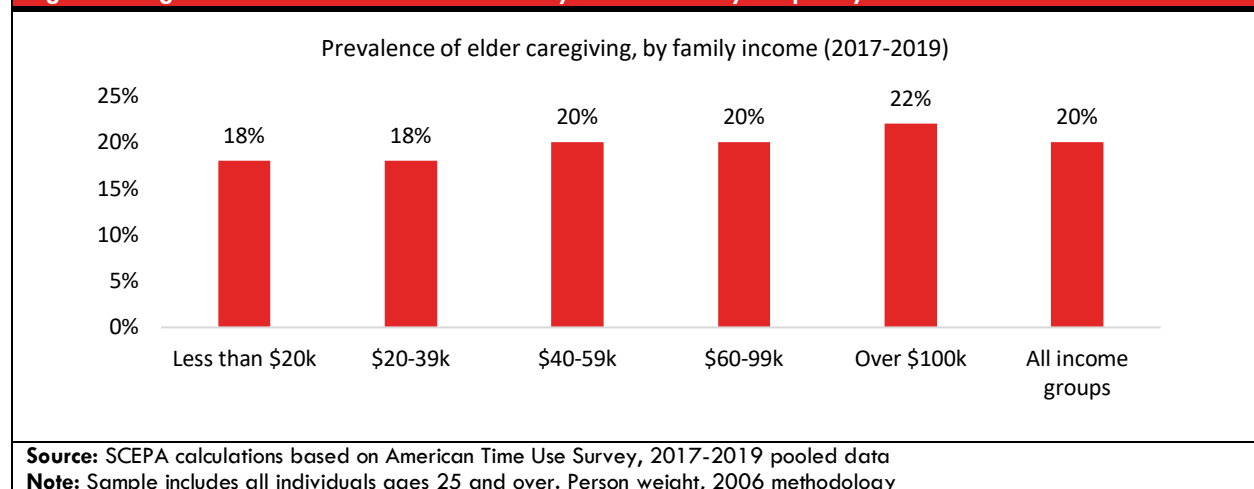
Our prevalence estimates are based on weighted percentages of those who responded yes to the first question, whether they had provided any unpaid elder care in the past three months. Frequency results are weighted estimates using the second question, though we combine categories into “once a week,” “several times a week,” and “once a week or less.” The ATUS additionally collects demographic information on race and ethnicity, sex, educational attainment, age, and family income. For this analysis, we restrict the sample to adults aged 25 and older. Family income is reported categorically in 16 buckets of varying increments up to \$149,000, at which point the data just reports those who earn \$150,000 or more. We combine these into 5 larger buckets that have roughly equally distributed number of observations.

The ATUS also asks questions regarding individual’s childcare activities from the previous day. If an individual reported any time spent caring for or helping any child in the respondent’s household, regardless of relationship, we count them as having provided childcare in the previous day. We compare this to respondent’s answer to whether they provided any eldercare in the previous day to estimate the weighted percentage of individuals who provided both eldercare and childcare in the same day (as reported on page 3 of this policy note).

Prevalence of elder care

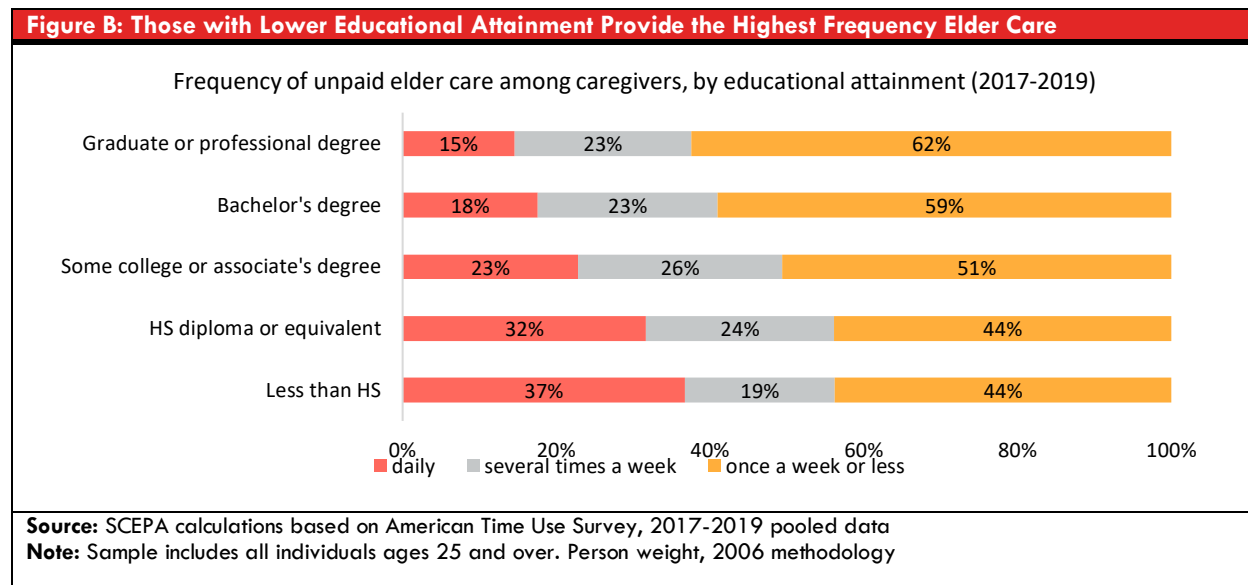
Individuals in households with family income of \$150,000 or more are 4 percentage points more likely to have provided any eldercare to an adult in the past three months. However, this is likely in part driven by

Figure A: Higher Income Families are Most Likely to Provide Any Frequency of Elder Care



the higher likelihood of upper income individuals to have parents who are still living compared to individuals in lower income households.

Individuals with less educational attainment provide more high-frequency unpaid eldercare compared to those with higher degrees. For example, 37 percent of those without a high school degree provide daily elder care, compared to just 15 percent of individuals with a graduate or professional degree. Given that educational attainment, household income, and work status are often linked, these results unsurprisingly reflect the findings reported in Figure 1 of this policy note, where individuals in low-income families are also most likely to provide daily unpaid eldercare. However, unlike income, educational attainment—often decided at younger ages—is less likely to be affected by providing elder care.



White non-Hispanic women, followed closely by Black women, are most likely to provide unpaid elder care across family incomes. Surface level analyses of unpaid eldercare burdens might lead to conclusions that unpaid elder care responsibilities are a predominately white, middle- and upper- class issue based on Figures A and C, however, when paired with breakdowns of intensity of care provided, such as in Figure 2, it becomes clear that the picture is more nuanced. Though Black women are slightly less likely overall to provide any elder care compared to White non-Hispanic women, they are more likely to provide daily elder care (Figure 2), as well as more likely to be in the labor force, suggesting that Black women are facing compounded constraints on their time from both formal and informal work.

Table A: Prevalence of elder caregiving by family income, sex, and race/ethnicity (2017-2019)

		Less than \$20k	\$20-39k	\$40-59k	\$60-99k	Over \$100k	All income groups
Men	White non-Hispanic	20%	19%	19%	19%	21%	19%
	White Hispanic	8%	9%	8%	13%	15%	10%
	Black	17%	19%	12%	14%	21%	17%
	Other	14%	16%	9%	13%	14%	14%
Women	White non-Hispanic	23%	23%	27%	25%	27%	25%
	White Hispanic	9%	11%	11%	15%	15%	12%
	Black	17%	23%	25%	24%	24%	22%
	Other	17%	10%	14%	12%	17%	14%

Tables for figures 1-3

Table B: Frequency of elder caregiving by family income and race/ethnicity (2017-2019)				
Frequency of care		daily	several times a week	once a week or less
Less than \$20k	White Non-Hispanic	35%	24%	41%
	White Hispanic	32%	23%	45%
	Black	40%	21%	38%
	Other	16%	27%	56%
	Total	35%	23%	42%
\$20-39k	White Non-Hispanic	32%	23%	45%
	White Hispanic	28%	20%	52%
	Black	33%	20%	47%
	Other	44%	31%	24%
	Total	32%	23%	45%
\$40-59k	White Non-Hispanic	27%	26%	47%
	White Hispanic	39%	25%	35%
	Black	22%	30%	48%
	Other	52%	22%	26%
	Total	28%	27%	45%
\$60-99k	White Non-Hispanic	18%	28%	54%
	White Hispanic	12%	39%	50%
	Black	17%	20%	63%
	Other	28%	17%	54%
	Total	18%	28%	54%
Over \$100k	White Non-Hispanic	14%	21%	65%
	White Hispanic	16%	28%	56%
	Black	25%	16%	59%
	Other	26%	25%	48%
	Total	15%	21%	63%
Total	White Non-Hispanic	22%	24%	54%
	White Hispanic	23%	28%	49%
	Black	28%	21%	50%
	Other	32%	25%	44%
	Total	23%	24%	53%

Table C. Prevalence of elder caregiving, by gender and age group (2017-2019)						
Age group	25-34	35-44	45-54	55-64	65+	All ages
Men	11%	13%	20%	24%	18%	17%
Women	14%	17%	28%	31%	22%	22%
All	13%	15%	24%	28%	20%	20%

Endnotes

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