



## Help Employees Care for Parents

By Sam Ali - Sep 27, 2010

As the number of employees juggling the care of elderly parents and relatives continues to rise, working caregivers are increasingly torn between the needs of their families and obligations to their employers. How companies meet this challenge could be the prime workplace question in the coming decades. Studies show that unresolved eldercare issues culminate in lost productivity and increased health problems for employees and increased healthcare costs for companies.

The cost to U.S. businesses from the lost productivity of working caregivers is more than \$33 billion per year, according to the MetLife Caregiving Cost Study "[Productivity Losses to U.S. Business.](#)" The average caregiver costs an employer USD2,110 per year. Companies that will thrive in the future will adapt to this reality by implementing or strengthening policies and practices that improve both the bottom line and the lives of employee caregivers. [MetLife](#) is No. 42 in [The DiversityInc Top 50 Companies for Diversity](#)®.

### Caregivers Have More Health Problems

Another study from the MetLife Mature Market Institute sheds light on the physical and mental toll that caring for an older parent, relative or friend can take on employees and the subsequent toll it takes on an employer's bottom line.

Employees in the United States who are caring for older relatives are more likely to report health problems such as depression, diabetes, hypertension or heart disease, according to the "[MetLife Study of Working Caregivers and Employer Health Care Costs.](#)"

Employed elder caregivers in the United States cost employers an estimated additional healthcare cost of 8 percent per year or \$13.4 billion annually, according to the MetLife study.

The report, produced by the MetLife Mature Market Institute with the National Alliance for Caregiving and the University of Pittsburgh Institute of Aging, also found:

- Younger caregivers (ages 18–39) cost their employers 11 percent more for healthcare than non-caregivers
- Men caregivers cost their employers an additional 18 percent

It also found that eldercare may be closely associated with high-risk behaviors such as smoking and alcohol consumption. Exacerbating the potential impact to employers is the possibility that these medical conditions may also lead to disability-related absences.

### Just How Critical Is the Need for Eldercare?

America is growing older. According to the [Centers for Medicaid and Medicare Services](#), the federal agency that administers Medicare and Medicaid:

- Today's older population of more than 35 million Americans will increase to more than 70 million by 2030
- Today, 33.9 million caregivers provide help to people ages 50 and older
- The segment of the older population most likely to need care—those older than 85—is the fastest-growing segment of elders today
- Eighty percent of all the care received by older adults is provided by family and friends

To complicate the situation further, many children don't live near their parents. According to the [National Institute on Aging](#), some 7 million Americans are already providing care to someone who lives at least one hour away.

"A smart organization educates employees about its business needs so they understand the best way to contribute over time," says [Maureen Corcoran](#), vice president of diversity at [Prudential Financial](#), No. 32 in the DiversityInc Top 50. "Likewise, it educates itself about its employees' life needs so it can support and retain them over time. If an employee is forced to choose between caring for a loved one and devoting themselves to work, the company will lose."

### **What Is the Cost to American Business?**

Managing the responsibilities of home and eldercare isn't easy for workers. One survey reveals how the stresses of eldercare affected employee productivity:

- Fifty-six percent of respondents said they were less productive at work
- Fifty-one percent said they had to take time off during the workday for eldercare
- Thirty percent reported being absent for a full day to deal with eldercare matters

### **The Challenges of Eldercare: A Global Issue**

[Dr. Sylvia Ann Hewlett](#) of the Center for Work-Life Policy says multinational corporations need to understand how eldercare issues are impacting women in the global workplace who are trying to balance work and family life.

She says women in countries such as India and China tend to be less encumbered by childcare because they have more shoulders to lean on. However, huge numbers of women in emerging markets, where the concept of "filial piety" or duty toward elders remains powerful, have elders living with them or are largely responsible for their care.

Hewlett addressed global gender inequities at DiversityInc's March 9, 2010, global [diversity event](#). Her video and a speaker story are available [here](#).

Hewlett says that in India, 40 percent of professional women have parents or in-laws living in their homes. In the United States, that figure is about 3 percent, she said.

"There are enormous cultural pressures in looking after elders for daughters-in-law of good standing," she says.

"Daughterly guilt" is most pronounced in India, China and the United Arab Emirates, Hewlett says. Unlike childcare, eldercare demands go on for much longer, and in many countries, people in the professional workforce devote 20 percent of their income to the needs of their elders, she says.

Hewlett says employers can help by offering psychological support and employee-network and support groups to help their women employees break through this combination of daughterly guilt toward elders and maternal guilt toward children.

## **Millions of Americans Have This Concern**

A study examining caregiving in the United States, released by the [National Alliance for Caregiving](#) and AARP, finds that more than 44 million Americans, or an estimated 21 percent of all U.S. households, provide care for an adult family member or friend ages 18 and older.

Key findings of the study included the following:

- The majority of family caregivers (79 percent) are providing care to someone older than 50
- Nearly 60 percent of those caring for an adult older than 50 are working; the majority of those work full time
- Nearly 40 percent of caregivers are men
- The average age of the caregiver for a person older than 50 is 47
- Most caregivers provide unpaid care to a parent or grandparent
- Approximately 15 percent of the caregivers provide care to someone who lived at a distance of more than an hour away

"Given that the baby-boomer generation is getting older and their parents are living longer, [eldercare] is something that will affect corporate America for a long, long time," says Raymond Arroyo, chief diversity officer at [Aetna](#), No. 30 in the DiversityInc Top 50.

## **Meeting Employee Eldercare Needs**

According to the Centers for Medicaid and Medicare Services, companies that implement policies that are "eldercare friendly" will:

- Find it easier to attract and retain the best workers
- Increase productivity by reducing stress on employees
- Reduce disruptions in the work schedule
- Enhance their community image, which can attract new customers

## **Provide Employees With Information & Support by Reaching Out to Community Groups & Caregiver Organizations**

Some of the local groups you can contact for information include:

- Area agencies on aging
- Hospitals
- Senior centers
- Faith-based organizations (such as Catholic Charities and United Jewish Appeal)
- Disease-specific organizations (e.g., Alzheimer's Association)
- Local universities and community colleges or cooperative extension programs

## Recommended Best Practices

- Compressed work schedules that allow an employee to work more hours during the workday and fewer days in the week; 98 percent of the DiversityInc Top 50 companies offer flexible hours
- Flex-place policies that allow telecommuting; 96 percent of the DiversityInc Top 50 companies have this
- Paid sick leave that can be used to care for relatives or friends who are ill and/or paid family leave that can be used to care for ill relatives or friends; 62 percent of the DiversityInc Top 50 companies offer alternative career tracks for employees with long-term family-care issues
- Leave without pay options
- Temporary reduction of hours
- Job-sharing; 92 percent of the DiversityInc Top 50 companies do this
- Employee leave-sharing, where employees donate a portion of their leave time to others who have eldercare responsibilities

Arroyo says Aetna recently formed a Caregivers Employee Resource Group, which enables employees caring for elderly loved ones to share articles, resources and encouragement. "I think one of the biggest values to our group is in connecting people who otherwise feel very alone," says one Aetna employee.

At [IBM Corp.](#), No. 8 in the DiversityInc Top 50, employees can use pre-tax dollars to pay for eligible dependent-care expenses, according to IBM spokesperson Laurie Friedman. The IBM Dependent Care Spending Account lets people save money on daycare for children or adults by paying for eligible expenses on a pre-tax basis. People can save anywhere from \$20 per month to \$5,000 per year. Contributions are deducted from pay before federal income, state income and Social Security taxes are deducted, so taxable income is lowered. When employees incur eligible expenses, they can submit claims to get reimbursed and the reimbursement is paid back tax-free.

## Partner With Community Organizations

"Caregiver fairs are an excellent way to allow employees access to a wide range of information in one day," according to the Centers for Medicaid and Medicare Services. "Agencies typically come to the fair with brochures and other information to help employees make eldercare decisions. All you have to do is provide the space and perhaps some tables. Your Area Agency on Aging can help you get started."

IBM has been offering its employees corporate eldercare programs and assistance since 1987. Among the interventions it offers caregivers are free consultation and referral service.

According to Friedman, this service helps employees and their families locate eldercare services, including medical services, in-home services (homemakers, home-delivered meals), housing arrangements, nursing homes, community education and enrichment programs such as senior-citizen centers, transportation services, and case-management services.

"IBM employees or a family member have access to up to six free hours of elder- or adult-care management services annually, which is especially helpful for those who live at a distance from family members or older relatives," Friedman says.

IBM employees can speak via phone with a trained geriatric-care professional regarding:

- In-person assessment of an adult or older relative's environment, functioning, options for services, or a change in residence if needed
- Check-in services, by telephone or in person, to monitor your relative's condition and care and let you know of any changes or concerns
- Help to manage the different services your relative may be using or to arrange for new services
- Onsite evaluations of nursing homes and assisted-living facilities to help you compare and choose facilities
- Professional assistance to help you better understand bills and insurance, provide support with family meetings, and attend visits at nursing homes, hospitals or with doctors
- Respite care in your relative's home to provide time off for family members who care for an adult or older relative