Boomers, Their Aging Parents, and Their Employers: What's Changed?

By Sandra Timmermann, EdD

It's been said that the 1980s and 1990s were the child-care decades and that the 2000s and 2010s will be the eldercare decades. It certainly seems that way to many of us in the boomer and swing generations. When I go to parties now, the conversation is no longer about finding a qualified person to take care of our young children while we are at work or squeezing in time from the job to attend school events. The topic that we talk about these days is our aging parents—their health and well-being, their living arrangements, their driving abilities, and sometimes their finances.

This shift in focus should be no surprise. The boomers are now in their 40s and 50s, and their parents are in their 70s, 80s and beyond, reaching the age when chronic conditions develop that require day-to-day care. And so, the boomers, facing a new rite of passage, step up to the plate to provide help and assistance to their mom and dad—the parents who once took care of them. But more likely than not, they don't know where to begin. Providing eldercare can be a complicated, emotionally charged period in our lives, as many who have gone through this experience will attest. This is especially true for those who are employed and facing caregiving responsibilities that they never anticipated.

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Caregivers Today

What's changed about caregivers today? The number of individuals providing care to someone age 18 and over is growing. According to *Caregiving in the US,* a survey conducted in 2005 by the National Alliance for Caregiving and AARP and funded by the MetLife Foundation, 21% of the adult U.S. population are caregivers.[1]

Caregiver Profile
- 44 million caregivers
- Average age is 46
- 61% women; 59% men
- Provide on average 21 hours of care per week
- Average length of care is 4.3 years
- 59% are employed

In addition to the increasing numbers, two facts stand out that are of particular importance to employers. The first is that more caregivers are employed than in the past. The second is that more men have caregiving responsibilities than previously reported, many of whom are primary caregivers and have managerial or executive jobs. With these two developments, caregiving is—or surely will be—on many more employers' radar screens.

Employers More Aware

Thanks to the extensive media coverage about caregiving and the new realities of the aging workforce, many employers are indeed aware that a number of their employees are caregivers of aging parents. But even with increased awareness, progress has been slow. Large employers are the most likely to have eldercare programs in place. The most common eldercare services used by large employers, often provided by national work-life vendors, are Web sites with information and telephone assistance. Some companies offer employees the services of geriatric care managers who can help them assess their parents' situation and recommend care options. Others provide on-site seminars and other resources.

Interestingly, the services most valued by employees who are providing eldercare are the same services that are valued by those with child-care responsibilities. According to the *MetLife Study of Sons at Work: Balancing Employment and Eldercare,* the services cited by both men and women as being most helpful were flexibility in scheduling and telecommuting. They also identified other types of assistance—help finding services for their loved ones and help with legal, financial, and insurance issues.[2] These interventions, many of which are low-cost solutions, not only can help the employee, they can also impact the employer's bottom line.

Employee Productivity and Impact of Caregiving

A new study by the MetLife Mature Market Institute in conjunction with the National Alliance for Caregiving found that annual losses in productivity to U.S. business because of employees who must make workplace accommodations as a result of caregiving is between $17.1 billion and $33.6 billion, depending on the level of care provided. This represents an increase from the original 1997 study, which found that losses ranged from

$11.5 billion to $29 billion.[3]

The study analyzes costs associated with replacing employees, absenteeism, workday interruptions, care crises, supervisory time, unpaid leave, and reducing hours from full to part time. This translates to a $2,110 cost to employers per full-time, caregiving employee, or $2,441 for those who are providing more intense care.

Putting eldercare programs in place—a combination of flexible work schedules and services specific to the caregiving situation—is a win-win for both employees and employers. By increasing productivity, there will be cost savings for the employer, they will retain valuable boomer employees who might otherwise leave the workforce, and the services they offer will make them more competitive from an employee benefits perspective. As for the employees who are caregivers, they will have the support they need during a stressful period in their lives, resulting in more job satisfaction and less anxiety at work.

Implications for Financial Services Professionals

Financial services professionals can be of assistance to their individual clients who are grappling with the eldercare experience. They also can help their clients who are employers or who own a small business, and who may not be aware that many of their employees are caregivers or of the services that they can put in place at minimal cost.

For clients who are caring for their aging parents or other loved ones, financial service professionals can provide an important service by connecting them with other professionals and with local resources. An alliance with geriatric care managers—individuals in private practice, usually nurses or social workers who develop care plans and implement them for a fee—would be helpful to clients and would also be a good source of referral for new business. Elder law attorneys—those who specialize in estate issues and can advise on legal documents such as durable powers of attorney and living wills—would also be valuable partners.

Some financial service professionals take an extra step and become knowledgeable about care resources in their community, including nursing homes, assisted-living facilities, and home care agencies, and the costs associated with each. Some take an extra step and visit a number of these facilities and agencies, providing a deeper knowledge to their clients and, at the same time, becoming known to the service providers in the community. Caregivers, often stretched to the limit, don't have the time to explore options and any help that is provided is welcome.

This is also a time to introduce the idea of long-term care insurance (LTCI). While it is generally too late for the person receiving the care to consider LTCI, the boomer caregiver is learning firsthand about the difficulties of putting services in place and the high financial costs of care.

A knowledge of local eldercare resources will also be valuable to clients who are business owners or who are HR managers in smaller companies and responsible for work-life benefits. An entry point for the small employer is the local Area Agency on Aging. There are "AAAs" throughout the country charged with coordinating aging services locally. They often sponsor brown bag lunches at the worksite for employees and make brochures and materials available at no cost. Their knowledge of government benefits, including the Web site www.benefitscheckup.org, can be helpful to employees who want to find out if their parents are eligible for services.

By raising issues about caregiving and its impact, financial service professionals can help employers and business owners become more aware of the need to advise their employees in preparing for their own retirement, in determining the income stream they will need once they stop working, and in recognizing the role that LTCI can play in easing caregiver stress and in protecting assets for their spouse and children.

In sum, as the boomers age and near their own retirement, they are also facing a major life event—the aging of their parents. This is a wake-up call for many of them, just at a time when their child-rearing days had ended and they thought they were free from dependent-care responsibilities. Financial service professionals, tuned into the issues and aware of available resources, can play an important role by understanding what their clients are going through and providing the information and the financial advice they need. ■

For a wealth of resources on caregiving, including the studies referred to above, go to the Web site of the MetLife Mature Market Institute, www.maturemarketinstitute.com.

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The viewpoints represented in this column belong to the author and are not necessarily those of MetLife.

(1) *Family Caregiving in the U.S.*, National Alliance for Caregiving and AARP with the MetLife Foundation (Washington, DC, 2005).
(2) *The MetLife Study of Sons at Work: Balancing Employment and Eldercare,* MetLife Mature Market Institute in conjunction with the National Alliance for Caregiving and The Center for Productive Aging, Towson University, June 2003.
(3) *The MetLife Caregiving Costs Study: Productivity Losses to U.S. Business,* MetLife Mature Market Institute in conjunction with the National Alliance for Caregiving, July 2006.