

Challenges to Working Longer: Caregiving in Later Life

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BACKGROUND

There will be a greater need for individuals to work longer *and* provide care to family members given extended longevity, shortfalls of retirement income, policies that incentivize extended employment, and the absence of a robust and comprehensive system for long-term services and supports (LTSS). While research in this area is complex, there is some evidence to suggest caregivers are at greater risk of living in poverty in later life,¹ are more likely to be forced into retirement,² and retire at earlier ages.³

Unretirement, defined as returning to paid-work after formal retirement, is an emerging phenomenon that is likely to continue. Unfortunately, research has overlooked how family obligations relate to going back to work after retirement.⁴

We aim to:

1. Explore the heterogeneity of informal caregiving responsibilities in later life, and
2. Examine how informal caregiving predicts returning-to-work after retirement.

METHODOLOGY

Utilizing longitudinal population data from the Health and Retirement Study, a representative sample of older adults who were retired in 1998 (n=8,334) were followed to 2008. If a study participant reported partly-retired, working part or full-time, and working any hours or weeks in subsequent waves (2000-2008), then the respondent was coded as 'returned-to-work.' Cox proportional hazard models yielded information on the significant factors associated with unretirement. Informal caregiving was measured with parenting an adult child/grand or great grandchild; helping a spouse with activities of daily living (ADLs, e.g., bathing, dressing, eating, moving from bed to chair, or going to the toilet) or instrumental activities of daily living (IADLs, e.g., preparing meals, shopping for groceries, making telephone calls, assisting with medications); and helping parents with ADLs or IADLs. Covariates included socio-demographic factors (age, sex, race), economic (total household income, pension, employer-sponsored retiree health insurance, education, health, life-time occupational status), and social (marital status and partnered to a working spouse/significant other).

RESULTS

The average age at baseline was 74 (range 62-102, $SD=7.37$). More than half (53.75%) were female. Most (88.52%) of the sample were white, followed by black (8.69%) and other racial and ethnic minorities (2.76%). Approximately 6% (501) of retirees returned-to-work in subsequent waves.⁵

Retirees were engaged in a variety of caregiving roles (Table 1). The most frequent was parenting an adult child and/or grandchild. Retirees were also helping spouses, partners, and parents with ADLs or IADLs. Across the ten years, retirees were engaged in single and multiple caregiving roles.

Table 1. Percentage of informal caregiving across waves

	1998	2000	2002	2004	2006	2008
Parenting a child/grand or great-grandchild	22.16	16.56	11.77	9.57	7.41	4.79
Helping a spouse/partner with ADLs	3.80	3.37	2.72	2.43	2.22	1.99
Helping a spouse/partner with IADLs	5.61	4.31	3.87	3.93	3.62	2.77
Help parent(s) with ADLs	2.05	1.61	0.90	0.45	0.25	0.11
Help parent(s) with IADLs	4.09	3.03	1.53	0.71	0.57	0.31
Single and co-occurrence of care						
No caregiving role	72.06	78.42	84.57	87.74	90.20	93.14
Occupancy of 1 care role	24.43	18.97	14.14	11.44	9.22	6.54
Occupancy of 2+ care roles	3.52	2.61	1.30	0.81	0.58	0.32

Multivariate analyses suggests informal care operated differently with returning-to-work. When compared to non-caregivers, parenting increased the odds of returning-to-work by 28% (HR: 1.28, $p<.05$); helping a spouse with ADLs/IADLs reduced the odds of returning-to-work by 78% and 55%, respectively (HR: 0.22, $p<.05$; HR: 0.45, $p<.05$); and there was no statistical difference to returning-to-work between non-caregivers and helping a parent with ADLs/IADLs. There was no statistical difference to returning-to-work between non-caregivers, single or multiple caregiving responsibilities.⁶

Spousal caregivers face great challenges to returning-to-work after formal retirement. It is likely that they remain retired due to the personal, private, and demanding nature of caring for a spouse, particularly for partners who have difficulty with the most essential aspects of living such as eating, bathing, dressing, and getting out of bed. It is also evident that the odds of returning to work significantly decrease as the health of their partner worsens.

POLICY IMPLICATIONS

Retirement security and LTSS are two major themes for the White House Conference on Aging. Informal caregivers are often regarded as the back-bone of LTSS⁷ and are highly regarded for their unpaid work. Indeed, informal caregiving by older adults saves our nation approximately \$100 billion annually.⁸ Yet retirement policies encourage and financially reward formal labor force participation longer into the life-span. In this mixed policy context, spousal caregivers may be highly regarded for the unpaid and valuable work they perform, yet economically disadvantaged.

Proposed legislation, such as Family and Medical Insurance Leave Act of 2013 (H.R. 3712, S. 1810)⁹ which will provide paid-leave, Schedules that Work Act (H.R. 5159, S. 2642)¹⁰ which can ensure some workplace flexibility, combined with strengthening LTSS, may bolster opportunities to work longer which can improve caregivers' retirement security. Evidence of the feasibility and favorable outcomes of paid-leave exists with state-wide initiatives and demonstration projects.¹¹ And it appears that companies perform better with flexible work options and paid-leave that support elder and child care.¹²

Legislation that directly compensates caregivers, e.g., social security credits or direct cash transfers; combined with offering tax credits for purchasing long-term care insurance,¹³ can directly support caregivers. Representative Lowey's proposed Social Security Caregiver Credit Act of 2014 (H.R. 5024)¹⁴ aims to remunerate caregiving with the objectives of reducing the economic disparities that exist between men and women in later life. The proposed legislation has gained significant public support,¹⁵ yet there remain important policy analysis, debates, and discussions to ensure the design of the policy achieves its objectives. Research in this area¹⁶ can help inform these discussions. We encourage members of Congress to devote resources (e.g., research, hearings, and debates) to this important legislative proposal.

CONCLUSION

Overall, there is great heterogeneity of caregiving demands in retirement. Findings clearly underscore how spousal caregivers have disparate odds of *un*-retiring. Caregivers are economically disadvantaged in the current context of retirement policy, limited flexible work options, the lack of universal coverage for paid-leave, and the absence of a robust LTSS. Policies that bolster the economic standing of caregivers and/or maximize the opportunities for occupying multiple productive roles (e.g., working and providing care) without negative economic repercussions is highly encouraged.

END NOTES

- ¹ MetLife Mature Market Institute. (2011). Caregiving costs to working caregivers. Westport, CT: MetLife Mature Market Institute. **See also** Wakabayashi, C., & Donato, K. M. (2006). Does caregiving increase poverty among women in later life? Evidence from the Health and Retirement Survey. *Journal of Health and Social Behavior*, 47(3), 258-274. **See also** Lee, Y., Tang, F., Kim, K. H., & Albert, S. M. (2015). The vicious cycle of parental caregiving and financial well-being: A longitudinal study of women. *The Journals of Gerontology: Series B*. **See also** Greenfield, J. C., (2013). The long-term costs of caring: How caring for an aging parent impacts wealth trajectories of caregivers. *All Theses and Dissertations*. Paper 1108.
- ² Szinovacz, M. E., & Davey, A. (2005). Predictors of perceptions of involuntary retirement. *The Gerontologist*, 45(1), 36-47. **See also** Pavalko & Artis (1997) Women's caregiving and paid work: Causal relationships in late midlife. *Journals of Gerontology: Social Sciences*, 52B, S170-S179.
- ³ Dentinger, E., & Clarkberg, M. (2002). Informal caregiving and retirement timing among men and women. *Journal of Family Issues*, 23(7), 857-879. **See also** Clarkberg, M. & Moen, P. (2001). The time-squeeze: The mismatch between work-hour patterns and preferences among married couples. *American Behavioral Scientist*, 44, 1115-1136.
- ⁴ Giandrea, M.D., Cahill, K.E., & Quinn, J.F. (2010). The role of re-entry in the retirement process. *BLS Working Papers*. **See also** Lahey, K. E., Kim, D., & Newman, M. L. (2006). Full retirement? An

examination of factors that influence the decision to return to work. *Financial Services Review* 15, 1-19.; **See also** Maestas, N. (2010). Back to work: Expectations and realizations of work after retirement. *Journal of Human Resources*, 45(3), 718–748. doi:10.1353/jhr.2010.0011.

See also Schlosser, F., Zinni, D., & Armstrong- Stassen, M. (2012). Intention to unretire: HR and the boomerang effect. *Career Development International*, 17(2), 149-167.

- ⁵ This percentage is lower than what is found in the literature and is likely due to two reasons. First, many studies use self-report labor force status which is an unreliable measure of labor force status. Thus, we verified if the respondent had worked any hours or weeks in subsequent waves, which is a more rigorous method to discern actual labor force status. Secondly, studies that examine unretirement perform analyses on individuals as young as 50 years of age. We restricted our analyses to individuals 62 years of age and older, given that most retire in their earlier 60s.
- ⁶ This is possibly due to the different directions each caregiving role functioned with unretirement (e.g., parenting was positively related, spousal caregiving was negatively related, and helping a parent was insignificant). In addition, a relatively small percentage was occupying two or more caregiving roles, and thus, we may be underpowered to detect a difference with this specific relationship.
- ⁷ Ryan, E., (2014). Hidden Heroes: America’s Family Caregivers. AARP. http://www.ncsl.org/documents/forum/forum_2014/ryan.pdf
- ⁸ Johnson, R. W., & Schaner, S. G. (2005). *Value of unpaid activities by older Americans tops \$160 billion per year*. Washington, DC: The Urban Institute.
- ⁹ <https://www.govtrack.us/congress/bills/113/s1810>
- ¹⁰ <https://www.congress.gov/bill/113th-congress/house-bill/5159>
- ¹¹ Appelbaum, E. & Milkman, R. (2011). Leaves that pay: Employer and worker experiences with paid family leave in California. *Center for Economic and Policy Research Publication*. **See also** National Alliance for Caregiving, American Association of Retired Persons. (2009). *Caregiving in the U.S. 2009*. Retrieved from www.caregiving.org/data/Caregiving_in_the_US_2009_full_report.pdf
- ¹² Executive Office of the President Council of Economic Advisers. (2010). Work-life balance and the economics of workplace flexibility. **See also** Moen, P., Kelly, E. I., & Hill, R. (2011). Does enhancing work-time control and flexibility reduce turnover? A naturally occurring experiment. *Social Problems*, 58, 69-98.
- ¹³ Mellor, J. M. (2000). Filling in the gaps in long term care insurance. In M. H. Meyer (ed.), *Care work: Gender, labor and the welfare state* (pp. 202-216). New York, NY: Routledge. **See also** Lee, Y., Tang, F., Kim, K. H., & Albert, S. M. (2015). The vicious cycle of parental caregiving and financial well-being: A longitudinal study of women. *The Journals of Gerontology: Series B*.
- ¹⁴ <https://www.congress.gov/bill/113th-congress/house-bill/5024>
- ¹⁵ Lake Research Partners (2014). Support to include Caregiving in Social Security Benefit Calculations. Retrieved on February 2, 2015, from <http://gvfrs.retirementsecurityvoices.org/wp-content/uploads/2014/10/memo.CCC-Action-SSW.Caregiver-Benefits.pdf>.
- ¹⁶ Herd, P. (2006). Crediting care or marriage? Reforming Social Security Family Benefits. *Journals of Gerontology: Social Sciences*, 61(1), S24-S34. **See also** D’Addio, A., & Whitehouse, E. (2009). Pension Entitlements of Women with Children: The Role of Credits within Pension Systems in OECD and EU Countries. Draft paper. OECD Social, Employment and Migration Working Paper Series. Paris, France: OECD. **See also** Jankowski, J. (2011). Caregiver credits in France, Germany, and Sweden: Lessons for the United States. *Social Security Bulletin*, 71(4), 61-76.

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