

# National Academy of Social Insurance Caregiving Report

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Aparna Mathur  
American Enterprise  
Institute  
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# Caregiving: Why Action is Needed

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1. Can take various forms—caring for children, looking after ill family members, sick or aging parents, own illness
2. Even more challenging today with increasing participation by women in the workforce
3. Yet the US lacks a national program to meet such caregiving needs
4. Other OECD countries offer paid maternity leave, parental leave, leave to care for parents or family members

# Changing Demographics

- Aging of Boomer generation and smaller cohorts succeed Boomers, caregiver to care ratio will worsen
- Movement away from primary stay-at-home caregiver
  - More than 72% of families have both parents working
- Costs of childcare have grown tremendously
  - Only 15% of eligible children receive childcare assistance subsidies

# Policy Challenges

- Workforce participation among caregivers is common, but often caregivers drop out of the workforce or cut back
  - Affects employers and workers
  - Lose access to employment related benefits (retirement, health, social security, also TANF)
- Affects life-long financial and economic security for families
- Research suggests that the lack of work-family policies has lead to a relative reduction in women's workforce participation

# **Paid Family Leave**

- FMLA
- Lack of access to paid family and medical leave
  - Take up is low
- Important for mothers
- Important for children
- Surveys show not overly burdensome on employers

# Childcare Costs

- Average price of childcare today is about \$9,589 for a child under 5 in full-time, center-based care
- Existing subsidies cover very few eligible children
- Only 11% of childcare establishments nationwide have been accredited
  - Variation in quality and availability of care

# Caregiving: Policy Options

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# Policy Options

## **Paid Family and Medical Leave**

- Universal social insurance program for paid family and medical leave?
- Funding through general revenues?
- Administration by the Social Security Administration?
- Reform Unemployment Insurance to cover paid family leave?
- Proposed alternatives to a national paid family and medical leave program
- Protect leave-takers from retaliation



## **Policy Options (cont.)**

### **Tax and Social Security Reforms to Support Caregivers**

- Caregiver tax credit
- Social Security credits for caregiving

### **Affordable Child Care**

- Child care subsidies for low-income families

### **Universal Family Care**

## **Policy Options (cont.)**

### **Supports to Family Caregivers**

- Including caregivers in the health care team
- Provide and conduct research on training and support programs for caregivers
- Improving labor practices supporting direct care workers