



*Emerging and Uninsured Risks Facing  
Younger Generations: Caregiving*

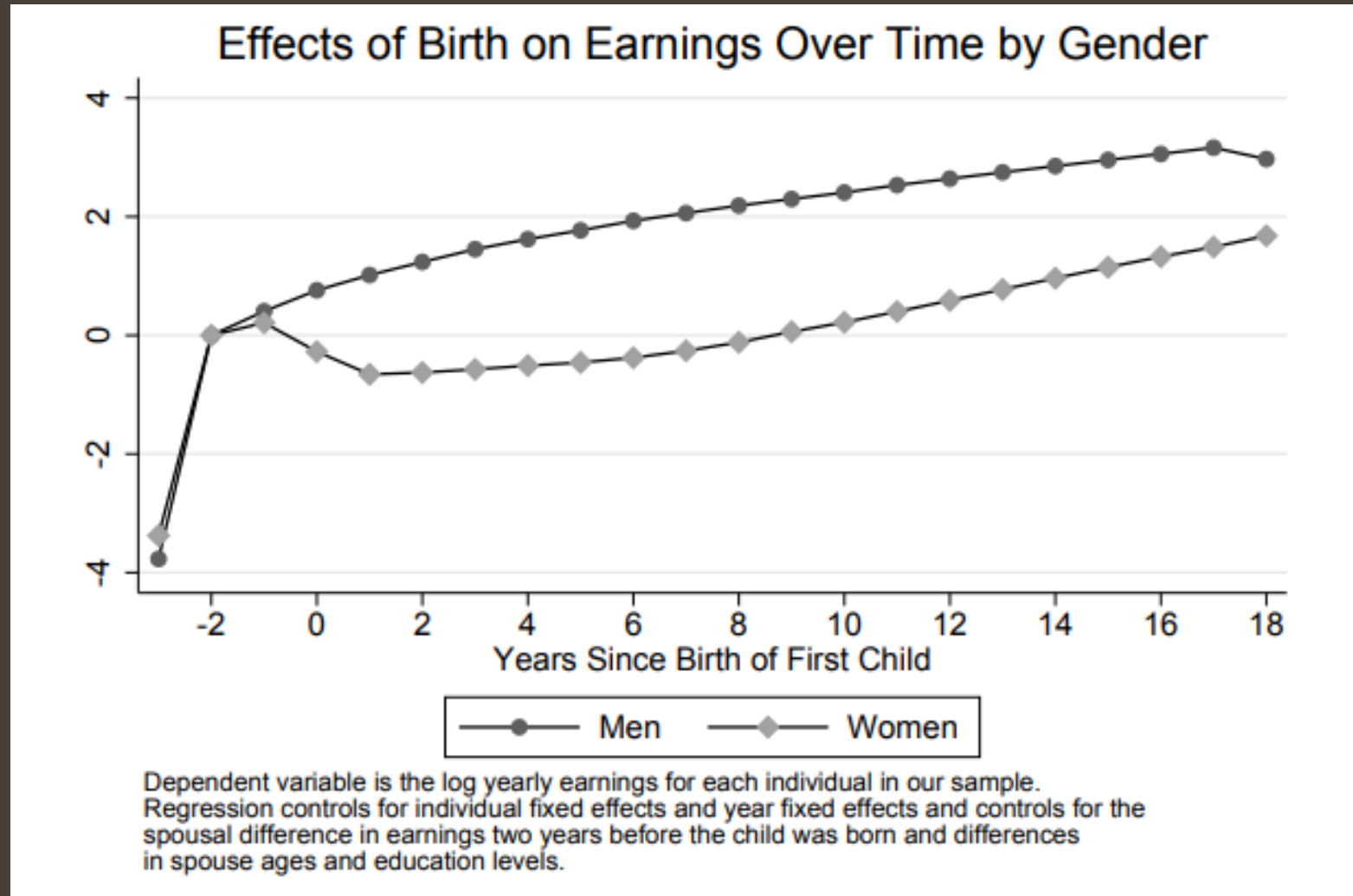
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## Who cares?

- Caregiving is a fundamental part of our lives
  - Children/Elderly/Disabled
  - 24% of children are regularly cared for by a grandparent and 4 percent are being raised by grandparents
- Caregivers are also breadwinners
  - 70% of mothers with children under 18 were in the labor force in 2015
  - Over half of new mothers with a birth in the last 12 months are employed
  - Single headed households are on the rise
- Delayed childbearing increases the likelihood that future generations will have to do more double duty

What are the  
effects of all  
this free care?

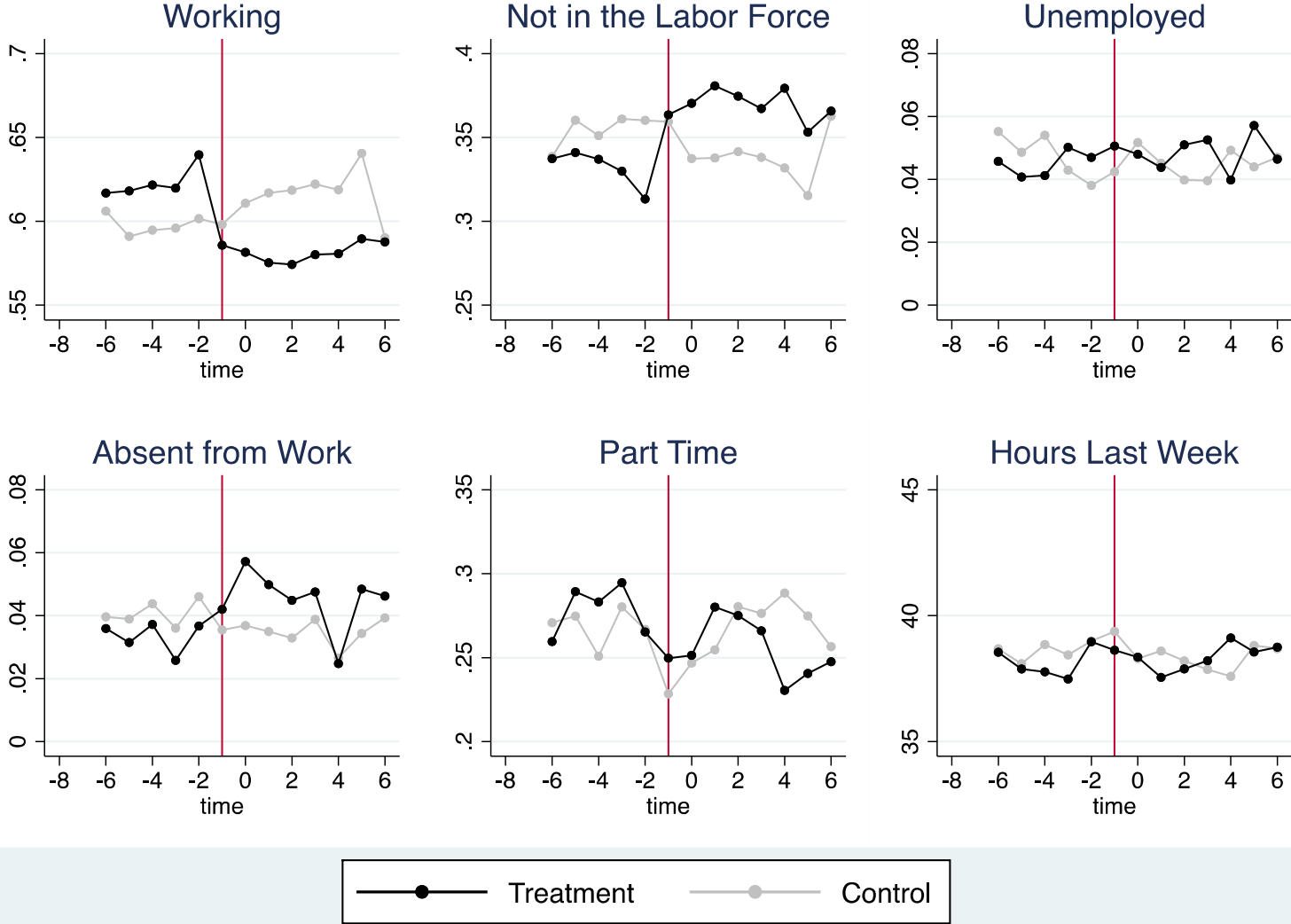
What are the effects of all this free care?



Source: Chung, Y., Downs, B., Sandler, D.H. and Sienkiewicz, R., 2017. *The Parental Gender Earnings Gap in the United States*, Census Bureau Working Paper (No. 17-68).

# Effects on employment outcomes in the first 6 months of a care spell

What are the effects of all this free care?



Source: Maestas, Nicole and Truskinovsky, Yulya *Caregiving and Labor Force Participation: New Evidence from the Time Use Survey*, Unpublished Manuscript

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HEALTH ECONOMICS

*Health Econ.* **18**: 991–1010 (2009)

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## CARING FOR MOM AND NEGLECTING YOURSELF? THE HEALTH EFFECTS OF CARING FOR AN ELDERLY PARENT<sup>1</sup>

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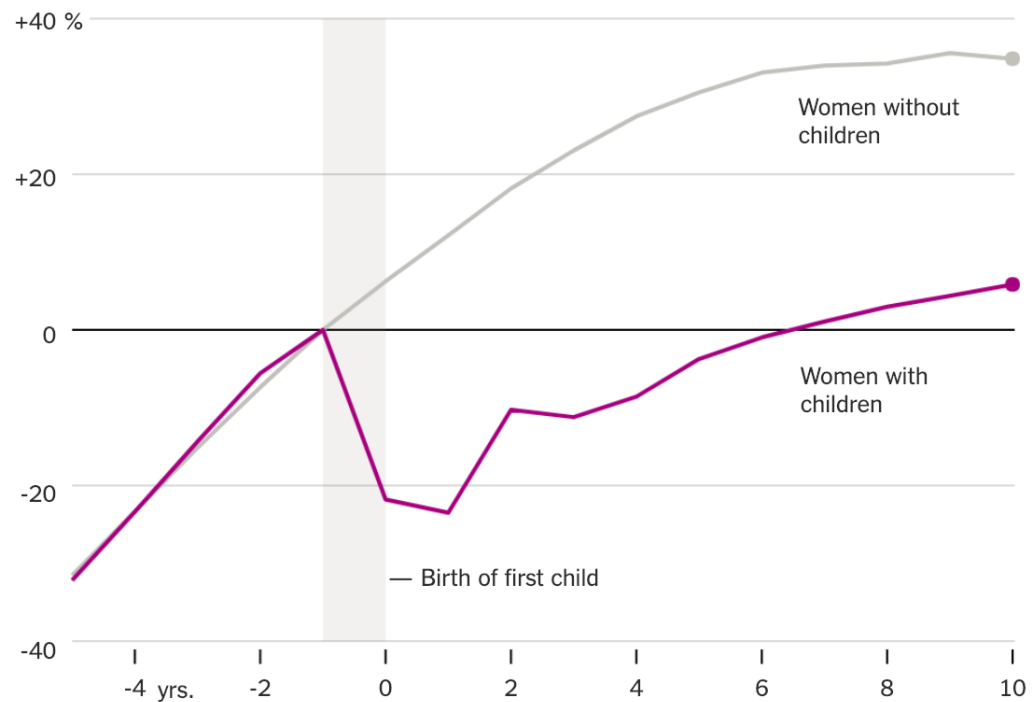
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## How do we support caregiving (and what is lacking?)

- Broad access to paid leave is growing
  - But it is not a silver bullet
  - Good for eldercare?
- Subsidizing caregivers
  - Incentive problems
- Are low-income families are extra vulnerable?
  - Less access to formal care substitutes
  - Childcare subsidies, Head Start, Medicaid

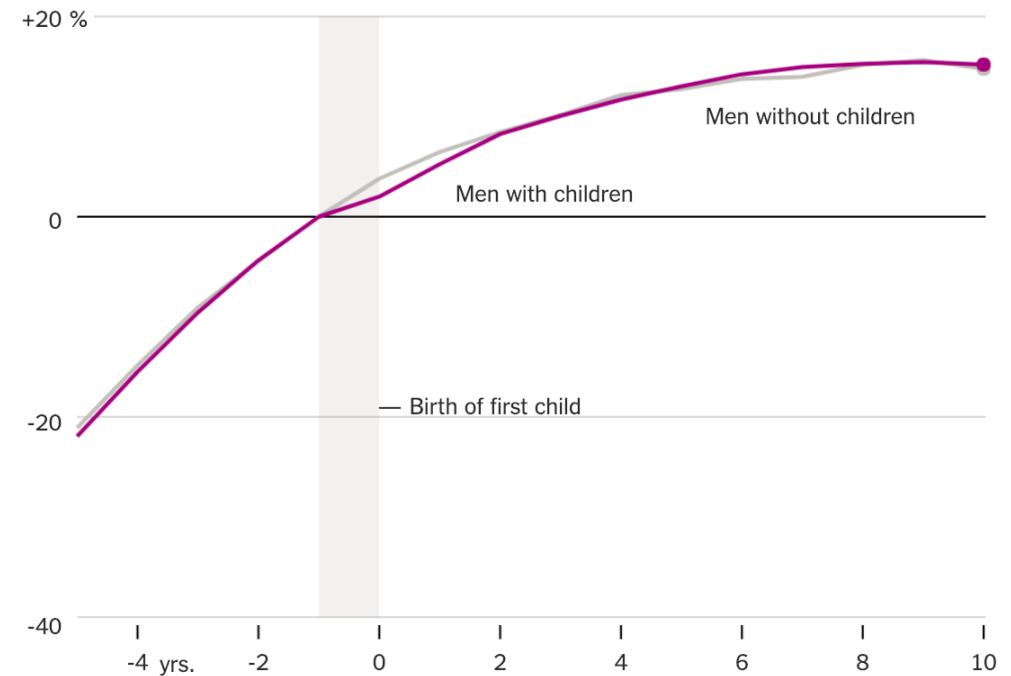
## Children Affect Women's Pay ...

Earnings of Danish women, before and after having children



## ... but Not Men's Pay

Earnings of Danish men, before and after having children



Source: Kleven, Henrik, Camille Landais, and Jakob Egholt Sogaard. *Children and gender inequality: Evidence from Denmark*. No. w24219. National Bureau of Economic Research, 2018.



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# Subsidizing caregivers

	Individual Labor Supply				
	Log Earnings	Working for Pay (\$)	Working for Pay-2nd Job(\$)	Annual Hours Worked	Hourly Wage Rate
	(1)	(2)	(3)	(4)	(5)
Cumulative Subsidy	-0.059*** (0.021)	-0.006*** (0.002)	-0.002** (0.001)	-3.864 (8.977)	-0.439** (0.163)
Obs	6007	5952	2235	2039	6016
Mean	13,034	0.039	47.26	19.55	3.73

Source: Truskinovsky, Yulya, *The Unintended Consequences of Child Care Subsidies for Older Women's Retirement Security*, Unpublished Manuscript

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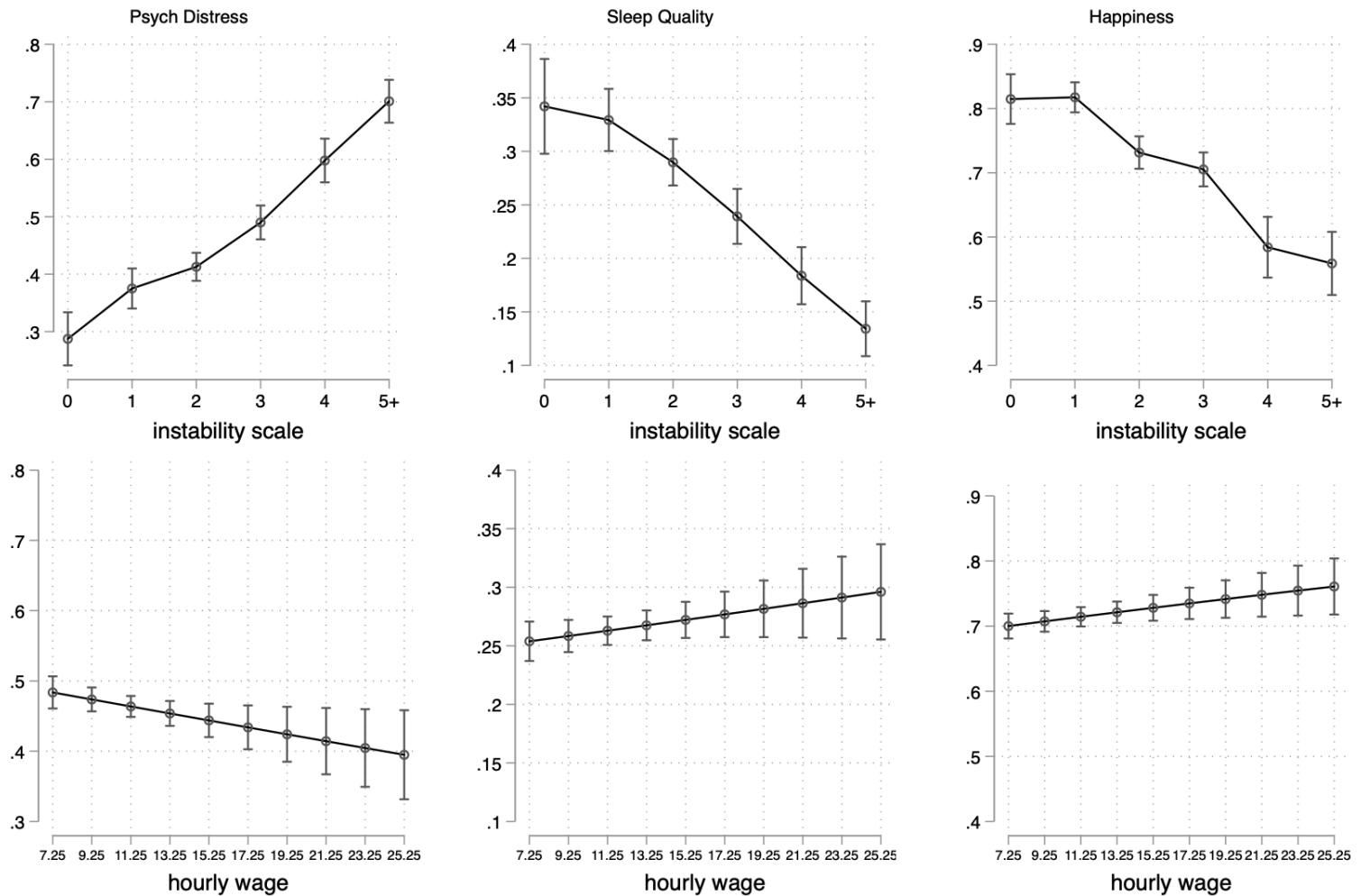
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## New Risks: Increased instability and volatility of work

- Shifts towards service employment, esp for low-skill workforce.
  - Increase in volatility in earnings, hours, job tenure
  - Impacts on the quality of care
- What about for elderly?
  - Relationship between quality of informal care inputs and health outcomes is unknown
  - Both physical health and more general wellbeing

# New Risks: Increased instability and volatility of work

Figure 4: Predicted Probabilities of Outcomes by Scheduling Instability Scale and by Hourly Wage

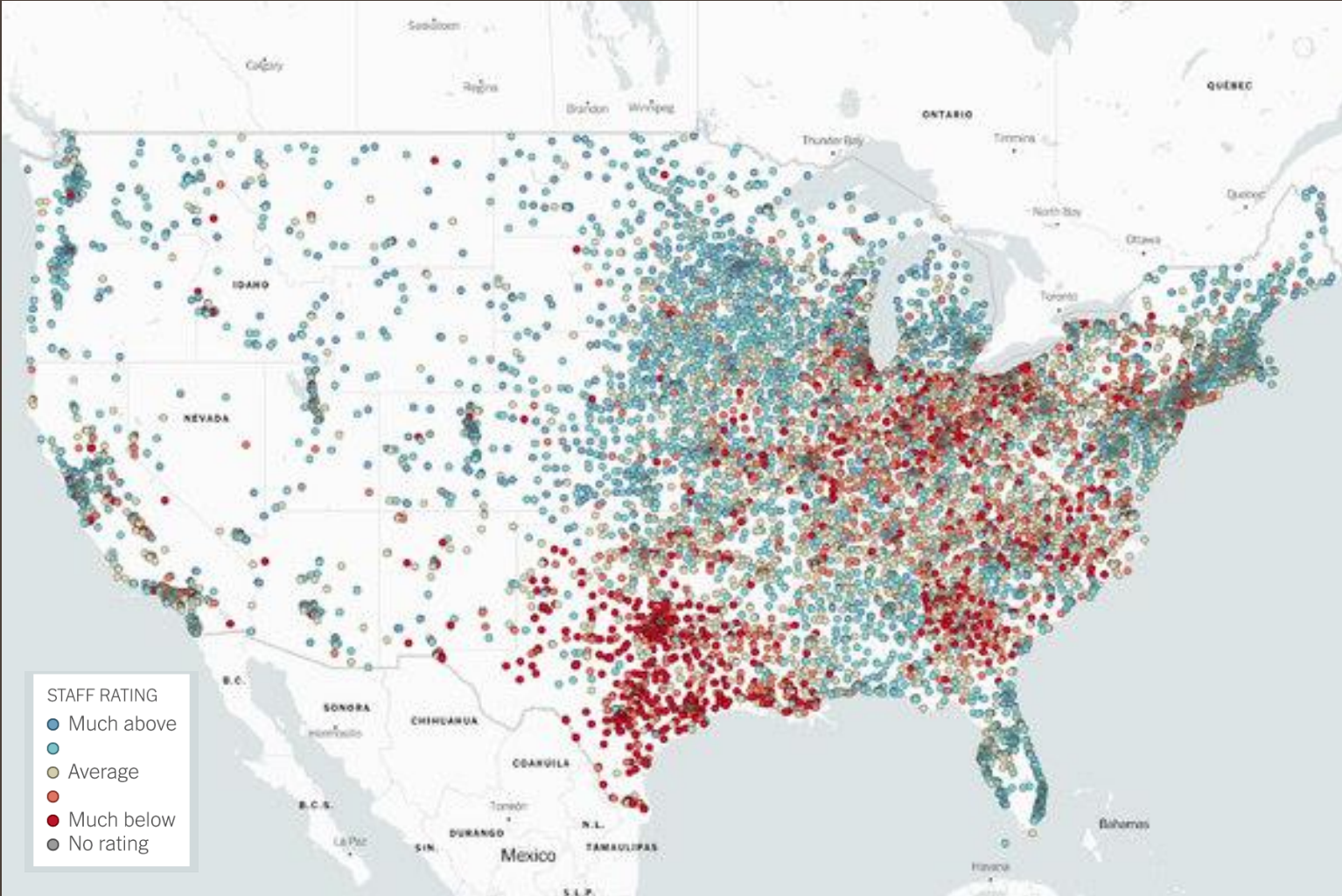


Source: Schneider, D., & Harknett, K. (2016) *Schedule instability and unpredictability and worker and family health and wellbeing*. Washington Center for Equitable Growth Working Paper Series.

## What's going on with formal care?

- Affordability/Availability
- Low skill elder care is one of the fastest growing jobs in the economy
  - Shortages, especially during periods of low unemployment
  - Relationship between quality of formal care inputs and health outcomes
  - Majority of elderly get care from both formal and informal sources
- Can this be a better, higher paying job with less turnover?

# Nursing Home Staffing



Source: Kaiser Health News analysis of data from the Centers for Medicare and Medicaid Services

## The risk is:

- That the need for care is growing
  - That we can't provide the care we want or should
  - That formal care options will fall short
  - That caregiving will affect our own wellbeing
  - That low income families continue to be extra vulnerable
- 
- As an academic: more, high quality data on heterogeneity of elder caregiving and its demands



Thank You!

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Ananat, Elizabeth, Gassman-Pines, Anna, and Truskinovsky, Yulya, *"Increasing instability and uncertainty among low wage workers: Implications for inequality and potential policy solutions"*