



September 2018

AVAILABLE FAMILY CAREGIVER SUPPORT FOR VULNERABLE MICHIGAN SENIORS IS PLUMMETING

THE RATIO OF MICHIGAN RESIDENTS OF CAREGIVING AGE (45-64) TO THOSE OF CARE RECEIVING AGE (85+) WILL DECREASE 42% BY 2030

EXECUTIVE SUMMARY

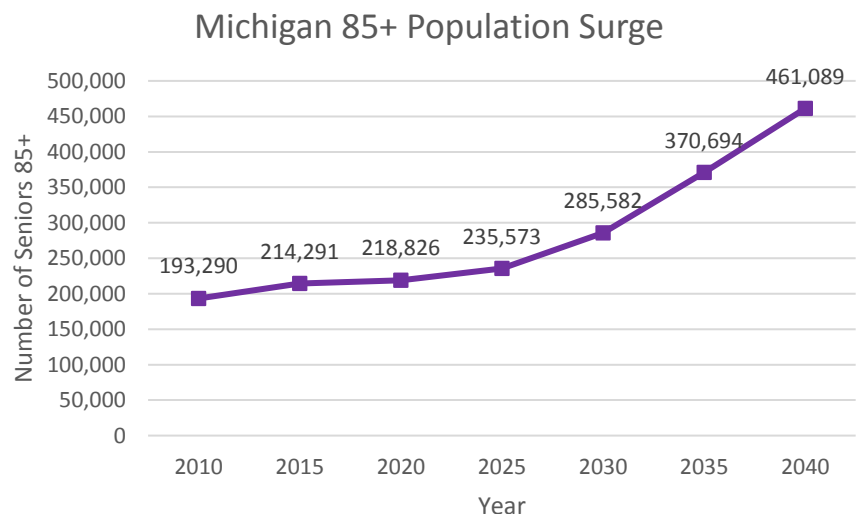
The state of Michigan population over the age of 85 is projected to almost triple by the year 2045. Concurrently, the number of residents who are of caregiving age who can serve as a family caregiver is decreasing. In 2010 there were 14.3 Michigan residents of caregiving age for every Michigan senior age 85 and older. By 2030 there will only be 8.3 Michigan residents of caregiver age for every Michigan resident age 85 and older. Combined with the current direct home care workforce shortage, the future of who will be providing care to older Michigan residents is uncertain. This report quantifies the severity of the declining caregiver support ratio and offers a series of recommended actions for local officials and nonprofit service providers to consider.

METHODOLOGY

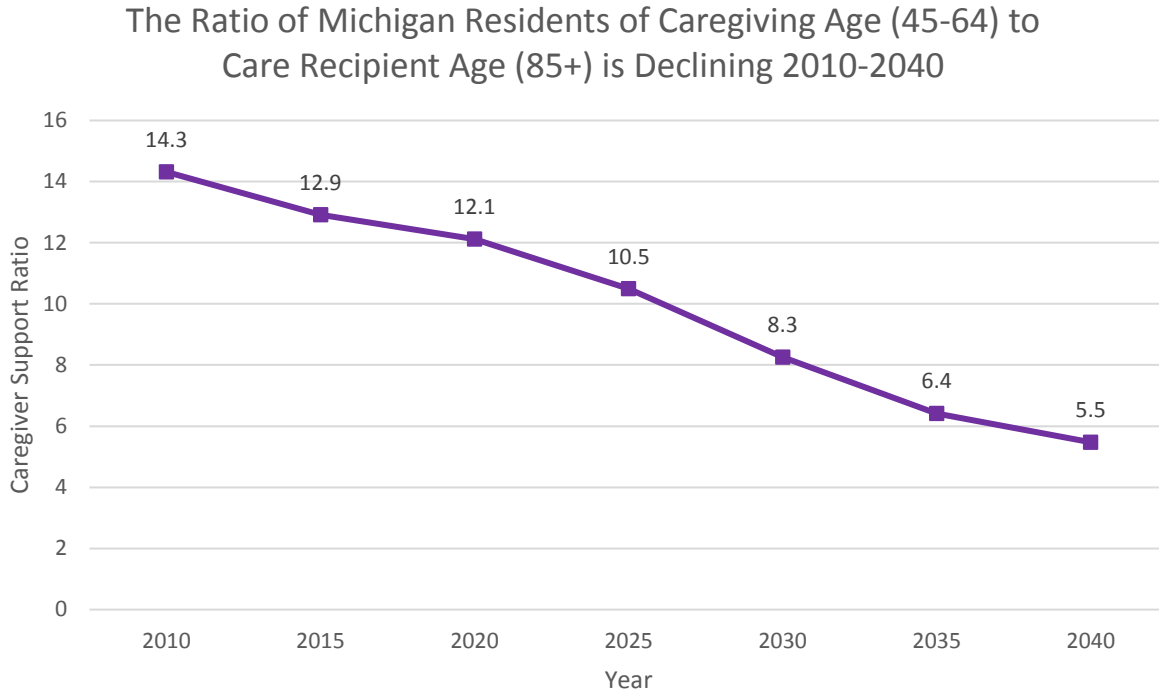
The caregiver support ratio is defined by the AARP Public Policy Institute as individuals of caregiving age (45-64) divided by those of care receiving age (80+), the most likely group to need long term supports and services (LTSS). This ratio is a basic measure to show the potential family caregiver availability. A family caregiver is any relative, partner, friend, or neighbor who provides a broad range of assistance for an older adult or an adult with a chronic or disabling condition¹. Population projections from Michigan Department of Transportation (MDOT) and the University of Michigan Institute for Research on Labor, Employment, and the Economy (IRLEE) were used to calculate state level caregiver support ratios. These projections provided 85+ data which was used to define care receiving age for this report. Data from the AARP will define care receiving age as 80+, while State of Michigan data will be 85+, for the 80+ population used in the AARP study is not available.

FINDINGS

The nation's caregiver population is projected to increase by 1% between 2010 and 2030. Concurrently, the 80+ population is projected to increase by 79%¹. By 2030 Michigan will experience a 15% decrease in the population of caregiving age residents while the senior population of care receiving age (85+) increases by 32%.



The chart below shows that in 2010 there were 14.3 Michigan residents of caregiving age for every Michigan senior age 85 and older. By 2030 there will only be 8.3 Michigan residents of caregiver age for every Michigan resident age 85 and older. This ratio is projected to decline further to 5.5 by the year 2040, accounting for a 62% ratio decline.



As the caregiver support ratio diminishes the unmet care burden will likely increase. 70.5% of individuals 80+ have some sort of disability while more than half of these are severe disabilities. Nearly 1/3 of individuals 80+ need assistance with activities of daily living (ADLs) such as toileting or showering, or instrumental activities of daily living (IADLs) such as managing finances or preparing mealsⁱ. Considering the significant caregiver ratio decrease, it is unclear who will be taking care of the booming care receiving population.

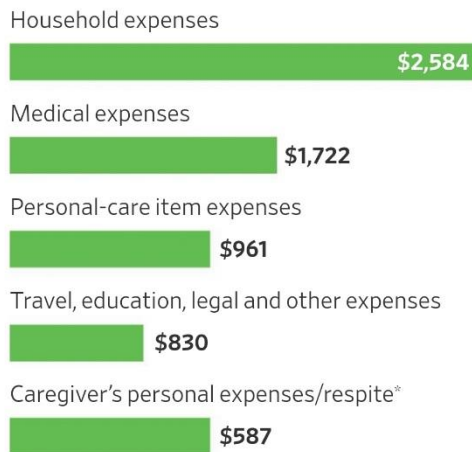
More than 68% of Americans believe they will be able to rely on their family members when they need help. Each year this becomes a less viable option. The availability of family caregivers is being impacted by changes in family size, increases in those who are childless, increases in divorce rates, and longevityⁱ. According to an August 2018 Forbes article, presently more than one in five seniors 65+ is a “solo senior”, meaning they are aging without a spouse or adult child.ⁱⁱ Additionally, the current paid direct home care worker shortage will exacerbate this problem. Between 2016 and 2020 Michigan will need 34,090 more direct care workers; a 28% increase in this essential workforceⁱⁱⁱ.

The chart below shows the financial and personal cost of being an unpaid family caregiver as reported by the Wall Street Journal in their July 21, 2018 article, “U.S. Is Running Out of Caregivers”. It is estimated that presently 34.2 million people provide \$500 billion worth of free care annually. These costs are impacting Michigan family caregivers every day. As the number of family caregivers shrinks, the impact will be seen by increased demand for long term care supports and services (LTSS) provided by the public and private sectors.^{iv}

Cost of Care

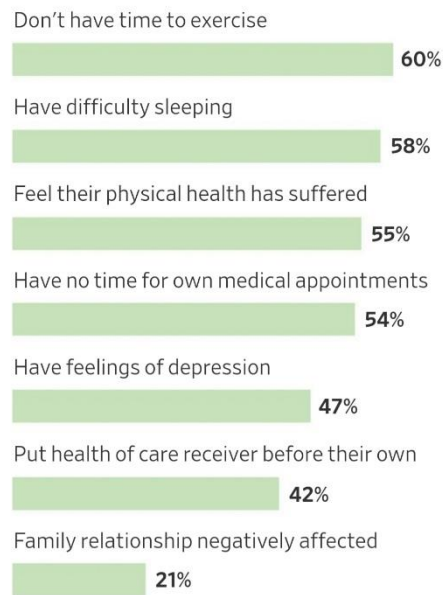
Being an unpaid caregiver can take its toll on people both financially...

Caregivers' average annual spending on the care recipient



...and on a personal level.

Percentage of unpaid caregivers who say they:



*Aides, adult day services, self-care, other paid help and other expenses

Sources: AARP (expenses); Embracing Carers International Survey (personal toll)

CONCLUSION

The care support ratio peaked in 2010 and began a free fall that will define the demand for LTSS among Michigan older adults for decades to come. With the decreasing caregiver ratio, there is concern that there may be a higher rate of institutionalization that would contribute to greater than necessary Medicaid spending. Evidence of a growing demand for senior programs is becoming more apparent. As of August 2018, the MI Choice Medicaid Waiver nursing home alternative program had 3,255 Michigan residents on its waitlist. As of October 2017, the Aging and Adult Services Agency (AASA) had 5,008 Michigan seniors on its waitlist for in home services. These examples demonstrate that the current supply does not meet the demand for senior services in Michigan that is expected to continue in the years to come as the family caregiver support ratio diminishes.

AREA AGENCY ON AGING 1-B RECOMMENDATIONS:

- Communicate information related to the senior population growth with state and local governments and urge action in response to this emerging crisis, such as adopting or continuing support for county-wide **senior millages**, that can address unmet needs among older Michigan residents.
- Investigate strategies employed by other state and counties to address the growing and changing needs of older adults, adults with a disability, and family caregivers.
- Encourage employers to develop and adopt workplace policies that help support working caregivers to better manage and fulfill their caregiving responsibilities.
- Diversify revenue sources to support the state's safety net of Long Term Supports and Services (LTSS) by identifying ways to partner with existing payers, like Medicare and other health insurance providers, and investing in new and more efficient models of service.
- Better support family caregivers through information, education, training, and low-cost home care options.
- Secure dedicated sources of revenue for aging services that can provide a greater level of investment in aging programs over the next several decades as demand increases. The Aging Network should work with legislative leaders to identify new revenue sources to that can be directed to aging programs and support for family caregivers.
- Continue efforts within the aging network, such as the Silver Key Coalition, to identify outcomes of services and collect key data to understand areas of greatest need among older adults and family caregivers. This data is needed to develop the value proposition statements that justify future investments in programs and services that are proven to be effective, such as Title III-B of the Older Americans Act.

ⁱ AARP Public Policy Institute. (2013). The Aging of the Baby Boom and the Growing Care Gap: A Look at Future Declines in the Availability of Family Caregivers. *Insight on the Issues*, (85), 1-12.

ⁱⁱ Gastfriend, J. (2018, August 10). As Baby Boomers Move Into Old Age, Who Will Care for Us? Retrieved from <https://www.forbes.com/sites/jodygastfriend/2018/08/10/caregiver-shortage-who-will-care-for-us/#2deaed9532dd>

ⁱⁱⁱ Long-term Occupational Employment Projections 2016 to 2026, Michigan Department of Technology, Management and Budget, Bureau of Labor Market Information and Strategic Initiatives

^{iv} Ansberry, C. (2018, July 21). U.S. Is Running Out of Caregivers. *The Wall Street Journal*, pp. A1, A10.