



Caregiving & COVID-19

As documented by the Bell Policy Center in a pair of recent briefs, services and supports for Colorado's [870,000 unpaid caregivers of older adults](#) are alarmingly scarce.¹ The ramifications of these gaps are significant and, if unchanged, will have long-lasting impacts for families, local communities, and the state. However, much of these reports were written pre-COVID-19 and as the crisis continues to unfold, we're witnessing a deepening of these gaps and the further fraying of systems meant to support unpaid caregivers.

In the following brief, we examine: several of the more prominent, observable, and immediate challenges faced by Colorado caregivers as a result of COVID-19; possible long-term impacts of the virus; and considerations for policy-makers on how to move forward, incorporate lessons learned, and refashion a stronger network of supports for these individuals.

In our recent briefs, [Caregiving in Colorado: 2020 & Beyond](#) and [Caregiving Recommendations](#), the Bell finds:

- Approximately 18 percent of Coloradans over the age of 15 provide unpaid care to an older adult.
- Through 2030, the number of Colorado caregivers is expected to grow by approximately 155,000 individuals.
- Insufficient public and private investment has led to the limited availability of essential supports like respite, financial assistance, and workplace benefits.
- Insufficient resources for unpaid caregivers has both short- and long-term impacts that affect families, businesses, and the state, and can lead to:
 - Lower workforce participation among caregivers
 - Higher turnover and absenteeism costs for businesses
 - Heightened financial insecurity for families
 - Worse physical and mental health outcomes, as well as increased medical costs
 - Higher rates of state-funded institutional care

Immediate Impacts of COVID-19 on Caregivers

The Bell's [Caregiving in Colorado: 2020 & Beyond](#) report details the pre-COVID-19 landscape for Colorado caregivers through 2030. In the continuing wake of COVID-19, we've seen both an exacerbation of and growth in the many pre-existing challenges experienced by caregivers.

Financial & Employment Challenges

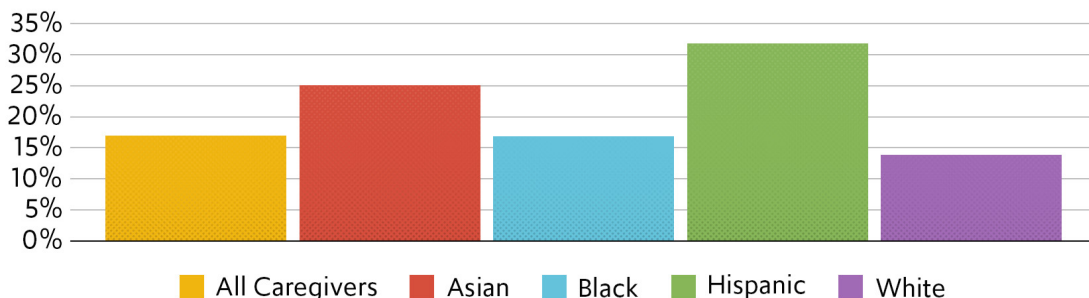
A national survey, not specific to caregivers, conducted by the [National Endowment for Financial Education](#) in April 2020 shows:

- 41 percent of respondents were concerned about the amount of money they had in emergency savings
- 28 percent were concerned with paying for their utilities, rent, or mortgage
- 19 percent were concerned with paying for health care bills

Financial strain is one of the most prominent, unaddressed issues facing caregivers. Few resources exist to offset the estimated [\\$4 billion a year](#) Colorado caregivers spend out of pocket supporting their older loved ones. Analysis from AARP shows, prior to COVID-19, [approximately 38 percent of caregivers](#) nationwide experienced at least moderate financial strain as a result of their care responsibilities.

It's likely unpaid caregivers are predispositioned to experience increased financial stress as a result of COVID-19. Findings from the [Federal Reserve Bank of St. Louis](#) show families are more vulnerable to financial disruptions as a result of the virus if they are supporting family members or friends, [lack good health, or have high debt to income ratios](#) — characteristics that often apply to unpaid caregivers. Importantly, these additional financial strains are more likely felt by caregivers with low incomes, particularly those [under \\$25,000](#). Approximately 17 percent of the state's total caregivers — a disproportionate number from communities of color — fall within this income bracket.

Estimated % of Colorado Caregivers with Household Income Below \$25,000



Source: Bell analysis of 2011-2018 American Time Use Survey (ATUS) data of family income of Coloradans who provided unpaid care to an older adult in the past three months

A RAND Corporation survey conducted in May 2020 shows [52 percent of all households with incomes under \\$25,000](#) are having difficulty paying bills, which compares to 28 percent across all income brackets.

These financial challenges are due in part to the significant upheaval within the economy and the accompanying mass layoffs and furloughs. With approximately 73 percent participating in the workforce, these changes have significant implications for Colorado caregivers.² As noted in the chart below, the Bell estimates over 75,000 caregivers, an outsized number of whom are caregivers of color, are impacted by current workforce disruptions.

Between February and May, [Colorado's unemployment rate](#) rose from 2.5 percent to 10.2 percent. Workforce disruptions are not, however, equally impacting all communities. Instead, they are disproportionately affecting workers of color, who have higher rates of employment in the [fields hardest hit by COVID-19](#), including leisure and hospitality and transportation.

| Estimated Workforce Disruptions for Unpaid Caregivers as a Result of COVID-19 | | |
|--------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|---------------------------------------------------------------|
| | % of Workers Nationally Laid Off or Furloughed (May 2020) | Estimated # Colorado Caregivers Laid Off or Furloughed |
| American Indian* | 12% | 1,000 |
| Asian* | 12% | 1,500 |
| Black | 16% | 5,000 |
| Hispanic | 20% | 17,000 |
| White (Non-Hispanic) | 11% | 55,000 |

**Note: The Washington Post poll used for this analysis does not provide specific furlough/laid off rates for workers who are American Indian or Asian. For the purposes of this analysis, it is assumed they are captured within the poll's "Other/Multiracial" demographic category.*

Source: Bell analysis of 2011-2018 ATUS data of workforce behavior of Coloradans who provided unpaid care to an older adult in the past three months

Additional Challenges to Remaining in the Workforce

Layoffs and furloughs are not the only issue facing caregivers in the workforce. Instead, for many who continue working outside the home, there are concerns about spreading the virus to their older loved ones. Approximately 300,000 Coloradans provide at least weekly unpaid care to an older adult while also maintaining outside employment.

| Estimated Number of Working Colorado Caregivers Providing Support At Least Once a Week | |
|----------------------------------------------------------------------------------------|---------|
| Daily Care | 90,000 |
| Multiple Times a Week | 130,000 |
| Once a Week | 85,000 |
| Total | 305,000 |

Source: Bell analysis of 2011-2018 ATUS data of workforce behavior of Coloradans who provided unpaid care to an older adult in the past three months

Current data limitations make it difficult to more precisely estimate which of these caregivers are most concerned with spreading the virus to an older loved one. However, it's likely this concern is more prominent among caregivers of color, who disproportionately:

- [Experience higher infection rates](#)
- [Represent more frequently among essential, frontline workers](#)
- [Are less likely to have a position that allows remote employment](#)
- [Are more likely to live with the older adult they're supporting](#)

Access Challenges

- Service limitations or suspensions: Many providers of hands-on supports like [respite](#), adult day, and home care, to varying degrees, have either reduced or suspended services. When used, these supports provide needed breaks that can lessen the stress of caregiving. The lack of these services during a period of enhanced anxiety has likely made the past several months even more challenging for caregivers.
- Exacerbation of existent infrastructure challenges: In adapting to the current environment, organizations that support unpaid caregivers have had to find new ways of providing services, including through online platforms. However, those with limited internet/technology access or digital literacy skills — including those in rural and low-income communities — may find these preexisting infrastructure gaps prevent them from fully accessing even these services.

Potential Impacts Long-Term Impacts of COVID-19 on Caregivers

It's too early to assess COVID-19's full and total impact on caregivers and the systems that support them. However, below are several possible impacts.

Weakened Community Provider Network

In the short term, some service providers are seeing an influx of resources from [state, federal, and local partners](#), helping them stay afloat during a difficult time. However, this support is impermanent, and a host of probable forces will likely place additional pressure on these providers, challenging their sustainability in the coming years.

- **Unexpected costs:** Many of the agencies providing services for unpaid caregivers operate on very thin margins, making it difficult to absorb unplanned for costs. However, during a health pandemic, agencies serving a vulnerable population need to take extra precaution to ensure the safety of their clients. This includes securing a greater amount of [personal protective equipment](#) (PPE) not initially accounted for in budgets.
- **Lower provider reimbursement rates:** [Temporarily increased reimbursement rates](#) are among the additional supports community providers are receiving to help them cover unexpected costs resulting from COVID-19. However, these higher rates are only likely to last the duration of the officially stated emergency. After this period, unless additional action is taken, many community provider rates will be [reduced 1 percent below what they were prior to COVID-19](#), the result of budget balancing actions taken by the state legislature to fill a \$3.3 billion virus induced hole. While difficult to assess the exact impact, these provider rate reductions will certainly exacerbate already existent challenges within the field, such as [recruiting and retaining enough quality direct care workers](#).

These two factors, plus significant environmental uncertainty, likely jeopardizes the viability of many community providers which caregivers rely upon.

Growing Gaps Between Caregivers with Low & High Incomes

The sections above describe a future system of struggling community-based service providers paired with increased caregiver stress and strain. Individuals of all backgrounds rely upon these community providers, however if they cease to exist, caregivers with higher incomes are more likely to access supports using their own private resources. This contrasts to caregivers with lower incomes, which, as noted above, are disproportionately from communities of color that will be less able to access these essential services on their own. Differential access to affordable caregiver supports is likely to further already existent gaps in community wealth and well-being.

Growth in Innovation

Finally, it's important to consider for all the challenges stemming from COVID-19, the current environment is providing stakeholders an opportunity to reimagine a new way to support caregivers. Stretched thin and forced to operate in unfamiliar, difficult conditions, [community organizations](#) are thinking outside the box, connecting with clients in innovative ways, and building new partnerships to meet caregiver needs. If supported, these innovative efforts can continue into the future, advancing successful strategies that rebuild a system many acknowledge was insufficient prior to COVID-19.

Considerations for Moving Beyond the Crisis

COVID-19 has spotlighted the many challenges associated with unpaid caregiving. As we move beyond the immediate crisis, we can take lessons learned from the pandemic and use them to develop a stronger system, capable of adequately meeting the needs of current and future generations of caregivers.

Build Upon Successes

Whether through an infusion of resources, the creation of flexible rules and regulations, increased innovation, or the fostering of new partnerships, the caregiving ecosystem has likely experienced some beneficial developments as a result of COVID-19. In the future, when the virus is more fully contained, the impact of these efforts should be studied. Best practices, challenges, and lessons learned should be documented, shared, and incorporated into ongoing efforts.

Recognize the Value of Investing in Caregiver Services & Supports

[In the coming years](#), it's likely state, local, and federal budgets will be stretched thin, forcing difficult choices between competing public priorities. When making these decisions, policymakers should recognize the long-term value to families, businesses, and the state of investing in programs and services that support caregivers. To enhance the efficiency of how these supports are provided with limited funds, policymakers should consider how to more effectively use the already existent network of service providers.

Strengthen Public & Private Funding Systems

[Colorado's current fiscal situation](#) highlights the difficulties of sustaining a base level of essential services when public funding drops. While it's important to continue building a stronger state-based funding stream for caregiver resources, it will also be important to share this burden with the private sector. As the Bell has [discussed in previous reports](#), businesses benefit when caregivers are supported but currently provide few resources for these individuals. Concerted effort by the state can help address these gaps.

Caregivers have always been essential members of our state, but the value they add to our communities is often overlooked. COVID-19 however, has shone a light on the unpaid work of these women and men, highlighting both how difficult their roles are, as well as the significant gaps in the availability of necessary resources. In this troubling time, we're presented with an opportunity to reinvest in these individuals, and build a stronger network of supports that works for everyone.

Endnotes

1 This brief focuses solely on unpaid caregivers for older adults. The decision to focus solely on these caregivers instead of the larger group, which also includes those who support individuals with disabilities, largely stems from the fact the previous two reports that prefaced this one focused on the subset of caregivers for older adults. However, as was also noted in prior reports, the challenges and opportunities laid out in this brief likely extend to the larger group of caregivers.

2 Source: Bell analysis of 2011-2018 ATUS data of Coloradans who provided unpaid care to an older adult in the past three months.