Testimony prepared for the Senate Committee on Aging "From Infancy to Aging: The Effects of Caregiving Across the Lifespan" by Tara McGuinness, Executive Director, New Practice Lab New America 740 15th St NW Suite #900, Washington, DC 20005

#### "The [youngest grandson] is autistic, you know what I'm saying. I can't take him everywhere 'cause I have to hold his hand 24/7. Even walking down the street, I can't release his hand because he'll wander off."

These are the words of Walter, a grandfather and sole caretaker of 2 children in Philadelphia, whose perspective I am honored to lift up at this hearing.

My name is Tara McGuinness. I am the Executive Director of the New Practice Lab, a team based at New America, focused on delivering better policy and public services for families with young children. I am grateful to join you to talk about the importance of focusing on the care needs of families.

My testimony today relies on both data gathered by our team and the experience and expertise of people like Walter — families who are part of our Thriving Families Project<sup>1</sup>, an ongoing effort in multiple states, including Pennsylvania, to listen to families and build a holistic picture of what enables them, in their own words, to thrive.

At the New Practice Lab, we help policy makers build new policies in a closer feedback loop with families — exactly what we are doing today. So we are so glad to be a part of this important field hearing.

Unfortunately, at a policy level, too often we don't center on the family experience. We often approach phases of life as separate challenges: early childhood education and care, paid family and medical leave, families members that are aging or have a disability.

However, care needs — for children, for parents, a sibling with a disability — often show up all at once for a family. If we are raising young children, we might also be caregiving for our parents. If we are grandparents, we might be unexpectedly raising our grandchildren.

In Pennsylvania, more than 76,000 grandparents live with grandchildren for whom they are responsible, and 47% of those grandparents are in the labor force.<sup>2</sup> And at the other

<sup>&#</sup>x27;New Practice Lab, New America, "Co-Designing a Thriving Family Life",

<sup>&</sup>lt;u>https://www.newamerica.org/new-practice-lab/blog/co-designing-a-thriving-family-life/</u> "To date, we have conducted 4 co-design workshops with 35 people from families with a wide variety of backgrounds and experiences, including families from a variety of racial and ethnic backgrounds, those that live in rural, urban, and suburban communities, and have lived experience with a broad swath of social welfare programs across the federal, state, and local levels."

<sup>&</sup>lt;sup>2</sup>U.S. Census Bureau. "Selected Social Characteristics in the United States." American Community Survey, ACS 5-Year Estimates Data Profiles, Table DP02, 2022, <u>https://data.census.gov/table/ACSDP5Y2022.DP02?g=040XX00US42</u>

end of the age spectrum, millions of youth and young adults provide care for family members.<sup>3</sup> Other families with loved ones with disabilities have different care needs.

I know this to be true. Like 47% of Americans in their 40-50s, I have young kids and aging parents.<sup>4</sup> Like more than 20 million American families, mine cares for someone with disabilities.5

Families cycle in and out of needing care. One in 6 non-caregivers expects to become a caregiver within two years.<sup>6</sup>

# It is too hard to raise a family and find care for loved ones

Today, in the United States we make it way too hard<sup>7</sup> to start and raise a family. Household costs go up precipitously with the birth or adoption of a child, right at the same time that wages typically go down.

Every year, about 130,000 babies are born in Pennsylvania. More than 2,000 children are adopted.8

Pennsylvania, like most states, has no state paid family and medical leave program. So when a new baby is born, parents are on their own to figure out how to manage infant care and earn a living.

https://www.acf.hhs.gov/sites/default/files/documents/cb/afcars-tar-pa-2022.pdf and March of Dimes PERISTATS, "Births", Data for Pennsylvania,

and Table S1002

https://data.census.gov/table/ACSST5Y2022.S1002?g=Monroe%20County,%20Pennsylvania%20Families%20and% 20Living%20Arrangements&g=040XX00US42 . Accessed on July 30, 2024

<sup>&</sup>lt;sup>3</sup>Armstrong-Carter et al. "The United States should recognize and support caregiving youth", Social Policy Report, https://srcd.onlinelibrary.wilev.com/doi/10.1002/sop2.14. Accessed July 31, 2024

<sup>&</sup>lt;sup>4</sup>Kim Parker and Eileen Patten, "The Sandwich Generation Rising Financial Burdens for Middle-Aged Americans", Pew Research Center, www.pewresearch.org/social-trends/2013/01/30/the-sandwich-generation/. Accessed August 1, 2024.

<sup>&</sup>lt;sup>5</sup>In 2019, out of 79.6 million family households in the United States, 25.7% of them had at least one family member with disability. 25.7% of 79.6 million is around 20 million family households.

Natalie A. E. Young and Katrina Crankshaw, U.S. Census Bureau, Social, Economic, and Housing Statistics Division Demographic Directorate, "The Demographics of Disability in the Family: Prevalence, Characteristics, and Implications for Financial Well-Being", <u>https://www.census.gov/library/working-papers/2023/demo/SEHSD-WP2023-22.html</u>. Accessed August 1, 2024

<sup>&</sup>lt;sup>6</sup>U.S. Center for Disease and Prevention, "Caregiving",

https://www.cdc.gov/aging/data/infographic/2018/aggregated-caregiving.html. Accessed August 1, 2024 Robertson et al., "Raising Young Kids in America Has Become Hell, and the Government Should Finally Acknowledge That', New Republic,

newrepublic.com/article/167369/young-children-parents-seniors-government-programs. Accessed August 1, 2024 <sup>8</sup>U.S. Department of Health and Human Services, Administration for Children and Families,

Administration on Children, Youth and Families, Children's Bureau. "The AFCARS Report: Pennsylvania" Estimates as of May 9, 2023. Accessed on July 31, 2024

https://www.marchofdimes.org/peristats/data?reg=42&top=2&stop=10&lev=1&slev=4&obi=3&sreg=42. Accessed August 1, 2024.

Nationally, just 27% of workers have paid family leave through their jobs to care for a new child or a seriously ill loved one, and only 40% have personal medical leave through an employers' short-term disability insurance policy, including for pregnancy-related health and recovery issues.9 Access varies dramatically by industry, occupation, and wage level, among other factors, leading to dramatic disparities that place the greatest burdens and risks on workers and families with fewer resources.<sup>10</sup> The majority (61%) of private sector workers (making less than \$14/hour) do not have paid sick time for short-term illness related absences.

Having a child is just the beginning. Being able to make a living and raise kids gets even more challenging as school in most communities doesn't start until kids are 5 and parents need childcare to work. In Pennsylvania, there are nearly 796,000 working parents with children ages birth to 5.11 The majority of them need childcare.

And that care comes at a steep cost. In 2023, the average Pennsylvania family paid about \$14,000 for one year of center-based child care – per child.<sup>12</sup> That's 11.5% percent of the median family income. There is wide geographic variation, with the annual cost of center-based care ranging from around \$8,000 in some counties to upwards of \$18,000 in others.13

- In Philadelphia and Cumberland counties it is on average \$14,078 for just one year of care.
- In Dauphin County, Allegheny County, Mercer County and Washington counties it is closer to \$13,772

Affordability is only one piece of the equation though. Child care staffing shortages mean there simply are not enough providers to meet the needs of families seeking care.

https://www.dol.gov/agencies/wb/topics/childcare/median-family-income-by-age-care-setting. The New Practice Lab team has organized this information into an accessible spreadsheet here:

Vicki Shabo, "A Nation of Paid Family Leave Have- and Have-Nots Characterizes the United States in 2023", New America, https://www.newamerica.org/better-life-lab/blog/bls-family-leave-2023/ . Accessed August 1, 2024 <sup>10</sup>Vicki Shabo and Hannah Friedman, "Health, Work, and Care in Rural America", New America,

https://www.newamerica.org/better-life-lab/reports/health-work-and-care-rural-america/. Accessed August 1, 2024 <sup>11</sup> Sandra Bishop and Steve Doster, "\$6.65 Billion: The Growing, Annual Cost of Pennsylvania's Child Care Crisis", Council for a Strong America,

https://strongnation.s3.amazonaws.com/documents/1608/2735f9c4-fa3c-4e39-8516-ed2de992b084.pdf?167760174 0&inline:%20filename=%22\$6.65%20Billion:%20The%20Growing.%20Annual%20Cost%20of%20Pennsylvania%E 2%80%99s%20Child%20Care%20Crisis.pdf%22. Accessed August 1, 2024

<sup>&</sup>lt;sup>12</sup>Child Care Aware® of America, "Childcare Affordability in Pennsylvania", https://info.childcareaware.org/hubfs/2023%20Price%20Fact%20Sheet/Pennsylvania%202023 Price%20of%20Ca re.pdf. Accessed August 1, 2024

<sup>&</sup>lt;sup>13</sup>U.S. Department of Labor, "Childcare Prices as a Share of Median Family Income by Age of Children and Care Setting", National Database of Childcare Prices,

https://docs.google.com/spreadsheets/d/1iAsaBrWeLJ3X8mW\_t2\_otJozvdov3kC9/edit?usp=sharing&ouid=113629 679965876143693&rtpof=true&sd=true

In a recent survey, Pennsylvania providers responded that being fully staffed would allow them to care for about 16,500 more children.<sup>14</sup>

The cost of living for families with young children is especially difficult. But meeting the care needs of a family isn't only a challenge for families with young kids. Whether because of a long term disability or a short-term medical need (like recovering from cancer treatment), families need flexibility, access to care, and support when they are providing care to loved ones. 14% of people in Pennsylvania have a cognitive, hearing, vision, or ambulatory disability, or one that makes self-care or independent living difficult.<sup>15</sup>

Parents and primary caregivers are in a tight spot trying to put together a puzzle that balances affordability, accessibility, and quality — all while earning a living.

### Caring for each other as we age

Modern science has enabled us to live longer than at any point in history — shifting our need for care dramatically.

Currently, Pennsylvania is home to 3.4 million older adults, the fifth highest total in the country.<sup>16</sup> By 2030, one in four Pennsylvanians will be 65 or older. Most of these seniors prefer to remain in their homes and communities instead of living in an institution.<sup>17</sup>

To meet this demand, Pennsylvania will need to recruit 275,000 new home care workers in the next six years, but poverty wages for caregivers and challenging working conditions mean that today these roles have an annual rate of turnover of 64%.<sup>18</sup>

<sup>16</sup>Pennsylvania Department of Aging, "Aging Our Way, PA: A Plan for Lifelong Independence", <u>https://www.aging.pa.gov/publications/MasterPlan/Pages/default.aspx</u>. Accessed August 1, 2024

<sup>&</sup>lt;sup>14</sup>Start Strong PA, "Pennsylvania's Child Care Crisis September 2023 Survey Results",

https://static1.squarespace.com/static/5c2e545dodbda3cf1389658c/t/661ff30ee875e904e6a8a384/1713369870722/ SSPA-Pennsylvania-Fact-Sheet.pdf. Accessed August 1, 2024

<sup>&</sup>lt;sup>15</sup>United for ALICE (Asset Limited, Income Constrained, Employed), "Financial hardship for people with disabilities: Pennsylvania", <u>https://www.uwp.org/wp-content/uploads/ALICE-in-Focus-Disabilities-Pennsylvania.pdf</u>. Accessed August 1, 2024

<sup>&</sup>lt;sup>17</sup>United Home Care Workers. "Where does the money go? Funding Accountability for Pennsylvania's For-Profit and Private Equity-Owned Home Care Agencies"

https://uhwp.org/wp-content/uploads/2023/04/REPORT%E2%80%94Where-Does-the-Money-Go-2023.04.05.pdf. Accessed August 1, 2024

#### Work, the carers and the caring workforce

Here in Pittsburgh, child care workers make an average of \$13.42 per hour, which is about \$28,000 per year.<sup>19</sup> If they support a child, they would need to come up with almost \$40,000 more to have a modest living standard.<sup>20</sup> Demand for child care workers exceeds the size of the existing workforce. The industry continues to struggle from the impacts of the pandemic. Jobs are available, but hiring and retaining folks is a particular challenge in the child care industry.<sup>21</sup> A key driver of this scarcity – wages are far too low. And because this work force is largely women and largely women of color these wage inequities have rippling effects on our communities.

There are and there will need to be millions of care jobs, especially home care jobs, that pay living wages. Today there are 3.7 million home care workers, according to BLS data.<sup>22</sup> In fact, home health and personal care aide is the most common job in the United States.<sup>23</sup> Still, the need for home care outpaces the availability of people to provide that care. Employment of home health and personal care aides is projected to grow 22 percent from 2022 to 2032, much faster than the average for all occupations. About 684,600 openings for home health and personal care aides are projected each year, on average, over the decade.

# Policy hasn't kept up to meet the needs of our lives

In just a few generations we moved from a typical family having one person at home caring for the children to most American kids being raised by two working parents. And more and more often those working parents are also providing some level of care for their own aging parents.

Every year, unpaid family caregivers provide about 80% of care services to their communities - a \$600 billion US dollars worth of contribution.<sup>24</sup> Women are more than

https://www.bls.gov/oes/2023/may/oes\_38300.htm#30-0000. Accessed August 1, 2024 <sup>20</sup>Economic Policy Institute's Family Budget Calculator, January 2024. Data are in 2023 dollars, https://www.epi.org/resources/budget/. Accessed August 1, 2024.

<sup>21</sup>The Center for American Progress, "The Child Care Sector Is Still Struggling To Hire Workers", <u>https://www.americanprogress.org/article/the-child-care-sector-is-still-struggling-to-hire-workers/</u>. Accessed August 1, 2024

<sup>23</sup>U.S Bureau of Labor Statistics, "Charts of the largest occupations in each area, May 2023",

<sup>&</sup>lt;sup>19</sup>U.S. Bureau of Labor Statistics, Occupational Employment and Wage Statistics for Pittsburgh, PA, May 2023. 13.42 per hour x 40 hours per week X 52 weeks = 27,913.6 annual wage.

For an adult to support a child with a modest living standard, a worker in the Pittsburgh metro area needs \$67,418 annually. The gap is \$67,418 - \$27,913.6 = \$39,504.4

<sup>&</sup>lt;sup>22</sup>U.S. Bureau of Labor Statistics, "Occupational Outlook Handbook: Home Health and Personal Care Aides", <u>https://www.bls.gov/ooh/healthcare/home-health-aides-and-personal-care-aides.htm#:~:text=in%20May%202023.</u> -.Job%20Outlook.on%20average%2C%20over%20the%20decade. Accessed August 1, 2024

https://www.bls.gov/oes/current/area\_emp\_chart/area\_emp\_chart.htm. Accessed August 1, 2024 <sup>24</sup> Reinhard et al., "Valuing the Invaluable 2023 Update: Strengthening Supports for Family Caregivers", AARP, https://www.aarp.org/pri/topics/ltss/family-caregiving/valuing-the-invaluable-2015-update/. Accessed August 1, 2024

two times more likely to be giving this unpaid care. Inadequate child care options cost Pennsylvania \$6.65 billion in lost earnings, productivity, and revenue.<sup>25</sup> This is a structural economic issue, not just a personal one.

We have experienced dramatic shifts in how we live. And while we've made important advancements in our physical infrastructure to keep pace with our economy, we have not done the same for the care infrastructure that equally supports our families and our workers.

# This isn't an impossible dream, we know what works

Nearly all countries around the world, and even 13 states across America, have paid leave policies that support families. We have significant evidence demonstrating the positive impact these policies have across economic, health, and social outcomes.<sup>26</sup> Making caregiving a legislative priority need not be partisan – 82% of voters support making it easier for people to care for their loved ones.<sup>27</sup>

Thích Nhất Hạnh said, "Caring is the bridge that connects us to one another." Today, we are in deep need of more connection and policies that enable us to care more deeply for each other. This hearing is a step on the path for Federal policies to anchor into the voices of what families are asking for: policies that support them through all the moments of their lives that require care.

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#### Attachment: Care Learnings from New Practice Lab Thriving Families Project (PA)

https://strongnation.s3.amazonaws.com/documents/1608/2735f9c4-fa3c-4e39-8516-ed2de992b084.pdf?167760174 o&inline;%20filename=%22\$6.65%20Billion:%20The%20Growing,%20Annual%20Cost%20of%20Pennsylvania%E 2%80%99s%20Child%20Care%20Crisis.pdf%22. Accessed August 1, 2024

https://www.ilo.org/publications/care-work-investing-care-leave-and-services-more-gender-equal-world-work. Accessed August 1, 2024

<sup>&</sup>lt;sup>25</sup>Sandra Bishop, and Steve Doster, "\$6.65 Billion: The Growing, Annual Cost of Pennsylvania's Child Care Crisis", Council for a Strong America,

<sup>&</sup>lt;sup>26</sup>Vicki Shabo, "Rural Pennsylvanians Must Travel Long Distances to Hospital-Based Health Care", New America, <u>https://www.newamerica.org/better-life-lab/blog/rural-pennsylvanians-must-travel-long-distances-to-hospital-base</u> <u>d-health-care/</u>; Kathleen Romig and Kathleen Bryant, "A National Paid Leave Program Would Help Workers, Families", Center on Budget and Policy Priorities,

https://www.cbpp.org/research/economy/a-national-paid-leave-program-would-help-workers-families; Addati et al., "Care at work: Investing in care leave and services for a more gender equal world of work", International Labour Organization,

Washington Center for Equitable Growth. "What does research say about care infrastructure?" <u>https://equitablegrowth.org/wp-content/uploads/2021/04/041521-care-infrastructure-fs.pdf</u>. Accessed August 1, 2024

<sup>&</sup>lt;sup>27</sup>Morning Consult on behalf of Pivotal Ventures and BPC Action, "Voter Sentiment on Caregiving in the U.S.", <u>https://bpcaction.org/wp-content/uploads/2024-Caregiving-Poll-Results.pdf</u>. Accessed August 1, 2024



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