Informal Care for Older People by their Adult Children: Projections of Demand & Supply in England

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Introduction
- Work Package 5 of the MAP2030 project includes projections of informal or unpaid care
- Builds on PSSRU long-term care finance model, developed with funding from Department of Health
- PSSRU model makes projections of:
  - numbers of disabled older people
  - informal care and formal services
  - public & private expenditure on services
- Papers on informal care projections listed at end

Today’s presentation
- Part One
  - Most recent informal care projections (Pickard 2008a)
  - Prepared for Strategy Unit (Cabinet Office) and Department of Health
  - Demand and supply of informal care in England to 2041
- Part Two
  - Introduction to work on informal or unpaid care projections as part of MAP2030 Workpackage 5

Informal Care for Older People by their Children
Projections of Demand & Supply in England

Introduction (continued)
- The analysis is concerned with informal care by the adult children of older people
- The majority of disabled older people in private households receive informal care from either an adult child or a partner
- Care by partners is likely to increase in future primarily due to projected improvements in male mortality, which are likely to lead to fall in number of widows
- But future supply of informal care by children is uncertain
- Increase in proportion of older people with children
- Rising employment rates among mid-life women
- Declining co-residence of older people with children
1.1 Future demand for care from children

Future demand for care from children
- Projections are derived from the PSSRU Long-Term Care projections model
- Details of model in Wittenberg et al 2008
- PSSRU model is essentially a model of demand for long-term care
- Informal care projections estimate future number of older people who would receive informal care if current patterns remained same, that is, 'demand' for informal care
- Modelling of demand for informal care by source described in Pickard et al 2007

Key assumptions of PSSRU projections of demand for informal care
- Number of people by age and gender changes in line with Government Actuary’s Department (GAD)s 2006-based population projections
- Marital status changes in line with GAD 2003-based marital status and cohabitation projections
- Age/gender specific disability rates are assumed to remain unchanged
- Proportions of older people receiving informal care remain constant over time, by age, gender, disability, household type and housing tenure, based on 2001/02 General Household Survey (GHS) data on people aged 65 and over

Chart 1
People aged 65+ with a functional disability, by source of informal care, England, 2005 & 2041 (thousands)
(Source: Wittenberg et al 2008)

Chart 2
People aged 65+ with a functional disability projected to receive care from adult children, England, 2005-2041 (thousands)
(Source: Wittenberg et al 2008)

Key points
Demand for care from children in the future
- Currently around 600,000 disabled older people in England receive informal care from adult children
- Assuming constant probabilities of receiving care by key characteristics, the number of disabled older people projected to receive informal care from adult children is projected to rise by 90% to around 1.3 million in 2041
1.2 Future supply of care by children

Key assumptions of PSSRU projections of supply of informal care

- Number of people by age and gender changes in line with Government Actuary’s Department (GAD’s) 2006-based population projections
- Marital status changes in line with GAD 2003-based marital status and cohabitation projections
- The proportion of the population in private households, based on the 2001 Census, remains constant by age and gender
- Probability of providing informal care for 20 or more hours a week to an older parent by age, gender and marital status in England remains unchanged (based on 2000/01 GHS data on provision of informal care)

Chart 3
Projected numbers people (aged 30 to 74) providing care for 20 or more hours a week to parents aged 65 and over, England, 2005-2041 (thousands)
(Source: Pickard 2008a)

Key points
Future supply of care by adult children

- There are currently around 400,000 people providing intense informal care to older parents
- This is projected to rise by 27.5% to 500,000 by 2041
- Around 90% of those providing care are under 65 years old and this is still likely to be the case in 2041
- Around two thirds of those providing care are women and this is also still likely to be the case in 2041

1.3 Will supply of care keep pace with demand?
Chart 4
Will the supply of intense intergenerational care keep pace with demand for care by disabled older people? England 2005-2041 (Source: Pickard 2008a)

Chart 5
The ‘care gap’: difference between supply of intense intergenerational care & demand for care by disabled older people, England 2005-2041 (Source: Pickard 2008a)

Key points
Will the supply of intense intergenerational care keep pace with demand?

• Trends in supply and demand suggest that there will be a fall in the ratio of care-receivers to providers of intense care (from 0.6 in 2005 to 0.4 in 2041)
• This change will result in a shortfall of 250,000 intense carers or 250,000 fewer disabled older people receiving intense informal care by 2041
• ‘Care-gap’ is primarily driven by demographic changes

1.4
Implications

Potential policy implications

To keep pace with demand
1. Either more people will need to be encouraged to provide intense informal care
2. Or more paid care/formal services will need to be provided

Potential policy implications

• Majority of people providing intense care to older parents are of ‘working age’
• Providing intense care is negatively associated with labour market participation
• Any increase in intense care provision may therefore be associated with lower labour market participation rates
• Therefore, the ‘care gap’ may have implications for demand for formal long-term care services for older people in future years
Part Two
MAP2030 Work Package 5
Informal care projections

MAP2030 Work Package 5
Research on informal care
Introduction
- So far PSSRU work on informal care projections has included a number of aspects of informal care supply
  - PSSRU long-term care finance model takes into account marital status projections (important aspect of supply of partner care)
  - Work on informal care supply by children takes into account trends in probability of providing informal care
- Key objective of PSSRU work on informal care for MAP2030 is to model implications of changes in another key factor affecting informal care supply: availability of living children

MAP2030 Work Package 5
Research on informal care
Introduction
- Key data source is English Longitudinal Study of Ageing (ELSA)
- Objective is to use 2002 ELSA data to analyse variations in receipt of informal care by disabled older people, by age, gender, disability, marital status, household type, housing tenure, availability of living children and socio-economic status
- Link analysis of informal care to receipt of formal services in PSSRU model

MAP2030 Work Package 5
Research on informal care
Initial analysis
- Differences of definitions of disability and informal care in ELSA and GHS
- GHS permits relatively narrow definition of disability
  - ADL-disability (except bathing) filtered on use of stairs
- ELSA permits relatively narrow definition of informal care
- Sources of help only if have difficulty with tasks (cf. GHS which includes sources of help if does not perform task)

MAP2030 Work Package 5
Research on informal care
Initial analysis
- Definitions of disability and informal care in ELSA and GHS brought together (Pickard 2008b)
- Similar proportion of disabled older people receive informal care from adult children in 2002 ELSA and 2001/02 GHS
- Characteristics of disabled older people with care from children similar (bivariate analysis)
  - Increases sharply with age
  - Is twice as likely for women as men
  - Is associated with widowed, divorced or separated older people, either living alone or with others
  - Is more likely for tenants than owner-occupiers
MAP2030 Work Package 5
Research on informal care
Next stages of analysis

- Multivariate analysis of receipt of informal care by disabled older people from children in ELSA
- using variables not available in the GHS, including availability of living children
- using variables not previously analysed, including additional socio-economic variables
- Linkage to projections of availability of kin
- Linkage to projections of demand for formal services

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References
Pickard L (2008a), Informal Care for Older people provided by their Adult Children: Projections of Supply and Demand to 2041 in England. Report to the Strategy Unit (Cabinet Office) and the Department of Health. PSSRU Discussion Paper 2515
Pickard L (2008b), Sources of Informal Care: Comparison of ELSA and GHS. PSSRU Discussion Paper 2598