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Employers Expand
Elder-Care Benefits

To Reduce Absenteeism, More Companies Offer
Time Off, Insurance, Home Aides to Caregivers
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As more Americans care for elderly relatives, companies are increasingly helping employees by adding workplace benefits similar to those that have been offered for child dependents.

About a quarter of all companies currently provide some basic elder-care benefits, mainly referrals that help employees find caregivers and legal services, a recent survey showed. But other companies, such as accounting firm KPMG LLP and Unilever PLC, the consumer-products concern, are going beyond this to provide employees with additional benefits, which can include extended leaves of absence and subsidized in-home care when emergencies arise.

At Prudential Financial Inc., workers can make a \$100 co-payment and hire a geriatric-care specialist who will visit an elderly parent's home and draw up a complete care plan, or evaluate a nursing facility, even in another state. Publisher McGraw-Hill Cos. permits employees to enroll one other adult family member, which can be an elderly relative, on their health-insurance plan at regular family rates. And Verizon Communications Inc.'s Verizon Wireless division, which also offers emergency in-home care, has extended the benefit to some part-time employees.

Joan Rubino, a portfolio manager at Mellon Financial Corp., used her employer's free emergency elder-care service to find someone to mind her 95-year-old father in Fort Lauderdale, Fla., after last year's Hurricane Wilma. Ms. Rubino stayed with her dad during the storm and for the five days without electrical power that followed. But when she had to return to work, the home-care aide who usually took care of her father wasn't able to come in. Ms. Rubino contacted Caregivers on Call, which contracts with Mellon, and got someone to feed, bathe and stay with her dad. "I was able to come to work and concentrate on my job and not have the stress of worrying about what was going on with my father," Ms. Rubino says.

HELPING HAND

A number of companies are helping employees who care for ill or aging relatives. Some of the benefits include:

* Referral services to advise workers on where they can find caregivers and legal advice.

* Subsidized in-home care when emergencies arise.

* Extended leaves of absence, though these are typically unpaid.

Some companies are adding such benefits even as they cut back in other areas, especially health-care coverage, where costs are soaring. But certain workplace benefits that are considered cost effective, such as assisting with family issues and helping employees stay healthy, are gaining increased attention.

"It does reduce absenteeism. And people appreciate working for an employer who has made the investment in employee services," says Marty Martin, vice-president of employee benefits at McGraw-Hill.

Nationally, working caregivers cost businesses as much as \$34 billion a year because of absenteeism, hiring replacement workers and other lost productivity, according to a recent survey by the National Alliance for Caregiving, a nonprofit coalition, and the MetLife Foundation. This amounts to an average \$2,110 for each of the estimated 15.9 million caregivers working full time, the survey said. And those figures are expected to rise: By 2020, one in three U.S. households is expected to be involved in caring for elderly or disabled relatives, up from one in four today, the survey said.

Smaller families flung over larger distances are making it harder to care for ill and aging relatives these days. Although the federal Family and Medical Leave Act guarantees most U.S. workers up to 12 weeks time off a year, this unpaid leave isn't an option that many families can afford. Employers often lose out because a large percentage of caregivers never return to the job.

A number of big companies are scrambling to come up with solutions. Unilever offers its salaried U.S. employees emergency-care services, flexible working arrangements and other benefits to help care for elderly relatives. One employee used the company's free concierge service to arrange repair of an elderly parent's storm-damaged house in another state, a Unilever spokeswoman says.

Alston & Bird LLP, a law firm based in Atlanta, has added a catastrophic leave-sharing program that allows employees to donate vacation time to other employees who may have family members who are sick but have exhausted their own leave. "We recently had an employee whose husband had a stem-cell transplant and employees donated four months of time to her so she could stay home and take care of him when he came home from the hospital," a spokeswoman says.

Some state governments also are grappling with the issue. California two years ago started offering partially paid family leave to many working caregivers to help them care for ill and elderly dependents, paid from the state's disability insurance program. Other states are considering similar measures.

Tim Gavin of Minneapolis says the emergency elder-care service offered by his employer, KPMG, helped him provide care for his parents in Elkhorn, Wisc., more than five hours away, after his 85-year-old mother underwent triple-bypass heart surgery last year. An aide came to the house to make meals and do housecleaning for his mother and 88-year-old father and provide transportation to medical appointments. After he used up his allotment of 15 employer-provided days, Mr. Gavin says he contracted directly with the provider for continuing care.

Firms that provide care services say they are seeing increased demand for elder-care services from corporate clients. Bright Horizons Family Solutions Inc. of Watertown, Mass., which provides children's care services for more than 600 corporate clients, says it launched emergency adult-care services this month in response to client requests. Caregivers on Call, another nationwide network, based in Lynbrook, N.Y., says half the employees who use its services need in-home emergency care for adults. That's up from 10% a few years ago. And Work Options Group of Superior, Colo., also has strong growth in this area.

Companies that contract with these providers for emergency elder care pay an annual fee based on employee utilization. Companies might offer the service to employees for free, or charge a co-payment, typically about \$4 an hour. By comparison, private agencies that provide such backup care might charge about \$14 an hour in some parts of the country.

Backup adult-care benefits are offered mainly by large companies with more than 500 employees. Some 9% of such companies offer the service, according to a survey by the Society for Human Resource Management released last month. At Children's Hospital and Health System Inc. of Wisconsin, the cost of providing backup services for elder and child care runs about \$50,000 a year for the institution's 4,200 employees across 80 work sites, a spokeswoman says.

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