BACKGROUND

- Family caregivers have become an essential part of the U.S. health care system because of the financial and emotional demands of caring for elderly, chronically or terminally ill, or disabled relatives at home.

- The economic impact of family members’ willingness to provide care, potentially at great economic, personal, and health cost, has not been investigated.

OBJECTIVE

- This study aims to quantify the economic effect on employers of a spouse or dependent of an employee who is diagnosed with cancer.

- The employers’ burden is measured in terms of direct and indirect health-related costs as well as loss of productivity by the employees.

DATA AND METHODS

- Costs based on claims data for five major employers (number of employees exceed 100,000 for each employer) over the period of 1995-1998 were analyzed from the employees’ perspective.

- The data source was an administrative claims database with medical, prescription drug, and disability claims, as well as productivity data. The analytic dataset contained a total of 25,908 employees, including 3,135 caregivers who had a dependent or spouse with cancer.

- Cancer dependents/spouses were identified based on the following criteria:
  - At least one claim for malignant cancer associated with chemotherapy or radiation.
  - At least two claims with an ICD-9 code indicating a personal history of cancer or dependent of an employee who is diagnosed with cancer.
  - Two or more claims more than 30 days apart for the same malignant cancer period of the family member to those costs incurred during the non-cancer period.

- The incremental costs for employees who had a family member with cancer were analyzed from the employers’ perspectives. Indirect costs include short- and long-term disability, sick leave, workers’ disability compensation. Indirect costs are included those paid under Workers’ Compensation for eventuality, prescription drugs and workers’ medical compensation. Productivity costs included reduced at-work performance.

- Multivariate regression analysis modeled the increase in the frequency and amount paid of these claims, separately. Frequency and payment amount are related to dependent rather than patient’s diagnosis.

RESULTS

- Significant employer costs were associated with employees with a family member who had cancer. The total incremental cost was $3,589 per caregiver ($1,523 per year per caregiver) comparing the cancer period to the non-cancer period. Loss of productivity accounted for the majority (81%) of the incremental costs, at $2,302 per caregiver per year ($1,155 per year per caregiver).

- Anemia was a major cause of medical-related costs and accounted for $104 per person per year, or 28 percent of direct and indirect medical-related costs.

- Financial costs follow a specific time pattern, with greatest direct and indirect costs in the post-cancer period. However, direct costs are relatively greater in the pre-cancer period, while indirect costs are related mostly in the post-cancer period.

CONCLUSIONS

- The economic impact of caregiving for a family member with cancer is significant, and it has translated into increased workplace costs. Moreover, this cost increase is more pronounced when cancer-related anemia is present.

- These patterns suggest that programs to promptly treat a family member’s cancer and the related anemia could yield benefits through reducing the caregiver’s burden beyond that directly resulting from the costs of patient treatment.

REFERENCES


