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Long-Term Caregiving Realities Hit Home for Boomers

A Bankers Life study highlights the importance of conversations and preparations for care in retirement.

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Nine in 10 baby boomers who expect to be caregivers say they are willing to make significant lifestyle changes in order to care for a family member or loved one, the Bankers Life [Center for a Secure Retirement](#) reported Thursday.

Study participants said they would be willing to do these things to provide care for a loved one:

- Reduce spending: 66%
- Travel less: 41%
- Move to a new home: 27%
- Work less: 27%
- Stop working altogether: 19%

Other [recent research](#) shows the potential financial risks faced by caregivers.

The Bankers Life study also found that boomers are increasingly aware of the likelihood that they will need retirement care, and are willing to discuss their care. This group estimated that an adult would begin to need physical care or assistance at age 70 or older.

Forty-five percent of study participants believed they would need long-term care at some point, up from 36% in 2013. Sixty-six percent reported that they had had detailed conversations about how they wanted to receive long-term care, and 55% had had detailed conversations about how to pay for care.

Preparations notwithstanding, 30% of boomers in the study who were caregivers said they still had to dip into retirement savings to pay for health care expenses, compared with 19% of those without caregiving responsibilities.

These findings were uncovered in a supplement to a Center for a Secure Retirement [study](#) conducted by The Blackstone Group in October among a nationwide sample of 1,500 middle-income Americans age 54 to 72.

In a statement, Bankers Life President [Scott Goldberg](#), citing U.S. Census Bureau [research](#), noted that older Americans were projected to outnumber children for the first time in U.S. history by 2035.

This raises the question of who will care for the aging population, Goldberg said, adding that the conversation should start at home.

“There are also many resources — including involving an expert such as a financial advisor — to help in evaluating caregiving preparations and assessing costs and other financial implications to provide peace of mind for the whole family.”

Profile of a Caregiver

The study highlighted, unsurprisingly, that [women were likelier](#) than men to have caregiving experience. Sixty-two percent of current or former caregivers among study participants were women and 38% were men.

Sixty-eight percent of those with caregiving experience said they were familiar with long-term care insurance, compared with 59% without such experience.

Experienced caregivers were more likely than those without experience to have engaged in important discussions and made preparations for their own potential long-term needs.

Fifty-four percent of the former reported that they had had detailed conversations with financial professionals, loved ones or others about managing their financial affairs in the event of physical or cognitive decline. Only 38% of the latter had done so.

In addition, experienced caregivers were likelier than inexperienced boomers to have made preparations for their death: communicating funeral preferences (49% vs. 41%), identifying where they wanted to be buried or cremated (51% vs. 37%) and maintaining an up-to-date will (45% vs. 38%).

“The survey shows that caregiving is front of mind — and growing — for boomers,” Goldberg said. “However, it also reveals a greater focus on how boomers expect to receive care.

“With one-third of caregivers tapping into their nest eggs to pay for health care expenses, it’s vital that payment planning for future caregiving is considered and prioritized in equal measure.”