NATIONAL ALLIANCE FOR CAREGIVING

RESEARCH BRIEF

Ripple Effects

Planning, Preparation, and Financial Well-Being Across Caregiving Families

A Research Brief by the National Alliance for Caregiving
Data from Caregiving in the US 2025

November 2026



IN THIS BRIEF

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EXECUTIVE SUMMARY

Across the United States, millions of people are quietly doing one of the hardest jobs there is — caregiving.

Family caregivers show up every day, often without recognition or adequate supports. **While the emotional weight of caregiving is something most people understand, the financial impacts are not as well understood.**

This Research Brief examines the financial health of family caregivers in terms of care planning related to financial matters, healthcare decisions, and living arrangements, providing insight into what is known about how family caregivers think about and plan for their future and that of the people they care for.

Using data from the 2025 Caregiving in the US study,[1] a nationally representative survey, we present the impact of caregiving on caregiver financial health, details about who has plans for future care needs, and how care planning is related to financial well-being. Findings from the Caregiving in the U.S. survey are supplemented throughout with data and quotes from another recent examination of financial planning, Beyond Dollars data from Genworth/CareScout.[4]

36%

of caregivers report **two or more** negative financial impacts as a direct result of caregiving

Financial Profiles of Family Caregivers

Nearly half of the 59 million family caregivers in the U.S. experience at least one negative financial impact as a result of caregiving. For many, those setbacks don't come one at a time.

- 36% of caregivers report two or more distinct negative financial impacts as a direct result of caregiving — more than 1 in 4 report three or more.
- 86% of caregivers reporting the highest level of financial strain also report two or more negative financial impacts — illustrating how impacts compound into a hardship that goes beyond individual setbacks.

> "We need some sort of government or private help for families struggling with chronic illnesses. Going it alone almost ruined our husband/wife relationship … We are both a college educated couple and yet we failed in dealing with his disease and care needs for both of us."
>
> **75-year-old female caregiver**

Negative financial impacts affect caregivers at every age and income level. But, they are more common among younger caregivers and those in lower-income households.

- More than twice as many caregivers ages 18–34 experience multiple negative financial impacts compared to caregivers age 75 and older (44% vs. 20%). Still, 1 in 5 caregivers age 75 and older experience multiple negative financial impacts.
- Nearly twice as many caregivers in households earning under $100,000 annually report multiple negative financial impacts compared to those earning $100,000 or more (44% vs. 23%). Even so, nearly 1 in 4 caregivers in higher-income households experience multiple negative financial impacts from caregiving.

> "Financially it was awful … We have had to pay a speech therapist from our retirement savings … It's lucky we were savers and able to pay for private care."
>
> **72-year-old female caregiver**

86%

of caregivers with the **highest level of financial strain** also report two or more negative financial impacts

The Planning Landscape

Fewer than half of adult care recipients — just 43% — have clear plans in place for their future care. Similarly, 47% of caregivers have plans in place for their own future care. More than half of both care recipients and caregivers do not have plans, leaving themselves financially and logistically exposed.

> "That's what family is for. My wife and I are both disabled, I'm 10 years older than her. We are self sufficient for now, if and when that time comes I'm positive our family members will help us out. That's what our family does, take care of our elderly."
>
> **61-year-old man with no long-term care insurance**

Planning increases with age, income, and education. Those who face the greatest financial risk from caregiving, those who are younger, have lower income, or less education, are also least likely to have the planning protections that could buffer them.

Planning is a family-level behavior. 63% of caregivers whose care recipients have plans in place also have their own plans — compared to just 35% when care recipients have no plans.

43%

of adult **care recipients** have clear plans in place for their future care

47%

of **caregivers** have plans in place for their own future care

Planning for Care: Financial Well-Being for Caregivers

When those receiving care plan in advance, they might protect their caregivers from negative financial impacts. When care recipients have plans, much fewer of their caregivers report multiple negative financial impacts than when care recipients lack plans (28% vs. 46%). Their caregivers are also only half as likely to report high financial strain (12% vs. 25% when the care recipient has not planned in advance).

Recommendations

1 Know the Value of Awareness and Planning

Awareness of the financial realities of caregiving is crucial. Along with strengthening policies to help today's caregivers, individuals can prepare for the future — for themselves and for those they care for.

2 Start Planning Earlier and Make It Accessible

Planning — before a health crisis forces the issue — is powerful. Public awareness campaigns and educational offerings about the value of financial planning can help meet this need.

3 Expand the Planning to Include Others

When one family member plans, something remarkable tends to happen: the people around them often do too. **Planning works best when family members do it together**, not in isolation, including multiple generations and multiple loved ones.

4 Address Structural Barriers Alongside Behavioral Ones

Individual planning and systemic support have to move together. For family caregivers already stretched by low wages, inflexible jobs, and little savings, the advice to "plan ahead" can feel out of touch. Broader support is needed: paid leave that lets caregivers stay employed without sacrificing care, financial tools that acknowledge the real cost of what families are absorbing, and long-term care options that do not require a high income to access.

5 Treat Demographic Disparities as a Central Issue

The financial toll of caregiving is not shared equally, due to unequal access to savings, differential workplace flexibility, and long-term care options that have made preparation harder for some families. **Closing that gap requires more than outreach; it means actively removing the barriers that stand in the way.**

6 Modernize How America Finances Long-Term Care

The U.S. has no coherent national system for financing long-term care, causing families to fill the gap with their own savings and unpaid labor. Federal action is needed, including catastrophic coverage for the costliest care episodes and updated Medicare and Medicaid policies so that preparing for care is realistic at every income level.

RESEARCH BRIEF

Introduction

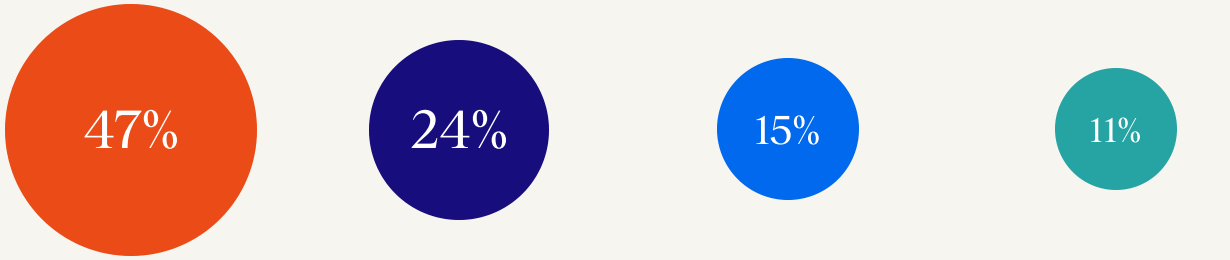
INTRODUCTION

The Financial Challenges of Caregiving

The work of the 59 million family caregivers in the U.S. who care for another adult (18+ years old) with a medical condition or disability fills gaps that our current policy landscape leaves open.[1] The range of caregiving activities extends from time-limited support to 24/7 care involving complex medical tasks; 45% of caregivers in the U.S. are in high-intensity caregiving situations.

59 million Americans provide care to another adult (18+ years old)

WHO THEY CARE FOR



A parent or parent-in-law

Another relative, such as a grandparent, sibling, or adult child

A spouse or partner

A friend or neighbor

Note: Results are rounded and don't know/refused responses are not shown; percentages may not sum to 100%.
Source: CGUS 2025

The financial realities of long-term care help explain why so many families step into caregiving roles themselves. In 2025, the national median cost of care was:

$35

per hour for **non-medical home care**

~$75,000

per year for **assisted living communities**

$100,000+

annually for **nursing home care**[2]

For many families, these costs are simply out of reach, leaving relatives and friends to fill the gap. Caregiving often becomes not only an emotional responsibility, but also an economic necessity — one that can carry significant consequences for caregivers' own financial security.

Few of us recognize the full financial consequences of caregiving. Caregivers face lost work time, foregone promotions, and depleted savings — impacts that few have planned for. Caregivers often pay from their own funds for expenses of their loved one, such as out-of-pocket costs for medications, equipment, and personal care. These financial jolts do not strike uniformly: they concentrate among caregivers who already face economic vulnerability, and they contribute to widening economic and health disparities.

Planning for future care, including for how financial matters, healthcare decisions, and living arrangements will be handled, is an important step to limiting or avoiding financial hardships that for many people accompany caregiving. Among the tools available to aid with this planning is Long Term Care insurance (LTCi) — insurance policies that cover some healthcare-related costs beyond what Medicare and other health insurance may cover.

Planning for Future Care

Three key areas to prepare for future caregiving needs.

Financial matters

Examples: Health insurance · Long-term care insurance · Paying for in-home care or caregiving help · Covering daily living expenses

Healthcare decisions

Examples: Advance directive · Healthcare decision-maker · Preferences for life-sustaining treatments

Living arrangements

Examples: Housing options (aging in place, assisted living, or moving in with family) · Home modifications

Purpose & Approach

Given that nearly 1 in 4 of us are caregivers for other adults, and given the negative financial consequences associated with caregiving, this Research Brief addresses three core questions:

1. **Which caregivers are most likely to experience financial hardship, such as multiple, compounding negative financial impacts from their caregiving?**
2. **How do planning behaviors vary among caregivers and care recipients?**
3. **To what extent does planning protect caregivers from financial hardship?**

The results from this Research Brief point to recommendations for individuals, families, employers, and policymakers to improve families' long-term financial well-being.

The information reported here is drawn from the 2025 Caregiving in the US survey from AARP and National Alliance for Caregiving,[1] a comprehensive national survey of family caregiving. The survey captures information about who caregivers are, who they are caring for, and the types of care they provide (see Data and Methodology, page 33).

Planning for the future is one of the areas that the survey addresses, asking whether the caregiver, the person they care for, or the care recipient's family have plans in place for their future care, such as instructions for handling financial matters, healthcare decisions, or living arrangements. Information from Beyond Dollars data from Genworth | CareScout is also referenced throughout, to provide additional relevant data and to illustrate caregivers' personal experiences with financial planning and hardship.[4]



SECTION 1

Financial Profiles of Family Caregivers

Multiple Financial Impacts

Financial disruption associated with caregiving is widespread and layered.

47%

of caregivers experience **at least one** negative financial impact due to caregiving

36%

experience **two or more** — more than 20 million family caregivers in America

Nearly half (47%) of caregivers experience at least one negative financial impact due to caregiving. **More than one-third (36%) of caregivers experience multiple (two or more) negative financial impacts.** This means that more than 20 million family caregivers in America are facing multiple negative financial impacts from caregiving. These financial impacts fall into five broad categories (Figure 1).

For many caregivers, the safety net they spent years building can fray quickly. Nearly a third have stopped saving altogether. Nearly 1 in 4 caregivers have depleted their own short-term emergency funds, and some have reached into retirement accounts — a decision that can set back financial security for years or even decades.

> "My only plan is that our retirement and house would go toward long-term care."
>
> **52-year-old woman without long-term care insurance who helped care for her mother-in-law**

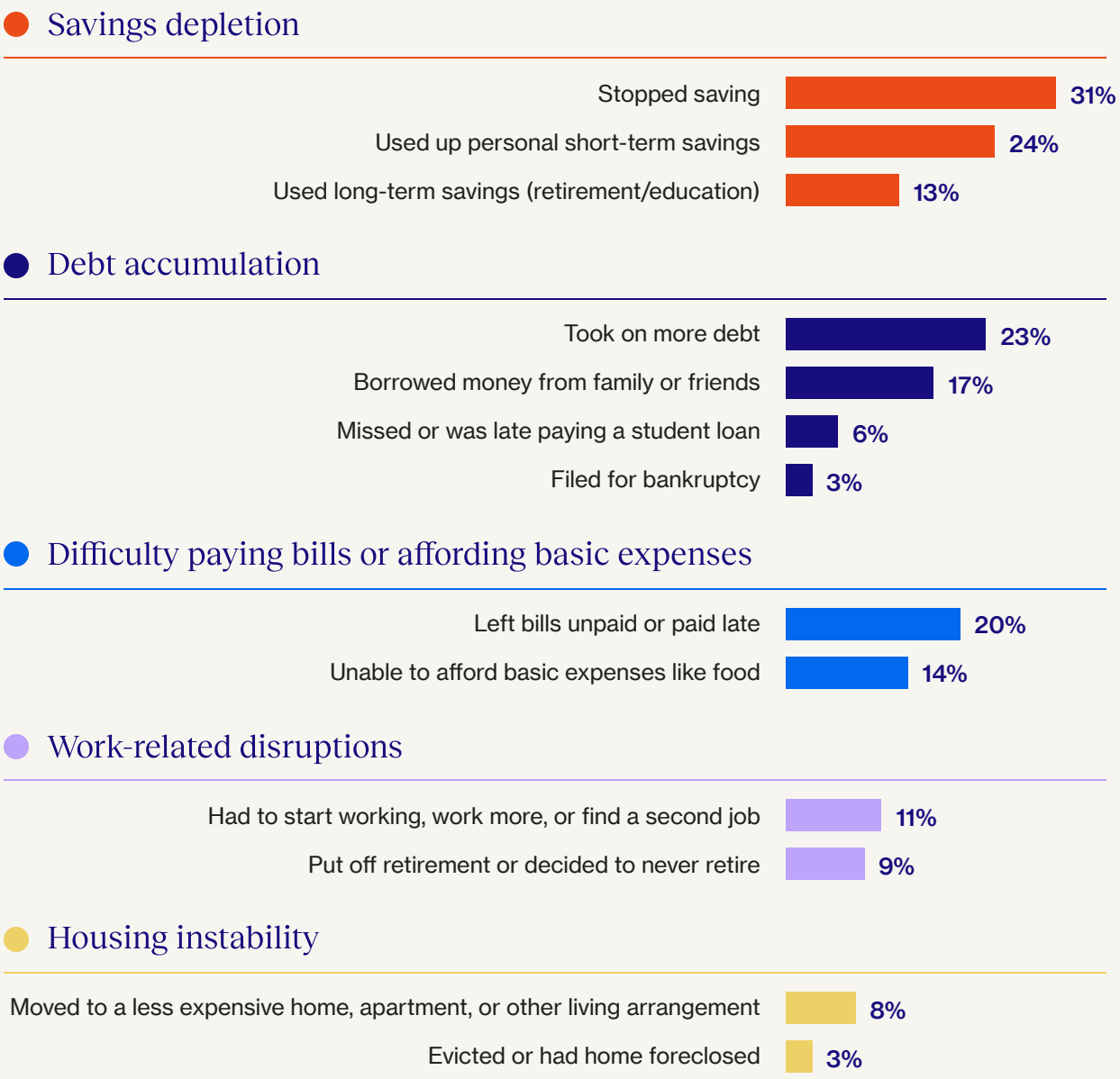
Debt accumulation is also common. A staggering 23% of caregivers took on more debt — nearly 1 in 4 of all family caregivers. One in 5 caregivers are paying bills late or not at all, and more than 1 in 10 are unable to afford basic expenses, like food.

Caregiving also quietly reshapes people's working lives in ways they rarely anticipate. Some take on a second job to cover new expenses. Others find themselves turning down promotions, cutting hours, or stepping back from careers they worked hard to build — not by choice, but because something has to give. And for some, this reckoning is more fundamental: retirement plans get pushed back or abandoned entirely. Even housing is not immune. Nearly 1 in 10 caregivers have moved to less expensive living arrangements under the financial weight of care, and a small but real number have faced eviction or foreclosure.

FIGURE 1

Five categories of negative financial impact — and how many caregivers experience each

Share of caregivers reporting each financial impact as a result of caregiving



Source: CGUS 2025[1]

Who Is Most Likely to Experience Multiple Financial Impacts?

Financial impacts are not evenly distributed. There are clear demographic and situational patterns that show who bears the greatest financial burden from caregiving, for example, by age, income, and race and ethnicity.

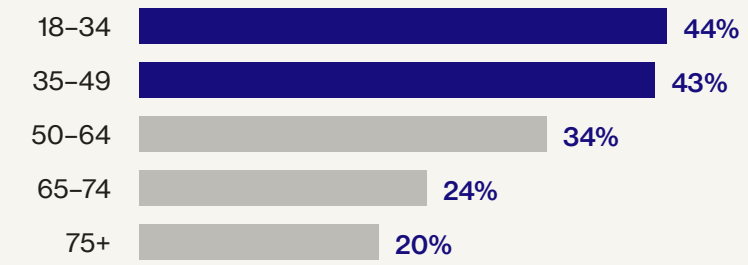
Age

Younger caregivers are more financially vulnerable than older caregivers. More than 4 in 10 (44%) of those ages 18–34 report two (2) or more financial impacts — more than double the rate among those 75 and older. Figure 2 shows the differences by age group for those experiencing negative financial impacts. Younger caregivers often have fewer financial reserves, carry greater debt burdens, and are more likely to be in career-building phases. For these caregivers, negative financial impacts can compound over time, with long term consequences for careers and retirement savings.

FIGURE 2

The youngest caregivers are more than twice as likely as the oldest to face multiple financial setbacks

Share of caregivers with two or more negative financial impacts, by age



Source: CGUS 2025

Income and Education

Those with less financial buffer and with less education, training, and other resources, are more likely to bear a higher burden of caregiving-related costs. The pattern is clear: Caregivers are more and more likely to report multiple negative financial impacts of caregiving as household income goes down. More than 3 in 5 family caregivers (62%) who earn less than $10,000 per year experience multiple negative financial impacts — more than any other income group. Yet caregivers at all income levels are at risk of negative financial impacts. About 1 in 4 caregivers from households with incomes over $100,000 per year report multiple negative financial impacts.

A similar pattern appears for education. More than half of family caregivers with no high school diploma or GED report multiple negative financial impacts (54%), compared to 26% of caregivers with a master's degree or higher.

54%

of caregivers with **no high school diploma or GED** report multiple negative financial impacts

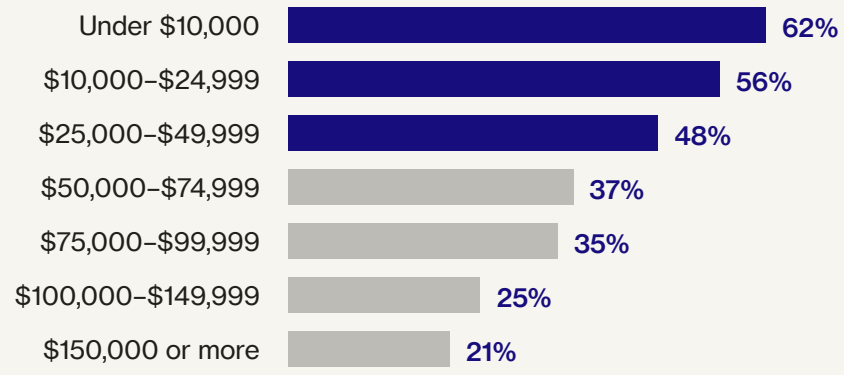
26%

of caregivers with a **master's degree or higher** report multiple negative financial impacts

FIGURE 3

At the lowest incomes, financial hardship is the rule

Share of caregivers with two or more negative financial impacts, by household income



Source: CGUS 2025

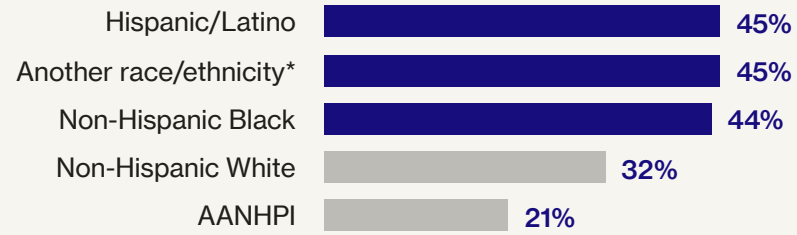
Race and Ethnicity

Race and ethnicity link to the financial side of caregiving in ways that mirror broader economic inequities. Hispanic/Latino caregivers (45%), Black caregivers (44%), and people reporting another race/ethnicity are more likely to face multiple financial setbacks than non-Hispanic White caregivers or those who are Asian American, Native Hawaiian, or Pacific Islander (AANHPI). Differences in family structures and caregiving arrangements likely play a role as well and deserve a closer look.

FIGURE 4

Hispanic/Latino and Black caregivers bear a heavier share of caregiving's financial toll

Share of caregivers with two or more negative financial impacts, by race and ethnicity



*Includes American Indian or Alaska Native, non-Hispanic multiracial respondents, and respondents who selected "Some other race."
AANHPI refers to Asian American, Native Hawaiian, and Pacific Islander caregivers.

Source: CGUS 2025

Differences by Gender

Women and men report multiple financial impacts of caregiving at roughly the same rate (36% and 35%). But the similar headline numbers may mask different underlying stories. More men than women juggle caregiving with work (48% vs. 40%), and working male caregivers are more likely to be salaried (47% vs. 38% of women). Since salaried workers tend to have better access to caregiver-friendly benefits, workplace supports may be doing some quiet work behind these numbers, a dynamic worth understanding more fully.

Relationship to Care Recipient

Caregivers looking after close relatives — especially parents and spouses — are more likely to face multiple financial impacts than those caring for non-relatives (37% vs. 28%). Family caregiving tends to run deeper and longer, and the financial lines people draw with relatives often look different than those they draw with friends or neighbors. Together, these dynamics may help explain why the costs add up differently.

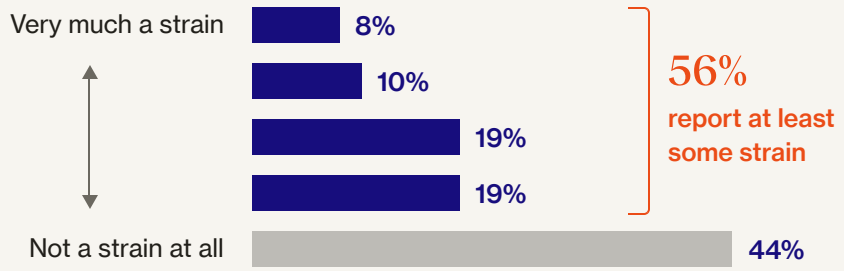
Financial Strain Among Caregivers

For many family caregivers, the financial strain of caregiving is real and ongoing. Asked to rate that strain on a 5-point scale — from 1 (not a strain at all) to 5 (very much a strain) — more than half reported some financial strain.

FIGURE 5

More than half of caregivers feel some financial strain from caregiving

Share of caregivers reporting different levels of financial strain, rated on a 5-point scale



Source: CGUS 2025

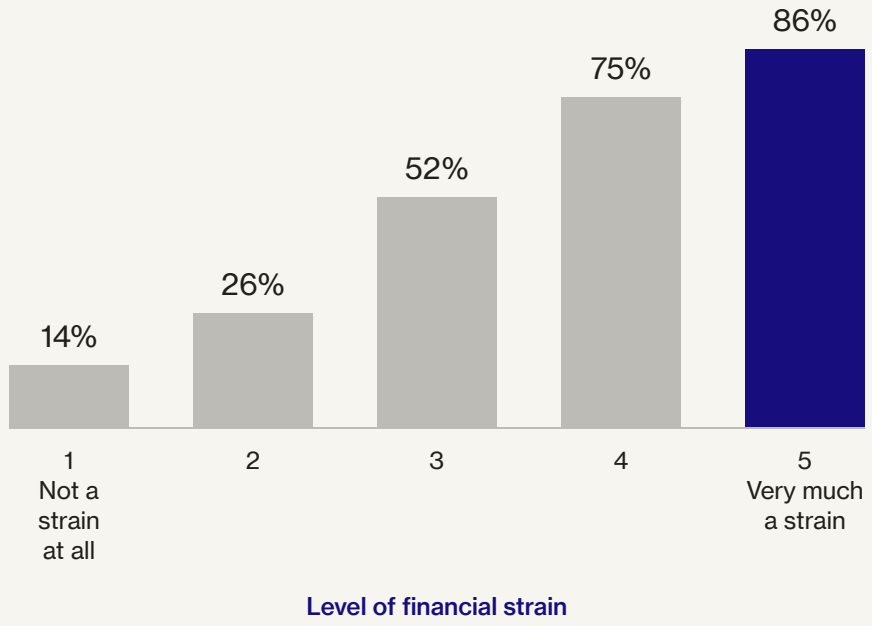
Multiple Impacts and Strain

The link between specific financial impacts and overall strain is strong and steady. Setbacks like draining savings or taking on debt tend to pile up into a broader sense of financial pressure — **nearly 9 in 10 caregivers reporting the highest level of strain have more than one negative financial impact**. But the strain is not only about tallying setbacks. Even caregivers who report no specific negative financial impacts still feel it, more than a third of them report at least some financial strain.

FIGURE 6

Nearly 9 in 10 caregivers feeling the most strain have multiple financial impacts

Share of caregivers with 2+ financial impacts by level of financial strain



Source: CGUS 2025

86%

of caregivers reporting the highest level of financial strain also report two or more negative financial impacts — illustrating how impacts compound into a hardship that goes beyond individual setbacks.

> “Medicare was just denied and the appeal was denied. We are waiting for the lawyers to get Medicaid approved and we are hoping payments will be retroactive. This is our plan but it is in limbo right now.”
>
> **49-year-old woman without long-term care insurance caring for her father-in-law, who does not have long-term care insurance; household income $50,000 to less than $75,000**

SECTION 2

The Planning Landscape

Care Recipient Planning

Fewer than half of these adult care recipients — just 43% — have clear plans in place for their future care. This means that more than 33 million Americans are providing care to adults without clear plans for their future care.[1] That gap leaves family caregivers to make real-time decisions about finances, healthcare, and living arrangements — often without a roadmap.

Age makes a big difference here. Just 31% of care recipients have plans when their caregiver is under age 35, climbing to more than 50% among those with caregivers 50 and older. Even so, that means roughly half of care recipients still lack documented plans, even in the age groups where planning is most common.

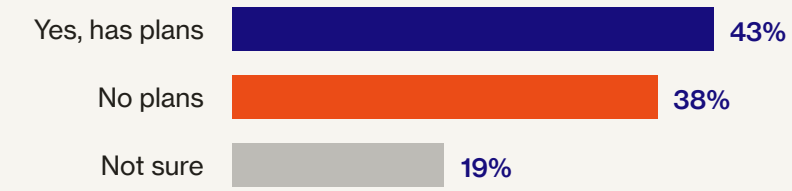
43%

of adult care recipients have **clear plans in place** for their future care

FIGURE 7

Fewer than half of care recipients have plans in place for their future care

Share of caregivers reporting whether the person they care for has plans for financial matters, healthcare decisions, or living arrangements



Source: CGUS 2025

33 million

Americans are caring for an adult without clear plans for future care[1]

Caregivers of adults without clear plans for their future care, in millions



Caregiver Planning

Just 47% of caregivers have plans in place for their own future care. That means more than half of the people with the clearest view of what happens when planning falls short still have not made plans for themselves.

Planning rates climb with age, income, and education. The youngest caregivers — who face the longest time horizon and the highest financial risk — are the least likely to be protected. And a stark reality, 1 in 4 caregivers age 75 and older do not have plans in place, despite the increased risk for medical and aging related challenges.

47%

of caregivers have plans in place for **their own** future care

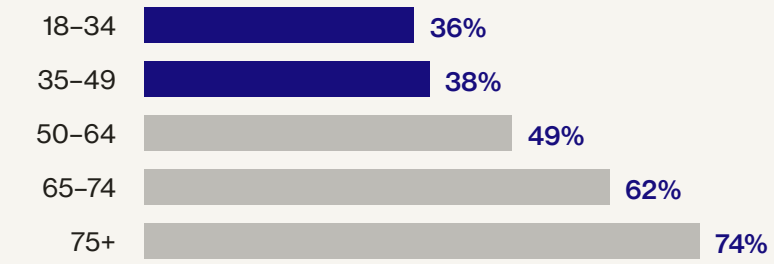
1 in 4

caregivers **age 75 and older** do not have plans in place

FIGURE 8

Most caregivers under 50 have no plans for their own care

Share of caregivers with plans in place for their own future care, by age



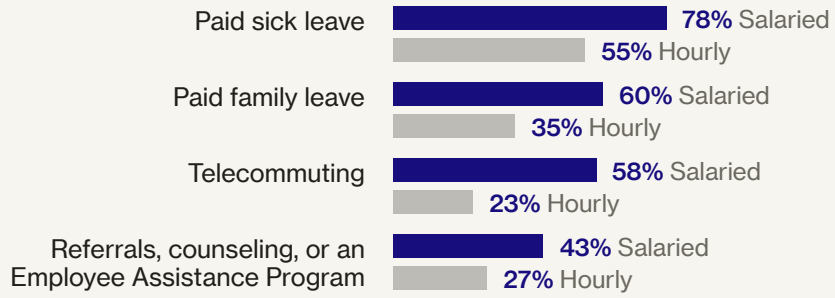
Source: CGUS 2025

Caregivers juggling work and care also plan at lower rates, though that might reflect time pressure and competing demands rather than a lack of awareness. The type of employment, salaried or hourly, makes a difference. Among working caregivers who are not self-employed, more salaried workers have access to caregiver-friendly benefits across the board: paid sick leave (78% vs. 55% for hourly workers), paid family leave (60% vs. 35%), telecommuting (58% vs. 23%), and support through referrals, counseling, or an Employee Assistance Program (43% vs. 27%).

FIGURE 9

Salaried workers have more access to caregiver-friendly benefits

Share of working caregivers who are not self-employed with access to each benefit



Source: CGUS 2025

Other data show similar trends for long-term care insurance. Among caregivers who do not have long-term care insurance themselves, but care for someone who does, 66% say they do not have a plan to fund their own long-term care costs in the future and 35% expect to rely on friends and family members to care for them in the future.[3]

66% do not have a plan to fund their own long-term care costs, among caregivers who do not have LTCi themselves but care for someone who does

The Reciprocal Nature of Planning

One of the most striking findings is the degree to which care recipient planning and caregiver planning go together. Planning is not just an individual behavior — it tends to run in families.

KEY FINDING

Planning Tends to Run in Families

When care recipients have plans in place, their family caregivers are much more likely to have plans for themselves. Among caregivers whose care recipient has plans, 63% have plans of their own. Among those whose care recipient does not, just 35% do. In both cases, demographic factors — particularly age, income, and education — are likely to play a role in shaping these outcomes.

This trend is also evident when examining the relationship between caregiver and care recipient planning by relationship type: while care recipient planning and caregiver planning are linked in every relationship group, the link is strongest among spouses. For spouses, "the recipient's plans" and "my plans" are often literally the same plans — shared finances, joint wills, advance directives done together as a couple. The link also holds among friends and neighbors, who share neither. This reflects planning (or lack thereof) as a family-level behavior.

63%

of caregivers have plans of their own when **their care recipient has plans**

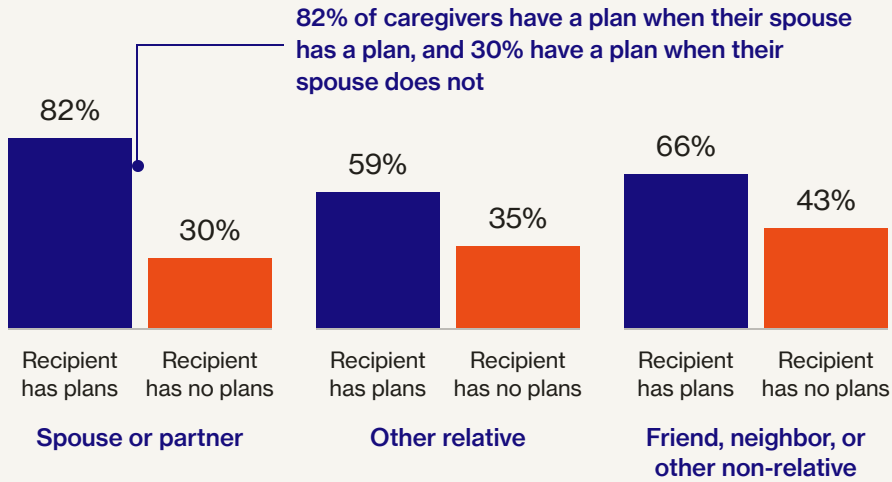
35%

have plans of their own when **their care recipient does not**

FIGURE 10

Caregivers and the people they care for tend to be prepared, or unprepared, together

Share of caregivers with their own future care plans, by care recipient planning and relationship to the care recipient



Source: CGUS 2025

Planning gaps can compound within families, leaving both current and future caregivers exposed to heightened risk.

SECTION 3

Planning for Care: Financial Well-Being for Caregivers

Is Planning Protective?

Care Recipient Planning: Financial Protection for Caregivers

When the care recipient does not have a plan for care, 46% of their caregivers report two or more negative financial impacts. When there is a plan, that number drops to 28%. In other words, caregivers of adults without future care plans are more than one and a half times as likely to experience multiple financial impacts. The pattern holds for financial strain, too — caregivers are only half as likely to report high financial strain (a rating of 4 or 5 on the 5-point scale) when the person they are caring for has planned ahead (12% vs. 25%).

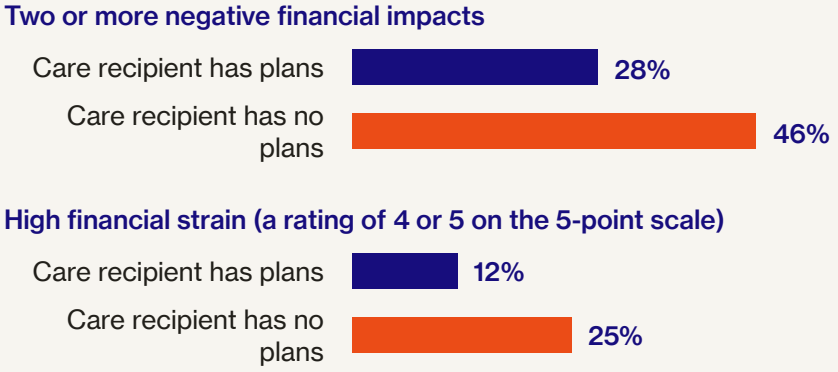
KEY TAKEAWAY

Planning for care pays off financially, not just for the care recipient, but for their caregivers' future needs.

FIGURE 11

Caregivers face fewer financial setbacks when the person they care for has planned ahead

Share of caregivers reporting each outcome, by whether the person they care for has plans for their future care



Source: CGUS 2025

Caregiver Planning: Another Support for Caregivers' Financial Well-Being

Caregivers who plan for themselves may see a near-term benefit. In fact, other data show that 94% of caregivers to loved ones with their own long-term care insurance report experiencing non-financial benefits (e.g., peace of mind, greater control of daily life).[3] More than 80% of long-term care insurance owners report a more positive caregiving experience.[3]

Among caregivers with plans for themselves, 32% report two or more negative financial impacts from their current caregiving experience, compared to 39% of those without. A caregiver's own planning can buffer certain kinds of financial hardships, but may not stretch to cover someone else's. Plus, those needs can arrive suddenly or keep growing. Even expected, steady caregiving can outpace what one person has set aside.

> "I was lucky that my mother had bought long-term care insurance but it is for a limited time (four years). Now that it is running out, she will be spending our inheritance, but thankfully, so far, she has been able to pay for it on her own."
>
> **65-year-old married woman caring for her mother**

94%

of caregivers to loved ones with their own LTCi report **non-financial benefits**

80%+

of LTCi owners report a **more positive caregiving experience**

KEY TAKEAWAY

Planning works best when it is not sitting on one set of shoulders alone.

Patterns of Risk for Financial Hardship

These findings reveal three broad family caregiver scenarios that differ substantially in their exposure to financial hardship:

Protected Family Caregivers

- **Caregiver** has plans
- **Care recipient** has plans

Both caregivers and care recipients have plans. In these situations, caregivers experience few financial impacts and report low financial strain.

These caregivers tend to be older, have higher incomes, and have higher educational levels.

Vulnerable Despite Planning

- **Caregiver** has plans
- **Care recipient** has plans

Plans are in place for both caregivers and care recipients, yet caregivers still experience multiple financial impacts and significant financial strain.

Structural and economic factors such as low income, intensive caregiving demands, and limited job flexibility can overwhelm the protective effects of planning.

Highest-Risk Caregivers

- **Caregiver** and/or **care recipient** lack plans

One or both of the caregivers and care recipients do not have plans in place. In these situations, caregivers experience multiple financial impacts and report high financial strain.

These caregivers tend to be younger, have lower income and education, and are caring for relatives. Lack of preparation can compound already-significant financial disruption. This scenario represents the clearest concentration of financial hardship.

RESEARCH BRIEF

Implications and Recommendations

Most people do not see it coming. Not the depleted savings account, not the career derailed, not the retirement postponed by years. Caregiving reshapes lives in ways families rarely anticipate — and the financial cost is often the last thing they expected and the hardest to recover from.

The findings in this report point toward six concrete ways to change that picture. Each begins with the same underlying conviction: that families should not have to face this alone, and that early action and support — by individuals, families, employers, and policymakers alike — can make an enormous difference in families' long-term financial well-being. For all of these recommendations, knowledge of the realities of caring for our loved ones can lead to actions that protect against financial harm.

1 Know the Value of Awareness and Planning

Awareness of the financial realities of caregiving is crucial.

Planning is one of the most powerful steps a family can take, and yet it is not a guarantee. Even family caregivers who have done everything right — who have had the hard conversations, put documents in place, and thought carefully about what lies ahead — can still find themselves overwhelmed. Because caregiving does not always unfold the way anyone planned; it can arrive suddenly, intensify without warning, and can last far longer than anyone imagined.

In the face of this reality, **awareness of the financial realities of caregiving is crucial**. Public agencies, employers, and community organizations can expand public awareness of what caregiving actually costs, how long it tends to last, and what financial tools and resources exist can help families act sooner and more strategically. Even partial preparation — knowing the options before a crisis hits — can meaningfully reduce the financial harm that too often accompanies a caregiving situation. Along with policy makers and employers strengthening policies to help today's caregivers, individuals and families can prepare for the future — for themselves and for those they care for.

2 Start Planning Earlier and Make It Accessible

Planning — before a health crisis forces the issue — is powerful.

The people most at risk of financial disruption from caregiving are often the least prepared for it: young adults are stepping into caregiving roles for the first time, just as they are getting grounded in life; workers stretched thin who cannot imagine absorbing another expense; people are so focused on getting through the week that planning for the future feels like a luxury they cannot afford.

Reaching these families — before a health crisis forces the issue — is one of the most powerful things employers, community organizations, and public agencies can do. That means showing up where people already are: at work, in community centers, through trusted voices in their lives, and in ways that work for families across income levels and backgrounds.

Public awareness campaigns and educational offerings about the value of financial planning for long-term care can help meet this need. To be effective, the information must match the needs across all income levels.

3 Expand the Planning to Include Others

Planning works best when family members do it together.

When one family member plans, something remarkable tends to happen: the people around them often do too. The data show that caregivers are nearly twice as likely to have plans of their own when the person they care for has done the same. **Planning works best when family members do it together, not in isolation, including multiple generations and multiple loved ones.** A wider circle for planning reflects the reality of care, which may involve more loved ones than families anticipate. Even one honest conversation — the kind that's often avoided because it feels too heavy or too soon — can set off a ripple effect that benefits everyone in the circle.

4 Address Structural Barriers Alongside Behavioral Ones

Knowing that planning matters does not automatically make it possible. For family caregivers already stretched by low wages, inflexible jobs, and little savings, the advice to "plan ahead" can feel out of touch — not because they do not care about their future, but because the present is already consuming everything they have.

Good information is a starting point, but it is not enough on its own. Broader support is needed: paid leave that lets caregivers stay employed without sacrificing care, financial tools that acknowledge the real cost of what families are absorbing, and long-term care options that do not require a high income to access. Employers can help by offering expanded information and benefits that address caregiver needs and challenges including long-term care. More broadly, it will be important to ensure that both hourly and salaried workers have access to relevant benefits. **Individual planning and systemic support have to move together.**

Individual planning and systemic support have to move together.

5 Treat Demographic Disparities as a Central Issue

The financial toll of caregiving is not shared equally. Hispanic/Latino and Black caregivers are absorbing a disproportionate share of its negative impacts — and are less likely to have the planning resources that could help cushion the blow.

This is not a reflection of different values or priorities. It is the result of deeper inequities: unequal access to savings, workplace flexibility, and long-term care options that have made preparation harder for some families than others for generations. **Closing that gap requires more than outreach; it means actively removing the barriers that stand in the way.**

Closing that gap requires more than outreach; it means actively removing the barriers that stand in the way.

6 Modernize How America Finances Long-Term Care

Behind nearly every finding in this report sits the same structural reality: the United States has no coherent national system for financing long-term care. Medicare does not cover most long-term care needs, Medicaid requires families to spend down before it steps in, and private long-term care insurance reaches only a fraction of households. Families are left to fill the gap themselves — with their savings, their retirement accounts, their careers, and their unpaid labor.

Planning helps, but planning alone cannot close a gap of this size. Congress and federal agencies should lead the way by exploring a federal catastrophic coverage program for the longest and costliest care episodes that no family can self-insure against, updating Medicare and Medicaid policies that leave families exposed or penalize the care they provide, and using federal tax and regulatory tools to make private long-term care insurance more affordable and available earlier in life. The goal is a national financing system in which preparing for future care is realistic at every income level, and caring for a loved one no longer puts a family's financial future at risk.

Planning helps, but planning alone cannot close a gap of this size.



Data and Methodology

Data for this Research Brief come from the 2025 Caregiving in the US study (CGUS 2025), a nationally representative survey of 6,549 adult family caregivers conducted by AARP and the National Alliance for Caregiving.[1] Caregivers were defined as individuals who provided unpaid care to an adult or child with a health condition, disability, or other need in the prior 12 months. All analyses in this brief are restricted to the subset of caregivers whose care recipient was an adult age 18 or older. This restriction also ensures a single, consistent wording of the future care planning question, which is worded differently for caregivers of children.

Analyses include frequency distributions for key financial impact, planning, and financial strain measures, and cross-tabulations of these measures by caregiver demographics (age, gender, race/ethnicity, income, education, employment status) and caregiver-care recipient relationship. Weighted estimates are used throughout to reflect the national population of caregivers. Statistically significant differences between subgroups are noted where applicable.

The thirteen financial impact items offered response options of yes, no, and not applicable. In constructing a count of negative financial impacts, “not applicable” responses were counted as not having experienced the impact and caregivers who responded to at least one of the thirteen items were included in the count (weighted n = 6,461 of a weighted total of 6,494). The thirteen financial impact items are grouped into five broad categories to organize the findings; those categories do not affect any estimate.

On the care recipient planning measure, where this brief describes care recipients without clear plans, caregivers who were not sure are combined with those reporting no plans. Analytic bases vary modestly across measures because of item nonresponse.

Where referenced, Beyond Dollars data from Genworth | CareScout provide complementary context on the financial and employment consequences of caregiving from an insurance and financial planning perspective.[3,4]

References

1 AARP and National Alliance for Caregiving. Caregiving in the US 2025. Washington, DC: AARP. July 24, 2025. https://doi.org/10.26419/ppi.00373.001.

Caregiving in the US 2025 is a nationally representative survey of 6,549 family caregivers conducted in the US through 2024. The full survey and results can be found at caregivingintheus.org. The term "caregivers" refers to family caregivers throughout unless otherwise noted.

2 CareScout. (2025). Cost of Care. https://www.carescout.com/cost-of-care.

3 Genworth Experience Research & Design Team. (2026). Long-Term Care Insurance: Lived Impact and Perceived Value. Genworth Financial | CareScout.

4 Genworth Financial. (2021). How Caregiving Impacts Families, Communities, and Society (Beyond Dollars 2021, COVID-19 Pandemic Edition).

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