Aging, Caregiving & Financial Costs:

Finding Resources & Improving the Pathways Forward

A Virtual Roundtable

April 10, 2024
Playing the long game

Longevity and financial outcomes

PRESENTATION BY
Anne Ollen
TIAA Institute

APRIL 10, 2024
Backdrop

- Americans are living longer & face financial insecurity in retirement
- One in five adults are caregivers
- Caregivers face financial consequences
- Financial & longevity literacy is key to retirement preparedness
A steady march towards increased longevity

Life expectancy from birth, 1900 to 2021

Life expectancy in the United States has increased 17 years since the Social Security Act was signed in 1935.

Source: Center for Disease Control and Prevention and National Vital Statistics System Annual Reports, 2019-2021
Living longer creates significant complications

Financial caregiving and increased longevity increase retirement security risk and the need to plan for related costs across various life stages.

• As younger generations increasingly take on caregiving roles, they face different financial pressures and trade-offs.
• Financial choices made at younger ages have ripples for years to come as families weigh trade-offs between present spending, saving for large expenses and saving for retirement.
Longevity literacy among U.S. adults

Longevity literacy is an understanding of how long people tend to live in retirement.

Test your knowledge:

On average in the U.S., how long will a 65-year-old woman live? [If female]

- About 17 more years (age 82)
- About 22 more years (age 87)
- About 27 more years (age 92)
- Don’t know

On average in the U.S., how long will a 65-year-old man live? [If male]

- About 14 more years (age 79)
- About 19 more years (age 84)
- About 24 more years (age 89)
- Don’t know
Weak financial literacy is more common among men. It is also more common among Blacks and Hispanics, as well as Gen Z and Gen Y.

Longevity literacy among U.S. adults is very low

Aggregating across the three questions provides a composite indicator of longevity literacy.

Only 12% have strong longevity literacy
They correctly answered all three questions.

While 31% have weak longevity literacy
They responded either “don’t know” or with an underestimate of life span for each question.

Only 12% have strong longevity literacy
While 31% have weak longevity literacy
Longevity literacy among U.S. adults is very low

Women have greater longevity literacy than men.

Knowledge of life expectancy for 65-year old men/women in the United States

<table>
<thead>
<tr>
<th></th>
<th>Strong knowledge (Answered correctly)</th>
<th>Poor knowledge (Don’t know)</th>
<th>Over-estimate</th>
<th>Underestimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. adults</td>
<td>37%</td>
<td>28%</td>
<td>10%</td>
<td>25%</td>
</tr>
<tr>
<td>Men</td>
<td>32%</td>
<td>27%</td>
<td>11%</td>
<td>31%</td>
</tr>
<tr>
<td>Women</td>
<td>43%</td>
<td>28%</td>
<td>10%</td>
<td>19%</td>
</tr>
<tr>
<td>Gen Z</td>
<td>30%</td>
<td>36%</td>
<td>7%</td>
<td>27%</td>
</tr>
<tr>
<td>Gen Y</td>
<td>32%</td>
<td>32%</td>
<td>9%</td>
<td>28%</td>
</tr>
<tr>
<td>Gen X</td>
<td>37%</td>
<td>26%</td>
<td>8%</td>
<td>29%</td>
</tr>
<tr>
<td>Boomers</td>
<td>44%</td>
<td>23%</td>
<td>13%</td>
<td>20%</td>
</tr>
<tr>
<td>Silent Gen</td>
<td>45%</td>
<td>21%</td>
<td>17%</td>
<td>17%</td>
</tr>
</tbody>
</table>

53% U.S. adults are working with inaccurate information about life expectancy.

Longevity literacy among U.S. adults

Longevity literacy is an understanding of how long people tend to live in retirement.

On average in the U.S., how long will a 65-year-old woman live? [If female]
- About 17 more years (age 82)
- About 22 more years (age 87)
- About 27 more years (age 92)
- Don’t know

On average in the U.S., how long will a 65-year-old man live? [If male]
- About 14 more years (age 79)
- About 19 more years (age 84)
- About 24 more years (age 89)
- Don’t know

Source: TIAA Institute-GFLEC Personal Finance Index (2023).
Longevity literacy: strongly linked to retirement planning and preparedness

Understanding the concept of longevity provides a more complete picture of factors involved in financial well-being.
Longevity literacy and retirement readiness

Workers with strong longevity literacy tend to be better prepared for retirement.

- **Determined how much they need to save for retirement**
  - Strong longevity literacy: 50%
  - Weak longevity literacy: 32%

- **Saving for retirement on a regular basis**
  - Strong longevity literacy: 72%
  - Weak longevity literacy: 58%

- **Confident they will have enough money to live comfortably throughout retirement**
  - Strong longevity literacy: 69%
  - Weak longevity literacy: 53%

Source: TIAA Institute-GFLEC Personal Finance Index (2023).
Longevity literacy and retirement readiness

Retirees with strong longevity literacy tend to experience better retirement outcomes.

Source: TIAA Institute-GFLEC Personal Finance Index (2023).
Longevity gains challenge individuals and society to rethink twentieth century approaches to work, family and retirement preparedness.

Individuals and families cannot and should not face these challenges alone.

Key takeaways

1. Raise awareness of the link between longevity and caregiving
2. Plan for longevity in the early stages of adult life
3. Financial advisors, employers and policymakers all have a role to play

Together, we can work toward a financial future in which we not only live longer, but better.
Aging, Caregiving & Financial Costs: Finding Resources & Improving the Pathways Forward

A Virtual Roundtable

April 10, 2024
Financial Literacy Needs of Older Women

Research from HelpAge USA

Presented by:

Amy Hinojosa

MANA, A National Latina Organization

April 10, 2024
Older women as a group face significant issues, but within-group differences also exist

<table>
<thead>
<tr>
<th>Confidence About Money Management</th>
<th>Feelings About Money Management</th>
<th>Views on Their Financial Futures</th>
</tr>
</thead>
<tbody>
<tr>
<td>While just over 60% of women aged 40–65 feel confident about money management, significant minority (1 in 5) do not</td>
<td>About 1 in 5 reported negative feelings about money management or that talking about money made them feel ashamed</td>
<td>Less than 30% feel relaxed about their financial futures</td>
</tr>
<tr>
<td>• African Americans (45%), Native Americans (42%), and individuals living below poverty line (55%) least likely</td>
<td>• African Americans (30%), Native Americans (26%), and individuals living below the poverty line (28%) most likely to feel shame</td>
<td>• African Americans were least likely (19%)</td>
</tr>
<tr>
<td>• Hispanics (80%) and Asian Americans most likely to be confident (70%)</td>
<td></td>
<td>• Asian Americans most likely (60%) to be relaxed</td>
</tr>
</tbody>
</table>

Only 16% of women report ever having received financial education

College-educated women (22%) more likely to have received financial education

Likelihood of having previously attended a financial education class highest for White (20%) and Hispanic (23%) women

African Americans, Native Americans, and Asian Americans less likely to have received (8-10%)
More than 70% expressed interest in receiving financial education, especially the previously underserved

African American (85%), Asian American (80%), and Hispanic/Latina women (93%) most likely to express interest.

Individuals from low-income households less likely to express interest although these levels remain objectively high (60%).

Among those who said “very” or “somewhat” interested, over 60% wanted it now as opposed to in the next 1–5 years or longer.
## Takeaways for Older Women in the U.S.

<table>
<thead>
<tr>
<th>The Situation</th>
<th>The Demand</th>
<th>The Opportunity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gaps in financial literacy linked to long-term well-being—but few women in the U.S. have ever had financial education</td>
<td>Significant demand among women 40+ years</td>
<td>International experience shows financial education for older women can impact long-term financial well-being but must be done well</td>
</tr>
<tr>
<td>Inadequate supply of free, trusted programming, especially for older women</td>
<td>African American, Asian American, and Hispanic women most likely to express interest</td>
<td>Imperative to change harmful narrative and fund appropriate programs</td>
</tr>
<tr>
<td>Nonprofits like WISER and AARP have strong programming but need support for scale-up</td>
<td>Interest goes beyond money management to long-term planning</td>
<td>Trusted community partners are key</td>
</tr>
<tr>
<td>Belief it is too late to educate older women hinders investment in programming</td>
<td>Women value flexibility, shorter sessions, online access, designed for life-stage</td>
<td>Interactive components and tangible, actionable deliverables (e.g., financial plan) are effective pedagogical methods</td>
</tr>
</tbody>
</table>

*Slide courtesy of Cindy Cox-Roman, HelpAge USA*

Aging, Caregiving & Financial Costs: Finding Resources & Improving the Pathways Forward

A Virtual Roundtable

April 10, 2024
Challenges & Perspectives of Specialist Caregivers

Presented by:
Anna M. Rappaport, FSA, MAAA
Society of Actuaries

April 10, 2024
Caregiving for older or disabled individuals

- Caregiving changes the life of the caregiver, who often already has a busy life.
- Demands on caregiver may suddenly or gradually increase with each emergency.
- May require knowledge of medical history/help as a health advocate.
- Caregiving often negatively impacts the current income and retirement income security of the caregiver.
- May need a financial helper for managing finances of care recipient.

Continuing question: how much should one outsource managing the finances for the care recipient or providing the direct care?
The spouse/partner as caregiver

- Shift away from partnership to having a dependent reliant on your help

- Dependent demands increase and the partner may be disabled

- Trade-offs between maintaining one’s own life and helping those in need

- And losing income and benefits such as Health Care

- After death – caregiving job is gone, and the caregivers need to restore their own life

- My personal story – first my mother – then my spouse.
The adult child as caregiver

- Parent and child may be in different locations
- Often there is little or no planning for this role
- Adult Child may have own children, a responsible job, both
- Major problem may be sudden, creating an emergency with no resources
- Caregivers often must leave job, or reduce schedule
- Caregiving can be costly, impact caregiver health and create stress
- Long term cost can be significant
Over three in five adult children say they help their elderly parents with transportation and shopping.

Adult Children of Elderly Parents: Care Providers by Daily Activity
Total (n=202)

Does your [PARENT] receive help from any combination of family, friends or paid help to do each of the following:

- Transportation to and from places
- Shopping
- Management of medications and medical care
- General upkeep and cleaning of their residence
- Preparing meals

Source: Society of Actuaries survey of adult children with parents age 85 or older
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April 10, 2024
Shining a Spotlight on Caregivers in the Workplace
1 in 4 workers currently have unpaid caregiving responsibilities. Unpaid caregivers are less likely to be full-time and more likely to be part-time

Source: 2023 EBRI/Greenwald Research Workplace Wellbeing Survey
44 percent spent their own money on caregiving and 25 percent reduced working hours

Actions Taken as a Result of Caregiving Duties

- Spent your own money on caregiving expenses: 44%
- Reduced your work hours: 25%
- Taken on new or additional debt: 20%
- Taken a job with more flexibility: 19%
- Reduced the amount contributed to retirement savings plan: 18%
- Used all or nearly all emergency savings funds: 17%
- Borrowed money from family or friends: 16%
- Stopped contributing to a retirement savings plan: 9%
- Taken a loan or withdrawal from a retirement savings plan: 9%
- Relocated to be closer to caregiving recipient or services: 9%
- Left a job: 8%
- Taken a job with more PTO: 5%

Source: 2023 EBRI/Greenwald Research Workplace Wellbeing Survey
50% of working caregivers and 58% of retiree caregivers provide financial support over $5,000
Working caregivers less likely to say they have excellent work-life balance

*Indicates statistical significance at 5% level.
Source: 2023 EBRI/Greenwald Research Workplace Wellbeing Survey
Caregivers and non-caregivers report valuing similar things from their employer

<table>
<thead>
<tr>
<th>What Employees Value Most From Employers, by Caregiver Status (percentage selected in top 3)</th>
<th>Caregivers</th>
<th>Non-caregivers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flexibility in work schedule</td>
<td>50%</td>
<td>50%</td>
</tr>
<tr>
<td>Work-life balance*</td>
<td>50%</td>
<td>50%</td>
</tr>
<tr>
<td>Quality health care coverage</td>
<td>40%</td>
<td>40%</td>
</tr>
<tr>
<td>Generous paid time off benefits</td>
<td>35%</td>
<td>35%</td>
</tr>
<tr>
<td>Quality retirement savings benefits</td>
<td>30%</td>
<td>30%</td>
</tr>
<tr>
<td>Opportunities for career advancement</td>
<td>25%</td>
<td>25%</td>
</tr>
<tr>
<td>Flexibility in work location</td>
<td>20%</td>
<td>20%</td>
</tr>
<tr>
<td>Comprehensive voluntary insurance benefits</td>
<td>15%</td>
<td>15%</td>
</tr>
<tr>
<td>Help with emergency savings</td>
<td>10%</td>
<td>10%</td>
</tr>
<tr>
<td>Ability to give back/volunteer through your job</td>
<td>5%</td>
<td>5%</td>
</tr>
<tr>
<td>None of these</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>Other</td>
<td>1%</td>
<td>1%</td>
</tr>
</tbody>
</table>

Source: 2023 EBRI/Greenwald Research Workplace Wellbeing Survey
At the same time, working caregivers less likely to say they are extremely satisfied with their PTO and paid leave benefits

Satisfaction With Paid Time Off and Paid Leave Benefits, by Caregiver Status

*Indicates statistically significant 5% level
Source: 2022 EBRI Greenwald Research Workplace Wellbeing Survey

- 33% Caregivers, 34% No caregivers
- 36% Somewhat satisfied*
- 13% Not too satisfied
- 7% Not at all satisfied

Some what satisfied*

Extr emely satisfied

Very satisfied

Satisfied

Not too satisfied

Not at all satisfied

So uncer:

28% 23% 20% 17% 12% 9% 7% 5% 3% 0% 15% 30% 45% 10% 25% 35% 50% 60% 70% 80% 90% 100%
Only 12 percent of caregivers say they have access to a paid caregiver leave program.

Separately, 12% of caregivers are aware of access to “Caregiving support and services.” Among those, 45% have used the benefit with a 100% saying it was helpful.

Source: 2023 EBRI/Greenwald Research Workplace Wellbeing Survey
HOW ARE EMPLOYERS RESPONDING?
Roughly 2 in 3 employers say they currently offer or are going to offer caregiving benefits

Financial Wellbeing Benefits Offered

<table>
<thead>
<tr>
<th>Benefit</th>
<th>Offer</th>
<th>Plan to offer</th>
<th>Not planning to offer</th>
<th>Not sure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee discount programs/partnerships</td>
<td>60%</td>
<td>55%</td>
<td>27%</td>
<td>12%</td>
</tr>
<tr>
<td>Basic money management tools</td>
<td>55%</td>
<td>55%</td>
<td>27%</td>
<td>16%</td>
</tr>
<tr>
<td>Financial investment/investing education, seminars, or webinars</td>
<td>55%</td>
<td>53%</td>
<td>27%</td>
<td>14%</td>
</tr>
<tr>
<td>Financial planning education, seminars or webinars</td>
<td>55%</td>
<td>55%</td>
<td>27%</td>
<td>16%</td>
</tr>
<tr>
<td>Tuition reimbursement and/or assistance</td>
<td>50%</td>
<td>44%</td>
<td>33%</td>
<td>14%</td>
</tr>
<tr>
<td>Personalized financial counseling, coaching, or planning</td>
<td>44%</td>
<td>38%</td>
<td>20%</td>
<td>5%</td>
</tr>
<tr>
<td>Impact of inflation on retirement planning education, seminars, or webinars</td>
<td>42%</td>
<td>35%</td>
<td>20%</td>
<td>4%</td>
</tr>
<tr>
<td>Personalized credit/debt counseling, coaching, or planning</td>
<td>38%</td>
<td>37%</td>
<td>19%</td>
<td>4%</td>
</tr>
<tr>
<td>Emergency fund/Employee hardship assistance</td>
<td>38%</td>
<td>38%</td>
<td>19%</td>
<td>4%</td>
</tr>
<tr>
<td>Incentives/gamification around savings and financial actions</td>
<td>37%</td>
<td>36%</td>
<td>22%</td>
<td>5%</td>
</tr>
<tr>
<td>Bank-at-work partnership with a bank or credit union</td>
<td>36%</td>
<td>25%</td>
<td>33%</td>
<td>6%</td>
</tr>
<tr>
<td>Payroll advance loans through the employer</td>
<td>35%</td>
<td>31%</td>
<td>31%</td>
<td>6%</td>
</tr>
<tr>
<td>Child/elder caregiving benefits</td>
<td>34%</td>
<td>37%</td>
<td>24%</td>
<td>4%</td>
</tr>
<tr>
<td>Student loan debt assistance</td>
<td>34%</td>
<td>33%</td>
<td>29%</td>
<td>4%</td>
</tr>
<tr>
<td>Short-term loans through payroll deduction</td>
<td>32%</td>
<td>33%</td>
<td>34%</td>
<td>4%</td>
</tr>
<tr>
<td>Debt management services</td>
<td>26%</td>
<td>38%</td>
<td>28%</td>
<td>8%</td>
</tr>
</tbody>
</table>

Q15. Does your company offer or plan to offer any of the following financial wellbeing or debt assistance benefits to employees? (n=252)

Source: 2023 Financial Wellbeing Employer Survey
When offered, caregiving benefits saw most engagement over last several years

Employee Engagement with Benefits Since COVID-19
Among those offering each benefit

- Increased significantly
- Increased somewhat
- No change in engagement
- Decreased somewhat
- Decreased significantly
- Not sure

Emergency fund/Employee hardship assistance (n=96)
Child/elder caregiving benefits (n=86)
Debt management services (n=70)
Payroll advance loans through the employer (n=87)
Bank-at-work partnership with a bank or credit union (n=91)
College savings accounts (n=58)
Personalized financial counseling, coaching, or planning (n=110)
Financial planning education, seminars or webinars (n=133)
Short-term loans through payroll deduction, through a third-party (n=81)
Personalized credit or debt management counseling, coaching, or planning (n=97)
Incentives or gamification around savings & financial actions (n=94)
Student loan debt assistance (n=85)
Basic money management tools, such as budgeting tools or calculators (n=139)
Employee discount programs/partnerships (n=151)
Tuition reimbursement (n=127)

Q42. How has employee engagement with the following benefits changed since the COVID-19 crisis began? (n=252)
Source: 2023 Financial Wellbeing Employer Survey
The most common areas for expanding in next 1–2 years are caregiver leave policies, and eldercare concierge

### Caregiving Benefits

<table>
<thead>
<tr>
<th>Category</th>
<th>Offer</th>
<th>Plan to offer in next 1–2 years</th>
<th>Not planning to offer, but interested</th>
<th>Not planning to offer, and not interested</th>
<th>Not sure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allow for flexible work arrangements (e.g., teleworking, compressing the work week)</td>
<td>60%</td>
<td>23%</td>
<td>10%</td>
<td>5%</td>
<td></td>
</tr>
<tr>
<td>Long-term leave policies</td>
<td>46%</td>
<td>28%</td>
<td>15%</td>
<td>8%</td>
<td></td>
</tr>
<tr>
<td>Employee resource group</td>
<td>45%</td>
<td>28%</td>
<td>14%</td>
<td>10%</td>
<td></td>
</tr>
<tr>
<td>Paid family caregiver leave policy</td>
<td>39%</td>
<td>31%</td>
<td>16%</td>
<td>10%</td>
<td></td>
</tr>
<tr>
<td>Childcare referral system and subsidies</td>
<td>37%</td>
<td>23%</td>
<td>21%</td>
<td>14%</td>
<td></td>
</tr>
<tr>
<td>Unpaid family caregiver leave policy</td>
<td>37%</td>
<td>32%</td>
<td>16%</td>
<td>11%</td>
<td></td>
</tr>
<tr>
<td>Programs or education around caregiving</td>
<td>33%</td>
<td>30%</td>
<td>20%</td>
<td>13%</td>
<td></td>
</tr>
<tr>
<td>Employer-provided childcare</td>
<td>27%</td>
<td>30%</td>
<td>19%</td>
<td>21%</td>
<td></td>
</tr>
<tr>
<td>Backup care</td>
<td>27%</td>
<td>28%</td>
<td>22%</td>
<td>16%</td>
<td></td>
</tr>
<tr>
<td>ABLE (Achieving a Better Life Experience) accounts</td>
<td>26%</td>
<td>28%</td>
<td>20%</td>
<td>17%</td>
<td></td>
</tr>
<tr>
<td>Eldercare concierge</td>
<td>19%</td>
<td>32%</td>
<td>19%</td>
<td>25%</td>
<td></td>
</tr>
</tbody>
</table>

QB8: Does your company offer or plan to offer any of the following benefits focused on family caregiving (to care for an adult family member or child, outside of parental leave)? (n=252)

Source: 2023 Financial Wellbeing Employer Survey
Yet, caregiving ranks the lowest of issues to address with financial wellness initiatives

<table>
<thead>
<tr>
<th>Issue</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>High costs of living</td>
<td>34%</td>
</tr>
<tr>
<td>Retirement preparedness</td>
<td>31%</td>
</tr>
<tr>
<td>Healthcare costs</td>
<td>28%</td>
</tr>
<tr>
<td>Budgeting and money management</td>
<td>26%</td>
</tr>
<tr>
<td>Daily living expenses</td>
<td>23%</td>
</tr>
<tr>
<td>Financial-related stress</td>
<td>21%</td>
</tr>
<tr>
<td>Work-related stress</td>
<td>20%</td>
</tr>
<tr>
<td>Debt</td>
<td>16%</td>
</tr>
<tr>
<td>Unexpected expenses</td>
<td>13%</td>
</tr>
<tr>
<td>Stress related to personal relationships or home life</td>
<td>13%</td>
</tr>
<tr>
<td>Caregiving for children/Balancing work and parenting</td>
<td>13%</td>
</tr>
<tr>
<td>Child-related expenses</td>
<td>13%</td>
</tr>
<tr>
<td>Not saving enough</td>
<td>10%</td>
</tr>
<tr>
<td>Low wages</td>
<td>10%</td>
</tr>
<tr>
<td>Unexpected reduction in wages (e.g. due to illness or disability)</td>
<td>10%</td>
</tr>
<tr>
<td>Racial health and economic disparities in your workforce</td>
<td>9%</td>
</tr>
<tr>
<td>Caregiving (other than for children)</td>
<td>8%</td>
</tr>
</tbody>
</table>

Q126. What are the top three issues faced by your employees that your financial wellness initiatives are designed to address? Please select your top three reasons. (n=252)

Source: 2023 Financial Wellbeing Employer Survey
Methodology Notes

2023 EBRI/Greenwald Research Workplace Wellness Survey
The 2023 edition of the Workplace Wellness Survey (WWS) interviewed a total of 1,505 full- and part-time American workers aged 21–64, including a nationally representative sample of 1,002 workers and an oversample of 503 caregivers.

The Workplace Wellness Survey (WWS) was conducted for its fourth year in 2023 to examine attitudes toward benefits in the workplace. It examines a broad spectrum of financial wellbeing, employment-based health insurance, and retirement benefit issues.

2023 EBRI/Greenwald Research 33rd Retirement Confidence Survey
The 2023 survey was conducted online from January 5 through February 2, 2023. The RCS measures attitudes toward, preparations for, and understanding of the various issues surrounding retirement by American workers and retirees.

The survey included 1,320 workers and 1,217 retirees, including an oversample of 944 caregivers (598 workers and 346 retirees).

2023 Financial Wellbeing Employer Survey
The survey data was collected among 252 full-time benefits decision-makers during July and August 2023.

All respondents worked full-time at companies with at least 500 employees who were at least interested in offering financial wellness programs.
Aging, Caregiving & Financial Costs: Finding Resources & Improving the Pathways Forward

A Virtual Roundtable

April 10, 2024
The Cost of Caregiving
What You Can Do

Presented by:
Laurel Beedon, PhD
WISER Senior Fellow
The Cost of Care

- **Adult Day Care** $95 daily (national median-up to 8 hours)
- **Assisted Living Facility** $64,000 annual (national median 2023)
- **Skilled Nursing Facility**
  - Semi-Private $104,000 annual (national median 2023)
  - Private $116,000 annual (national median 2023)
- **At Home Care (median)**
  - Homemaker Services in: DC $25 per hour; Chicago $30; LA $35
  - Home Health Aide in: DC $27 per hour; Chicago $35; LA $35

The Financial Impact of Being a Caregiver

- 61% of caregivers report making adjustments to their work (cut hours, take leave, receive warnings at work).
- Caregivers pay an estimate of $7,400 annually in out-of-pocket costs for caregiving.
- Caregivers lose about $324,044 in wages, Social Security benefits, and private pensions over their lifetime.

Source: AARP, Family Caregiver “Out of Pocket Costs”, 2019
Financial Steps to Ensure Caregivers’ Wellbeing

Caregivers:

- **Think carefully** about potential consequences of leaving a full-time job or working part time: *reduced income, loss of health insurance, and future benefits.*
- **Make a plan** for managing money and saving for retirement.
- **Access other resources.** Don’t be solely responsible for providing care.
- **Ask for help** –
  - WISER Caregiver Hub at WISERWOMEN.org
  - Family caregiving agreements.
Legal Documents
Make sure your legal documents are complete and up-to-date:

Care Agreement for Family and Caregiver(s)

Durable Power of Attorney
  ◦ Appoint someone to act on your behalf and make financial decisions

Healthcare Power of Attorney and Healthcare Proxy
  ◦ Appoint someone to make health decisions for you

Living Trust
  ◦ Transfer ownership or title of your assets to a trust
  ◦ You keep control during your lifetime, but given to trustee when you die

Last Will and Testament
  ◦ Directions to where and to whom your assets should go after you die

Living Will
  ◦ Declaration of your healthcare wishes

• Beneficiary designations for insurance and retirement plans/IRAs
• Know where important documents are located
• Have pin numbers and security codes
WISER Financial Caregiving Hub

Caregiver Hub is a one-stop, online shop that provides financial information and resources to caregivers through the caregiving cycle

- Go to: WISER’s website wiserwomen.org and click on Financial Caregiving Hub
- Support from the RRF Foundation on Aging

Two Goals:

1. Help prepare family caregivers for the impact of caregiving on their future financial security

2. Provide resources and tools to help caregivers oversee the financial caregiving tasks of the care recipient
Caregiver Resources from WISER

Financial Steps for Caregivers:
What You Need to Know About
Protecting Your Money and Retirement

Five Questions to Ask Your Mother or Grandmother

Going It Alone –
A Guide for Widows:
5 Steps for Navigating the Financial Challenges

Resources available at: wiserwomen.org
Other Resources for Caregivers & Older Adults

**Eldercare Locator:** Eldercare.acl.gov
- Nationwide service that connects older adults and their caregivers with local, trusted services, 1-800-677-1116

**Benefits Checkup:** Benefitscheckup.org
- Quickly find benefit programs that could help pay for medications, health care, food, utilities and more.

**FINRA Securities Helpline for Seniors:** 1-844-57-HELPS (1-844-574-3577)
Thank you!

Contact Us:
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202-393-5452

Learn more at:
wiserwomen.org

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Aging, Caregiving & Financial Costs: Finding Resources & Improving the Pathways Forward

A Virtual Roundtable

April 10, 2024
Debt and Scams

Genevieve Waterman, DSW
National Council On Aging

April 10, 2024
Popular Myth: Older adults are wealthy in retirement

Facts: While some may be financially secure in later life, many older adults are struggling to make ends meet. According to the Elder Index, nearly half of single older adults and 1 out of 5 older couples can barely afford basic necessities.

This leaves many to make tradeoffs:

- Food
- Medicine
- Housing
- Utility Bills
- Accruing consumer debt (credit cards)
Debt

Since the 1990s, debt among older adult households (65+) has been increasing.

Types of Debt:
- Credit cards
- Medical
- Student loans
- Mortgage

More financial literacy is needed to help older adults navigate living on a fixed income.

Scams in 2022

1. 2.6 million fraud reports to FTC
2. $10 billion in consumer losses
3. Most losses were through bank transfers ($1.8 billion) and cryptocurrency ($1.4 billion).
4. Young adults (age 20-29) reported more losses. Older adults (age 70-79) lost the highest amount of money compared to other age groups.

Scams in 2023

Reported Frauds and Losses by Age
Year: 2023

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Number of Frauds</th>
<th>Percentage</th>
<th>Losses</th>
</tr>
</thead>
<tbody>
<tr>
<td>19 and Under</td>
<td>28,965</td>
<td>(3%)</td>
<td>$56M</td>
</tr>
<tr>
<td>20 - 29</td>
<td>157,908</td>
<td>(14%)</td>
<td>$450M</td>
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<tr>
<td>30 - 39</td>
<td>201,519</td>
<td>(18%)</td>
<td>$840M</td>
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<td>40 - 49</td>
<td>175,402</td>
<td>(18%)</td>
<td>$884M</td>
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<td>50 - 59</td>
<td>168,166</td>
<td>(15%)</td>
<td>$863M</td>
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<tr>
<td>60 - 69</td>
<td>199,453</td>
<td>(18%)</td>
<td>$980M</td>
</tr>
<tr>
<td>70 - 79</td>
<td>144,461</td>
<td>(13%)</td>
<td>$700M</td>
</tr>
<tr>
<td>80 and Over</td>
<td>48,478</td>
<td>(4%)</td>
<td>$244M</td>
</tr>
</tbody>
</table>

Source: https://public.tableau.com/app/profile/federal.trade.commission/viz/FraudReports/AgeFraud
Steps to Avoid Scams

This toolkit provides an overview of popular scams targeting seniors, tips for avoiding them, and next steps for victims of financial fraud.

Use the handbooks and accompanying presentation to hold a scams financial education workshop with seniors in your community.

To access the materials, go to NCOA’s website.
Resources

Education is the Key to Empowering All

Scams
To learn more about NCOA’s newest materials on scams, visit ncoa.org/scams.

Budgeting and Debt
To learn more about NCOA’s newest materials on debt and budgeting, visit ncoa.org/older-adults/money.
Contact Us

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Aging, Caregiving & Financial Costs:
Finding Resources & Improving the Pathways Forward

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April 10, 2024
Aging, Caregiving, & Financial Costs
Finding Resources & Improving the Pathways Forward

April 10, 2024 | Mike Wittke, Vice President, Policy & Advocacy
• About 1 in 5 caregivers report experiencing high financial strain as a result of providing care.

• 1 out of 3 caregivers ages 50 to 64 who are approaching their retirement years are dipping into savings at a period when they should be saving for retirement, which could jeopardize their long-term financial security.

• Out of pocket expenses – Average of $7,200 per year

• Employment impacts – 61%

• Stopped Saving – 28%

• Took on Debt – 23%

• Spending savings – 22%

• Late or unpaid bills – 19%
National Strategy to Support Family Caregivers

Goal 4: Ensure financial and workplace security for family caregivers

• Outcome 4.1: Family caregivers can provide care without negative impacts to their near- and long-term financial health.
• Outcome 4.2: Family caregivers have access to employee-centered flexible workplace policies
• Outcome 4.3: Family caregivers have access to and use of financial education and advance planning tools.
• Outcome 4.4: Long-term services and supports are more affordable, allowing family caregivers to reduce their out-of-pocket costs.
• Consumer Financial Protection Bureau (CFPB) will integrate the Managing Someone Else’s Money financial caregiving resource into the Money Smart for Older Adults program with FDIC, thereby increasing outreach on caregiving issues to financial institutions in FY23.

• CFPB will continue to promote its financial caregiving resources in FY23. These include: Managing Someone Else’s Money, Considering a Financial Caregiver? Planning for Peace of Mind, and Planning for Diminished Capacity.

• CFPB will pursue policy initiatives in FY23 to increase access to quality banking services for older adults and financial caregivers from historically underserved groups.

• CFPB released a new consumer guide and accompanying bifold in FY22 on preventing elder financial exploitation in nursing homes and assisted living, thereby increasing caregivers’ ability to recognize and report financial abuse.

• CFPB will study the financial impacts of caregiving, with a long-term goal of releasing information that highlights the trends and potential solutions.
Caregiver Policy & Legislation

- The Department of Labor’s (DOL) Women’s Bureau (WB) will fund educational opportunities for low-paid and otherwise marginalized women workers, including employed family caregivers.

- DOL's Women’s Bureau will highlight the diverse needs of employed family caregivers through the release of newsletters, blog posts, tweets, op-eds, press interviews, and public facing media activities.

- DOL’s Women’s Bureau will administer $2 million (FY22)/$3.5 million (FY23 proposed) in grants awarded to state and territory agencies through the Fostering Access, Rights, and Education (FARE) grant program to provide education to low-paid and otherwise marginalized women workers – including employed family caregivers.

- DOL’s Office of Federal Contract Compliance Programs (OFCCP) will explore methods for identifying and addressing in compliance evaluations employer policies and practices that create risk factors for caregiver discrimination.
Caregiver Policy & Legislation

- Paid Family and Medical Leave
- Caregiver Tax Credits
- Caregiver Social Security Credits
- Workplace Discrimination Protections
- Self/Consumer Direction
- Financial and Advance Planning Resources
- Protections from Debt Collection
- Estate Protections
- Spousal Impoverishment Protections
- Long-Term Care Financing
Join Us: ActOnRAISE.org

Campaign Partners

✓ Information sharing
✓ Communications content
✓ Turnkey advocacy opportunities, e.g., sign on letters, petitions, etc.
✓ A louder voice on implementation

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THANK YOU
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CFPB resources for financial caregivers

WISER webinar – May 2024
“There are four kinds of people: those who will become caregivers, those who are caregivers, those who were caregivers, and those who will need caregiving themselves.”

- Former First Lady Rosalynn Carter
Considering a financial caregiver

- Informal caregivers
- Formal caregivers
- Choosing a caregiver
Managing Someone Else’s Money guides

- Help for financial caregivers handling the finances for a family member or another who is unable to do so
- Guides for four common types of financial caregivers:
  - Agents under a Power of Attorney
  - Guardians and conservators
  - Trustees
  - Social Security and Department of Veterans Affairs (VA) representatives
Planning for diminished capacity and illness

- CFPB and SEC consumer advisory
- Planning ahead may help you stay in control of your finances
- Powers of attorney and trusts are options that can help you plan for the future
Contact us

CFPB – Office for Older Americans

cconsumerfinance.gov/olderamericans

olderamericans@cfpb.gov
Thank you for joining us today.

Materials from today’s webinar will be available at wiserwomen.org.

Learn more at:

wiserwomen.org
consumerfinance.gov

WISER acknowledges the U.S. Administration on Aging for it’s support of the National Resource Center on Women & Retirement.