



FINANCIAL CAREGIVING

The act of providing uncompensated care to a loved one who has a serious health problem or disability.

Financial caregiving: What you need to know.

Gains in life expectancy over the past 100 years reflect enormous achievements in medicine and public health. However, this leads to an increased need for caregiving and costs due to longevity. This overview highlights the financial considerations of caregiving and how TIAA can help you plan accordingly.

What is financial caregiving?

Financial caregiving is the act of providing uncompensated care to a loved one who has a serious health problem or disability. It might entail providing direct financial support, coordinating a loved one's finances or incurring care-related expenses—such as for travel to check on a parent, trips to the doctor or modifications to one's home to accommodate someone in need of care. Caregiving expenses are distinct from those related to long-term care.

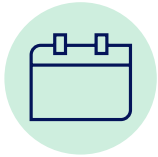
What are the financial implications of caregiving?

Caregiving expenses—including housing, healthcare and transportation—add up to an average of more than \$7,000 a year. Without adequate preparation, caregivers often make less informed decisions to pay these costs, like withdrawing money from retirement accounts, taking on debt, paying bills late or reducing retirement contributions.

FINANCIAL CAREGIVERS



Spend 24 hours a week caregiving



Spend 4.5 years on average caring for an adult



Spend \$7,200 per year or more in out-of-pocket expenses



Spend 26% of their income on caregiving activities

Blacks: 34%
Hispanic/Latinos: 47%



One in 10 working caregivers give up work entirely or retire early

Source: TIAA Institute, [“Playing the long game: How longevity affects financial planning and family caregiving”](#)

The impact of caregiving often extends into the workplace, forcing people to arrive late, leave early, take time off and even consider their own retirement sooner than planned. The financial burden is often steeper for women (who make up about 60% of caregivers and on average earn less than men) and millennials (who represent about 25% of caregivers). Stepping into a caregiver role at an early age has heightened financial implications, because it occurs when many people have lower salaries and should be taking the biggest strides in their careers.



How can TIAA help?

Your TIAA financial professional can help you project the impact caregiving costs may have on your short- and long-term goals, after accounting for the cared person’s income, assets and insurance. This includes considering the impact of savings for retirement, retiring earlier than expected, incurring additional expenses in retirement or other actions you may be forced to consider.



Resources for caregivers

Explore these resources that may supplement your assets and the benefits provided by your employer:

[Elder care locator](#)

[Self-directed Medicaid services](#)

[Dependent qualifications](#)

[Tax considerations](#)

[Veteran-directed care](#)

[VA aid and attendance benefits](#)

[VA caregiver support program](#)