

Genworth Assesses Caregiving Impact

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Many Americans misjudge the impact a family member's long term care needs could have on their own lives, marriages and jobs, a new study by Genworth Financial Inc. (GNW) finds.

An estimated 66 million Americans—about 20% of the U.S. population—are serving as unpaid family caregivers, notes Genworth, Richmond, Va.

Genworth's own study found 83% of caregivers contribute financially to the care of a family member, well above the 40% who said they had thought they would have to contribute funds if such a need arose.

In addition, 63% of caregivers said they saw their income fall with a caregiving event, compared to 38% who expected to experience such a reduction.

Moreover, 61% of caregivers said they had tapped into their personal savings to care for a loved on, in contrast to 37% who had expected to use their own savings as a result of their caregiving responsibilities. Moreover, 57% actually withdrew some of their retirement funds to care for a loved one, compared to 34% who had expected to do so.

Genworth's study also found a significant career impact from caregiving, with 48% reporting they had lost a job, changed work shifts or missed out on career opportunities because of caregiving responsibilities, compared to 29% percent who had expected such an impact.

Uninsured medical expenses are the top financial worry among men and women age 55 and over, Genworth found. Moreover, Americans said they are fairly confused about what long term care actually is and what is covered by Medicare or traditional health insurance.

The research found about 30% of people worry they will have to financially support their adult children, parents, or parents-in-law. And 21% worried they would need to provide support for grandchildren and 13% for their own siblings.

Americans studied said the most important reasons to plan for long term care is not being a burden on their family (65%), being able to afford good care in the setting they chose (51%), and protecting their spouse's or loved ones' quality of life and future security (48%).

Although 78% of study participants said they would find it helpful to talk to a financial advisor about long term care, just 16% had actually done so, Genworth found.

Its study queried 2,151 adults aged 18 and over.