

More Than 80% of Boomers+ Want to Age at Home. Are Families Ready for the Financial, Physical and Emotional Costs?

Six in 10 Americans expect to need long-term care, but most have no financial plan for it, according to Northwestern Mutual's 2026 Planning & Progress Study

Caregivers are feeling the strain: Many report cutting spending, tapping savings, working longer hours or taking on debt to account for the financial impact of providing care

2 in 3 Gen Z and Millennials believe they will need to provide long-term care for a loved one someday

Annual cost of in-home long-term care services on pace to exceed \$500,000 per year by the late 2050s

MILWAUKEE, Oct. 5, 2026 /PRNewswire/ -- Most Americans expect to need long-term care someday, and nearly three in four would prefer to receive it at home. But that vision carries a cost that many families have not planned for.

These are some of the latest findings from [Northwestern Mutual's 2026 Planning & Progress Study](#), the company's proprietary research series that explores Americans' attitudes, behaviors and beliefs toward money, financial decision-making and the broader issues impacting long-term financial security.

Most Americans want to age at home

Across generations, nearly three-quarters of Americans (73%) say they would [prefer to receive in-home care if a health event required long-term support](#). The preference grows with age: 83% of Boomers+ and 78% of Gen X would choose in-home care, compared with 67% of Millennials and 61% of Gen Z.

Preferred setting	U.S. adults	Gen Z	Millennials	Gen X	Boomers+
In-home care	73 %	61 %	67 %	78 %	83 %
Nursing home, assisted living or medical facility	27 %	39 %	33 %	22 %	17 %

"The strong preference for aging at home reflects something deeply human: people want to remain connected to the people, places and communities they love," said John Roberts, chief field officer at Northwestern Mutual. "If Americans start the long-term care conversation early and build it into a comprehensive financial plan, they can create greater flexibility, confidence, and peace of mind for the years ahead."

Most expect a long-term care need, but haven't prepared

Sixty-one percent of Americans say they are likely to need long-term care, and 56% expect to provide it for a loved one. Younger adults are especially likely to foresee caregiving responsibilities: 67% of Gen Z and 66% of Millennials say they will likely provide long-term care for someone they love.

However, financial preparation has not kept pace. Fifty-four percent of Americans have not planned financially for their own potential long-term care needs, and 60% have not planned for the possibility of caring for a loved one.

"More than half of Americans expect they'll help care for a loved one someday, yet many families never talk about what that care might look like," said Roberts. "The best time to talk about long-term care is before you need it. Families who talk and plan ahead can spend less time worrying about what to do and more time focusing on what matters most: caring for one another."

People with an advisor are twice as likely to have a plan

Americans who work with a financial advisor are substantially more likely to report planning for long-term care needs: 66% have planned for their own care and 58% for a loved one, compared to 34% and 29% respectively among those who do not have an

advisor.

"People are telling us they see long-term care coming, but awareness without action leaves families at risk," Roberts said. "Many Americans do not know that Medicare generally does not pay for long-term care services. This is exactly the kind of blind spot a financial professional can help uncover, then connect to the rest of the plan so protection, investments and retirement income work together."

Caregiving is already a multigenerational financial issue

Thirty-nine percent of Americans say they currently provide care or have done so in the past. Despite their age, Gen Z and Millennials are more likely than older generations to identify as current caregivers: 20% of Gen Z and 21% of Millennials, compared with 15% of Gen X and 10% of Boomers+.

Among current and former caregivers, nearly seven in 10 (69%) have taken at least one step to absorb the financial impact. Nearly one-third (32%) have reduced spending, one in four (25%) have drawn from personal savings or emergency funds and 1 in 5 (21%) have worked longer hours or taken on a second job.

Which of the following activities have you engaged in to address the impact of caregiving on your finances? Please select all that apply.	
Financial Impacts on Caregivers	Percent of Caregivers Impacted
Decreased spending	32 %
Used personal savings or emergency funds	25 %
Worked longer hours or took a second job/side gig	21 %
Took on credit-card debt	20 %
Delayed paying down debt	18 %
Asked friends or family for financial support	16 %
Reallocated retirement funds	10 %
Took out a second mortgage	8 %

"Caregiving is one of the most meaningful ways people support the ones they love, but no one should have to sacrifice their own financial security to provide it," Roberts said. "Thoughtful planning can help families navigate those challenges together and focus more of their energy on connection and support."

The cost curve raises the stakes

Long-term care costs have historically outpaced general inflation, adding to the financial pressure families face when trying to support loved ones. For example, the cost of a home health aide grew annually by 4.77% on average from 2021-2025.

Northwestern Mutual's analysis of national long-term care cost data shows that, if recent rates of increase continue, the annual cost of some forms of care could exceed \$500,000 in the 2050s. According to the 2025 Northwestern Mutual Cost of Care Study², the annual cost of a home health aide providing only eight hours of care per day in 2025 was \$99,280. If those costs increase by approximately 5% over the coming years, potential out-of-pocket costs could exceed half a million dollars by the year 2058 – a time when many of today's working adults may need care.

Potential Out-of-Pocket Costs	
Hypothetical projection for a home health aide providing 8 hours of care per day, based on estimated 2026 costs and an annual increase of 5%.	
Year	Projected Cost of Care

2026	\$105,120
2056	\$454,323
2057	\$477,039
2058	\$500,891
2059	\$525,935
2060	\$552,232

[Northwestern Mutual's What Care Costs tool](#) can help to provide people with cost of care estimates at the zip code level. It can also project local costs (by city within any state) into the future using different inflation rates (1-6%). These options can help people to plan more precisely for where they expect or wish to live as they age.

"Long-term care is not a side conversation in retirement planning," Roberts said. "It can be one of the largest and most personal expenses a family faces, impacting where people can age gracefully and how much of a legacy they can leave behind to others. Planning ahead creates options before a health event turns choices into tradeoffs. A financial advisor can provide immense value – helping clients understand the numbers and the solutions available to them."

In forthcoming data sets, Northwestern Mutual's 2026 Planning & Progress Study will explore the "Great Wealth Transfer," estate planning, and more.

About the 2026 Northwestern Mutual Planning & Progress Study

The 2026 Planning & Progress Study was conducted by [The Harris Poll](#) on behalf of Northwestern Mutual among 4,375 U.S. adults aged 18 or older. The survey was conducted online between January 5 and January 21, 2026. Data are weighted where necessary by age, gender, race/ethnicity, region, education, and household income to bring them in line with their actual proportions in the population. A complete survey methodology is available.

About Northwestern Mutual

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¹ Source: U.S. Department of Health and Human Services: <https://www.hhs.gov/aging/long-term-care/index.html>

² Source: 2025 illumifin Cost of Care Study, published March 2026 by illumifin Corporation.

³ Includes investments and separate account assets of Northwestern Mutual as well as retail investment assets held or managed for clients.

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