

Northwestern Mutual Study Underscores Impact of Long-Term Care Events on Caregivers

As Longevity Increases So Does the Need to Plan For Care

MILWAUKEE, Nov. 5, 2013 /PRNewswire/ -- A new study released today by Northwestern Mutual looks at the significant personal and financial implications that long-term care (LTC) events have on caregivers and their families. The **Long-Term Caregiving Study** showed that, despite the growing need for care, two in five Americans (41%) are either unsure of how they will handle long-term care or do not plan to address their potential long-term care needs.

(Logo: <http://photos.prnewswire.com/prnh/20130206/CG55426LOGO>)

"People are living longer, so the need for care is very real," explains Steve Sperka, Northwestern Mutual vice president of long-term care. "Planning ahead and putting solutions in place for potential care needs gives families options and helps protect retirement nest eggs."

In the study, nearly one in five (18%) Americans have provided or are currently providing long-term care for someone (i.e., a family member or friend). Among these caregivers:

The top challenges discovered while providing long-term care are 'increased levels of stress' (59%) and the fact that providing care is 'physically demanding/draining' (42%).

Four in ten caregivers (42%) say they provided the ability for the patient to stay in the patient's own home.

More than a third (34%) report that caregiving responsibilities have led to spending less time with family/friends.

Study Reveals Age and Gender Differences

Americans who have actually served as caregivers stated they have made plans to address their own care needs (69%) and are less likely to be unsure of their future plans (22%). Additionally, the financial impact of providing long-term care is on the radar among caregivers aged between 18 and 34. Forty seven percent of that group responded in the study that they experienced changes to their day-to-day budget, and 15% have dipped into their own retirement plans (financially or practically) to help defray the cost of providing care.

Regardless if Americans have or have not provided care for someone, there seems to be a greater awareness of the importance of planning for their own long-term care. Eighteen to 34 year olds who responded stated they were most likely to be saving for their future long-term care needs (36%) and significantly less likely to expect to be covered by some type of insurance to cover long-term care costs (37%) than those who are over age 55 (52%).

"We're seeing awareness of long-term care issues at earlier and earlier ages," notes Sperka. "Younger people are more aware today of the effects that long-term care issues could have on their lives, especially if they find themselves in a caregiving role. As a result, they're taking a more proactive approach to addressing and planning for their own future needs."

Differences also emerged between men and women who provide care. According to the study, men are four times more likely than women to cover the long-term care expenses from their own income (26% versus 6%) and more than twice as likely as women to pay expenses with their own credit cards (14% versus 6%).

U.S. women are more likely than men to anticipate changes to their lifestyle and finances as a result of a long-term care event, yet they are also more likely to be unsure of how they will address their own long-term care needs (30% vs. 25%, respectively).

Continued Misunderstanding, Lack of Planning and Inertia, Especially For Non-Caregivers

The study also highlights that individuals continue to underestimate the risk of a long-term care event and misunderstand how costs are covered. The study showed:

Forty three percent of U.S. adults believe that their long-term care expenses will be covered by Medicaid/Medicare, health insurance or disability insurance, which is most often not the case.

Among non-caregivers, less than a third (31%) expect that they would need to provide support for a patient to stay in their own home, and yet 42% of those with caregiving experience report that they provided the patient the ability to stay in their home. Among non-caregivers, 25% expect a long-term care event to affect the time they have with family and friends, while 34% of experienced caregivers say that it does.

In fact, when asking people with no caregiving experience about a range of possible implications of long-term care – from

financial, to lifestyle to career – nearly a fourth (23%) reported not being sure at all what the implications would be, if any.

Resources for Long Term Planning

Hear more from caregivers on the impact a long-term care event can have on the lives of families in this [video](#).

Northwestern Mutual has a range of resources to help individuals think about and plan for long-term care needs:

Visit the [Long-Term Care Cost Calculator](#) for a better understanding of the potential costs if you were to require long-term care services.

Visit the [Lifespan Calculator](#) to estimate out how many years you may live in retirement

Learn more about the [long-term care costs and options](#) available to you.

About the Research

The [survey](#) was conducted online within the United States by Harris Interactive on behalf of Northwestern Mutual from October 7-9, 2013 among 2,028 adults age 18 and older, of whom 344 were identified as caregivers. This online survey is not based on a probability sample and therefore no estimate of theoretical sampling error can be calculated.

About Northwestern Mutual

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