

The Sandwich Generation

Caring for Parents and Children

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There are enough of us to call the phenomenon a generation. We are the “Sandwich Generation,” members of a growing group of people functioning as caregivers for both their parents and their children — a membership that is even larger when you include financial care.

According to a 2013 report from The Pew Research Center, parents have become increasingly involved in providing financial support for their adult children. This support often extends beyond college, with about half of adults 60 years old and over providing some type of financial support for their kids. As well, one out of every eight Americans between the ages of 40 and 60 cares directly for an aging parent, while an additional seven to 10 million Americans provide some level of assistance to their parents or other aging relatives, if only from a distance. At the same time, many of these providers have children who also need emotional or financial help. And apparently, our club is nascent, with expectations of enormous growth over the coming years as more and more baby boomers become senior citizens.

As a financial advisor, much of my insight into this dual provider role has come from our own family experience as well as counseling sandwiched clients:

- My mother-in-law is 90 and living in a progressive care facility. She calls on my wife several times a week for help with a variety of things the facility doesn't do, like clothes shopping. My wife, her sister and two brothers as well as other family members visit with her regularly.
- At 92, my father recently moved into a continuing care retirement community. Part of what prompted his decision was a growing concern about his driving. At his most recent annual physical, his physician told him that he should no longer drive. Of course, we'll be glad to take up some of the slack. He has four grandchildren and seven great grandchildren who are regular visitors.
- Our three daughters live nearby and have all married. All three have, from time to time, sought us out to discuss topics ranging from adoption to family finances.

Our experiences are typical and not so difficult as many others I've seen in helping my sandwich clients develop a financial plan that addresses their own financial issues and goals as well as those of their parents and children. Here are a few suggestions on dealing with, or avoiding, some of the stickier generational issues:

- If there are multiple siblings — or other interested caretakers — of an aging parent, determine who will call the shots. It needs to be someone who's engaged. Someone should be assigned power of attorney (POA), but that's not always the person most interested in, or most capable of, being the primary caregiver. Caring for an aging parent can become so demanding it can cost the child their job and their sanity and lead to arguments with siblings so severe they no longer talk to each other.
- Codify the caretaker role. You can draw up another POA or draft a living will. The living will typically addresses what to do at the end of life when the individual is unable to make their own decision, but you could add a preamble to a living will that gives you the right to make other decisions. A POA is most efficient, but you might not want to change that. Also, remember that to execute a POA, the individual agreeing to turn over the right to make decisions on their behalf must be considered mentally capable of understanding and making such an assignment.
- More adult children are living at home with their parents. Many are paying off college loans, waiting to move out on their own until they are financially stable. Do they contribute money to the household? Do they have duties or chores? Have the parents welcoming back a son or daughter after college arranged to protect their own privacy? All that should be worked out in a family meeting before the kid unpacks.
- According to the Pew Research, the one thing common to members of the sandwich generation is the persistent feeling of being rushed. Given their multiple responsibilities — their own lives as well as those of their parents and children — time allocation is key.

When I talk with young couples about long-term care insurance, it's not unusual for them to contend that they don't need it because they will take care of each other. Fast forward and now they are 73 and the husband has a stroke and needs help getting off the toilet. Is the wife physically able to help him? Even if she can, the evidence is that in caring for him, she will hasten her own demise. It is absolutely the case, though often ignored, that you have to treat yourself well or you won't be able to help anybody else.

Your financial advisor can help you develop a plan to address the financial challenges associated with sandwich generation membership. Call us. We're here to help.

The internet is brimming with articles and advice for the sandwich generation. Here are a few you might find helpful:

<https://www.psychologytoday.com/us/blog/media-spotlight/201501/being-in-the-sandwich-generation>

<http://www.pewsocialtrends.org/2013/01/30/the-sandwich-generation/>

<https://www.thebalance.com/financial-planning-sandwich-generation-4150160>

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