



The Hidden Cost of Caregiving for Women in the Sandwich Generation

Dual caregiving for a child and parent can squeeze time, income, and retirement readiness—especially for women, who often shoulder the responsibility. What can you do to help them balance priorities without sacrificing their future financial security?

Adults across the U.S. are increasingly caring for both children and aging parents, a phenomenon known as “the sandwich generation.” That dual role affects more than stress levels; it also reshapes day-to-day cash flow and long-term retirement trajectories—especially for women. Fresh industry data shows that many caregivers reduce work hours, pause promotions, or leave the workforce¹—choices that ripple through lifetime earnings, Social Security benefits, and the compounding of retirement savings.

Though the latest research reflects that the gender distribution of sandwich-generation caretakers is generally balanced, this is a new development. Home care roles have historically defaulted to women, and in 2020, 64% of dual caretakers were women, compared to 45% in 2023. The data reflects the more nuanced picture: Despite equalizing workloads, women are consistently (and significantly) more likely to report negative impacts on their mental and physical health, social lives, and personal finances.² Combined with existing gaps between men and women in overall retirement savings,³ it's easy to see why.

A Slow Erosion of Financial Wellness

Caring for two generations simultaneously is expensive in more ways than one. Adults in the sandwich generation are estimated to spend an extra \$10,000 and 1,350 hours annually on care-related expenses, and many pay for these costs out of their own income or savings.⁴ Generating these extra funds often requires sacrifice, and many women opt to forego their own future financial security in favor of meeting care responsibilities. Roughly a quarter of caregivers have less than \$1,000 in savings, and they are significantly more likely to say debt is a problem—64% compared with 52% of non-caregivers.⁵ For every dollar not invested in retirement accounts, caretakers lose interest-earning potential that becomes more pronounced over time. But even without the active draining of retirement assets by choice, the sacrifice may be outside their control.

¹Almazora, Leo. “Caregiving costs create growing obstacle to women’s retirement security.” [InvestmentNews, November 24, 2025.](#)

²Cost of caregiving burdens nearly half of Sandwich Generation, finds New York Life Wealth Watch survey.” [New York Life, November 1, 2023.](#)

³Collinson, Catherine, and Cho, Heidi. “Retirement in the USA: The Outlook of the Workforce—25th Annual Transamerica Retirement Survey.” [Transamerica Center for Retirement Studies, March 2025.](#)

⁴Liu, Jennifer. “Women say caregiving and child care costs are the No. 1 reason they quit the workforce last year, according to new data.” [CNBC, February 2, 2026.](#)

⁵Copeland, Craig, and Greenwald, Lisa. “Caregivers and Retirement: Findings From the 2023 Retirement Confidence Survey.” [EBRI, July 13, 2023.](#)

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Caregiving responsibilities beat out both the wage gap and layoffs as the top reason why women left the work force in 2025,⁴ and women specifically are three times more likely than men to quit their jobs to take care of loved ones.⁶ The associated income losses impact retirement in two directions: fewer dollars invested in retirement-savings vehicles and potentially lower lifetime earnings, resulting in a lower base for Social Security retirement benefits. The latter is especially insidious; many women may not know of the impact until after they choose to leave their jobs, and gaps in work history can make it harder to regain those losses later.

Opportunities Remain for Women to Plan

Despite the challenges and stressors, many women are doing what they can to proactively address the gaps. Over 80% of survey respondents indicated that they planned to save more money in 2025, with an emphasis on building their emergency savings.⁶ While independent planning can be helpful, many of these women may need professional assistance in finding a path that balances their goals and priorities. That's where you can step in.

As of 2025, only 19% of responding women have a written financial plan in place, but only 36% have sought advice from a financial professional. The effect is stark; women who work with financial professionals are significantly more likely to be confident in their retirement plans than those who don't.⁷ Your guidance can be critical in helping women caregivers uncover new options that could increase their overall retirement confidence. For example, women in the sandwich generation may benefit from:

- **Planning ahead.** An early, grounded understanding of the impact caregiving could have on their ability to retire can help clients make informed decisions about what matters most to them. This could look like finding more flexible employment, taking a phased approach to retirement, or delaying Social Security retirement benefit claims to maximize credits. For those working part time, spousal or traditional IRAs also can make a significant difference, especially when they are funded early.

- **Protected lifetime income.** The vast majority—over 80%—of survey respondents reported relying on Social Security retirement benefits as their primary source of retirement income. As helpful as this benefit can be, it often is not sufficient to cover all expenses, especially for dual caregivers. Of those respondents, only 14% reported owning an annuity, which can provide protected income for life. Spousal and traditional IRAs also can be a powerful strategy for those who don't qualify for employer-sponsored retirement plans, and they can provide options for guaranteed income.
- Having a reliable monthly sum available to pay for known expenses can help ease clients' anxieties as they navigate the complexities of caregiving.

Start the Conversation So They Don't Have To

Between the financial, physical, mental, and emotional stressors involved with caring for both children and older adult parents, there is little space for self-motivated, proactive planning. By reaching out directly to prospects and existing clients in the sandwich generation, you can demonstrate both forward-thinking attunement to their situations and the value of your knowledge. It's difficult enough to juggle the many responsibilities that come with dual caretaking, but your guidance can help make it easier.

ACTIONS YOU CAN TAKE RIGHT NOW

- **Prioritize prospects in the sandwich generation who may need extra planning help.**
- **Discuss potential risk-mitigation strategies for clients already caring for multiple generations.**
- **Propose protected income sources to help improve financial confidence.**

⁶"Fidelity Investments Shares New Insights on Women's Financial Wellness." [Fidelity, March 3, 2025.](#)

⁷"New LIMRA Research Reveals Women Working with a Financial Professional Are More Confident and Prepared for Retirement." [LIMRA, March 29, 2023.](#)

Additional Resources and Links

[Financial Planning for Women](#)

[Four Retirement-Planning Considerations for Female Clients](#)

[Financial Literacy: A Call to Action](#)

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