

Sandwich Generation

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What Is the Sandwich Generation?

The sandwich generation refers to middle-aged individuals who are pressured to support both aging parents and growing children. The sandwich generation is named so because they are effectively "sandwiched" between the obligation to care for their aging parents—who may be ill, unable to perform various tasks, or in need of financial support—and children, who require financial, physical, and emotional support. The trends of increasing lifespans and having children at an older age have contributed to the sandwich generation phenomenon, as has more societal acceptance for adult children to live at home or return home as with [boomerang kids](#).

KEY TAKEAWAYS

- The sandwich generation refers to middle-age adults (often in their 40s and 50s) who are caring for both elderly parents and their own children.
- There are nonprofits and government programs, like the Aging Life Care Association, designed to offer advice to both the elderly and their adult children.
- The adult children of sandwich generation parents should be encouraged to contribute financially and become independent.
- Some members of the sandwich generation find themselves putting off retirement in order to offer financial support to aging parents and adult offspring.
- Estate and financial planning can help provide support for aging parents and their caregivers.

Understanding the Sandwich Generation

A Pew Research Center study estimated that about one in seven Americans between the ages of 40 and 60 are simultaneously providing some financial assistance to both a child and a parent. With the added pressures of managing one's own career and personal issues, as well as the need to contribute to one's own [retirement](#), the individuals of the sandwich generation are under significant financial and emotional stress.

In some cases, these [baby boomers](#) are having to postpone their own retirements because of the added financial obligations. Also, some members

of the sandwich generation are further overextended by caring for their grandchildren.

The obligations placed on the sandwich generation demand considerable time and money.

Special Considerations for Lessening the Financial Burden

Elderly Parents

There are some steps that members of the sandwich generation can take to lessen the burden. The first is to discuss finances with all parties involved. For elderly parents, the hope is that a lifetime of work has left them with a [pension](#) or [nest egg](#) to offset some of the financial burdens of care. If this is not the case, then you need to reach out for help as soon as possible. The Aging Life Care Association and other non-profits and government programs can provide guidance and support.

Adult Children

For adult children, the task is to get them contributing financially and moving towards independence. There are many ways to encourage this, but the easiest is setting the expectations that they will pay for the room and board at near market rates. This removes the "mom & dad discount" that allows them to have a more extravagant lifestyle than their finances can support long-term.

Siblings and Elder Care

Even if finances are not currently an issue, they will become one unless you put proper attention into [estate planning](#). If one sibling from a family is taking on the majority of the burden of care for an elderly parent, then it is worth discussing the estate in that context. The sibling may not want to be financially recognized for his or her care, but not having that discussion is a sure way to foster resentment among the family when mom or dad passes on.