

Sacrificing Retirement Savings for Family

Americans Are Risking Their Own Finances and Health to Support Family

WASHINGTON, DC (September 23, 2025) — Supporting their families is a financial sacrifice many Americans are willing to make, even if it means jeopardizing their own retirement and economic well-being. They would rather compromise their own standard of living and even put off medical care than reduce the support they provide.

Those are the findings of the Alliance for Lifetime Income's **2025 PROTECTED RETIREMENT INCOME AND PLANNING (PRIP) STUDY**, now in its seventh year. Conducted by Ipsos this year, PRIP is the only annual nationwide study that surveys consumers and financial advisors simultaneously. The [second chapter](#) of the study released today highlights the obligation people feel toward helping their family even if it causes personal hardships for them, the rising concerns people have about healthcare costs in retirement, and the worries Gen-Xers have about their readiness for retirement.

17% of consumers surveyed support adult children age 26 and older, while 10% support grandchildren and 7% provide support for parents or in-laws. An additional 9% support other family members. More than half of these respondents indicate that their financial support of these family members affects their retirement savings.

When asked what tradeoffs consumers would make to stretch their savings in retirement, reducing or stopping their financial support of family members is their least favorable choice.

- 58% are willing to adopt a lower standard of living.
- 54% are willing to return to work, either full- or part-time.
- 39% are willing to give up hobbies and personal interests.
- 29% are willing to live in a less desirable area or home.
- 25% are willing to delay making home or auto repairs.
- 22% are willing to move in with friends and family to save money.
- 21% are willing to skip medical care and treatments.
- 15% are willing to reduce or stop providing financial support to family members.

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“It’s one thing to provide financial support to family when you can afford to do so, but it’s a whole new level of commitment and sacrifice to keep doing it while risking your own future financial security or physical health,” said **Jean Chatzky, an education fellow with the Retirement Income Institute and CEO of HerMoney**. “Yet surprisingly, this type of obligation is rarely discussed when people meet with their financial professionals.”

Just 28% have discussed the impact of caregiving for a family member or friend with a financial professional. “Caregiving and financial commitments to family should always be a part of the retirement planning conversation because it’s clear people feel very strongly about keeping these promises regardless of the cost to themselves,” Chatzky said.

Healthcare Costs and Risks Are a Rising Retirement Concern

When it comes to retirement issues, rising healthcare costs rival inflation as the top financial concern in retirement, while the risks of physical and mental decline dominate quality of life concerns.

Inflation is the top concern (67%) of survey respondents, but nearly as many (60%) are concerned about healthcare costs. A major physical health event (67%), followed by becoming physically dependent on others (65%) and experiencing a cognitive decline (57%) are the top quality of life concerns in retirement.

Though 45% of respondents say they’ve discussed the possibility of needing physical care, including potential long-term care in retirement, with their financial professional, only 32% have made contingency plans in the event of cognitive decline. And only 33% are confident in their ability to be an effective caregiver for their spouse.

Both consumers and financial professionals say the most difficult task when transitioning into retirement is estimating healthcare costs. Prioritizing what to spend money on ranks second in difficulty, while determining the correct sequence to withdraw money from investments and savings accounts is the third most challenging task.

Gen-Xers Have Doubts and are More Fearful of Running Out of Savings

As the earliest members of the Gen-X generation turn 60 this year, many are not confident they are ready for retirement, with 37% saying they anticipate delaying retirement. Only 41% of Gen-Xers are confident their savings and income will last throughout retirement versus 62% of Baby Boomers.

The PRIP survey shows Gen-Xers plan to rely less on Social Security (44%) than Baby Boomers (62%) do and that employer-sponsored plans will be a bigger slice of their retirement income. When it comes to the impact of caregiving on their own retirement, 33% of Gen-Xers have talked to their financial professional about caregiving needs for family/friends versus 26% of Baby Boomers.

“This is the first generation where the overwhelming majority won’t have a pension to rely on for retirement income and that means retirement planning is even more challenging for them,” noted **Jason Fichtner, executive director of the Retirement Income Institute**. “I think that most Gen-Xers will begin turning to financial professionals for retirement planning help at a higher rate than Baby Boomers ever did, which is good news.

“With just 14% of Gen-Xers having access to a pension, we will likely see a greater percentage of that generation turning to annuities to provide a reliable income stream in retirement. Our findings show that Gen-Xers have doubts about the future of Social Security, and so they will see the virtue of creating their own personal pension by converting some of their savings in employer sponsored plans into annuities. It’s no surprise that Gen-Xers have an even stronger interest in purchasing annuities than Baby Boomers,” Fichtner said.

Though 64% of all respondents said they would put money into an annuity vs. the stock market if they inherited \$100,000, even more Gen-Xers (69%) would select the annuity than Boomers (58%).

In fact, 50% of financial professionals said they are putting more client investments into annuities, which ranks as the most popular change in investment strategy. Total annuity sales in the U.S. increased to a record high of \$119.5 billion in the second quarter of 2025, according to LIMRA.

“Congress has made it easier for companies to offer annuity options as part of their retirement benefits, and more companies will be doing that just as Gen-Xers head toward the home stretch of their working lives,” said Fichtner.

ABOUT THE 2025 PROTECTED RETIREMENT INCOME & PLANNING (PRIP) STUDY

The Alliance’s [2025 PRIP research study](#) was conducted by IPSOS and is the only study of its kind that surveys consumers and financial professionals simultaneously. The study surveyed 3,502 consumers aged 45 to 75 — weighted by age, gender, and region in order to be representative of national census demographics — with a corollary survey of 500 financial professionals in the U.S.

ABOUT THE ALLIANCE FOR LIFETIME INCOME BY LIMRA

The [Alliance for Lifetime Income by LIMRA](#) is the consumer and advisor educational arm of [LIMRA](#). Its mission is to raise awareness of and educate Americans about the value and importance of having protected income in retirement. The Alliance provides consumers and financial professionals with unique educational resources and interactive tools that help build retirement income strategies. Visit the Alliance at www.protectedincome.org

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