Security in Retirement SERIES

in partnership with

CENTER for RETIREMENT RESEARCH at BOSTON COLLEGE



JACKSON®

RESEARCH, ANALYSIS AND INSIGHTS ON ADDRESSING

Family Risk

WHITE PAPER

Part six of Jackson's Security in Retirement Series conducted in partnership with the Center for Retirement Research at Boston College

Jackson® is the marketing name for Jackson Financial Inc., Jackson National Life Insurance Company®, and Jackson National Life Insurance Company of New York®.

Not FDIC/NCUA insured • May lose value • Not bank/CU guaranteed
Not a deposit • Not insured by any federal agency

Part 6: Jackson National/Greenwald Research/CRR Project

How Family Risks Affect Retirement Planning

By Siyan Liu and Gal Wettstein

White Paper



Both authors are with the Center for Retirement Research at Boston College (CRR). Siyan Liu is a research economist and Gal Wettstein is the associate director of health and insurance. The authors thank Oliver Shih for excellent research assistance. The CRR gratefully acknowledges Jackson National Life Insurance Company for supporting this research and the helpful insights provided by Greenwald Research. Any opinions expressed herein are those of the authors and do not necessarily represent the views of the Jackson National Life Insurance Company, Greenwald Research, or Boston College. Greenwald Research, the CRR, Siyan Liu, and Gal Wettstein are not affiliated with Jackson National Life Distributors LLC.

© 2026, Siyan Liu and Gal Wettstein. All rights reserved. Short sections of text, not to exceed two paragraphs, may be quoted without explicit permission provided that full credit, including © notice, is given to the source.

Introduction

Planning for and navigating retirement means contending with many sources of uncertainty, from how investments will perform, to how much healthcare will cost, to how long savings must last. Some of these risks are mitigated by sharing them with other family members – a family is, among other things, a risk pool, where members who do well can support those who need help. Yet being part of a family also brings risks of its own, either because members shoulder burdens that fall on others, or because the partnership itself can be disrupted. These family-related risks to retirement security are the subject of this paper.

Family risks can be divided into two broad categories: family structure changes and family financial support. Structure changes stem mainly from widowhood or divorce, events that can erode both income and wealth. Financial support reflects insurance within the family and takes the form of transfers to other family members, such as adult children or aging parents. Some support is largely planned, like helping a child pay for school or buy a house, while some is more like insurance, such as paying for medical or long-term care for a sick family member.

Existing research suggests that these risks are relatively common and costly, but the limited evidence on awareness and planning hints that households may not fully understand or prepare for them. This special report therefore examines three questions. First, how often do near-retirees and retirees experience family structure changes or provide significant financial support to family members, and is support that could be anticipated funded differently from support that could not? Second, how accurate are their perceptions of family-related risks, compared with what similar households have actually experienced? Finally, have households taken concrete steps to prepare for these risks?

To answer these questions, the analysis relies on a new survey of 1,019 Americans ages 45-80, conducted in March 2026 in collaboration with Jackson National Life Insurance and Greenwald Research. The survey covers past experiences of family-related risks, future expectations of such risks, and financial preparation for them. To assess whether expectations are plausible, they are compared with the actual experiences of approximately 15,000 respondents in the University of Michigan's *Health and Retirement Study* (HRS).

The discussion proceeds as follows. The first section reviews existing research on how often family risks occur, what they cost, and whether households recognize and prepare for them. The second section describes the new survey and presents the results. The final section concludes

that family risks are prevalent and costly, that households substantially underestimate the chance of needing to support their adult children, and that – even for risks they anticipate accurately – many households have not taken concrete steps to prepare.

A Review of Literature on Family-Related Risks

Family-related risk is an important but frequently overlooked component of retirement risk, and it takes two broad forms: changes in family structure and demands for family financial support. The first – family structure changes – consists principally of divorce and the death of a spouse. These changes significantly alter the financial resources available to older individuals, though advance planning can mitigate the financial impact. The second – family financial support – takes the form of transfers to family members. These include support for adult children, whether for planned milestones such as education or a home purchase or for recovery from unforeseen shocks like job loss or divorce, as well as support for aging parents, who may need help with medical expenses and long-term care. Some near-retirees and new retirees may face demands from both adult children and aging parents at once (the "sandwich generation").

This section reviews what prior research has established about the frequency and cost of family-related risks, then considers how well households recognize and plan for these risks, and closes by identifying what existing research leaves unresolved.

Prevalence of Family-Related Risks

A significant research literature exists on both family structure changes and family financial support.

Family Structure Changes. Widowhood has historically been the leading form of marital dissolution among older adults, and while its measured prevalence has fallen – from more than one-third of older adults in 1990 to about one-fifth in 2022 – the underlying risk for married couples has not (Loo and Brown 2024). Nearly every continuously coupled household eventually experiences widowhood; Brown and Lin (2022) show that the decline in measured prevalence instead reflects greater longevity along with shifts in marital patterns, including more remarriage, more divorce, and more never-married individuals. Widowhood remains especially consequential for women, who face roughly three times the likelihood of widowhood of their male counterparts

and spend an average of nine years widowed (Carlson and Schweizer 2020). Figure 1 traces the change in prevalence between 1990 and 2022 and the persistent gap between men and women.

As widowhood has receded, divorce in later life has risen sharply: the share of older adults divorced in 2022 was nearly triple the 1990 level, even as divorce rates fell among younger age groups (Loo and Brown 2024; see Figure 2). For older men, a majority of marital dissolutions now occur through divorce rather than widowhood; for older women, about one-quarter do (Brown et al. 2018). Brown and Lin (2022) further find that gray divorce is more common among Black and Hispanic older adults than among White older adults, varies only modestly across income, and is more than twice as common among the unemployed as among those working or out of the labor force, though the underlying data are not age-disaggregated. Many who divorce later in life go on to remarry or repartner, which can offset some of the financial and psychosocial strain of dissolution (Carr and Springer 2010), though remarriages are about 40 percent more likely to end in divorce than first marriages (Brown and Lin 2022). Men are somewhat more likely than women to remarry (15 percent versus 11 percent), and older adults more often repartner through cohabitation than remarriage – a choice that appears to reflect economic incentives embedded in Social Security and pension rules, since remarriage frequently means relinquishing a pension received from a former spouse while cohabitation does not (Vespa 2012).

Family Financial Support. Beyond marital dissolution, family financial support to adult children is likewise common. Roughly one-third of households ages 65 and older make a transfer over a two-year period (Hou 2020), and among parents with children ages 18-34, 59 percent report helping a child financially in the past year (Minkin et al. 2024).[1] Transfers become less likely as households age and more likely as income rises (Banerjee 2015; and Hou 2020). Median amounts are modest – around $2,000 per year in 2026 dollars – but averages in the upper half of the distribution exceed $6,500 annually (Hou 2020). Notably, transfers are often episodic rather than steady. McGarry (2016) finds that while about 14 percent of children receive a transfer in a given two-year period, only 6 percent receive one in consecutive periods, and that transfers track major life events – an adult child's divorce raises the probability of receiving parental support by 61 percent, and marriage by 30 percent. College graduation is likewise

[1] Rao and Chen (2026) find that 29 percent of retired households face an unexpected family-related expense in a given year, averaging $5,700.

associated with both a higher probability of transfer and a larger amount, on the order of $500 above the typical sum. Figure 3 shows how the likelihood of a transfer shifts with the life events a child experiences, distinguishing anticipated milestones from unexpected shocks.

In-kind support matters too: a third of young adults ages 18 to 34 live with their parents (Minkin et al. 2024), and the share of young adults ages 25 to 34 living in a parent's home rose by roughly a third over the past two decades, reaching nearly 20 percent by 2025 (Sanzenbacher 2026).

In addition to supporting their adult children, households may also feel pressure to help older parents; this type of family support has received less attention. Chen and Gok (2026) find that 13 percent of adult children have ever provided financial support to a parent living outside their household – a lower bound, since it excludes support given to a coresident parent. Support to parents also extends beyond money: elder caregiving carries substantial costs for the adult children who provide it (Remle 2011; and Cohen et al. 2024).

Financial Consequences of Family-Related Risks

Previous research also covers the financial consequences of both family structure changes and family financial support.

Family Structure Changes. Losing a spouse tends to reduce household income immediately and permanently. Survivors often lose access to some or all of a spouse's pension (depending on whether the surviving spouse has opted out of receiving these benefits), and Social Security survivor benefits replace only the higher of the couple's two benefits rather than their sum. Wealth falls as well, driven by medical and end-of-life expenses – Einav et al. (2018) find that one quarter of Medicare spending occurs in the last year of life. At the same time, many financial obligations persist – a quarter of newly widowed older homeowners carry mortgage debt, and widowed adults devote a larger share of income to housing than the broader older population (CFPB 2022).[2] Moreover, due to returns to scale within the household, expenses for a

[2] Additionally, the spouse who is not the household's primary financial decision-maker – more often the wife – may be especially exposed to family-related risks due to a lack of financial knowledge. About half of couples report deciding jointly, but 30 percent of men say they lead on retirement planning against fewer than 20 percent of women (Fidelity 2021). Because financial skills depreciate without practice, the less-involved spouse may be least prepared to manage alone precisely when they must (Ward and Lynch 2019), whether through widowhood or a spouse's cognitive decline (Angrisani and Lee 2019; and Li et al. 2026). Some wives do anticipate this: Hsu (2016) finds that older women acquire financial literacy as widowhood approaches. This group is hard to reach, however, since household surveys typically interview only the primary financial respondent.

single-person household – on a per-person basis – exceed those for a two-person household holding quality of life constant, and that gap is proportionally larger for households lower down the income distribution (Koulovatianos, Schröder, and Schmidt 2005; Donaldson and Pendakur 2006; and Browning, Chiappori, and Lewbel 2013). As a result, poverty rates are significantly higher among the newly widowed relative to otherwise similar older households, with women, especially minority women, disproportionately affected (CFPB 2022; and Streeter 2020).

Gray divorce carries comparable costs, and they fall unevenly by gender. Women tend to experience greater declines in their standard of living following marital dissolution – largely because they are less likely to repartner after divorce (Smock, Tzoc, and Carr 2024). Lin and Brown (2021) find that both men and women lose roughly half their wealth following gray divorce, but living standards diverge afterward: women experience a 45-percent decline compared to 21 percent for men. The financial consequences are more pronounced for those who divorce after age 50: poverty among women age-eligible for Social Security is nearly twice as high for those who divorced after 50 as for those who divorced earlier (Lin, Brown, and Hammersmith 2017). The costs are not purely financial for men, either – divorced older men are more likely to experience loss of friendships and strained family ties, which may reduce the informal support available to them later in life (Noël-Miller 2013; and Crowley 2019).

Family Financial Support. Providing assistance to family members affects retirement security through less visible channels, diverting resources from a household's own saving and arriving unpredictably. Half of pre-retirees ages 50 and older say they would make retirement sacrifices – such as retiring later, returning to work, and accepting a lower standard of living – to help family members (Merrill Lynch 2016). More than a third of parents who helped adult children say their own finances suffered (Minkin et al. 2024), and about one-fifth of households ages 45-75 that provide support report a significant hit to retirement savings or income (LIMRA 2025). Less is known about how households finance these transfers – whether from savings set aside in advance, from current income, or by borrowing – and whether support for milestones a family can see coming is financed differently from support prompted by an unexpected shock.

Awareness of Family-Related Risks and Mitigation Strategies

Households likely underestimate family-related risks, though direct evidence on their awareness is thin. On the risk of death of a spouse, Compton and Pollak (2021) show that

planning around individual life expectancies substantially understates how long a surviving spouse will live alone. Concerns about living standards after a spouse's death also rank below worries about outliving savings (Society of Actuaries 2021). The pattern is consistent with the well-documented tendency to judge adverse events less likely for oneself than for others, often termed optimism bias (Weinstein 1980; and Sharot 2011). Similarly, households seem to be over-optimistic about the likelihood of divorce: marriage license applicants hold idealistic expectations about their own marriages despite accurate knowledge of population divorce rates (Baker and Emery 1993).

Direct evidence on awareness of the risk posed by assisting family members is thinner still, but 88 percent of respondents ages 50 and older say they have not budgeted for supporting family – consistent with, though not proof of, underestimation (Merrill Lynch 2016). Evidence on long-term care points in both directions. Older households appear to underestimate their own long-term care needs – only 32 percent worry about developing them – while those who have served as caregivers are more aware of healthcare risks in retirement than other households (Chen, Munnell, and Wettstein 2025). Direct experience with a parent's needs, in other words, may sharpen expectations in a way that abstract risk does not.

Households nonetheless have a range of tools available that could mitigate family-related risks, primarily those pertaining to family structure changes: wills and trusts, powers of attorney, healthcare advance directives, life insurance, pension survivor benefits, beneficiary designations, and prenuptial agreements. Yet, adoption of these tools is relatively low among the adult population and varies significantly by race and wealth (Koss and Baker 2018; and Aubry, Munnell, and Wettstein 2023). One industry survey finds that a majority of U.S. adults hold none of the core estate planning instruments – no will, trust, power of attorney, or healthcare directive (Trust & Will 2026). As expected, older households are more likely to have these documents in place. AARP (2000) found that only about 60 percent of adults ages 50 and older had prepared a will and just 23 percent had a living trust, with steep gradients by income and education: 50 percent of adults with household income below $15,000 had a will, against 74 percent of those at $50,000 or more, and 80 percent of college graduates compared to 51 percent of those with a high school education or less. More recent estimates put prevalence of having a will far lower, with significant racial gaps (Aubry, Munnell, and Wettstein 2023; and Lurie 2025).

Other relevant legal arrangements are even spottier. Less than half of adults ages 50-80 had completed any advance care planning document (Perumalswami et al. 2021; and Yadav et al. 2017). Among retirees with defined-benefit pensions, 28 percent of men and 67 percent of women forgo survivor protection by choosing single-life annuities (Johnson et al. 2005). Beneficiary designations, which override wills, are frequently outdated – disputes arising from designations that were never updated after a divorce or remarriage are the most common problem plan administrators report (U.S. Department of Labor 2012). Prenuptial agreements appear in roughly 20 percent of remarriages, a population at elevated divorce risk (Mahar 2003); postnuptial agreements can serve a comparable protective function for couples without a prenuptial document, but have attracted even less research attention.

One exception is life insurance, which is held more widely than lifecycle models predict, likely reflecting cash value and inertia (Brown 2001; Coe and Belbase 2015; and LIMRA 2016). However, life insurance payouts appear to do little to cushion the financial impact of premature death because people tend to spend down these lump-sum amounts quickly, so they do not provide more long-lasting security (Harris and Yelowitz 2018).

Evidence on how households prepare for family financial support, by contrast, is thin. The main protection is saving in advance, and as noted above, few households report budgeting for it (Merrill Lynch 2016).

Unanswered Questions from Prior Literature

The picture that emerges from prior literature is that family-related risks are frequent, carry substantial financial cost, are likely misjudged by the households who face them, and could be mitigated by planning tools that many households never adopt. Several gaps stand out. First, prior work rarely distinguishes family financial support made for anticipated milestones from support prompted by unanticipated shocks, even though the two may carry different implications for retirement security depending on how households fund them. Second, it remains unclear whether near-retirees and retirees are well aware of family-related risks – that is, whether their own expectations align with the rates documented in the literature. For family structure changes in particular, prior work rarely asks households about the likelihood of divorce and widowhood within a given timeframe. Finally, little is known about the extent to which households plan for the family-related risks they expect.

Answering these questions requires new data: a survey that asks near-retirees and retirees directly about the family-related risks they have already faced and those they expect. The survey results can then be compared to a benchmark of what households in similar circumstances have actually experienced in the past to gauge whether household expectations are accurate.

Results from the Retirement Investor Survey

Our survey was developed in collaboration with Jackson National and Greenwald Research. Greenwald Research interviewed 1,019 individuals ages 45-80 online from March 24-31, 2026. It captures both households' actual experiences with family-related financial risks over the past decade and their future expectations about these risks, along with their adoption of tools that can mitigate family-related risks. The survey is paired with the University of Michigan's *Health and Retirement Study* (HRS), which provides the benchmark against which survey respondents' expectations are assessed.

Overall, family risk is not a rare event for people approaching or living in retirement but a common and costly one. Nearly one in five respondents has gone through a divorce, and two in five parents of adult children have given a significant sum to a child in just the past decade. When these needs hit, households tend to cope with them the same way whether the need was planned or a surprise – by cutting spending, drawing down savings, and, often, borrowing.

As discussed below, households have a fairly accurate sense of the likelihood of divorce, widowhood, and supporting aging parents, but their expectations of supporting adult children fall well short of historical experience. Importantly, many households have not taken concrete steps to prepare themselves for family-related risks, regardless of whether or not they had a good assessment of the likelihood of the risks.

Family Risks Are Common and Costly

Respondents to the new survey encounter both types of family risk fairly often. Nearly one in five report that they or their current spouse have been divorced or separated for more than a year in the past 10 years (see Figure 4). Among those who divorced, nearly all adjusted their finances afterward – only 12 percent made no change. Cutting spending was the most common response (55 percent), though many also worked more or delayed retirement (51 percent) and drew down savings or investments (48 percent). Notably, about two in five respondents who

experienced a divorce resorted to borrowing, such as carrying a credit card balance, taking out a loan or home equity line of credit, or, for near-retirees, withdrawing early from a retirement account. In other words, divorce rarely triggers just one response – most people who go through it end up pulling several levers at once to stay afloat.

When it comes to family financial support, households seem to have little room to absorb requests from family members. Respondents were first asked the amount at which a payment to support a family member would begin to be a significant burden on their finances. For about half, that threshold is $5,000 or less, and only 22 percent put it above $10,000 (see Figure 5). This limited capacity closely mirrors evidence from the general population: in the Federal Reserve's *Survey of Household Economics and Decisionmaking* (SHED), 46 percent of adults ages 46-80 could cover over $5,000 in emergency expenses using only savings.[3] In other words, for roughly half of near-retirees and retirees, it doesn't take a very large request from a family member to feel like a real financial strain.

Still, burdensome requests come up often. Over the past decade, 41 percent of parents of adult children provided significant support to an adult child (see Figure 6). Given evidence that a large share of parents support adult children regularly (Minkin et al. 2024; and Hou 2020), this suggests that a nontrivial share of that support becomes financially burdensome. Support also flows to older adult parents: 28 percent of respondents with living parents have made significant transfers to parents or in-laws.

Much of the financial support to family is for unplanned expenses: more than a quarter of parents of adult children (27 percent) provided significant support for unplanned needs, either alone or alongside planned life events. Planned support covers events such as weddings, a home down-payment, and education costs. Unplanned support, by contrast, stems mostly from job loss (40 percent), housing costs (32 percent), health and long-term care costs (35 percent), and family changes such as a divorce or the death of a spouse (20 percent) (see Figure 7). This pattern is consistent with evidence that financial transfers track major life events among recipients.

The sums transferred tend to be substantial, given that the survey asks only about support large enough to strain a household's finances. Indeed, about half of those who provided unplanned support to adult children, and two in five of those who supported parents, gave more

[3] Authors' calculations based on the 2025 Survey of Household Economics and Decisionmaking (SHED). The share is 38 percent for all adults (U.S. Board of Governors of the Federal Reserve System 2026).

than $10,000 over the decade (see Figure 8). For the half of respondents whose burden threshold is $5,000 or less, support of that size is more than twice what they describe as manageable.

Perhaps unsurprisingly, many households fund burdensome family financial support in costly ways – carrying a credit card balance, drawing on a home equity line of credit, taking out a loan, or, for those not yet retired, withdrawing from a retirement account. About two in five of those supporting adult children and those supporting parents took at least one of these steps (see Figure 9). Interestingly, planned support is funded in much the same way as unplanned support. This suggests that households do not set money aside even for family needs they can see coming. For example, the support for foreseeable needs like a wedding or buying a home tends to get paid for the same way as a sudden emergency.

In short, both types of family risk are common and weigh on household finances. Whether these costs are manageable depends in part on whether households see them coming. The next section turns to that question.

Households Underestimate Certain Family-Related Risks

To assess whether households' expectations are realistic, we compared what respondents told us they expect against what actually happened, over a similar span of years, to a comparably aged group in the University of Michigan's *Health and Retirement Study* (HRS) – the best available data source for this kind of comparison.[4] We then compare these historical rates with respondents' own assessments. Respondents rate each event on a five-point scale, and we focus on those who call an event "likely" or "very likely." By this measure, married respondents predict family structure changes fairly well (see Figure 10). Their expectations of divorce closely match historical experience: 3 percent say divorce is likely or very likely in the next 10 years, compared with a 10-year divorce rate of 4 percent among married HRS respondents. Expectations of widowhood run slightly above historical experience: 20 percent say the death of their spouse is likely or very likely in the next 10 years, compared with a 10-year widowhood

[4] Using HRS respondents interviewed in two waves 10 years apart, we calculate the share of married respondents who divorced or were widowed over the decade and the share of households that transferred money to an adult child or parent. The two samples are similar in age, gender, race, and marital status. Compared to the HRS sample, respondents to our new survey are somewhat more likely to be retired, less likely to have adult children (62 versus 92 percent), more likely to have a living parent (50 versus 31 percent), and less likely to report income below $30,000. The sample requires interviews only at baseline and 10 years later, so transfers made during any missed intermediate interview go unrecorded, thus the HRS rates are therefore, if anything, a lower bound for what survey respondents would experience.

rate of 16 percent in the HRS.[5] Yet, as the next section shows, this recognition has not translated into preparation: many households have not taken steps to mitigate this risk, such as having a will.

Compared to the results for family structure, financial support to family members is a different story. Households seem to underestimate the likelihood of significant transfers to adult children (see Figure 11), though not to parents. Significant support is defined relative to each respondent's burden threshold, which is at least $2,500. Only 16 percent of those with adult children think it likely or very likely that they will provide significant support of at least $2,500 to an adult child in the next 10 years. Yet, over a decade, about half of HRS households with adult children transfer $2,500 or more. The gap persists even when we expand our definition to include those who think significant support to adult children is "somewhat likely" in the future. In contrast, expectations about parents track experience much more closely: 14 percent of respondents with a living parent think significant support is likely or very likely, the same as that of HRS households that transferred $2,500 or more to a parent over a decade (see Figure 12).

Once we use the broader definition to capture everyone who sees at least some chance of providing support – those answering "somewhat likely," "likely," or "very likely" – expected amounts are substantial. One in six respondents with adult children, and 8 percent of those with a living parent, expect to transfer more than $10,000 over the next decade.[6] However, historical rates in the HRS exceed even these expectations on transfers to children, with the probability of transferring more than $10,000 to a child being more than double the anticipated rate in our survey. Again, in contrast, the anticipated amounts transferred to parents seem well-calibrated to the historical record.

Past experience with transfers to family members is also associated with greater expectations of future transfers. Respondents who have supported an adult child in the past are far more likely to expect to do so again (33 percent versus 7 percent), and the same holds for support to parents (see Figure 13). Two explanations are plausible. Past experience may shape

[5] This does not necessarily contradict previous research that finds that individuals underestimate how long they will spend widowed. It is possible that a respondent can correctly predict or overestimate the chance that a spouse dies within 10 years yet still underestimate how many years the survivor will live alone – in short, households may foresee the event but still misjudge its duration and cost.

[6] The expected-amount question was asked of all respondents rating support "somewhat likely" or higher. Eight percent of those expecting transfers to adult children, and of those expecting transfers to parents, anticipate less than $2,500 or don't know.

expectations, as it does for other financial risks. Prior research, for example, finds that family caregivers are more aware of healthcare risks in retirement than other households (Chen, Munnell, and Wettstein 2025). Alternatively, some families simply have ongoing needs, so that past support is indicative of continued future support. Given that most transfers are episodic, it is possible that a household that has not faced a request recently may conclude that it will not face one in the future.

The reasons households expect to give support also mirror past experience and the episodic pattern documented in the literature (see Figure 14). For adult children, the most commonly expected reasons are general living expenses (52 percent), housing costs (42 percent), and job loss (41 percent) – largely the same reasons that drove their past unplanned support. For parents, respondents most often expect medical expenses (62 percent), in-home long-term care (55 percent), and housing costs, including long-term care facilities (46 percent). Overall, households foresee widowhood, divorce, and, for parents, the possibility of a financial transfer, but they underestimate the chance of a large transfer to an adult child. As the next section shows, however, preparation lags regardless of how accurately households anticipate these risks.

Households Are Underprepared for Family-Related Risks

Across both types of risk, the same pattern emerges: households often talk about these risks but less often take concrete steps to prepare for them. Few households feel ready for any family risk. At most one in four say they are prepared or very prepared for the financial impact of widowhood (19 percent), divorce (14 percent), supporting adult children (17 percent), or supporting parents (24 percent) (see Figure 15).

Family Structure. Feeling prepared for a family structure change goes hand in hand with having talked it through with a spouse. Among couples who feel prepared for widowhood or divorce, 88 percent have discussed in detail what would happen financially to the survivor if either spouse died, compared with 65 percent of those who feel unprepared (see Figure 16).[7]

Estate planning, however, has not kept pace with these conversations. Legal documents, which help households manage the financial consequences of a spouse's death, are incomplete (see Figure 17). While most households have beneficiary designations on their major accounts

[7] Financial advisors play only a small role in prompting these conversations; most couples initiated them on their own.

and a life insurance policy, only around half have a will and fewer have a power of attorney document in place. Retirees are slightly more likely to have these documents than near-retirees – except for life insurance (54 percent compared to 64 percent), possibly because many policies are provided through employers. The relatively low prevalence of wills is in line with recent literature (Aubry, Munnell, and Wettstein 2023; and Lurie 2025).

The mix of documents households hold offers a clue as to why. That more households have designated account beneficiaries than have wills suggests that the financial cost and administrative burden of paperwork may be what is holding them back. Indeed, many respondents without these documents recognize the need for them: about a third plan to get a will (33 percent) or a power of attorney (30 percent) but have not yet done so (see Figure 18). This gap between intention and action is consistent with the cost and complexity barriers identified in the estate planning literature (Lurie 2025; and Trust & Will 2026). Once households have these documents, most keep them reasonably current: 53 percent of near-retirees and 66 percent of retirees have reviewed or updated them in the past five years (see Figure 19).

Family Financial Support. Aid to family members follows the same pattern: many couples have discussed it, but fewer have concrete strategies in place. More than two out of five have discussed in detail what would happen if they needed to provide significant support to a close family member – possibly contributing to self-reported preparedness (see Figure 16). Yet, very few households have set aside funds for family support. Asked how they would fund a request from adult children or parents that met or exceeded their burden threshold, only 9 percent would draw on savings set aside for helping family members, while one in five would take a costly action such as borrowing or, among near-retirees, withdrawing funds from a retirement account (see Figure 20). Notably, 7 percent would cut back support to other family members, and nearly one in five say they could not provide that level of support at all.

Interaction of Family Risks. Finally, the two types of family risk interact with each other. A third of married respondents say that the death of their spouse would lead them to cut back financial support to family members, and two in five say the same of a divorce (see Figure 21). In practice, a household coping with widowhood or divorce may end up scaling back the very support to children or parents described above – a ripple effect that could be missed if a household planned to address only one risk at a time. This finding suggests some flexibility in how households view financial obligations to support family members, which offers an

explanation for why few households set money aside for specific family transfers in advance. Because households currently plan for neither risk very thoroughly, awareness of this interaction could perhaps help families plan for both risks together.

Key Takeaways. To recap, households generally anticipate family risks – with the notable exception of support to adult children – but recognizing a risk has not translated into a financial plan for it. Widowhood is widely anticipated, yet many households still lack the legal documents that would ease its financial impact. Transfers to parents are predicted accurately; transfers to children are not. And when a family member does ask for help, most households meet the need with whatever is liquid or borrowable, retirement savings included. For most of these risks, then, the missing piece is not awareness but a mechanism for turning awareness into a plan, which is where financial products and advice may be able to help the most.

Conclusion

While family-related risks to retirement security have received some attention, important gaps in the literature remain. First, prior work rarely distinguishes transfers made for anticipated milestones from those prompted by unanticipated shocks. The new survey results show that family risks are common and often exceed what households consider manageable: nearly one in five respondents has experienced a divorce, and two in five parents of adult children have provided support at a level they consider a significant financial burden. However, family support for anticipated needs such as education or a home purchase is funded in much the same way as support prompted by unanticipated shocks, suggesting that households do not set money aside even for needs they can see coming.

Second, it has been unclear whether households' expectations of family risks line up with what similar households actually experience. The findings here are mixed. Expectations of divorce, widowhood, and support to aging parents closely match historical rates in the HRS. But households substantially underestimate the chance of needing to support an adult child and the magnitude of the support: only 16 percent expect to provide significant support over the next decade, compared with about half of comparable HRS households; and only one sixth believe they will transfer more than $10,000 whereas in the HRS about a third do so. Expectations appear to be shaped largely by experience, as those who have already supported a child are far more likely to expect to do so again.

Third, prior research rarely examines whether households plan how to mitigate the family risks they expect. The results suggest that recognition of the risks has not translated into preparation. Many couples have discussed what would happen financially if a spouse died or a family member needed help, yet only about half of respondents have a will, fewer have a power of attorney, and just 9 percent would draw on a rainy day fund for significant family financial support. When family expenses arise, anticipated or not, households cope with them in similar and costly ways, such as cutting spending or borrowing.

Overall, while educating households about the likelihood of family-related shocks can help somewhat, the more fruitful step may be convincing households to act on the risks they already recognize. In that context, help with planning and executing a will, financial and health powers of attorney, and other legal documents that become relevant in cases of widowhood and divorce may be particularly beneficial, given how many households want such documents in place but do not have them. Likewise, building funds for family support alongside retirement plans, rather than meeting it from whatever is liquid or borrowable, could help protect savings intended for retirement.

The rising concern in policy, media, and the general public over fertility on the one hand, and elder care on the other, emphasizes that families remain the foundation of our society, but that they represent risks as well as benefits. Better management of these risks, particularly with respect to shocks to family structure and ongoing support to adult children, seems to be a valuable buttress to the institution of the family in the modern world.

References

AARP. 2000. "End-of-Life Legal Documents Among the 50+ Population." Washington, DC.

Angrisani, Marco and Jinkook Lee. 2019. "Cognitive Decline and Household Financial Decisions at Older Ages." *Journal of the Economics of Ageing* 13: 86-101.

Aubry, Jean-Pierre, Alicia H. Munnell, and Gal Wettstein. 2023. "Wills, Wealth, and Race." In *Reducing Retirement Inequality: Building Wealth and Old-Age Resilience,* edited by Olivia S. Mitchell and Nikolai Roussanov, 107-132. Oxford, UK: Oxford University Press.

Baker, Lynn A. and Robert E. Emery. 1993. "When Every Relationship Is Above Average: Perceptions and Expectations of Divorce at the Time of Marriage." *Law and Human Behavior* 17(4): 439-450.

Banerjee, Sudipto. 2015. "Intra-Family Cash Transfers in Older American Households." Issue Brief 415. Washington, DC: Employee Benefit Research Institute.

Brown, Jeffrey R. 2001. "Are the Elderly Really Over-Annuitized? New Evidence on Life Insurance and Bequests." In *Themes in the Economics of Aging*, edited by David A. Wise, 91-126. Chicago, IL: University of Chicago Press.

Brown, Susan L. and I-Fen Lin. 2022. "The Graying of Divorce: A Half Century of Change." *The Journals of Gerontology: Series B* 77(9): 1710-1720.

Brown, Susan L., I-Fen Lin, Anna M. Hammersmith, and Matthew R. Wright. 2018. "Later Life Marital Dissolution and Repartnership Status: A National Portrait." *The Journals of Gerontology*: Series B 73(6): 1032-1042.

Browning, Martin, Pierre-André Chiappori, and Arthur Lewbel. 2013. "Estimating Consumption Economies of Scale, Adult Equivalence Scales, and Household Bargaining Power." *The Review of Economic Studies* 80(4): 1267-1303.

Carlson, Lisa and Valerie J. Schweizer. 2020. "Widowhood: Decades of Change, 1940-2018." Family Profiles FP-20-23. Bowling Green, OH: Bowling Green State University National Center for Family & Marriage Research.

Carr, Deborah and Kristen W. Springer. 2010. "Advances in Families and Health Research in the 21st Century." *Journal of Marriage and Family* 72(3): 743-761.

Chen, Anqi and Nilufer Gok. 2026. "Does Giving Money to Your Parents Make You Less Financially Secure?" *Issue in Brief* 26-17. Chestnut Hill, MA: Center for Retirement Research at Boston College.

Chen, Anqi, Alicia H. Munnell, and Gal Wettstein. 2025. "Do Retirement Investors Accurately Perceive Healthcare Risks, and Do Advisors Help?" Working Paper 2025-3. Chestnut Hill, MA: Center for Retirement Research at Boston College.

Coe, Norma B. and Anek Belbase. 2015. "How Do People Decide on Life Insurance and Long-Term Disability Insurance Coverage?" Working Paper 2015-4. Chestnut Hill, MA: Center for Retirement Research at Boston College.

Cohen, Marc, Anqi Chen, Claire Wickersham, Christian Weller, and Brandon Wilson. 2024. "Which LTSS Financial Support Policies Are Preferred among Caregivers and Can They Reduce Racial/Ethnic Disparities in Retirement?" Working Paper 2024-17. Chestnut Hill, MA: Center for Retirement Research at Boston College.

Compton, Janice and Robert A. Pollak. 2021. "The Life Expectancy of Older Couples and Surviving Spouses." *PLOS ONE* 16(5): e0250564.

Consumer Financial Protection Bureau. 2022. "Financial Challenges Faced by Recently Widowed Older Adults." Report. Washington, DC.

Crowley, Jocelyn Elise. 2019. "Does Everything Fall Apart? Life Assessments Following a Gray Divorce." *Journal of Family Issues* 40(11): 1438-1461.

Donaldson, David and Krishna Pendakur. 2006. "The Identification of Fixed Costs from Consumer Behaviour." *Journal of Business & Economic Statistics* 24(3): 255-265.

Einav, Liran, Amy Finkelstein, Sendhil Mullainathan, and Ziad Obermeyer. 2018. "Predictive Modeling of U.S. Health Care Spending in Late Life." *Science* 360(6396): 1462-1465.

Fidelity Investments. 2021. "Couples and Money Study." Boston, MA.

Harris, Timothy F. and Aaron Yelowitz. 2018. "Life Insurance Holdings and Well-Being of Surviving Spouses." *Contemporary Economic Policy* 36(3): 526-538.

Hou, Wenliang. 2020. "How Accurate Are Retirees' Assessments of Their Retirement Risk?" Working Paper 2020-14. Chestnut Hill, MA: Center for Retirement Research at Boston College.

Hsu, Joanne W. 2016. "Aging and Strategic Learning: The Impact of Spousal Incentives on Financial Literacy." *Journal of Human Resources* 51(4): 1036-1067.

Johnson, Richard W., Cori E. Uccello, and Joshua H. Goldwyn. 2005. "Who Foregoes Survivor Protection in Employer-Sponsored Pension Annuities?" *The Gerontologist* 45(1): 26-35.

Koss, Catheryn S. and Tamara A. Baker. 2018. "Where There's a Will: The Link Between Estate Planning and Disparities in Advance Care Planning by White and Black Older Adults." *Research on Aging* 40(3): 281-302.

Koulovatianos, Christos, Carsten Schröder, and Ulrich Schmidt. 2005. "On the Income Dependence of Equivalence Scales." *Journal of Public Economics* 89(5-6): 967-996.

Li, Jing, Kathleen M. McGarry, Lauren Hersch Nicholas, and Jonathan S. Skinner. 2026. "Dementia and Long-Run Trajectories in Household Finances." Working Paper 34659. Cambridge, MA: National Bureau of Economic Research.

LIMRA. 2016. "Life Insurance Ownership in Focus: U.S. Household Trends – 2016." Windsor, CT: LIMRA and Life Happens.

LIMRA. 2025. "2025 Protected Retirement Income and Planning (PRIP) Study, Chapter 2: Family-First, Healthcare & Caregiving Worries, Gen-X Concerns." Windsor, CT: Alliance for Lifetime Income. Available at: https://www.limraconsumer.com/wp-content/uploads/2025/09/2025-PRIP-Study-Chapter-2-FINAL-091225.pdf

Lin, I-Fen and Susan L. Brown. 2021. "The Economic Consequences of Gray Divorce for Women and Men." *The Journals of Gerontology*: *Series B* 76(10): 2073-2085.

Lin, I-Fen, Susan L. Brown, and Anna M. Hammersmith. 2017. "Marital Biography, Social Security Receipt, and Poverty." *Research on Aging* 39(1): 86-110.

Loo, Jaden and Susan L. Brown. 2024. "Marital Status Distribution of U.S. Adults Aged 65 and Older, 1990-2022." Family Profiles FP-24-04. Bowling Green, OH: Bowling Green State University, National Center for Family & Marriage Research.

Lurie, Victoria. 2025. "2025 Wills and Estate Planning Study." Report. Caring.com.

Mahar, Heather. 2003. "Why Are There So Few Prenuptial Agreements?" Discussion Paper 436. Cambridge, MA: Harvard Law School, John M. Olin Center for Law, Economics, and Business.

McGarry, Kathleen. 2016. "Dynamic Aspects of Family Transfers." *Journal of Public Economics* 137: 1-13.

Merrill Lynch. 2016. "Family & Retirement: The Elephant in the Room." New York, NY: Merrill Lynch Wealth Management and Age Wave.

Minkin, Rachel, Juliana Menasce Horowitz, Kim Parker, and Carolina Aragão. 2024. "Parents, Young Adult Children and the Transition to Adulthood." Report. Washington, DC: Pew Research Center.

Noël-Miller, Claire M. 2013. "Repartnering Following Divorce: Implications for Older Fathers' Relations with Their Adult Children." *Journal of Marriage and Family* 75(3): 697-712.

Perumalswami, C., J. Burke, D. Singer, P. Malani, M. Kirch, E. Solway, J. Kullgren, and L. Skolarus. 2021. "Older Adults' Experiences with Advance Care Planning." National Poll on Healthy Aging. Ann Arbor, MI: University of Michigan, Institute for Healthcare Policy and Innovation.

Rao, Manita and Anqi Chen. 2026. "How Much Are Emergency Expenses for Retirees and Are They Prepared?" *Issue in Brief* 26-1. Chestnut Hill, MA: Center for Retirement Research at Boston College.

Remle, R. Corey. 2011. "The Midlife Financial Squeeze: Intergenerational Transfers of Financial Resources within Aging Families." In *Handbook of Sociology of Aging*, edited by Richard A. Settersten Jr. and Jacqueline L. Angel, 179-192. New York, NY: Springer.

Sanzenbacher, Geoffrey T. 2026. "Why Are More Young Adults Living with Their Parents?" *Issue in Brief* 26-19. Chestnut Hill, MA: Center for Retirement Research at Boston College.

Sharot, Tali. 2011. "The Optimism Bias." *Current Biology* 21(23): R941-R945.

Smock, Pamela J., Kristen Tzoc, and Deborah Carr. 2024. "Gender and the Economic Consequences of Divorce in the United States: Variation by Race and Ethnicity." *Journal of Family and Economic Issues* 45(4): 800-818.

Society of Actuaries. 2021. "2021 Retirement Risk Survey: Report of Findings." Report. Schaumburg, IL. Available at: https://www.soa.org/globalassets/assets/files/resources/research-report/2021/risks-retirement-findings.pdf

Streeter, Jialu L. 2020. "Gender Differences in Widowhood in the Short-Run and Long-Run: Financial, Emotional, and Mental Wellbeing." *The Journal of the Economics of Ageing* 17: 100258.

Trust & Will. 2026. "2026 Estate Planning Report." Report. San Diego, CA.

U.S. Board of Governors of the Federal Reserve System. 2026. "Economic Well-Being of U.S. Households in 2025." Washington, DC.

U.S. Department of Labor, ERISA Advisory Council. 2012. "Current Challenges and Best Practices Concerning Beneficiary Designations in Retirement and Life Insurance Plans." Report to the Secretary of Labor. Washington, DC.

University of Michigan. *Health and Retirement Study*, 1992-2022. Ann Arbor, MI.

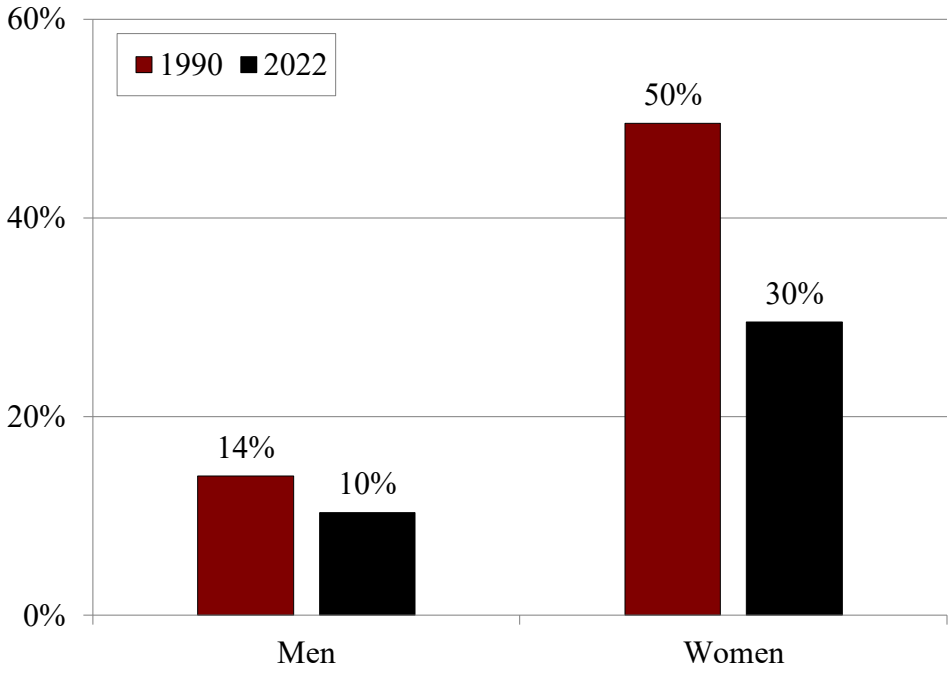
Vespa, Jonathan. 2012. "Union Formation in Later Life: Economic Determinants of Cohabitation and Remarriage Among Older Adults." *Demography* 49(3): 1103-1125.

Ward, Cassie B. and John G. Lynch Jr. 2019. "On a Need-to-Know Basis: How the Distribution of Responsibility Between Couples Shapes Financial Literacy and Financial Outcomes." *Journal of Consumer Research* 45(5): 1013-1036.

Weinstein, Neil D. 1980. "Unrealistic Optimism About Future Life Events." *Journal of Personality and Social Psychology* 39(5): 806-820.

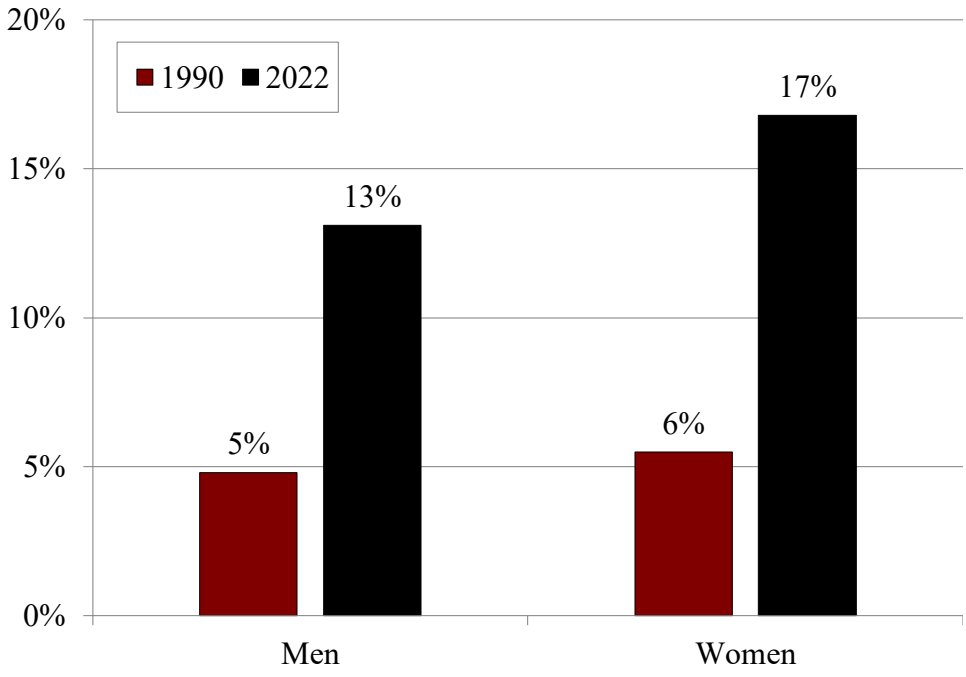
Yadav, Kuldeep N., Nicole B. Gabler, Elizabeth Cooney, Saida Kent, Jennifer Kim, Nicole Herbst, Adjoa Mante, Scott D. Halpern, and Katherine R. Courtright. 2017. "Approximately One in Three US Adults Completes Any Type of Advance Directive for End-of-Life Care." *Health Affairs* 36(7): 1244-1251.

Figure 1. *Share of Widowed Individuals Ages 65 and Older by Gender, 1990 and 2022*



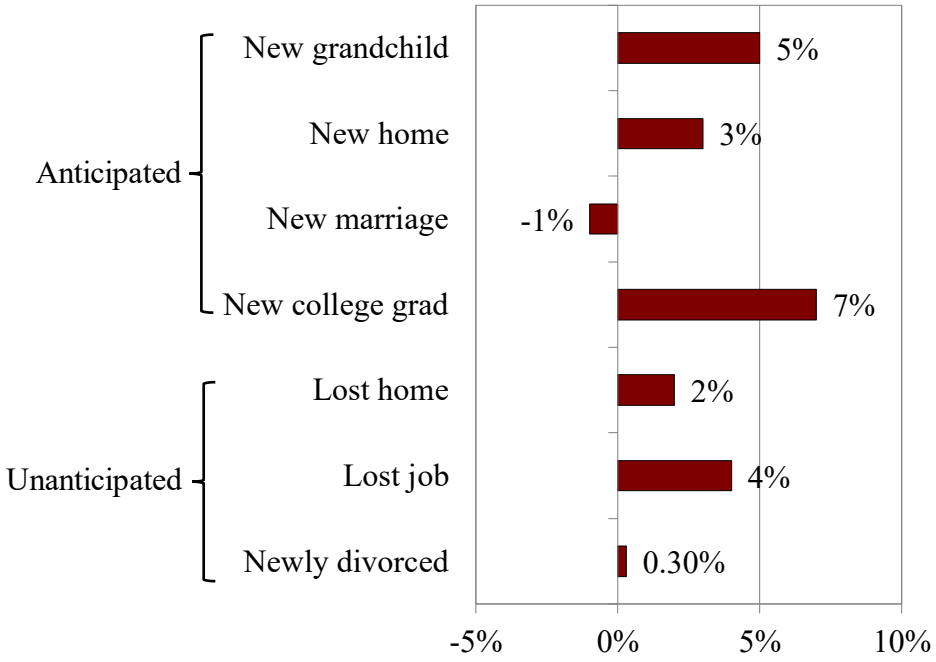
Source: Loo and Brown (2024).

Figure 2. *Share of Divorced Individuals Ages 65 and Older by Gender, 1990 and 2022*



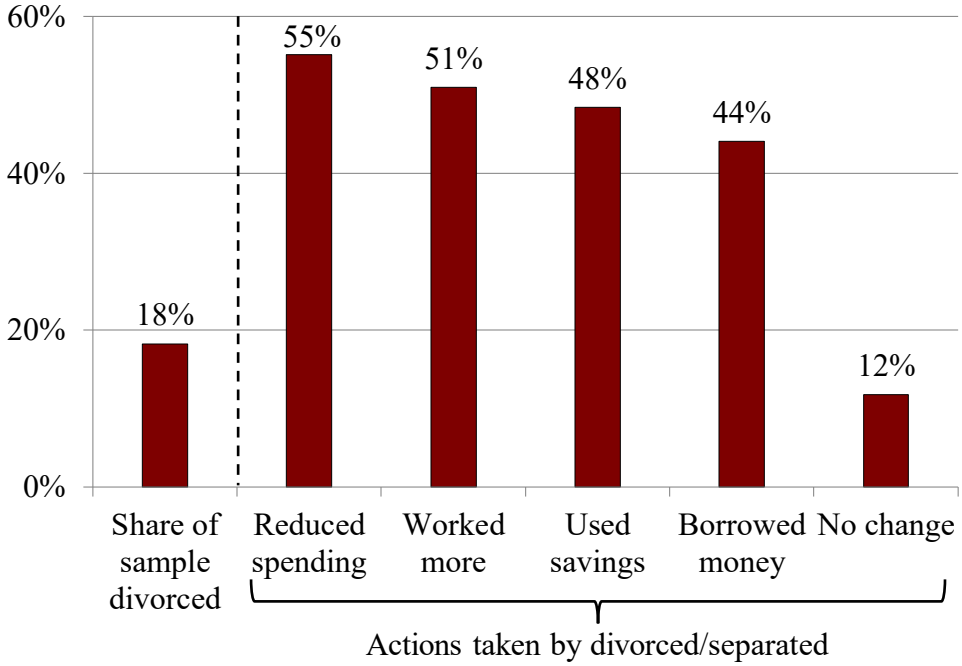
Source: Loo and Brown (2024).

Figure 3. *Changes in Likelihood of Transfers to Children in the Last Two Years, by Associated Life Events*



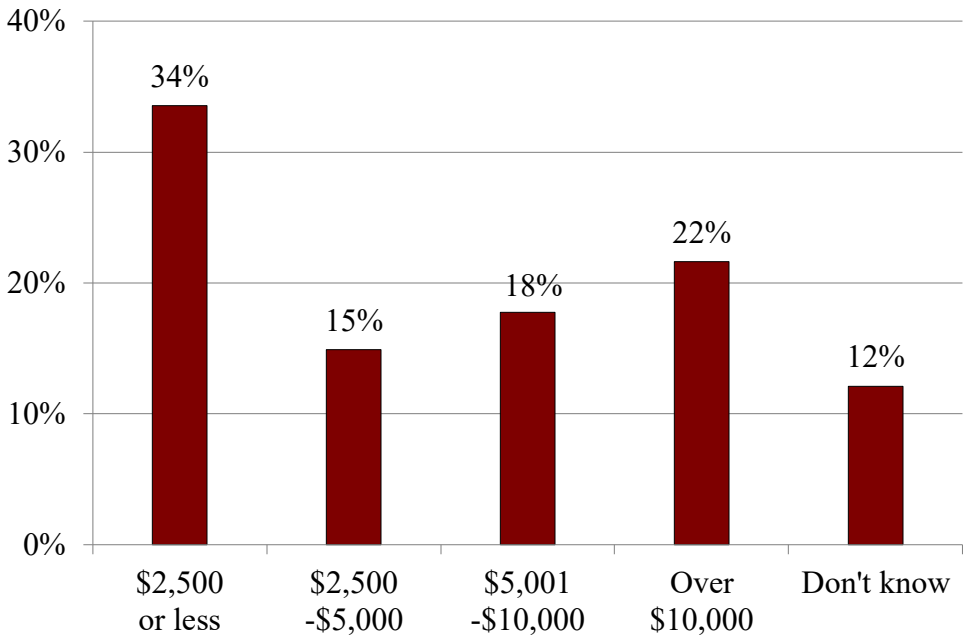
Notes: On average, 15 percent of parents make transfers to children in the last two years. A companion figure showing average transfer amounts by event, rather than just the likelihood of a transfer, is not currently available.
Source: McGarry (2016).

Figure 4. *Percentage of Respondents Who Have Experienced a Divorce or Separation and, Among Them, the Share Who Made Financial Changes Afterward*



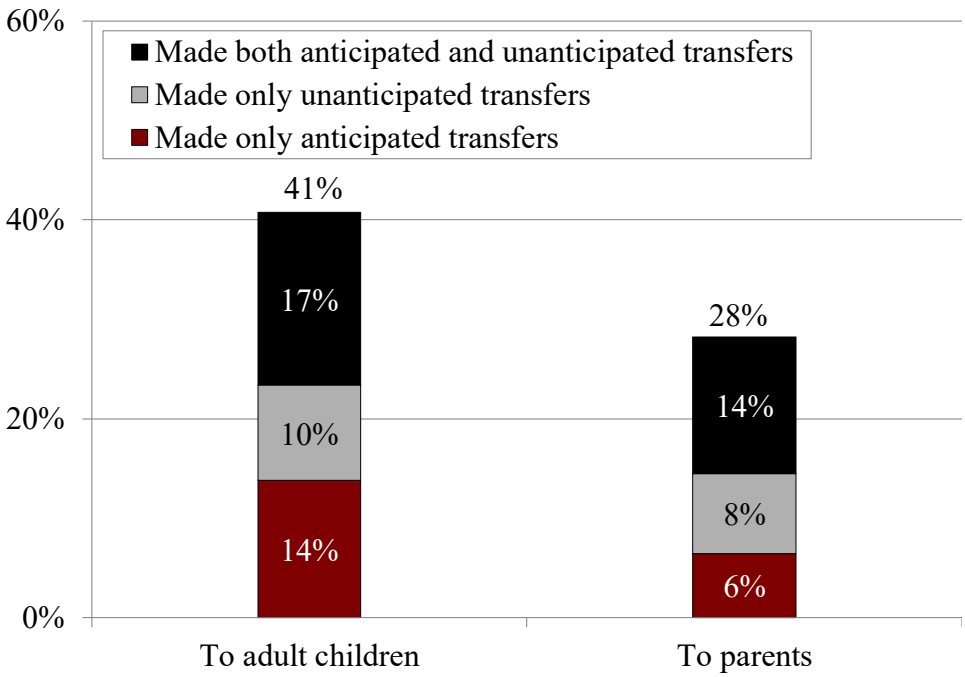
Notes: The financial changes are for respondents who report that they or their spouse were divorced or separated for more than a year. Respondents could select more than one change.
Source: Authors' calculations from the 2026 Greenwald Research Investor Survey.

Figure 5. *Percentage of Respondents, by Amount of Family Support That Would Be a Significant Financial Burden*



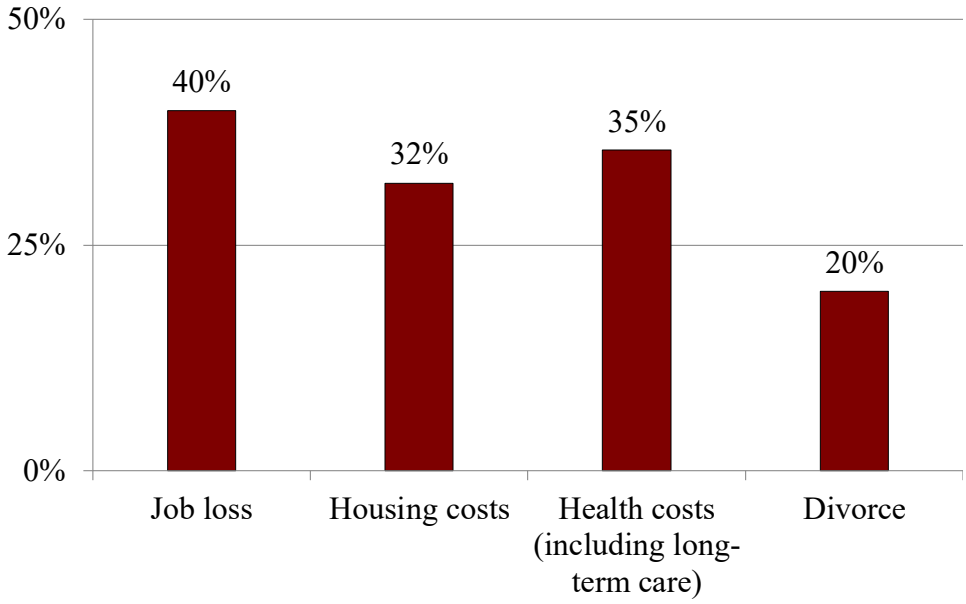
Source: Authors' calculations from the 2026 Greenwald Research Investor Survey.

Figure 6. *Percentage of Respondents Who Provided Significant Support to Adult Children or Parents in the Past 10 Years, by Nature of Support*



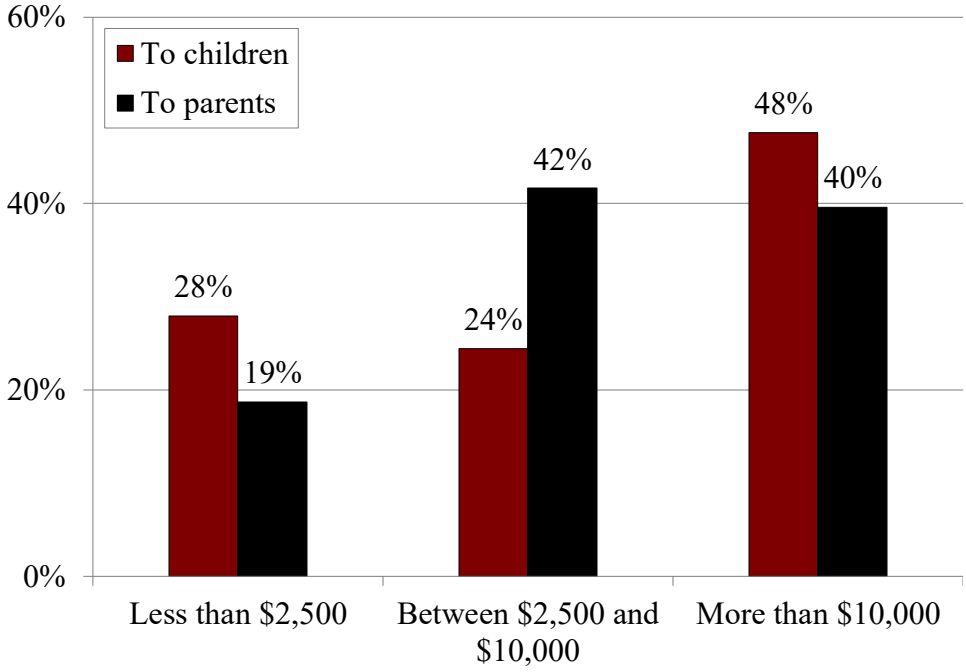
Notes: Significant support is support at or above the respondent's own burden threshold, with a floor of $2,500. Support to adult children is among respondents with adult children. Support to parents is among respondents with a living parent or parent-in-law. Anticipated support covers events such as weddings, home down payments, and education. Unanticipated support covers needs such as job loss, health shock, and divorce.
Source: Authors' calculations from the 2026 Greenwald Research Investor Survey.

Figure 7. *Top Reasons for Unanticipated Family Support*



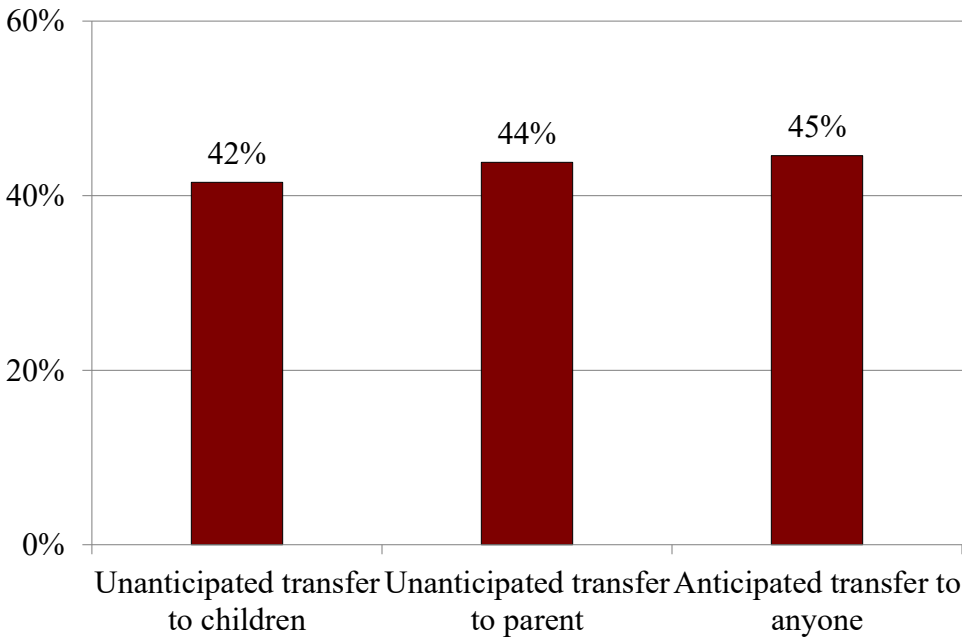
Notes: The sample includes respondents who provided significant unplanned support to family members in the past 10 years. Respondents could select more than one reason.
Source: Authors' calculations from the 2026 Greenwald Research Investor Survey.

Figure 8. *Amount of Unanticipated Support Provided in the Past 10 Years, by Recipient*



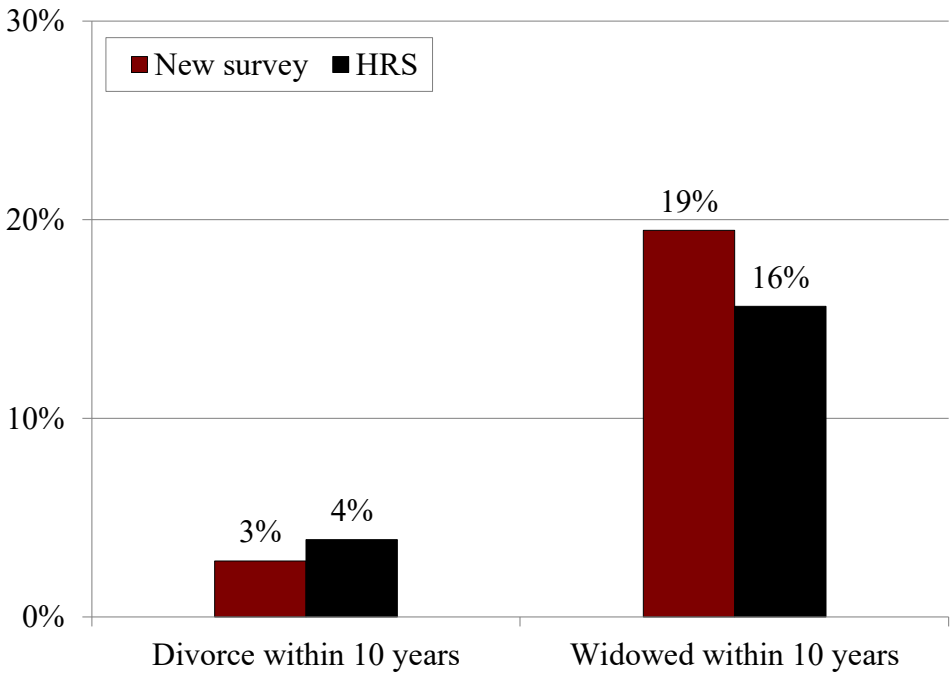
Note: The sample includes respondents who provided significant unplanned support to the given recipient in the past 10 years.
Source: Authors' calculations from the 2026 Greenwald Research Investor Survey.

Figure 9. *Percentage of Support Providers Who Took Costly Actions to Fund Family Support, by Recipient and Nature of Support*



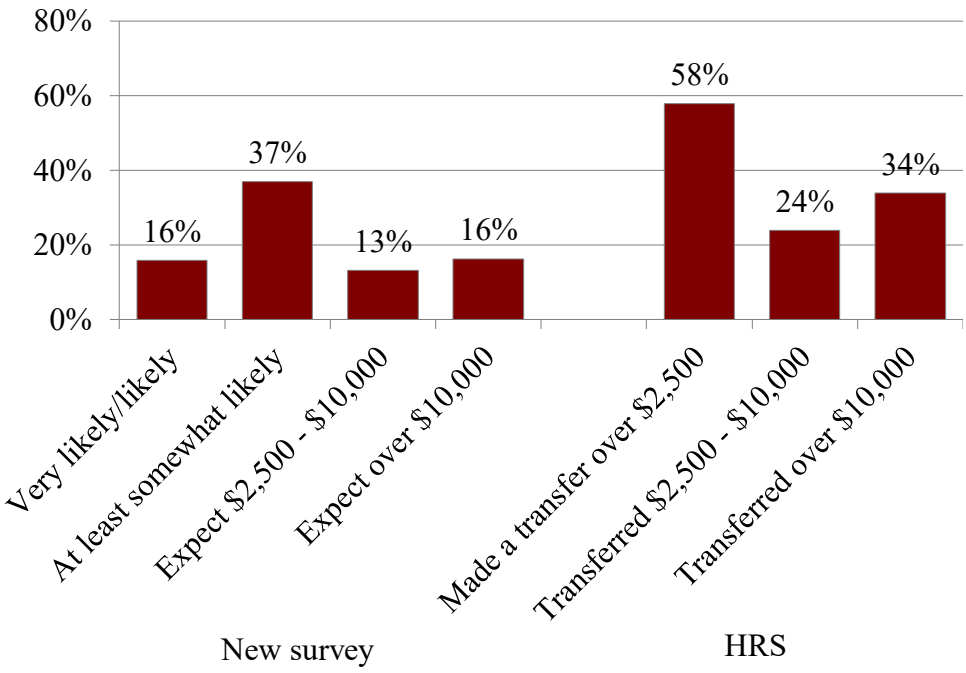
Notes: The sample includes respondents who provided significant unplanned or significant anticipated support to the given recipient in the past 10 years. Costly actions include withdrawing money from a retirement account (if not retired), using credit card debt, taking a home equity line of credit, or taking out a loan.
Source: Authors' calculations from the 2026 Greenwald Research Investor Survey.

Figure 10. *Percentage of Married Respondents Who Expect Widowhood or Divorce in the Next 10 Years, Compared with Historical Rates in the Health and Retirement Study*



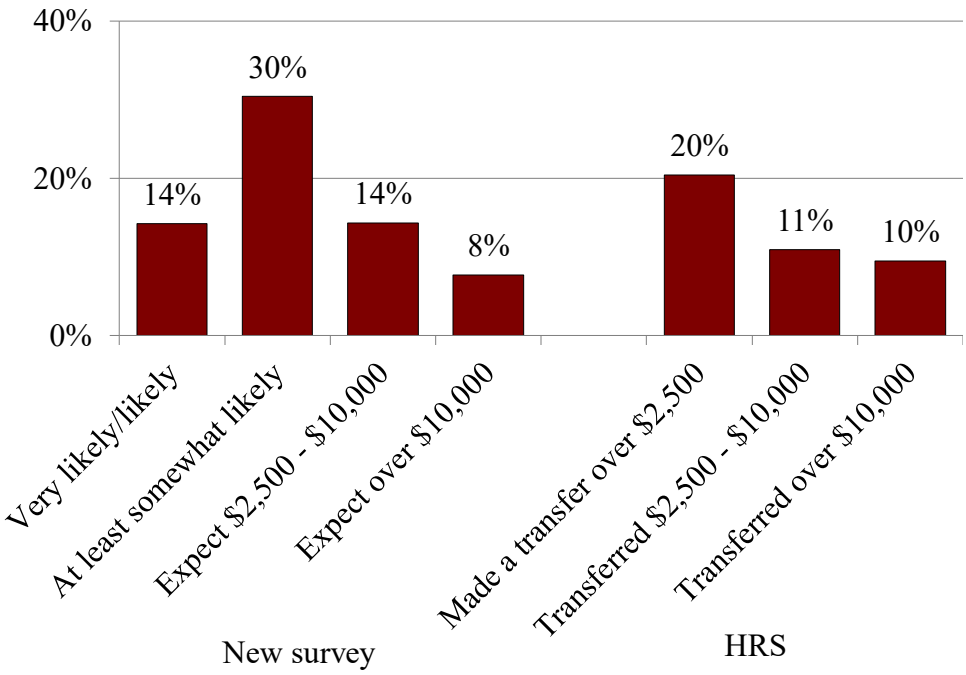
Notes: Expected rates are the share of married respondents who rate the event "likely" or "very likely" in the next 10 years. Including "somewhat likely" raises the rates to 50 percent for widowhood and 9 percent for divorce. Historical rates are the share of HRS respondents married at baseline who were widowed or divorced within 10 years.
Sources: Authors' calculations from the Greenwald Research Investor Survey and the University of Michigan, *Health and Retirement Survey* (HRS) (1992-2022).

Figure 11. *Expected Likelihood of Providing Financial Support to Adult Children in the Next 10 Years, Compared with Historical Rates in the Health and Retirement Study*



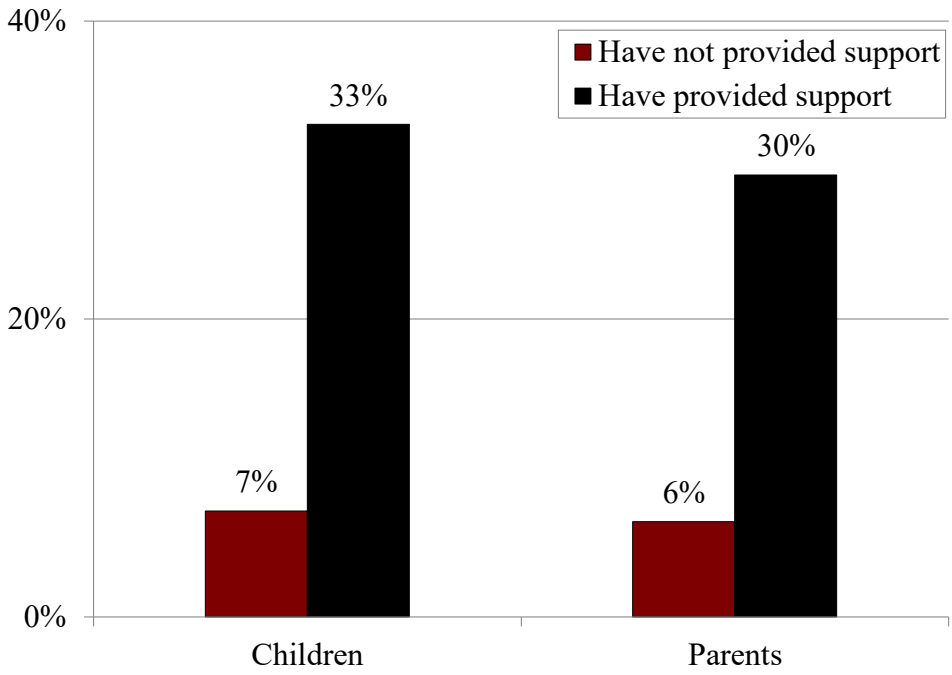
Notes: Expected likelihood is among respondents with adult children. Significant support is support at or above the respondent's burden threshold, with a floor of $2,500. The historical rate is the share of HRS households with adult children that transferred $2,500 or more to adult children over 10 years, in 2026 dollars. Expected dollar amounts of transfers are only asked in our survey of respondents who said any transfer was at least somewhat likely.
Sources: Authors' calculations from the 2026 Greenwald Research Investor Survey and the HRS (1992-2022).

Figure 12. *Expected Likelihood of Providing Financial Support to Parents or Parent-in-Laws in the Next 10 Years, Compared with Historical Rates in the Health and Retirement Study*



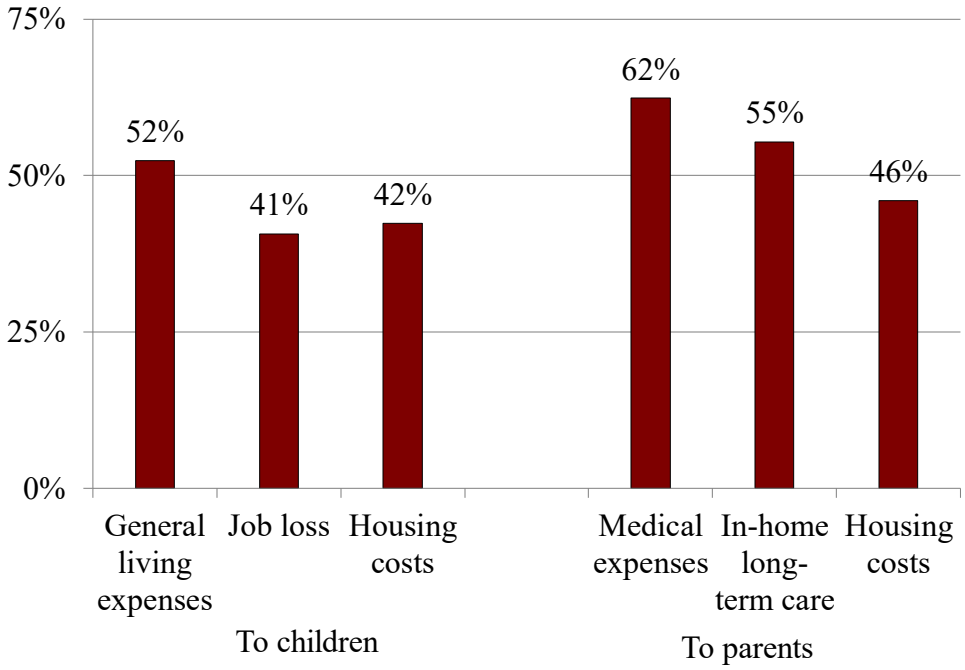
Notes: Expected likelihood is among respondents with a living parent or parent-in-law. Significant support is defined as in Figure 11. The historical rate is the share of HRS households with a living parent that transferred $2,500 or more to parents over 10 years, in 2026 dollars. Expected dollar amounts of transfers are only asked in our survey of respondents who said any transfer was at least somewhat likely.
Source: Authors' calculations from the 2026 Greenwald Research Investor Survey and the HRS (1992-2022).

Figure 13. *Percentage of Respondents Who Expect to Provide Significant Support in the Next 10 Years, by Past Support to the Same Recipient*



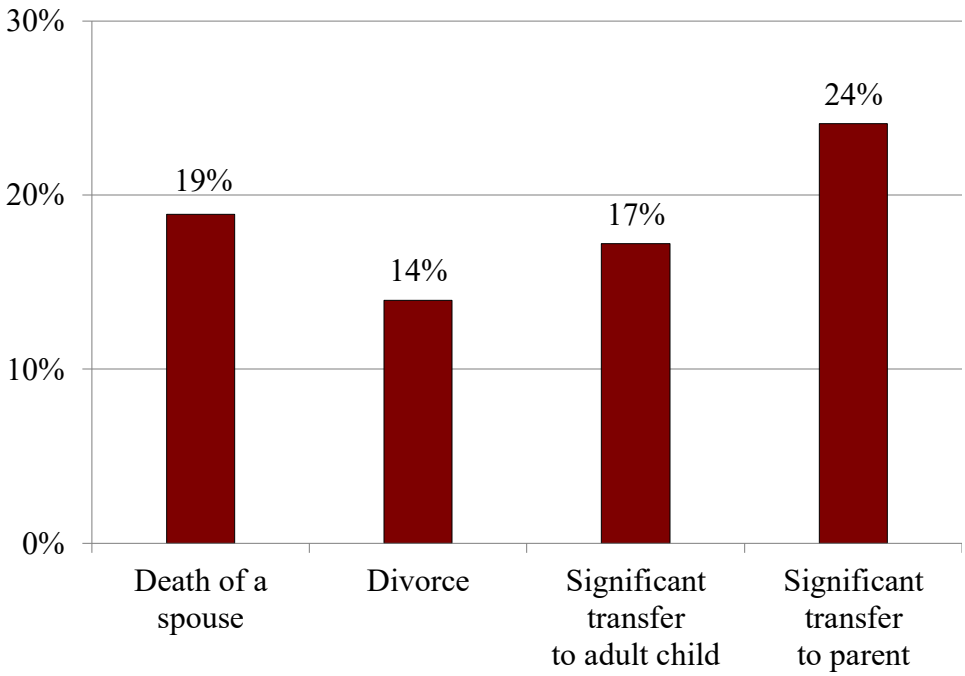
Notes: Expecting significant support is defined as rating it "likely" or "very likely" in the next 10 years. Past support means significant support to the same type of recipient in the past 10 years.
Source: Authors' calculations from the 2026 Greenwald Research Investor Survey.

Figure 14. *Top Reasons for Expected Family Financial Support, by Recipient*



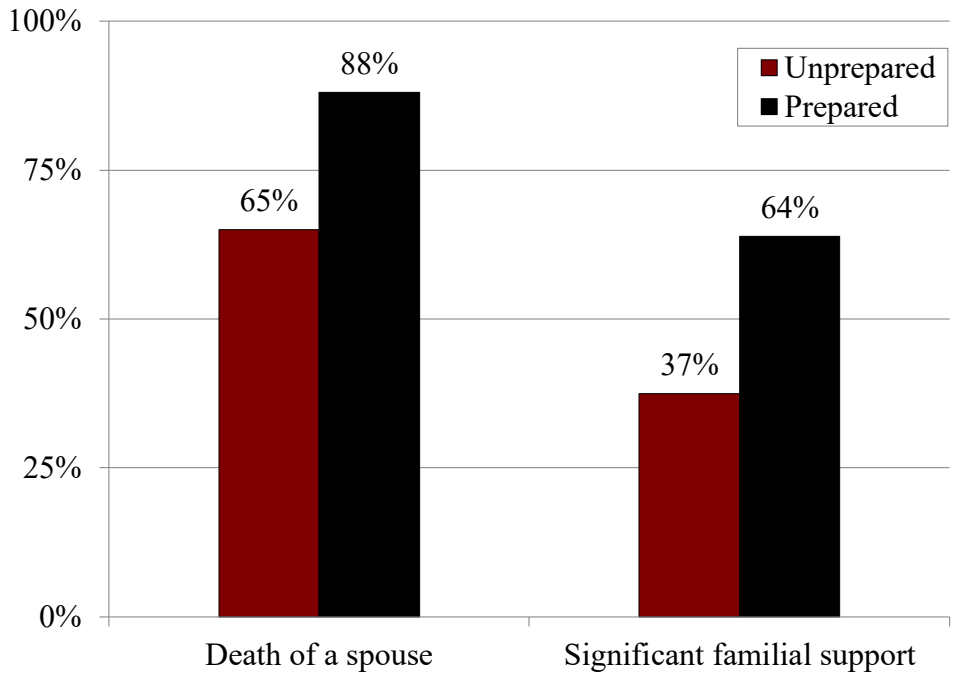
Notes: For a given recipient, the sample includes respondents who rate future significant support as "somewhat likely," "likely," or "very likely." Respondents could select more than one reason. For parents, long-term care costs include costs for aging in place, while housing costs include rent, relocation, home modification, and long-term care facilities.
Source: Authors' calculations from the 2026 Greenwald Research Investor Survey.

Figure 15. *Percentage of Respondents Who Feel Prepared for the Financial Impact of Family Risks*



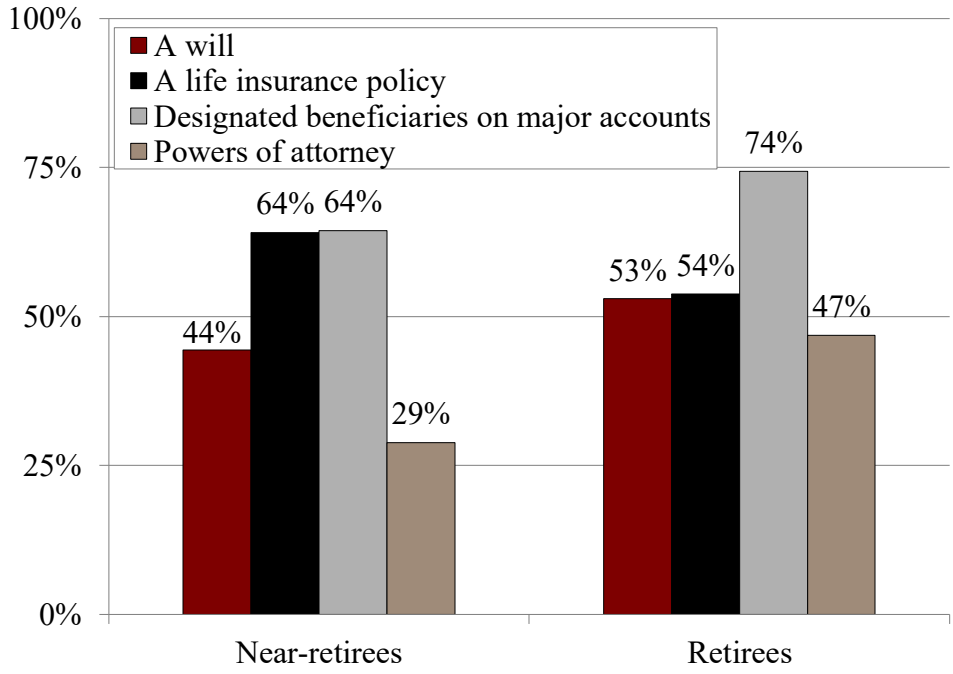
Notes: Preparedness is the share who report being "prepared" or "very prepared" for the financial impact of each risk. Samples are married respondents for widowhood and divorce, respondents with adult children for support to adult children, and respondents with a living parent or parent-in-law for support to parents.
Source: Authors' calculations from the 2026 Greenwald Research Retirement Investor Survey.

Figure 16. *Percentage of Married Respondents Who Have Discussed Survivor Finances or Family Support with Their Spouse, by Self-Reported Preparedness*



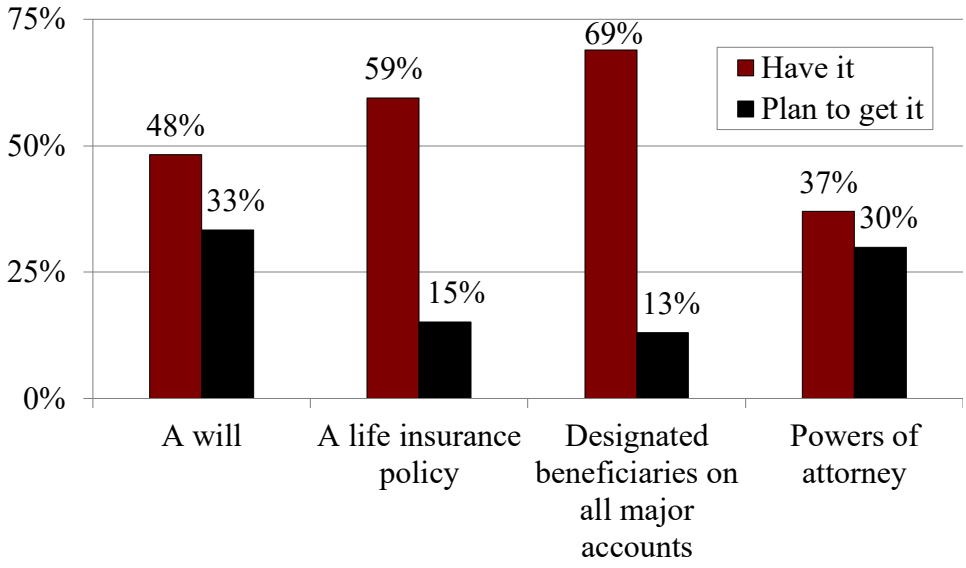
Source: Authors' calculations from the 2026 Greenwald Research Investor Survey.

Figure 17. *Percentage of Respondents Who Have Estate Planning Documents, by Retirement Status*



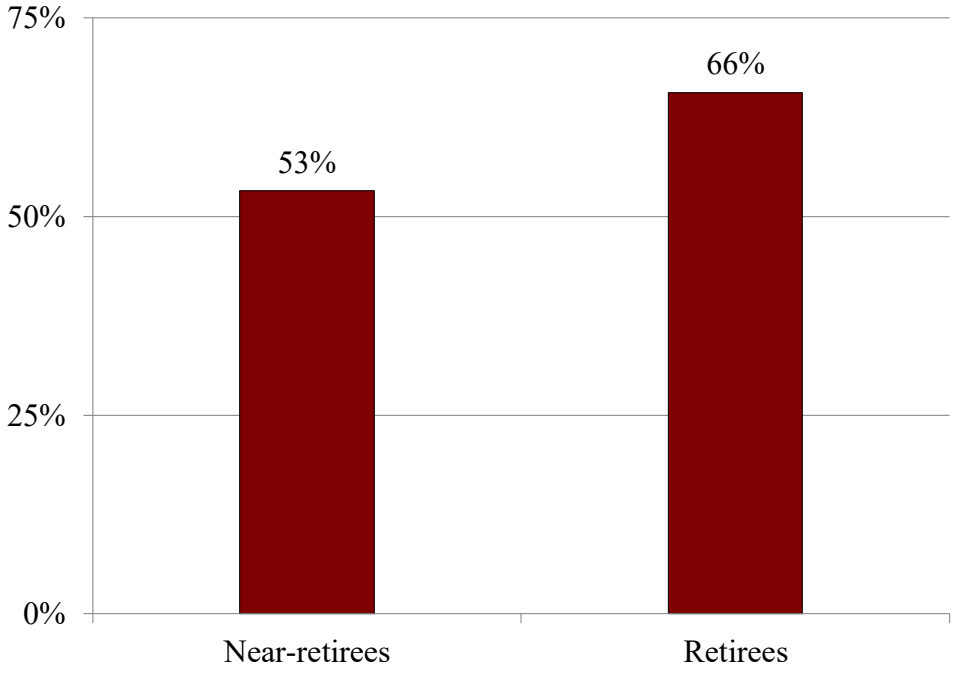
Source: Authors' calculations from the 2026 Greenwald Research Investor Survey.

Figure 18. *Percentage of Respondents Who Have or Plan to Get Estate Planning Documents*



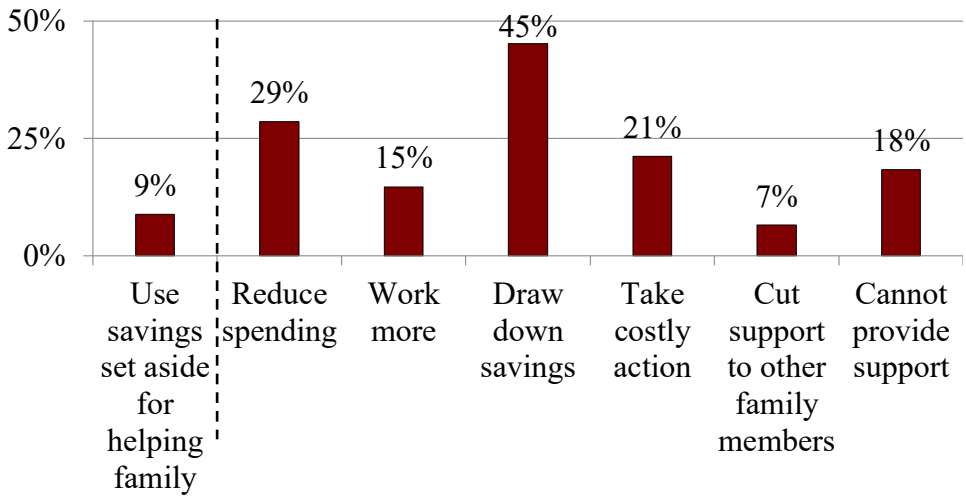
Source: Authors' calculations from the 2026 Greenwald Research Investor Survey.

Figure 19. *Percentage of Respondents Who Reviewed or Updated Their Estate Planning Documents in the Past Five Years, by Retirement Status*



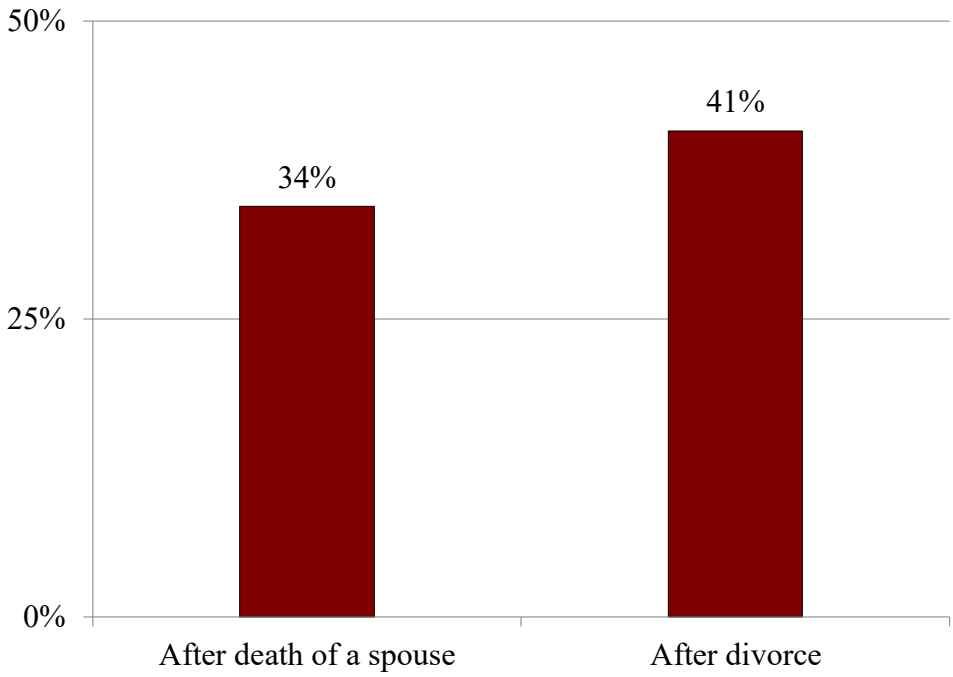
Note: The sample includes respondents with at least one estate planning document.
Source: Authors' calculations from the 2026 Greenwald Research Investor Survey.

Figure 20. *Percentage of Respondents Who Would Use Various Approaches to Fund Hypothetical Significant Financial Requests from Family Members*



Notes: Respondents were asked how they would fund a request at or above their burden threshold from an adult child or parent. Costly actions include withdrawing money from a retirement account (if not retired), using credit card debt, taking a home equity line of credit, or taking out a loan.
Source: Authors' calculations from the 2026 Greenwald Research Investor Survey.

Figure 21. *Percentage of Married Respondents Who Would Cut Back Support to Other Family Members After Hypothetical Widowhood or Divorce*



Source: Authors' calculations from the 2026 Greenwald Research Investor Survey.

Provided by Jackson National Life Distributors LLC.

Greenwald Research, Center for Retirement Research at Boston College, Siyan Liu and Gal Wettstein are not affiliated with Jackson National Life Distributors LLC.

Jackson and its affiliates do not provide legal, tax, or estate-planning advice. For questions about a specific situation, please consult a qualified advisor.

CMN114197 11/26

JACKSON®