Of the 48 million family caregivers in the United States caring for an adult, about 14 percent are African American or Black (hereafter, referred to as Black). The incidence of caregiving in the Black population is 24 percent, meaning that almost one in four Black adults—approximately 7.2 million—are serving as family caregivers to an adult family member or friend.

Many family caregivers not only spend time and energy caring for a loved one, they also spend money of their own to help care for their loved one. This fact sheet shows the out-of-pocket costs of Black caregivers, the financial strain as well as personal sacrifices they may have to make that can affect their own financial security.

- Three quarters of caregivers (78%) report regularly spending their own money on caregiving expenses.
- Black family caregivers are spending, on average, one-third (34%) of their income on caregiving activities. This metric is a commonly used measure of financial strain.*
- One in five Black caregivers (20%) report caregiving to be a high financial strain with an additional quarter (26%) reporting it to be a moderate financial strain.
- The pandemic has only heightened Black caregivers’ financial strain with more than half (51%) saying they spent more money on caregiving expenses as result of COVID-19.

$6,746
Average Out-of-Pocket Expenses for Black Caregivers in 2021

1 National Alliance for Caregiving (NAC) and AARP, Caregiving in the U.S. 2020 (Washington, DC: NAC and AARP, May 2020).

*Financial strain is defined as the ratio of annual caregiver expenses divided by the caregivers’ annual income where 0 = no caregiving expenses and 100 means caregiving expenses exceed annual income. Multiplying the average annual expense and the average annual financial strain will not lead to accurate average annual income estimates.
Household-related expenses account for half of Black caregiver out-of-pocket costs

Percentage of total caregiver spending by expense category

- Household: 50%
- Medical: 13%
- Recipient personal care: 25%
- Recreation/Other: 3%
- Personal expenses (for caregiver): 9%

Within household caregiving expenses, rent or mortgage payments on behalf of care recipients account for 40% of household expenses and home modifications account for an additional 24% of household expenses.

The youngest Black caregivers report the most spending. Generation Z and Millennial Black caregivers report the highest out-of-pocket costs compared to other generations of caregivers.

- Gen Z/Millennials: $7,318
- Gen X: $6,163
- Boomers: $6,545

Medical costs account for about one-fifth (13%) of Black caregiver spending. The most common medical costs are direct payments to health care providers, hospitals, therapists, etc. This category also includes medical equipment and devices, in-home care, and adult day care.

Sixty-one percent of Black caregivers work at least part time.

Among these workers, 54% reported at least one work-related strain in the last year with needing to take paid time off (34%) being the most commonly reported. About a quarter (24%) reported working more hours and 21% had to change their schedule to accommodate caregiving needs.

In addition to financial strain, the pandemic also intensified emotional strain for Black Caregivers

- One-third (33%) of Black caregivers say they are spending a lot more time on caregiving since the pandemic began.
- Consequently, more than a third (37%) of Black caregivers say the pandemic has worsened their physical health to at least some extent (compared to 30% of the general caregiver population). Consistent with all caregivers, thirty-six percent of Black caregivers say the pandemic negatively impacted their mental health.

Black adults were more likely to become first-time caregivers during the pandemic. Among those caregiving for a year or less, one-third (34%) said they assumed their role as a direct result of the pandemic (compared to only 25% of caregivers of all races/ethnicities).
# Black Caregivers’ Overall Financial Security May Be at Risk

The financial implications of caregiving are evident in ways beyond out-of-pocket costs. Many Black caregivers have experienced financial setbacks as a result of caregiving. The most common financial setbacks are having to cut back on personal spending and being forced to dip into savings accounts. Additionally, at least one in five have had to cut back on their own health care spending or reduce the amount they save for retirement.

Nearly four in ten Black caregivers’ (39%) household income places them in the lowest quartile of earners among caregivers compared to 25% of the general population of caregivers. This suggests Black caregivers may not have access to much savings and this spending may impact their long-term financial security to an even greater extent.

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### Percent of Black caregivers doing the following as a result of caregiving

<table>
<thead>
<tr>
<th>Activity</th>
<th>Percent of Black Caregivers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Any of these</td>
<td>60%</td>
</tr>
<tr>
<td>Cut back on personal spending</td>
<td>49%</td>
</tr>
<tr>
<td>Dip into personal savings</td>
<td>40%</td>
</tr>
<tr>
<td>Cut back on spending for your own health</td>
<td>25%</td>
</tr>
<tr>
<td>Reduce how much you save for retirement</td>
<td>20%</td>
</tr>
<tr>
<td>Dip into retirement savings</td>
<td>17%</td>
</tr>
<tr>
<td>Take out a loan or borrow money</td>
<td>16%</td>
</tr>
<tr>
<td>Resign from your job</td>
<td>7%</td>
</tr>
<tr>
<td>Retire early</td>
<td>9%</td>
</tr>
</tbody>
</table>

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### Implications

This study demonstrates the importance of supporting Black family caregivers with not only resources and tools but financial assistance as well. The pandemic has only heightened the need for caregivers and shone a light on both the emotional and financial sacrifices family caregivers make every day to help the family member or friend they care for.

### Methodology

This study was conducted using both a survey and diary component utilizing Ipsos' national, probability-based, online KnowledgePanel®. This study was conducted from March 15 to April 25, 2021, among 2,380 family caregivers. Each qualified respondent completed a retrospective survey examining out-of-pocket expenses incurred in the last year across 30 categories of spending. Caregivers were then asked to participate in the diary study and track their spending on caregiving costs. Figures presented herein, unless indicated otherwise, are based on 329 Black caregivers participating in both components of the study. For detailed information on the methodology, please see [www.aarp.org/caregivercosts](http://www.aarp.org/caregivercosts).

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