

Squeezed between growing and aging. Pressed on both sides by demands for care and financial resources The sandwich generation is an apt description for a growing demographic group caring for both young children and elderly parents. It's also an ideal target for innovation in long-term care (LTC) products in Asia.

Why? Only consider one of the most significant challenges hindering LTC sales: timing. Too often, the value of traditional stand-alone living benefits products becomes apparent far too late. When the long-term care insurance is most needed, the potential customer is often too elderly to obtain the cover affordably if at all. Instead, the financial burden falls to the individual's younger relatives, who must balance work and childcare with the needs of an aging family member. This becomes a vicious circle, depriving caregivers of disposable income to provide for their own retirement and care.

And pressure is likely to grow as populations age. In *Caregiving Costs to Working Caregivers*, the MetLife Mature Market Institute reported that nearly 10 million adult children care for older parents in the United States alone, with average annual costs (such as lost wages, pension and social security benefits) of approximately \$300,000 per adult. The time caring for the elderly loved one can be equivalent to taking on a second job, according to Holiday Retirement. Other, less visible costs can also pinch, from housing to nutritional expense. In Hong Kong, where I am based, [a recent survey](#) found that 53% of this sandwich generation struggles to cope with the burden.

An Opportunity for Insurers