

## **Your Client's Future Caregiver Might Not Be Who They Think**

Experts warn of a growing national crisis that is unrelated to politics, the economy, or the usual headline grabbers. It is a caregiving crisis, and it now touches nearly one-fourth of American adults. Your clients may already be caregivers experiencing this strain, will become caregivers in the future, or will eventually rely on such caregivers themselves.

More than 60 million Americans act as caregivers to family members, many of whom have chronic, disabling, or serious health conditions.<sup>1</sup> This invisible workforce forms the backbone of long-term care in the United States. The work is intensive and multifaceted, covering physical care, medical coordination, emotional support, day-to-day management, and increasingly, financial oversight.

Most caregivers receive no formal training to prepare them for this role. Many of them are forced to shoulder responsibilities that look a great deal like typical fiduciary duties often delegated to professionals—and in many cases are—without actually being prepared to do so.

Yet demographic pressures and gaps in the long-term care system mean that many family members feel ethically, practically, and sometimes financially obligated to step into such roles. In addition, many people have estate plans that do not clearly identify who will act or that have nominated people who are unprepared or unqualified for important roles.

Advisors should consider conducting a “fiduciary audit” with their clients to assess the right fit for these important roles, available support systems, and possible professional alternatives if necessary.

### **Putting the Caregiving Crisis in Perspective**

The caregiving crisis is a convergence of three main factors: Americans are living longer, more older adults require caregiver assistance, and public programs such as Medicaid offer limited access to professional caregivers. As a result, family members are increasingly stepping into caregiving roles, regardless of whether they are ready, and many are not.

What begins as a modest time commitment, such as helping with meals or errands for a few hours a week, can quickly escalate into a full-time role. Caregivers may find themselves performing nursing tasks, coordinating medical care, and managing finances without the specific skills or dedicated training such responsibilities require.

According to the *Caregiving in the US 2025* report from AARP and the National Alliance for Caregiving:

- Sixty-three million American adults—almost one in four—provide ongoing care to a relative or friend, a roughly 45 percent increase since 2015.<sup>2</sup>
- Most care recipients (59 million) are older adults, many with multiple chronic conditions, and nearly half are age 75 or older.<sup>3</sup>

---

<sup>1</sup> Caregiving in the US Research Report, p. 7, AARP (July 2025), <https://www.aarp.org/content/dam/aarp/ppi/topics/ltss/family-caregiving/caregiving-in-us-2025.doi.10.26419-2fppi.00373.001.pdf>.

<sup>2</sup> *Id.*

<sup>3</sup> *Id.*

- Caregivers, most of whom live with or near the care recipient, spend an average of 27 hours per week providing care; nearly a quarter provide 40 hours or more.<sup>4</sup>

Caregivers assist with activities of daily living (ADLs)<sup>5</sup> such as bathing and dressing, as well as instrumental activities of daily living (IADLs),<sup>6</sup> including shopping and managing finances. The AARP report notes that 84 percent of caregivers assist with three or more IADLs,<sup>7</sup> but only 11 percent have received any formal training to prepare them.<sup>8</sup>

Many caregivers are also asked to handle complex medical responsibilities such as administering injections, monitoring vital signs, and communicating with healthcare providers. More than half advocate for their care recipient.

Financial responsibilities are just as common. A Merrill Lynch report found that 92 percent of caregivers are financial caregivers and that financial needs tend to increase as care continues: After two years, more than half of care recipients rely completely on their caregivers to manage their finances.<sup>9</sup>

Compounding the problem is the toll caregiving takes on caregivers themselves, particularly those in the “sandwich generation” who are caring for aging parents while raising children and maintaining their own careers.

### **Rethinking Fiduciary and Caregiving Roles in an Estate Plan**

Caregivers may become fiduciaries when they are responsible for managing a care recipient’s finances or making medical decisions on the care recipient’s behalf. Such authority may arise through a court-appointed guardianship or conservatorship, but it is generally preferable for clients to designate trusted decision-makers in advance through powers of attorney and related estate planning documents instead of leaving those decisions to the court.

However, the fact that a client has previously selected a fiduciary does not mean that their choice is the right one.

Clients frequently appoint family members or friends by default because of the nature of their relationship, without pausing to evaluate whether that individual is the best choice for the role and whether they are capable or available to act in that capacity. Courts appoint guardians based on an analysis of the situation and, often operating on limited background information, ultimately name the individual who can act in the incapacitated person’s best interest. Although

---

<sup>4</sup> *Caregiving in the US Research Report*, p. 8, AARP (July 2025), <https://www.aarp.org/content/dam/aarp/ppi/topics/ltss/family-caregiving/caregiving-in-us-2025.doi.10.26419-2fppi.00373.001.pdf>.

<sup>5</sup> Peter F. Edemekong, et al., *Activities of Daily Living*, Nat’l Libr. of Med. (May 4, 2025), <https://www.ncbi.nlm.nih.gov/books/NBK470404>.

<sup>6</sup> Hui Jon Guo & Amit Sapra, *Instrumental Activity of Daily Living*, Nat’l Libr. of Med. (Nov. 14, 2022), <https://www.ncbi.nlm.nih.gov/books/NBK553126>.

<sup>7</sup> *Caregiving in the US Research Report*, p. 8, AARP (July 2025), <https://www.aarp.org/content/dam/aarp/ppi/topics/ltss/family-caregiving/caregiving-in-us-2025.doi.10.26419-2fppi.00373.001.pdf>.

<sup>8</sup> *Id.* at 27.

<sup>9</sup> Merrill Lynch, Bank of America Corp., *The Journey of Caregiving: Honor, Responsibility, and Financial Complexity*, AgeWave, <https://agewave.com/what-we-do/landmark-research-and-consulting/research-studies/the-journey-of-caregiving> (last visited Jan. 27, 2026).

clients generally prefer to choose their own decision-makers through an estate plan, it is fair to ask whether a client's selection process is more rigorous than the court's.

A careful, in-depth review of your client's fiduciary and caregiving roles, including what those roles entail, can often uncover red flags that signal a mismatch.

### **Red Flags—and What Advisors Can Do**

#### ***The named fiduciary lives far away.***

**Advisor action:** Discuss whether distance will limit availability for medical events, financial transactions, or care coordination. Consider whether a local coagent, successor agent, or professional care manager would help.

#### ***The client has not told the fiduciary that they have been named.***

**Advisor action:** Encourage the conversation now. A surprised fiduciary is more likely to decline or struggle when the role becomes active.

#### ***No contingent fiduciaries are listed.***

**Advisor action:** Stress-test the plan: What happens if the primary agent cannot serve? Encourage updates now, before a crisis forces court involvement.

#### ***The caregiver is already overtaxed (e.g., work demands, financial stresses, young children at home, existing caregiving responsibilities).***

**Advisor action:** Emphasize the importance of role fit and normalize the need for support systems such as coagents, care managers, or administrative services to reduce the risk of burnout or mistakes.

#### ***The caregiver lacks the skill set required for the role (e.g., discomfort with medical decisions, limited financial literacy, poor organization, or emotional instability).***

**Advisor action:** If capacity is limited, discuss dividing responsibilities among multiple people or appointing a professional fiduciary.

#### ***No family member can realistically serve, even with support.***

**Advisor action:** Introduce professional fiduciaries as a proactive, stabilizing choice.

### **Turning Red Flags into a Fiduciary Fitness Review**

Advisors can help clients see fiduciary roles as functional positions—not honorary titles—and reinforce that the right structure protects the client **and** the caregiver. Use review meetings to run a quick fiduciary fitness audit, focusing on

- financial and medical competence,
- organizational ability,
- emotional bandwidth,
- financial capability, and
- availability over time.

Poor fiduciary or caregiver choices can unravel even the most technically sound estate plan. Red flags often signal the need to change fiduciary appointments and update estate planning documents.

Identify pressure points early and proactively coordinate with the estate planning attorney so the client is supported by decision-makers who are exactly what the client assumes they are: fit for the role and willing and ready to serve when the moment of need arrives.