

# *CARE COMPASS*

## CONCEPT DOCUMENT

### **TEAM X-FACTOR**

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## Target Market

Approximately 23% of U.S. adults are currently part of the "sandwich generation," meaning they care for both their children and aging parents simultaneously, often in the same household or providing financial support, reported by Pew Research Center. They also report that those in their 40s are most likely to be part of the sandwich generation, with nearly half in this age group having both a living parent 65 or older and children under 18 or adult children they financially support. A University of Michigan study estimates at least 2.5 million Americans are in this position.

Adults in the sandwich generation are individuals who are simultaneously caring for their dependent children and their aging parents, often while managing their own careers and households. They are typically middle-aged adults (often in their 40s to 50s) who face unique financial, emotional, and logistical pressures because of these dual caregiving roles.

# Problem Definition

At 6 a.m., Jennifer's day is already in motion, packing lunches, checking her mom's medical reminders, mentally juggling soccer practice, prescription refills, and looming work deadlines. She's part of the sandwich generation, millions of Americans balancing care for children and aging parents while trying to keep their own financial futures intact.

**Problem Statement:** The sandwich generation faces the dual challenge of supporting their children's growth while caring for aging parents, leading to significant stress, financial strain, and emotional exhaustion.

The sandwich generation are individuals who find themselves pressed between two profound responsibilities: supporting their children's growth while tending to the complex needs of aging parents. The result is an often-invisible struggle marked by mounting stress, financial strain, and emotional exhaustion. It's a balancing act that can leave even the most capable feeling stretched to the breaking point. Yet, within these challenges lies an opportunity: to create an innovative resource, support system, and solution that not only eases the weight of caregiving but restores a sense of balance, hope, and control.

## Key Statistics:

- **Age Distribution:** Adults in their 40s are most affected, with 54% balancing care for both children and aging parents. In their 50s, 36% face similar responsibilities. <sup>1</sup>
- **Caregiving Hours:** On average, individuals in the sandwich generation dedicate 50 hours per week to caregiving—22 hours for aging relatives and 28 hours for children. <sup>2</sup>
- **Financial Impact:** Over half (51%) have sacrificed their own financial security to provide care, and 45% carry credit card debt due to caregiving expenses. Additionally, 66% express stress about affording their family's financial obligations over the next decade. <sup>3</sup>
- **Mental and Physical Health:** Caregivers often experience higher levels of psychological distress, with those spending more than 20 hours per week on caregiving tasks facing faster physical decline. <sup>4</sup>

# Innovative Solution

There's an invisible crisis facing millions of Americans: members of the sandwich generation, caught between raising children and caring for aging parents, are overwhelmed with financial and emotional strain.

**CARE COMPASS** is our solution—a digital platform that delivers a one-stop caregiving and financial navigation hub. It combines AI-powered financial diagnostics, personalized planning, estate and legal guidance, healthcare navigation, community resource integration, and caregiver wellness support.

Backed by a dedicated caregiving advocate within the credit union, CARE COMPASS empowers members to take control of their finances and caregiving responsibilities, reduces stress, and restores peace of mind. In doing so, it transforms the credit union into a trusted life partner who stands beside members during their most challenging seasons.

## Benefits for the Member

CARE COMPASS provides something members cannot get from a traditional banking app: comprehensive life navigation. In one secure platform, members can:

- Assess financial health with AI-powered diagnostics and receive a personalized roadmap toward caregiving goals.
- Access estate planning, Medicare navigation, and medical billing tools to prevent costly errors and uncover hidden savings.
- Connect with local community resources—from transportation to meal assistance—reducing both caregiving costs and emotional burnout.
- Manage complex caregiving expenses with tailored financial planning and tax optimization.
- Maintain their own health through integrated caregiver wellness features such as support groups, mental health resources, and respite care guidance.

The outcome: less stress, more confidence, and stronger financial and emotional resilience. Members gain back time, protect their wealth, and feel seen and supported by their credit union.

## Benefits for the Credit Union

For the credit union, CARE COMPASS is a loyalty and growth engine. Consider the impact:

- The sandwich generation already includes nearly **12% of U.S. parents providing eldercare**, with this figure expected to rise sharply in the next decade. Serving them positions the credit union as indispensable. <sup>5</sup>
- Team X-Factor's research shows members who feel supported are **5 times more likely to consolidate accounts** and increase product adoption. CARE COMPASS drives measurable gains in loans, deposits, and savings products.
- Credit unions who offer CARE COMPASS can potentially experience increased deposit growth and loan interest due to the ability to connect with a caregiver advocate within their credit union to help reach financial goals.

- Positive word-of-mouth in caregiving networks expands credit unions' market reach.
- By integrating financial wellness with life navigation, credit unions demonstrate their mission of "people helping people" in the most tangible way possible.

The result: potential for increased revenue, deeper relationships, stronger retention, and elevated brand reputation. CARE COMPASS enables the credit union to stand apart in a crowded market—not just as a financial institution, but as a trusted partner in life's most difficult journeys.

# Prototype

## CARE COMPASS

AN ADD-ON TO YOUR CREDIT UNION'S DIGITAL BANKING PLATFORM



# Testing and Results

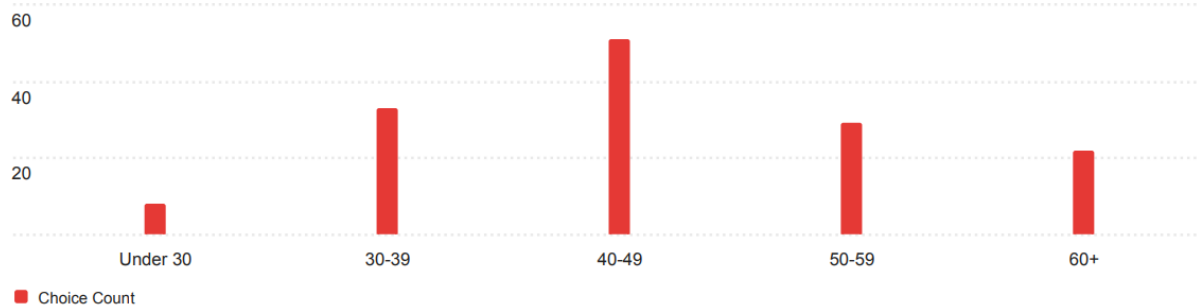
## Survey Results:

Team X-Factor conducted an online and social media survey through Qualtrics, targeting adult consumers in the sandwich generation – individuals simultaneously caring for aging parents while supporting their own children. The survey sought feedback on the primary stressors associated with caregiving and the types of services that could help alleviate these challenges.

Findings indicate that a majority of the 143 respondents expressed interest in a digital platform, offered by their financial institution, which integrates caregiving resources with financial planning tools. Several recurring themes emerged, with many participants highlighting the need for support in areas such as:

- Estate, trust, and other legal services
- Resources for developing care plans
- Managing budgets
- Getting emotional support when overwhelmed or stressed

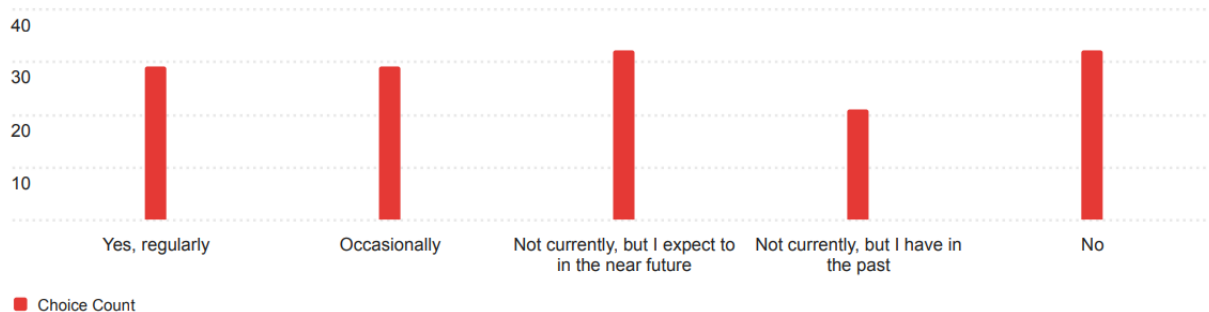
Q2 - What is your age range?



Q3 - What is your current employment status? - Selected Choice



#### Q4 - Are you currently helping to care for or financially support an aging parent or relative?



#### Q5 - What kind of support do you provide? (Select all that apply) - Selected Choice



#### Q5\_4\_TEXT - Other - Text

Other - Text

Medical POA

Paying for fixing up property

care for their property such as yard, home and auto.

Advocacy. The next several years will bring an increasing need to support my aging parents as well as serve as the advocate and point of contact for matters regarding my brother, an adult with intellectual disabilities.

Parents live with me and my husband

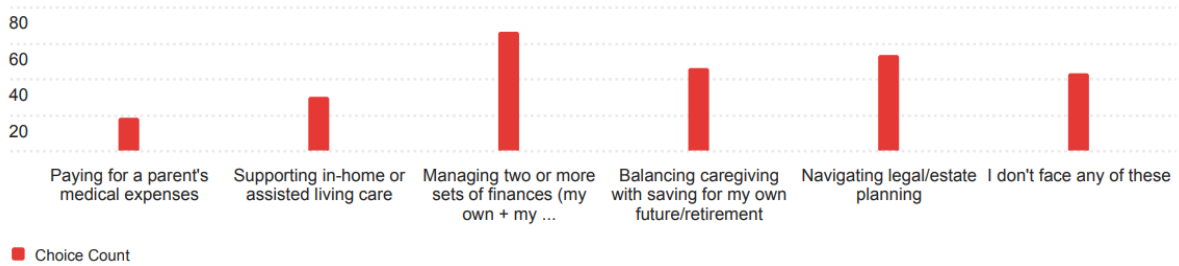
Daily Care, groceries, housework

Cleaning home, laundry, preparing meals , etc.

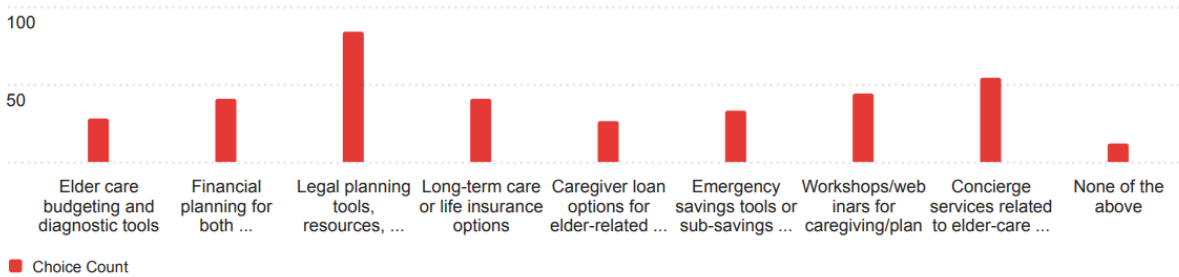
time/ support



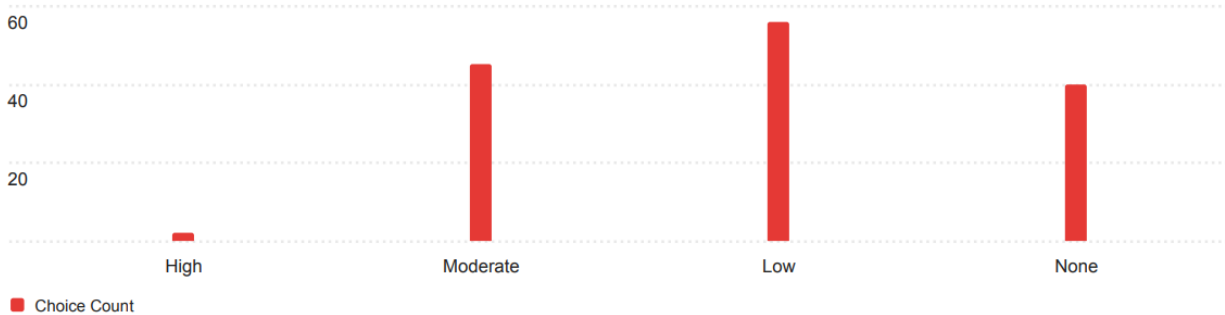
Q6 - Which of the following financial challenges do you currently face, expect to face, or have faced while caregiving? (Select all that apply)



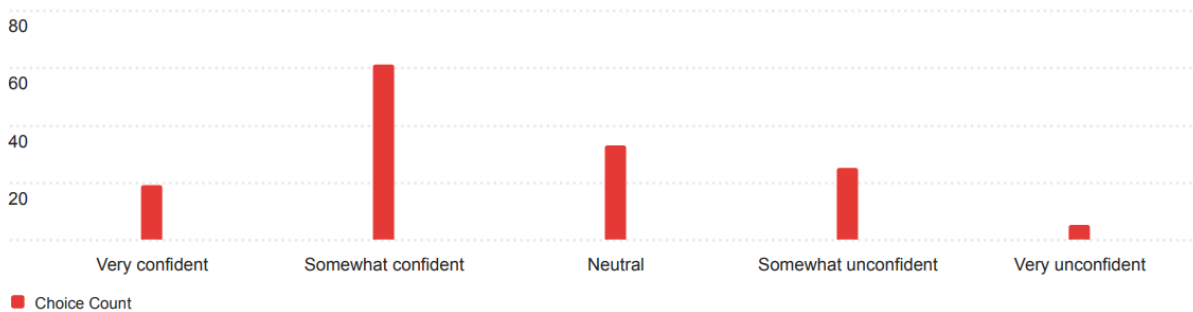
Q7 - Which of the following services would you find helpful from your financial institution? (Select up to 3)



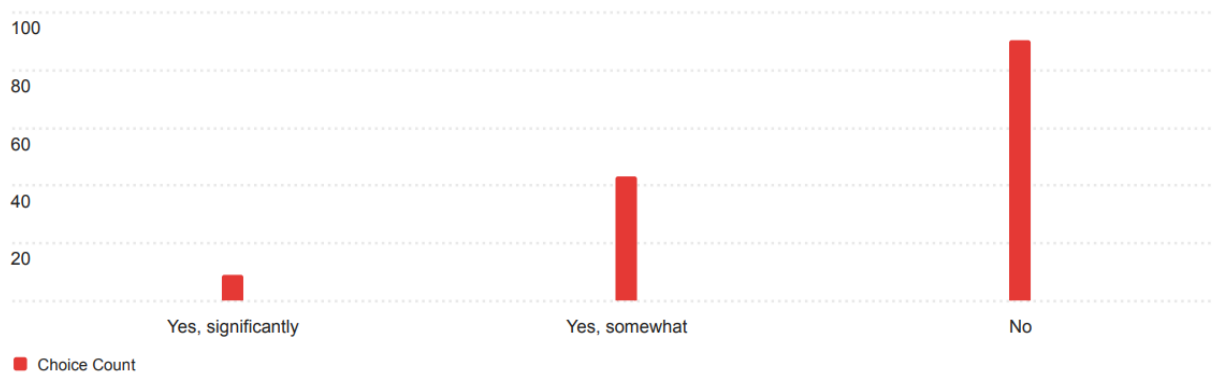
Q8 - How would you describe your current financial stress related to caregiving?



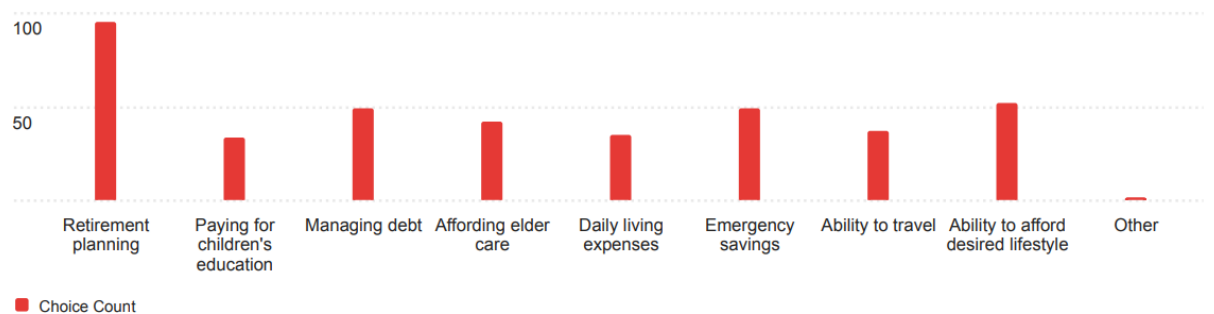
Q9 - How confident do you feel about your current financial situation?



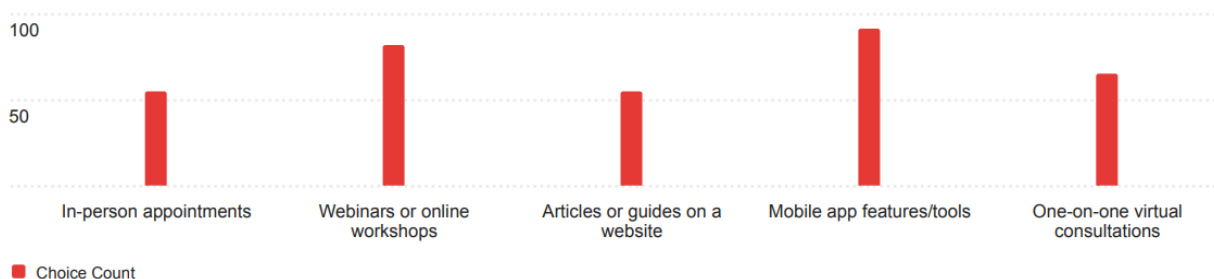
Q10 - Have caregiving responsibilities impacted your financial goals (saving for your retirement/future, paying off debt, etc.)



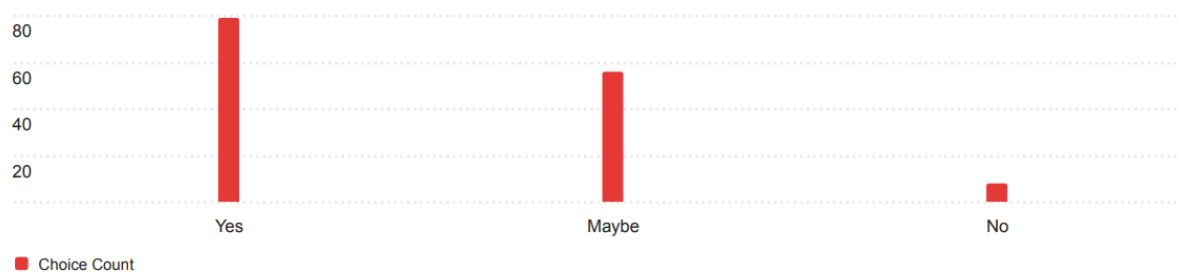
Q11 - What are your top financial concerns? (Select up to 3) - Selected Choice



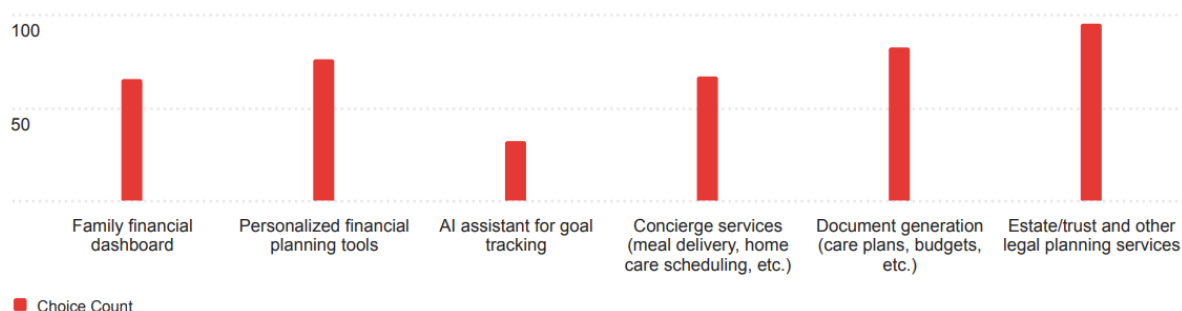
Q13 - How would you prefer to access caregiving-related financial resources? (Select all that apply)



Q14 - Would you be interested in a digital platform that helps you manage caregiving and financial planning in one place?



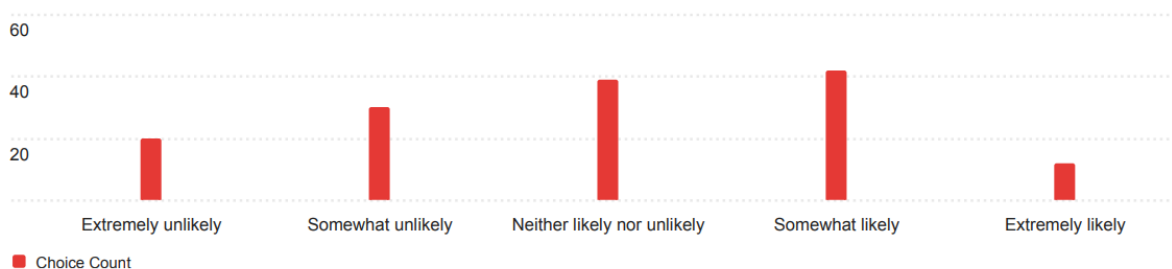
Q15 - Which features would be most valuable to you? (Select all that apply)



Q16 - What is the maximum amount you would be willing to pay per month for this service?



Q17 - How likely are you to use your financial institution for support with caregiving-related needs and financial planning?



## Q18 - Have you experienced caregiving challenges before? What other suggestions or recommendations could you provide?

Have you experienced caregiving challenges before? What other suggestions or recommendations could you provide?

Very emotionally draining to watch a parent slowly fade away. I lived with my Mom for 8 years until her death. Very confining and extremely stressful. I would suggest you address the emotions related to caregivers and methods to deal with it.

Balance with working full time and caregiving

It was difficult as a caregiver for an extended family member because I was not able to use FMLA to be able to take off work and care for her. As a result, I ended up with multiple disciplinary actions due to caring for this relative.

Available care and who to call.

n/a

Currently it is transportation, medical transportation isn't available to our area. Uber gets really expensive really fast and isn't always accommodating for walkers/wheelchairs. So that usually means me missing a whole day of work due to transportation needs.

How does Medicare and SSI benefits change? Can my house be taken if my spouse ends up in assisted living?

My grandparents both had a bout with cancer. It was difficult as a child because my grandmother had no guidance after he passed. it would have been helpful to have had a service to help navigate the process then and when i helped her though her bout with breast cancer.

more services/information for adopting/fostering/ taking care of younger family member that may not be considered "immediate" family

dealing with Hospice care in an end of Life situation and understanding the cost of that, in addition to the Hospice care laws and practices in other states. Found out the hard way that this is different in other states.

Especially when one partner passes, assistance with contacting the IRS for survivor benefits would have been helpful.

no

Unsure of what the question is asking. Experienced what before?

No experience

No

Tips for how to optimize medicare could help a lot. Some expenses for my aging in law are covered by Medicare and others are not. They make a huge difference on my in-laws expenses and it can be tough to plan with such a complex system.

I cared for my mom for many years before she passed. social/community support for the stress would help.

no

Yes, navigating the transition from home caregiving to a nursing home was very challenging. I didn't know how Social Security, Retirement Benefits and Medicare worked when people are placed in facilities. So maybe a workshop on the transition and the financial cost to place someone in a care facility.

N/A

## Q19 - What additional support or services would help you manage caregiving and financial planning more effectively?

What additional support or services would help you manage caregiving and financial planning more effectively?

FMLA needs to be extended to non-immediate family members, or consider any household member to be immediate family in regards to caregiving.

A person to go talk to. Free service

n/a

I am going to say transportation is the biggest right now.

Something that I can share with other family members easily.

Unsure

a List of home repair service to get a home ready for sale once the family member needs to go into assisted living including companies to help declutter/empty the home.

no experience

Unfortunately, like most in the US economy...it boils down to more money. Or wouldn't it be nice if the economy worked for all of us

unsure

see above

n/a

N/A

TRUE COST OF CARE-GIVING

Definitely estate planning, trust education resources, etc.

n/a

What steps are needed

Resource Listings for various situations

How to deal with them not willing to let you help them manage their money.

Referral service ie a trusted space that refers senior focused services

Based on these insights, Team X-Factor recommends that credit unions incorporate CARE COMPASS into their digital platform offerings. This solution provides a centralized, comprehensive experience designed to address the unique financial and caregiving challenges faced by the sandwich generation, ultimately helping to reduce the stress and complexity of their dual caregiving roles.

# Business Model and Proforma

## Viability Factors

### Market Need & Alignment with Credit Union Mission

- **Growing Demand:** The sandwich generation faces increasing financial stress as they balance eldercare and childcare responsibilities, creating a need for trusted guidance and resources.
- **Mission Alignment:** Credit unions are dedicated to improving members' financial well-being; CARE COMPASS extends this mission by offering holistic caregiving support.
- **Retention & Growth:** Supporting members through life's most challenging seasons strengthens loyalty, encourages service consolidation, and drives long-term relationship growth.

### Competitive Advantage

- **First-Mover Advantage:** Few financial institutions currently offer a caregiving-focused financial platform.
- **Differentiation:** Unique blend of digital self-service tools and personalized human advocate support.
- **Brand Strengthening:** Reinforces community commitment by going beyond traditional banking services.

### Technology Readiness

- **Flexible Platform:** Cloud-based with modular features, enabling easy customization for each credit union.
- **Seamless Integration:** Aligns with credit union branding, digital banking systems, and external resource databases.

## What's Needed to Bring the Innovation to Life

### People

- **Product Development Team:** Software engineers, designers, AI developers to build financial diagnostics tools.
- **Content Experts:** Financial planners, legal professionals, and healthcare advisors to develop resource libraries and planning tools.
- **Implementation Specialists:** Ensure seamless integration with credit union branding and local resources.
- **Member Support:** Trained Caregiving Advocates within each Credit Union branch or call center.

## Processes

- **Discovery & Customization:** Assess member demographics and incorporate relevant local resources.
- **Implementation Roadmap:** Branding, compliance review, soft launch with pilot group.
- **Training:** Equip Credit Union staff with product knowledge for onboarding members.
- **Feedback Loops:** Gather member usage data and update features quarterly.

## Tools

- **Core Platform:** Responsive web and mobile design.
- **AI Financial Diagnostic Engine:** Delivers personalized insights.
- **Secure Document Management:** HIPAA and financial data compliant.
- **Analytics Dashboard:** Monitor adoption, engagement, and satisfaction metrics.
- **API Integrations:** For Credit Union systems (online banking portals, CRM).

## Added Value & Potential Cost Savings

### Added Value to Members

- Free, easy-to-use caregiving and financial planning hub.
- Single access point for legal, healthcare, and financial support.
- Live connection with a Credit Union Caregiving Advocate for real-time support.

### Cost Savings to the Credit Union

- **Member Retention:** Reduces attrition, protecting revenue from existing relationships.
- **Lower Acquisition Costs:** Positive word-of-mouth from users reduces marketing spend.
- **Cross-Sell Efficiency:** CARE COMPASS financial diagnostics could highlight opportunities for loans, insurance, and investment solutions.
- **Employee Retention:** Support tools can reduce burnout, absenteeism, and turnover.

## ONE-TIME PURCHASE MODEL

Pricing is scaled to credit union **asset size**, ensuring affordability and proportional investment.

Credit Union Asset Size	One-Time Purchase Price	Customization Included	Annual Maintenance/Updates
<\$250M	\$25,000	Branding, local resource integration	\$2,500/year
\$250M–\$750M	\$50,000	Branding, local resource integration	\$5,000/year
\$750M–\$1.5B	\$75,000	Branding, local resource integration	\$7,500/year
>\$1.5B	\$100,000	Branding, advanced integrations	\$10,000/year

## HIGH-LEVEL FINANCIAL PROFORMA (EXAMPLE FOR \$500M CREDIT UNION)

Category	Year 1	Year 2	Year 3
<b>Revenue Streams</b>			
Cross-sell Loan Revenue (est. 50 new loans @ \$1,000 margin)	\$50,000	\$60,000	\$70,000
Increased Deposit Retention (est. 100 accounts @ avg \$500 margin)	\$50,000	\$60,000	\$75,000
<b>Total Incremental Revenue</b>	<b>\$100,000</b>	<b>\$120,000</b>	<b>\$145,000</b>
<b>Costs</b>			
One-Time Purchase & Customization	\$50,000	-	-
Annual Maintenance/Updates	\$5,000	\$5,000	\$5,000
Staff Training & Advocacy	\$5,000	\$2,500	\$2,500
Marketing & Launch Campaign	\$7,500	\$5,000	\$5,000
<b>Total Direct Costs</b>	<b>\$67,500</b>	<b>\$12,500</b>	<b>\$12,500</b>
<b>Net Financial Impact</b>	<b>+\$32,500</b>	<b>+\$107,500</b>	<b>+\$132,500</b>



# Operational and Other Considerations

## Future Direction and Growth Opportunities

If the product gains popularity:

- **AI Integration for Member Experience**
  - Implement AI-driven chatbots that:
    - Offer tailored suggestions based on member behavior.
    - Provide direct access to microbursts of information.
    - Route members to relevant services (e.g., make an appointment, initiate financial planning tools).
  - Explore diagnostic AI tools for personalized financial planning or caregiving needs.
  - Leverage machine learning to surface members' most-visited resources or solutions.
  - Introduce predictive tools to anticipate member needs before they arise.
  - Continually ask, *"How can AI enhance the member's experience while contributing to sustainability?"*

### Strategic Vision:

As AI maturity increases, the CU could eventually deploy a fully conversational, voice-activated interface for members, especially valuable for elderly members or caregivers who need hands-free interaction.

## Personalization & Modularity

### Customized Member Journeys:

- Offer *a la carte* service options based on the needs of each member or caregiver profile.
- **Member data collection (quarterly):**
  - Use demographic and behavioral insights to adapt offerings.
  - Incorporate life stage or need-based modules (e.g., new caregiver, sandwich generation, end-of-life support).
- Customize which services or partners appear within CARE COMPASS interface for each CU.

### Key Questions to Resolve:

- Does CARE COMPASS allow full backend customization?
- Can individual credit unions select or exclude modules/partners?
- What is the default configuration of CARE COMPASS, and what customization options exist?

## Internal Ownership & Execution

### Team Roles & Responsibilities:

- **Legal & Compliance:** Ensure all partnerships and AI tools meet privacy and financial regulations.
- **Client Success Managers / Relationship Owners:** Serve as liaisons with CARE COMPASS and community partners.
- **IT & Development Teams:**
  - Decide whether the CU will customize CARE COMPASS or use it as an out-of-the-box solution.
  - Manage integration with core banking platforms or member portals.
- **Marketing & CX Teams:** Build member engagement strategies, campaigns, and feedback loops.

## Marketing Strategy

### CARE COMPASS Brand + CU Brand:

- Use flexible messaging such as:
  - “Be your loved one’s North Star.”
  - “Caring made simpler.”
  - “Guidance when it matters most.”
- Co-brand assets with the CU’s logo and color scheme.
- Campaign tactics may include:
  - Story-driven videos featuring member testimonials.
  - Informational sessions in community centers.
  - In-branch signage and QR codes.
  - Social media micro-stories on caregiving.

## Community and Federal Partnerships

### Federal & State Programs to Explore:

- Federal Home Loan Bank System – for financial tools, grants, or funding options.
- Texas Health and Human Services
- Aging and Disability Resource Centers
- Area Agencies on Aging (AAA)
- 211Texas.org
- Health Insurance Premium Payment (HIPP) Program

### Local Community Collaboration:

- Elder care centers
- Senior meal programs
- Transportation services
- Volunteer networks and faith-based support systems
- Public libraries and community health navigators

**Key Question:**

- Does the CU have the infrastructure to *vet and onboard* trusted community and federal partners in a compliant, scalable way?

**Strategic Considerations and Long-Term Vision****Scalability Across Diverse Member Segments:**

- If successful with caregivers and aging populations, consider adapting CARE COMPASS for:
  - Veterans
  - Young adults managing parental care
  - Members with disabilities
  - New parents navigating complex benefit systems

**Revenue & Impact Potential:**

- This could evolve into a powerful *member retention and acquisition tool*, demonstrating the CU's values of care and community.
- Consider data-sharing partnerships (with consent) to improve service delivery and uncover unmet needs.

**Sustainability and Differentiation:**

- CARE COMPASS positions the CU as more than a financial institution—it becomes a holistic life-stage partner.
- This initiative reinforces the cooperative difference and may attract values-based members.

## **Call To Action and Next Steps**

As you can see, the sandwich generation, and their challenges, are an ongoing epidemic that only grows with time. This is a crisis plaguing almost 25% of our population, and the number is growing. How can we be agents of change? How can we help our members? CARE COMPASS provides comprehensive resources, addressing the top challenges those afflicted face. When you support an initiative like this, you're not only helping the sandwich generation, but you're also helping those they care for: their parents who have likely been lifelong credit union members, and their children—our future members.

# Appendix

- <sup>1</sup> Pew Research Center  
[https://www.pewresearch.org/short-reads/2022/04/08/more-than-half-of-americans-in-their-40s-are-sandwiched-between-an-aging-parent-and-their-own-children/?utm\\_source=chatgpt.com](https://www.pewresearch.org/short-reads/2022/04/08/more-than-half-of-americans-in-their-40s-are-sandwiched-between-an-aging-parent-and-their-own-children/?utm_source=chatgpt.com)
- <sup>2</sup> New York Life  
[https://www.newyorklife.com/newsroom/2023/wealth-watch-survey-sandwich-generation-unable-to-meet-expenses-due-to-caregiving?utm\\_source=chatgpt.com](https://www.newyorklife.com/newsroom/2023/wealth-watch-survey-sandwich-generation-unable-to-meet-expenses-due-to-caregiving?utm_source=chatgpt.com)
- <sup>3</sup> New York Life  
[https://www.newyorklife.com/newsroom/2023/wealth-watch-survey-sandwich-generation-unable-to-meet-expenses-due-to-caregiving?utm\\_source=chatgpt.com](https://www.newyorklife.com/newsroom/2023/wealth-watch-survey-sandwich-generation-unable-to-meet-expenses-due-to-caregiving?utm_source=chatgpt.com)
- <sup>4</sup> Health  
[https://www.health.com/sandwich-carer-mental-physical-health-effects-8772305?utm\\_source=chatgpt.com](https://www.health.com/sandwich-carer-mental-physical-health-effects-8772305?utm_source=chatgpt.com)
- <sup>5</sup> National Library of Medicine  
<https://pubmed.ncbi.nlm.nih.gov/37312495/#:~:text=Abstract,depression,%20sandwich%20generation,%20stress>

## ABOUT FILENE

Filene Research Institute is an independent, consumer finance think and do tank. We are dedicated to scientific and thoughtful analysis about issues affecting the future of credit unions, retail banking, and cooperative finance.

Deeply embedded in the credit union tradition is an ongoing search for better ways to understand and serve credit union members. Open inquiry, the free flow of ideas, and debate are essential parts of the true democratic process. Since 1989, through Filene, leading scholars and thinkers have analyzed managerial problems, public policy questions, and consumer needs for the benefit of the credit union system. We work to strengthen organizations through cutting-edge research, incubation opportunities to test and scale solutions, advisory services to help organizations implement innovation, and host communities and events to connect a community of leaders to improve financial well-being.

We live by the famous words of our namesake, credit union and retail pioneer Edward A. Filene: "Progress is the constant replacing of the best there is with something still better." Together, Filene and our supporters seek progress for credit unions by challenging the status quo, thinking differently, looking outside, asking and answering tough questions, and collaborating with like-minded organizations.

Filene is a 501(c)(3) nonprofit organization. Nearly 1,000 members make our body of work possible. Learn more at [filene.org](http://filene.org).