PRUDENT
THE FUTURE OF INSURANCE

Benefits edge

KNOWLEDGE SERIES

CAUGHT IN THE MIDDLE

THE RISE OF THE SANDWICH GENERATION IN INDIA

EDITION 13

May, 2026

www.prudentbrokers.com

India's Demographic Shift-
A Nation Growing Older

India is entering one of the most consequential demographic transitions in its history. For decades, it was defined as a nation of youth, but that identity is rapidly giving way to an ageing society. **Declining fertility, rising longevity, and delayed family formation** are reshaping the population pyramid into something unprecedented. The implications ripple across the economy: workforce participation patterns are changing, healthcare systems face mounting demand, and household savings are stretched thin. At the same time, the emotional toll on families is profound with caregivers caught between professional responsibilities and personal obligations. **India's demographic story is no longer about youth alone; it is about how a nation adapts to ageing** while protecting the well-being of those who carry the heaviest burden.

Population Growing Older, Faster

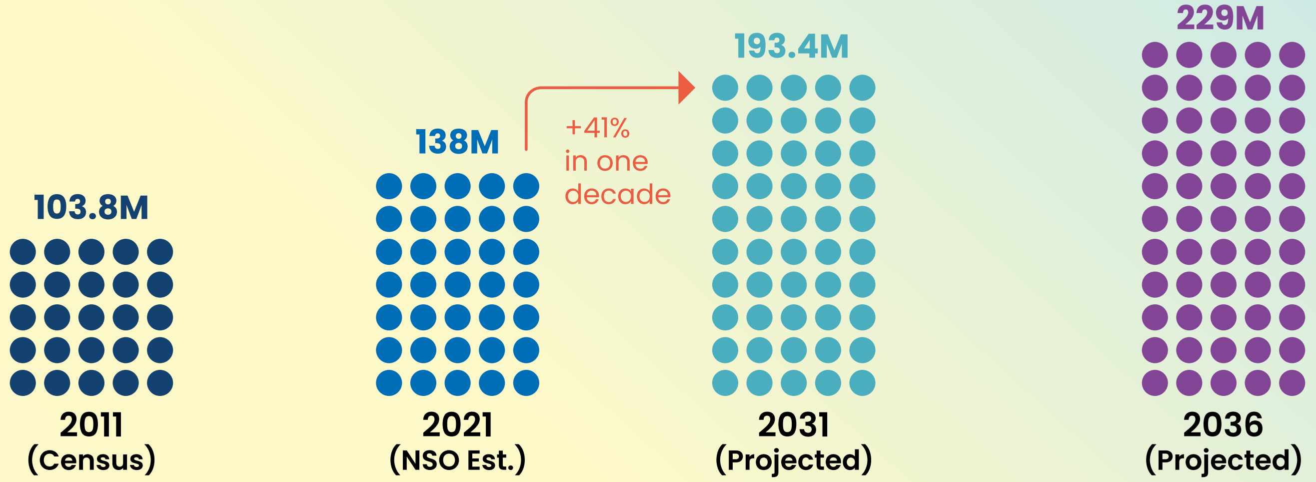
India's elderly population (60+) is projected to nearly double from **149 million** in 2022 to **347 million** by 2050[1]

By 2041, the elderly will constitute **16%** of India's total population[2]

By 2041, **1 in every 6 Indians** will be a senior citizen aged 60 or above[3]

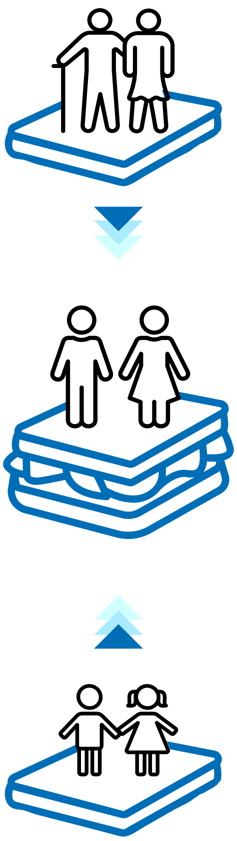
First parenthood has been pushed into the late **20s** and early **30s** for many corporate employees, from the earlier **19–21 years**[4]

Elderly (60+) Population Growth in India (Millions)



Source: Economic Survey 2018-19 and PIB India demographic projections[1]

What is the Sandwich Generation–
and How Many Are There?



THE SANDWICH GENERATION: INDIA'S 35–54 AGE GROUP

Ageing Parents (60+)

- Medical bills
- Chronic disease management
- Hospitalisation
- Daily care
- Emotional support

PRESSURE

YOU (Age 35–54)
Corporate Employee

- Retirement anxiety
- Caregiver
- Breadwinner
- Planner
- Stretched thin, emotionally & financially
- Financial stress
- Career compromise
- Emotional burnout

PRESSURE

Children & Young Adults

- School & college fees
- Career support
- Lifestyle expenses
- Financial dependency into mid 20s

Nearly
1 in **4** adults
globally are estimated to belong to the **"sandwich generation"**[5]

Among the adults **aged 35–54,**
6 in **10**
feel their savings are not enough to manage responsibilities across both dependant children and ageing parents[6]

The Corporate Lens

Dependant Coverage in Group Medical Policy

Post analysis of the benefits & claims data repository of Prudent for claim size of over 3 Lac+, it is observed that most Indian employers mandate employee-only coverage under Group Medical Coverage (GMC), with ~95% extending cover to spouse and children. Coverage for parents/in-laws is offered by ~60% of organisations; however, participation and claims vary significantly—sponsored parental coverage sees 85–95% enrolment contributing 60–65% of claims, while voluntary coverage drops to 20–30%, leaving a large portion of out-of-pocket expenses invisible to employers.

Coverage Type	Availability in Corporates	Average Claim Size (Prudent's Data)	Industry Best Practices
EMPLOYEE-ONLY	Mandatory across all policies	INR 80,000– INR 90,000	Routine hospitalisations & minor surgeries
EMPLOYEE, SPOUSE, & CHILDREN	Common in mid-to-large organisations	INR 80,000– INR 85,000	Maternity claims (~INR 50,000 median), pediatric care, & lifestyle diseases
PARENTS/IN-LAWS	Voluntary add-on/ subsidised; often absent in small/ mid-sized enterprises (larger firms in BFSI, IT, & e-commerce include parents)	INR 1,30,000– INR 1,50,000	Parents account for ~60% of claims; chronic illnesses, cardiac, & oncology

Note: The above values are derived from Prudent's dataset, based on approximately 500 client organisations.

Employer-sponsored parental coverage with no medical underwriting for pre-existing conditions typically drives a disproportionate share of high-cost claims, particularly across cardiac, renal, and oncology care. In contrast, voluntary parental plans exhibit lower claim incidence, with utilisation concentrated around dialysis, cataract procedures, and other daycare interventions. However, a substantial portion of elder care expenditure continues to be funded out-of-pocket, leaving employers with limited visibility into the true healthcare burden affecting employees and their families.

The Real Impact on Caregivers

Being part of the sandwich generation is not an abstract demographic label. It has measurable, documented consequences on the health, careers, financial, and mental well-being of the individuals who live it.

The Chronic Disease Reality: What Makes Parent Care Expensive

63% of elderly adults **suffer from at least one non-communicable disease** such as diabetes or hypertension[7]

32.1% have **multimorbidity**—two or more simultaneous chronic conditions, like heart disease, kidney disease or arthritis[7]

These are not short episodes of care; they demand **lifelong medication, regular monitoring, and repeated hospital visits**

Chronic Condition Snapshot - What the Numbers Mean

Hypertension ~65%

Almost **2 out of 3** seniors have high blood pressure. This means lifelong medication, regular monitoring, and frequent doctor visits[8]

Cardiovascular disease ~35%

About **1 in 3** seniors suffer from heart disease. This brings high hospitalisation risk and costly procedures like angioplasty or bypass surgery[9]

Healthcare spending ~18%

Seniors account for **~18% of household out-of-pocket expenses,** regardless of income[10]

Diabetes ~20%

Nearly **1 in 5** seniors are diagnosed, with higher rates in cities. Diabetes worsens other illnesses and can raise overall treatment costs by 60–70%[9]

For India's sandwich generation employees, parental hospitalisation, under-insured or not insured at all, results in significant financial strain across both metro and non-metro regions. In metropolitan centres, a single cardiac event costing INR 3-6 Lac can deplete several years of retirement savings, while in non-metro areas, even lower costs of INR 2-3 Lac impose a comparable burden. The risk is widespread; only the scale of expenditure differs, not the severity of financial impact.

How Can Prudent Help?

The employee benefits landscape is increasingly moving towards personalisation, with organisations shifting away from standardised insurance-led models towards more flexible and need-based solutions. By addressing the evolving requirements of the sandwich generation, including support for themselves, their children, and ageing parents—employers can deliver more relevant and higher-value benefit experiences. This modular approach also enables better cost optimisation, improved utilisation, and access to quality care solutions at sustainable plan design.

	ACTION	IMPACT	OUTCOME
GMC COVER	Reimagine parental health coverage with higher sum insured options and protection for age-related procedures	Improves the adequacy of coverage for ageing parents and reduces the out-of-pocket healthcare burden	Greater financial security and stronger employee trust, driven by wider coverage and lower out-of-pocket costs
GMC COVER	Transition from uniform health plans to modular, customisable benefits with flexible add-ons like room rent enhancement, co-pay buy back, etc.	Enables employees to tailor benefits to family healthcare needs - from chronic care and elder support to child and women's health	Tailored relevant benefits (e.g., chronic care, childcare, age-specific spouse needs) driving higher participation, a larger premium pool, and improved loss ratios[11]
GMC COVER	Flexible benefits and super top-up constructs	Strengthens financial protection against multi-generational health risks without significantly increasing employer costs	Flexible benefits driving cost optimisation, higher participation, and loss ratio improvement (from ~110% to ~90–95% over 2–3 years)[11]
WELL-BEING CARE PLANS	Targeted care management programs for diabetes, cardiac care, and lifestyle management to enable proactive, preventive management of known conditions	Enables better long-term disease control and reduces acute risk escalation	Improved health outcomes and lower long-term claims burden
WELL-BEING CARE PLANS	Elder Care Program offering geriatric assessments, home-based care support, assisted living guidance, and caregiver counselling for preventive care for parents	Addresses both medical and non-medical ageing-related needs	Reduced caregiver stress and improved support for dependant parents
WELL-BEING CARE PLANS	Mental health and caregiver well-being support through Employee Assistance Programs (EAPs) focused on caregiver stress and emotional fatigue	Helps employees manage the emotional burden of dual caregiving responsibilities	Improved resilience, productivity, and overall employee well-being

The sandwich generation challenge is intensifying- not receding. Yet within this growing pressure lies a clear opportunity: employers who proactively address employees' most critical financial and caregiving vulnerabilities are better positioned to unlock stronger engagement, higher productivity, and reduced absenteeism. **Prudent Insurance Brokers enables this shift by designing and delivering protection frameworks** that are both comprehensive and cost-efficient, translating complex health and financial risks into structured, sustainable coverage solutions.

References

1. india.unfpa.org/en/news/india-ageing-elderly-make-20-population-2050-unfpa-report Also cited in: The Hindu (Abhinay Lakshman, Sep 2023); Economic Times; Deccan Herald; ORF (Observer Research Foundation, March 2026)
2. pib.gov.in (search: "India's Demography at 2040: Planning Public Good Provision") Also cited in: Outlook Business, July 2023; ORF March 2026
3. Economic Survey 2018-19
4. International Journal of Community Medicine and Public Health (IJCMPH). "Rising Trends of Late Marriage and Delayed Conception - A Public Health Concern." February 2026
   IIPS & ICF, National Family Health Survey (NFHS-5), 2019-21. Mumbai: IIPS, 2021.
5. Lei, L. et al. "A National Profile of Sandwich Generation Caregivers Providing Care to Both Older Adults and Children."
6. edelweisslife.in/w/60-of-india-s-sandwich-gen-feels-financially-unprepared-study
7. pmc.ncbi.nlm.nih.gov/articles/PMC9885687/ Data source underlying the paper: LASI Wave 1 (2017-18), IIPS / Ministry of Health & Family Welfare
8. PMC10258381 — published in Indian Heart Journal (Cardiological Society of India), 2023
9. LASI Cohort Profile paper — PMC9365624. Longitudinal Ageing Study in India (LASI). Published in International Journal of Epidemiology, 2022
10. Ahmad F, Mohanty PC. "Incidence and intensity of catastrophic health expenditure and impoverishment among the elderly: an empirical evidence from India." Scientific Reports (Nature). 2024. doi:10.1038/s41598-024-55142-1
11. Prudent's Annual Benefits Score Card 2025

www.prudentbrokers.com

For more information, please contact:
benefitsconsulting@prudentbrokers.com

PRUDENT INSURANCE BROKERS PVT. LTD. (Composite Broker)

Certificate of Registration IRDAI No. 291 & IFSCA No. 017 (Validity: 18th February 2026 to 17th February 2029)

Registered office at 1st Floor, Tower B, Peninsula Business park, G.K. Marg, Lower Parel, Mumbai – 400013, Maharashtra,
Tel : +91 22 3306 6000 I CIN No.: U70100MH1982PTC027681

PIBL_Advt26-27_035