



Employer-Sponsored Caregiving Leave

MARCH 2026

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Introduction

Employer-sponsored caregiving leave has emerged as one of the fastest-growing components of the modern benefits landscape. Unlike general paid time off, these programs specifically designate paid leave for employees who need time away from work to care for a seriously ill or aging family member, connecting organizational talent strategy with a workforce reality that affects millions of American employees. As the U.S. population ages and the prevalence of dual-income households grows, the demand for employer support around caregiving is accelerating, and organizations are responding.

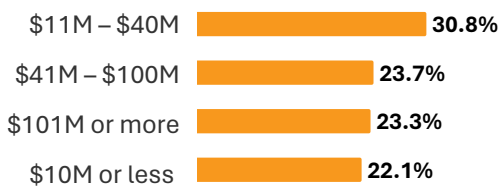
The business case for caregiving leave rests on multiple strategic foundations. From a talent retention perspective, caregiving demands represent a documented driver of attrition; employees who lack adequate support frequently reduce their hours, step into less demanding roles, or exit the workforce entirely. From an equity standpoint, caregiving leave helps ensure that employees are not forced to choose between their jobs and their families. And from an organizational effectiveness standpoint, structured leave policies provide a predictable framework for managing absence while supporting employee engagement and productivity upon return.

Despite growing practitioner interest and rapid market adoption, comprehensive empirical data on the prevalence of caregiving leave, program design, and coordination practices remain limited. This report addresses that gap by analyzing representative survey data from HR decision-makers across U.S. organizations, examining current adoption rates, benefit design characteristics, eligibility structures, program coordination strategies, and employer-reported barriers to adoption.

Methodology and Sample

In December 2025, IBI surveyed 253 HR decision-makers about their organizations' employer-sponsored caregiving leave programs — defined as custom, non-mandated leave specifically designated for employees caring for a family member, and distinct from PTO, FMLA, or other statutory benefits. The sample was intentionally distributed across role levels, company sizes, revenue tiers, industries, and geographic regions to enable benchmarking across organizational characteristics.

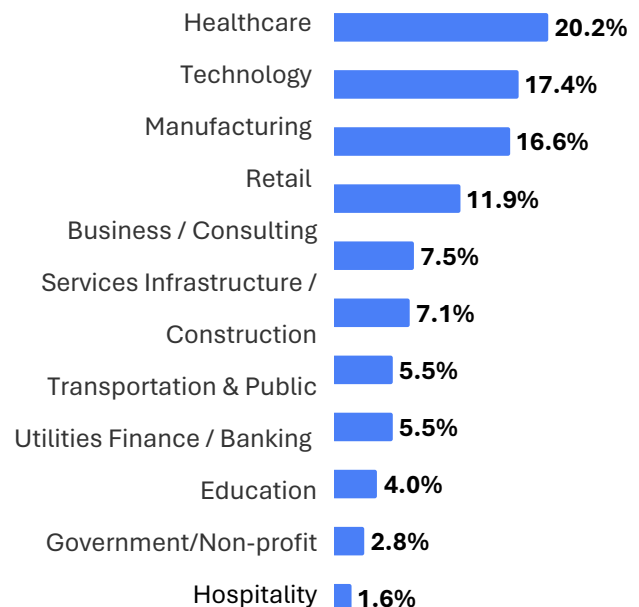
Annual Revenue



Company Size



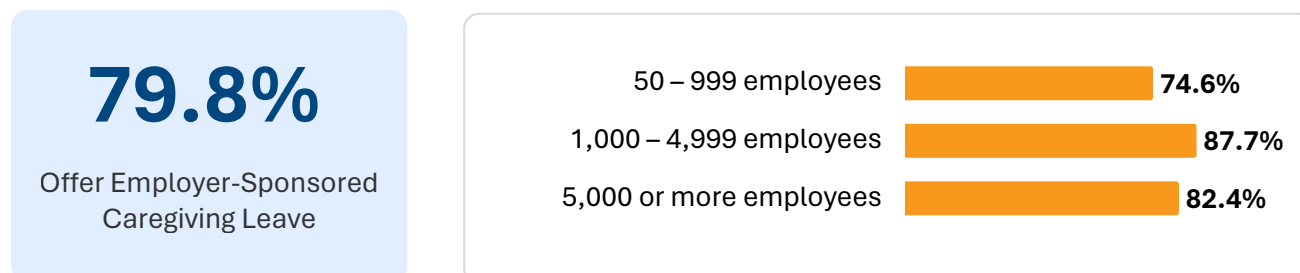
Industry



Results

Caregiving Leave Prevalence & Workforce Impact

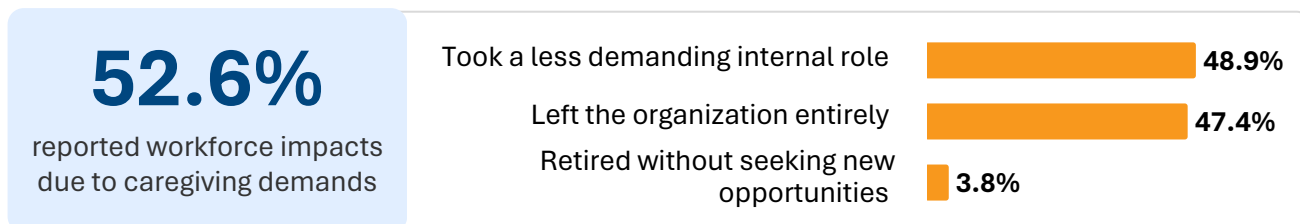
Of all surveyed employers, 79.8% currently offer a custom, employer-sponsored caregiving leave program, one that goes beyond statutory mandates to provide additional leave specifically for family caregiving. Among those, just over half (56.9%) have integrated it with at least one other leave program, most commonly Paid Family Leave (PFL) among state-mandated programs.



Adoption is consistent across organizational characteristics, with rates ranging from 74.6% among smaller companies (50–999 employees) to 87.7% among mid-sized organizations (1,000–4,999 employees). Smaller organizations with revenues of \$10M or less lag at 66.1%, over 20 percentage points behind the top two tiers at 86.7% and 86.4%. The \$11M–\$40M range is at 79.5%, close to the overall average. Healthcare (78.4%) and Technology (84.1%) sectors showed particularly strong uptake.

Caregiving Demands Are Driving Measurable Talent Loss

The workforce cost of unmet caregiving needs is real and documented. In our survey, 52.6% of employers reported some employee impact due to family caregiving demands, including employees leaving the organization, retiring, or moving into less demanding roles, a finding that cuts across industries, regions, and company sizes. Among larger organizations with 5,000 or more employees, that figure climbs to 61.8%.

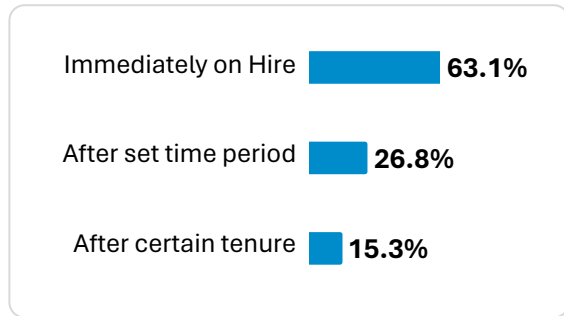


The near-equal split between internal displacement and full departure is notable. Employees who step into less demanding roles may remain on payroll, but represent a loss of productivity, institutional knowledge, and career trajectory, costs that are harder to quantify but no less significant. Together, these two pathways account for virtually all caregiving-related attrition, underscoring the urgency for employers to address caregiving as a workforce retention issue.

Program Design: Structure, Eligibility & Scope

Eligibility

Full-time employees are the most commonly eligible group (76.4%), though nearly a quarter of programs extend coverage to all employees regardless of classification. Part-time eligibility is relatively uncommon (13.4%), as are separate exempt and non-exempt eligibility distinctions. The data suggest an opportunity for employers to broaden their reach, particularly to part-time workers, who may have significant caregiving responsibilities and limited access to other leave protections. Immediate eligibility upon hire is the predominant approach, used by 63.1% of employers.



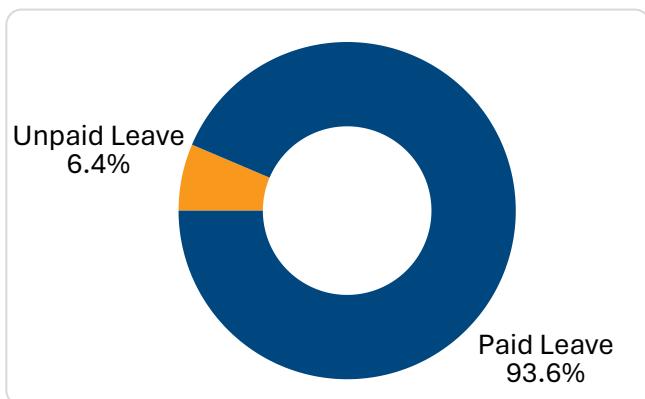
Note: Percentages sum to more than 100% as respondents could select multiple programs.

Set Time Period: 90 days was by far the most common requirement, cited by the large majority of respondents in this category. A small number required fewer days (as low as 30) or more (up to 180 days or 800 hours).

Certain Tenure: One year of employment was the most common standard, cited by nearly half of the respondents who said “after certain tenure”. Three months and six months were the next most common, with a small number requiring only 90 days of tenure.

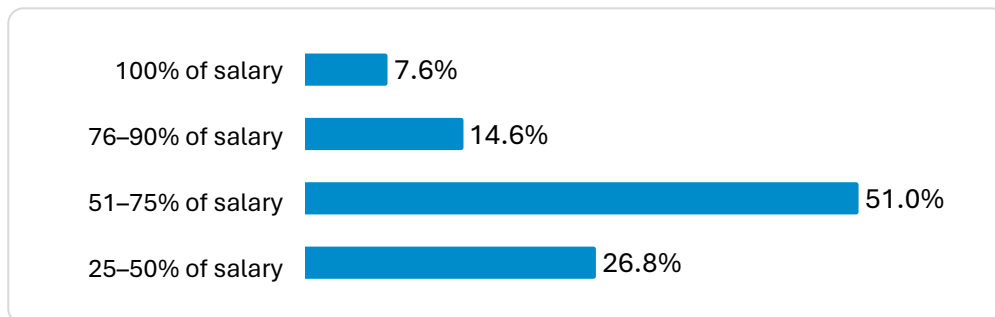
Programs Are Almost Universally Paid

Paid leave is the norm: 93.6% of programs provide wage replacement, while only 6.4% offer unpaid leave. This near-universal adoption of paid benefits reflects an expectation among HR leaders that financial support is essential for employees to actually use caregiving leave. Programs that are unpaid in name may see significantly lower utilization, undermining the intended workforce and retention benefits.



Wage Replacement

The majority of programs replace between half and three-quarters of an employee's wages (51%), making this the clear modal approach. Full wage replacement is uncommon, offered by fewer than one in ten programs, while replacement below 50% is found in roughly one quarter of programs. The concentration in the 51%–75% band likely reflects employer efforts to balance genuine financial support with program sustainability.

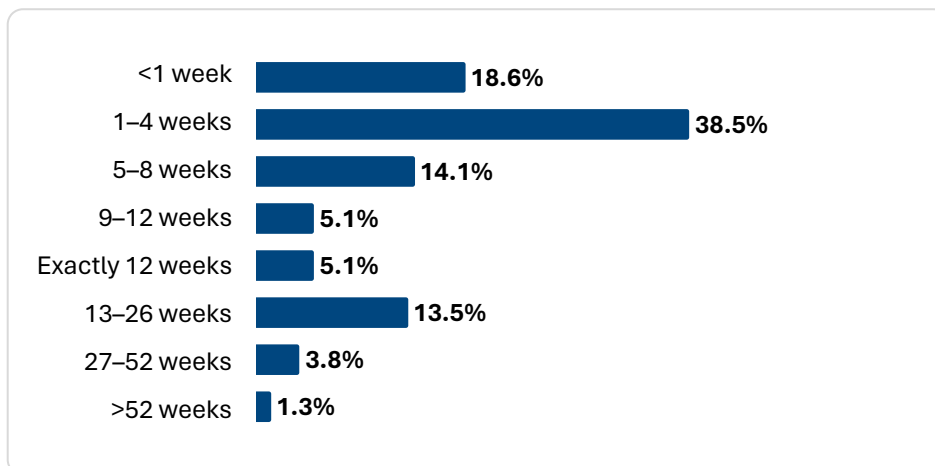


Leave Duration: How Long Do Programs Run?

Survey respondents specified their program's maximum leave duration in a mix of units — weeks, days, hours, and months. To enable a meaningful comparison across all programs, each response was converted to a week equivalent using standard work conventions (40 hours per week, 5 days per week, 4.33 weeks per month).

The distribution shows significant variability. The largest concentration falls in the four-week-or-less range, which accounts for 57.1% of programs when combining the less-than-one-week (18.6%) and one-to-four-week (38.5%) bands. Beyond this, responses span a broad spectrum: 14.1% of programs fall into the five-to-eight-week range, 10.2% into the nine-to-twelve-week range (5.1% nine-to-eleven weeks and 5.1% exactly twelve weeks), and 13.5% into the thirteen-to-twenty-six-week range. This last category primarily includes three-month programs, which equate to roughly thirteen weeks — the same duration as the standard FMLA entitlement when expressed in monthly terms.

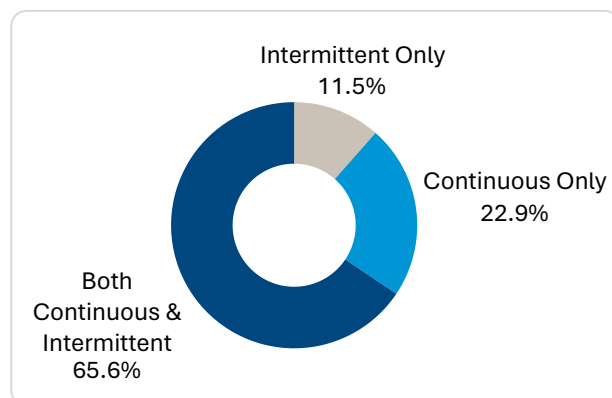
The tail of the distribution is long: 3.8% of programs allow twenty-seven to fifty-two weeks, and 1.3% exceed a full year. The median of 4.0 weeks is the more useful benchmark for most employers; half of all programs fall at or below this level. The mean of 8.4 weeks is skewed upward by a small number of unusually generous programs and overstates what a typical program looks like in practice.



Flexibility Is Built In: Continuous and Intermittent Leave

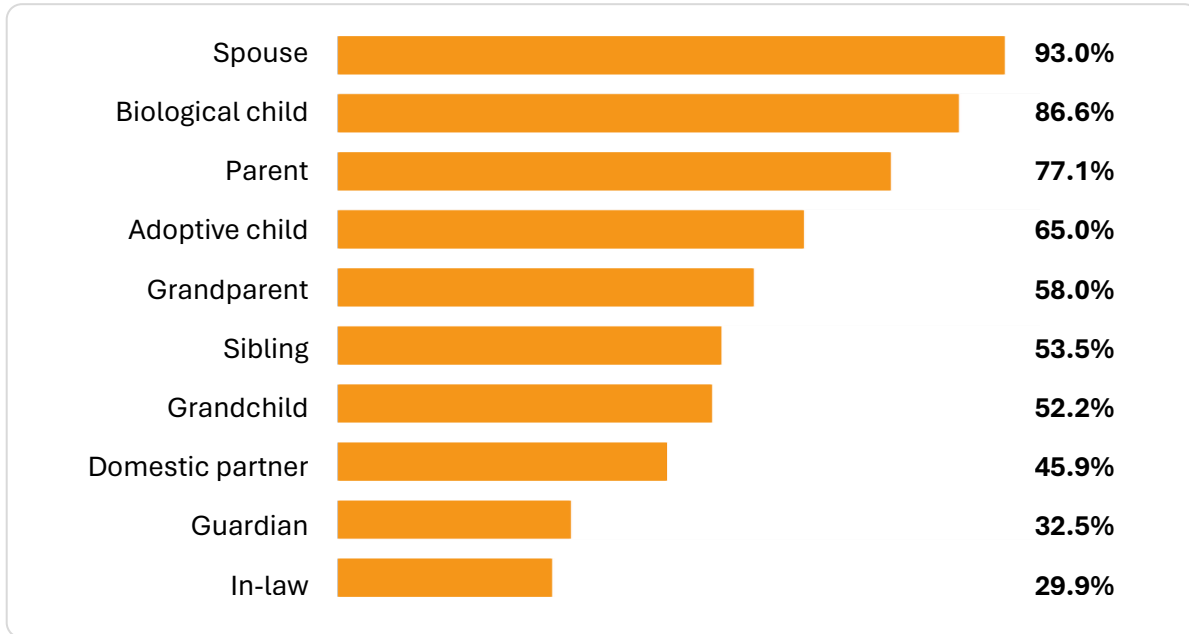
Programs reporting less than one week (18.6%) most likely represent intermittent leave banks measured in hours, small allowances for recurring caregiving appointments rather than extended continuous leave, and should be interpreted accordingly.

65.6% of programs offer both continuous and intermittent leave options, giving employees flexibility to structure time away around unpredictable or recurring caregiving demands. Continuous-only programs account for 22.9%, and intermittent-only for 11.5%. This dual-mode approach aligns with the practical reality that caregiving, whether for an aging parent, a seriously ill spouse, or a child with a chronic condition, rarely follows a linear schedule.

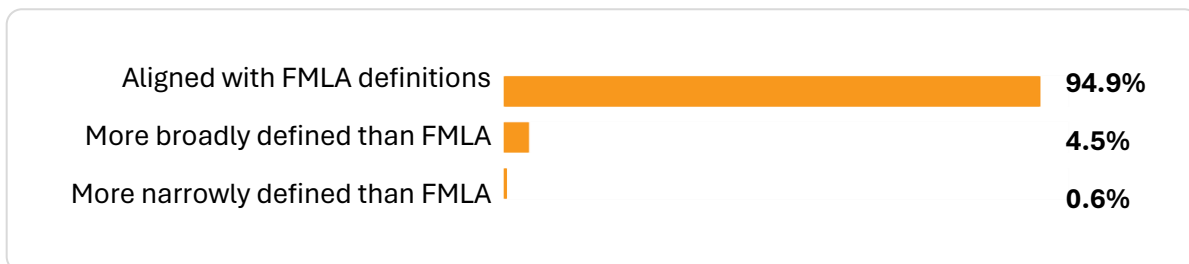


Family Definitions

Employers have taken an expansive view of who qualifies as a covered family member. Nearly all programs cover spouses (93.0%) and biological children (86.6%), with strong majorities also covering parents (77.1%), adoptive children (65%), grandparents (58.0%), siblings (53.5%), and grandchildren (52.2%). Domestic partners are included in 45.9% of programs, and guardians in 32.5%.



Nearly all employers (94.9%) define caregiving in alignment with FMLA standards, which is a predictable finding given that FMLA provides a well-established, legally familiar framework that most HR teams already administer. However, the small share who have moved beyond FMLA offer a window into where definitions may be heading. Among the 4% with broader definitions, open-ended responses included chosen family, extended family members within the employee's primary care, and expanded types of care activity.



Program Coordination, Integration & Outcomes

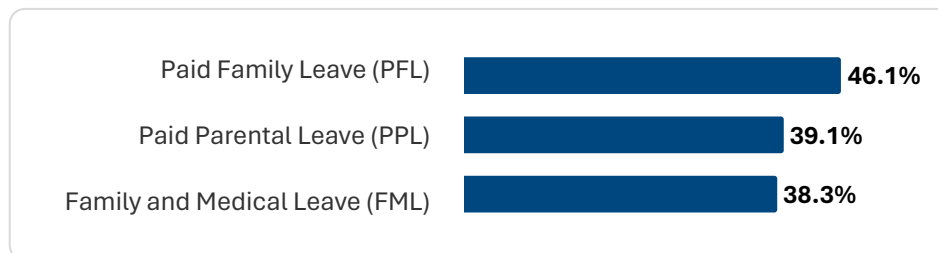
Most Programs Coordinate With Other Leave Types

Among the employers with a caregiving leave program, 56.9% run it alongside at least one other leave program. 36.1% treat their caregiving leave as a fully standalone benefit with no formal coordination, and 6.9% were unsure. For standalone programs, the full cost of caregiving leave falls entirely on the employer, making wage replacement level and duration the primary levers for managing program cost. Coordination requires careful attention to program sequencing, offset rules, and employee communication to avoid confusion when multiple programs are in play simultaneously.



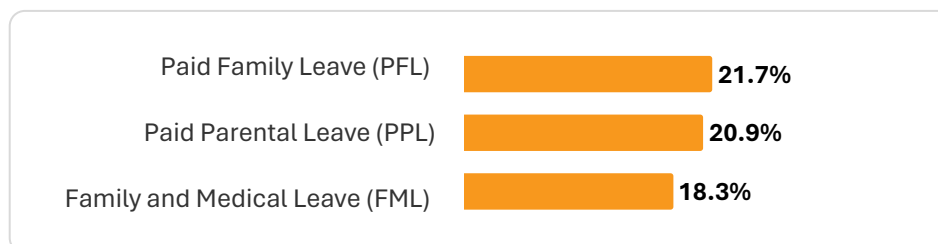
Paid Family Leave is the Most Common Partner

Employers collaborating with other programs most commonly pair Caregiving Leave with Paid Family Leave at 46.1%, Paid Parental Leave at 39.1%, and Family and Medical Leave at 38.3%.



Note: Percentages sum to more than 100% as respondents could select multiple programs.

Employers mainly identified Paid Family Leave (PFL) and Paid Parental Leave (PPL) as financial offsets. This figure is lower than their overall coordination rate, indicating that some employers may combine these programs without officially using them to mitigate the expenses of their custom leave.

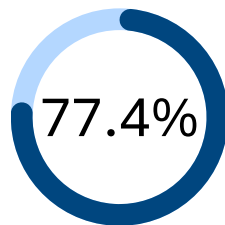


In nearly 70% of coordinated programs, the companion leave, typically Paid Family Leave (PFL), pays first, before the employer’s customized caregiving leave starts. This strategic sequencing enables employers to maximize benefit offsets, effectively reducing the overall cost of their tailored program. Communicating this sequencing clearly to employees is essential, as the structure can become confusing when multiple programs operate simultaneously.

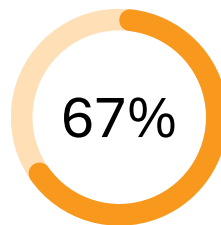
Success Measurement: Participation Leads, Retention Growing

Employers primarily measure caregiving leave success through participation rates (77.4%), a straightforward metric that is readily available from plan administration data. Employee survey and feedback mechanisms are also widely used (67%), followed by retention tracking (61.7%). The fact that nearly two-thirds of employers are connecting caregiving leave to retention outcomes is encouraging and reflects a field beginning to recognize the link between caregiver support and workforce stability. As programs mature, more rigorous measurement tying leave utilization to turnover, productivity, and engagement data will become increasingly important for sustaining leadership investment.

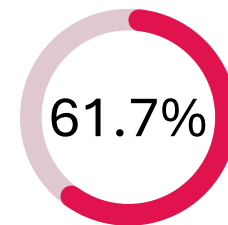
Participation rates



Employee Feedback



Retention



Adoption Intent & Barriers to Expansion

Strong Intent to Expand in the Next 12 Months

Caregiving leave is on the near-term roadmap for most employers. Of those respondents who indicated they do not currently have a custom caregiving leave program (n=44), 62.1% plan to launch one within the next 12 months.

62.1%

plan to roll out an employer sponsored caregiving leave in the next 12 months

21.7%

do not plan to launch an employer sponsored caregiving leave

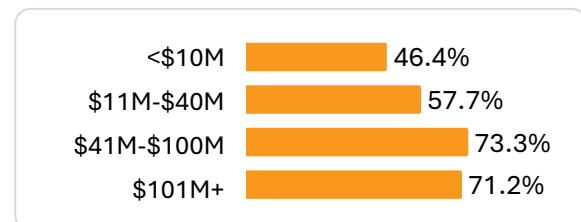
16.2%

were not sure what their organization plans to do

By Company Size

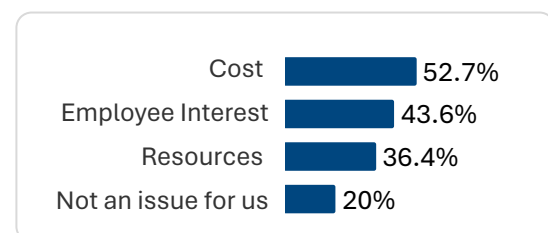


By Revenue



Cost Is the Primary Barrier for Non-Adopters

Among the 21.7% of employers not planning to roll out a caregiving leave program, cost is the most cited obstacle, identified by more than half. Notably, employee interest ranked second, ahead of resource constraints, suggesting that some employers may be underestimating demand or have not yet proactively assessed it. One in five indicated that none of these factors present a barrier, suggesting that for some, program launch may be closer than the rollout intent figures imply.



Key Takeaways & Implications for Employers

The following takeaways synthesize the findings across all sections of this report, with a focus on practical implications for HR and benefits leaders evaluating or designing caregiving leave programs.

Caregiving leave is becoming a baseline expectation.

With almost 80% of employers already offering a program and another 62.1% planning to expand in the next year, custom caregiving leave is transitioning rapidly from a differentiating perk to a standard benefit. Employers without a program face mounting recruitment and retention risk as this gap becomes increasingly visible to prospective and current employees.

The business case is concrete, and growing.

More than half of respondents have directly experienced caregiving-related attrition, with the majority of those departures involving either full exits or internal role demotions. Both carry significant costs: replacement and recruiting expenses on one hand, lost productivity and disengagement on the other. Employers who frame caregiving leave as a talent retention tool, rather than purely a benefit-cost, are better positioned to make the financial case internally.

Paid leave, immediate eligibility, and scheduling flexibility are table stakes.

The data reveal clear norms around program structure: paid leave (93.6%), eligibility from day one of hire (63.1%), and dual continuous/intermittent flexibility (65.6%). Employers designing new programs should treat these as baseline expectations and focus design differentiation on wage replacement generosity, family member breadth, and maximum duration.

Wage replacement strategy deserves careful attention.

Most employees experience an income reduction during caregiving leave. As programs mature and labor market competition intensifies, upward pressure on replacement rates is likely, particularly for mid- to senior-level talent. Employers should model the cost implications of replacement rate changes proactively, rather than reacting under competitive pressure.

Measurement must evolve beyond participation counts.

Participation tracking is nearly universal and a valuable baseline metric. However, truly demonstrating program value requires connecting leave utilization to downstream workforce outcomes: retention rates, time-to-fill for caregiving-related vacancies, employee engagement scores, and manager-reported productivity. Programs that can demonstrate ROI in these terms are more sustainable over time.

Cost concerns are real but addressable through program design.

For employers who have not yet launched a program, cost is the leading barrier. Intermittent leave structures reduce the pressure of continuous absence coverage. Layering available state leave offsets reduces the net wage cost. Tiered wage replacement allows employers to offer meaningful support without committing to full replacement. Building these features into program design from the start, rather than retrofitting later, is the most effective path to a sustainable, affordable program.

About IBI Leave Benchmarking Series

This report is part of the Integrated Benefits Institute's Leave Benchmarking Series, a research initiative examining employer-sponsored leave programs and their impact on workforce health, productivity, and organizational outcomes. Through surveys of HR decision-makers across diverse industries, company sizes, and geographic regions, this series provides actionable insights into leave benefit design, implementation practices, and measurable business impacts.

Each report focuses on specific leave types, including family and parental leave, volunteer leave, and bereavement leave, among others, while examining cross-cutting themes such as wage replacement strategies, eligibility criteria, administration models, and outcomes measurement. By establishing empirical benchmarks and identifying leading practices, this research supports organizations in designing competitive and sustainable leave programs, optimizing administrative approaches, and quantifying the business case for leave benefit investments.

About The Integrated Benefits Institute

The Integrated Benefits Institute's independent research, industry-leading tools, and data resources help companies link health-related programs to outcomes that maximize people's contributions to productivity and business performance. Founded in 1995, IBI is a national nonprofit research organization and business association serving more than 1,600 employer and supplier members and their 22+ million employees.

When it comes to quantifying health and well-being choices, employers need to know what good looks like, and providers need to show what value looks like. IBI provides unbiased research and insights so employers and providers can make health decisions that positively impact people, productivity, and performance (3Ps). For additional information, please visit www.ibiweb.org and follow us on [LinkedIn](#).

About Mellie

Mellie is a care navigation platform that helps employers address the workforce implications of family care responsibilities. Through expert care coordinators and a secure digital platform, Mellie supports employees managing complex medical, financial, and daily care needs. Our approach targets key drivers of productivity loss, including care coordination, time burden, and caregiver strain. Mellie integrates with existing benefits programs to impact leave, absenteeism, and workforce disruption while improving employee experience and retention. Employers across industries rely on Mellie to deliver scalable, high-touch support and actionable insights that strengthen workforce outcomes.