

# BENEFITS INSIGHTS

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## Caregiver Benefits

According to a Gallup poll, 1 out of 6 full- and part-time working Americans are also a caregiver for a loved one. Typically, a caregiver is an unpaid individual who assists an elderly or disabled family member, relative or friend. It is estimated by the National Alliance for Caregiving and AARP that 70 percent of working caregivers suffer work-related difficulties due to their dual roles. Moreover, caregivers are forced to miss an average of 6.6 days of work annually because of their caregiving responsibilities. The annual cost of lost productivity due to caregiver absenteeism amounts to more than \$25 billion.

As the baby-boomer generation continues to age, it is likely that younger employees will take on caregiver responsibilities. Of the 129 U.S. benefits managers surveyed by the Northeast Business Group on Health (NEBGH) and AARP, 66 percent agree that caregiving will become an important issue to their workers over the next five years. Forty-five percent of these managers say that caregiving benefits are one of their top 10 priorities for health and benefits issues.

This article outlines the basics of caregiving benefits and provides best practices to follow. It does not cover legalities of caregiver benefits. Please consult a legal professional to obtain answers to questions related to federal discrimination laws or caregiver benefits.

### What do caregiver benefits look like?

Currently, caregiving benefits take many forms. Of the 129 employers surveyed by the NEBGH and AARP, the following are policies that are currently available to their workers:

- Paid leave exclusively for caregiving—11 percent
- Paid leave that can be used for parental leave or caregiving leave—22 percent
- Paid family medical leave—29 percent
- Sick, vacation or personal days that can be used for self-care or to care for another—81 percent
- Family medical leave application guidance—77 percent
- Flexible scheduling—57 percent
- Employees can “donate” time to their co-workers—21 percent

*Nearly half of surveyed  
benefits managers say that  
caregiving benefits are one of  
their top 10 priorities for health  
and benefits issues.*

As demonstrated by this data, the majority of employers surveyed permit employees to use their sick, vacation or personal days for caregiving, but few have leave or benefits programs designed specifically for caregivers. This survey found that employers cite absence of caregiving benchmarks and best practices, a lack of financial resources and a lack of data to identify caregivers, as reasons why they are not more caregiver-friendly.

### **Why should my organization consider offering caregiver benefits?**

According to a survey by the National Alliance for Caregiving and UnitedHealthcare, a large number of employees may be “closet caregivers” who fear that their boss or organization will think they’re not committed to their job if they also provide care for a loved one. This stressor, in addition to the stressors of working while taking care of an ill, elderly or disabled loved one, can lead to employees experiencing chronic stress. Chronic stress is not only bad for your employees and their well-being, but also for your organization and its bottom line.

Other employees decide that they can no longer balance work and caregiving, so they choose to leave their employer in order to care for a loved one. According to the Society for Human Resource Management, it costs an average of six to nine months’ salary to replace a salaried employee, which is a significant cost for any employer.

Caregiving benefits advocates believe that if workplaces adopted policies similar to the ones that were implemented to help out working mothers (such as flexible scheduling policies and child care services), they would experience increased productivity, lower health care costs, and improved recruiting and retention efforts.

### **How can my organization implement caregiving benefits?**

As previously mentioned, one of the most common caregiving benefits is offering sick, vacation or personal days that can be used for self-care or to care for another. In addition, your organization could create a benefit program designed specifically for caregivers so that you can give employees additional support in the form of extra time off or educational resources, such as free counseling, handouts and discount programs for at-home services.

Consider also implementing a flexible scheduling policy at your organization and train managers and supervisors on how they can support employees who are caregivers. Again, be mindful that any caregiving benefits you implement could be subject to federal laws. Please consult with a legal professional for further advice on this topic.

### **Summary**

As the baby-boomer generation continues to age, more and more workers will become caregivers for elderly parents, in addition to the others who will take on caregiving responsibilities for a number of different reasons. Implementing caregiving benefits has been a step taken by many employers across the country to help alleviate some of the stressors caregiving employees face. By offering caregiving benefits at your organization, you will not only establish a culture that is supportive of caregivers, but you will also be giving your employees the tools they need to effectively manage their dual responsibilities.