

COVID-19 Reveals the Value of Caregiving Benefits

Benefits providers report surge of requests for caregiving services

By Stephen Miller, CEBS

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In 2019, more employers began offering caregiving benefits and resources to help employees take care of young children, elderly parents, ailing spouses or partners, or friends. Now the COVID-19 pandemic is showing the vital role these benefits can play in employees' lives, which may push employers that haven't offered caregiving services to consider doing so.

"To safely reopen the country, healthy people need to be able to go to work, and sick people need to be able to stay home," wrote Melinda Gates, co-chair of the Bill & Melinda Gates Foundation. "We know that will require scaling up testing and contact tracing. We overlook that it will require scaling up caregiving solutions, too (<https://www.washingtonpost.com/opinions/2020/05/07/melinda-gates-how-rethinking-caregiving-could-play-crucial-role-restarting-economy/>)."

She added, "It's also hard to get back to work when you're responsible for children or older adults but have nowhere to turn for safe, affordable care."

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Employers Step Up

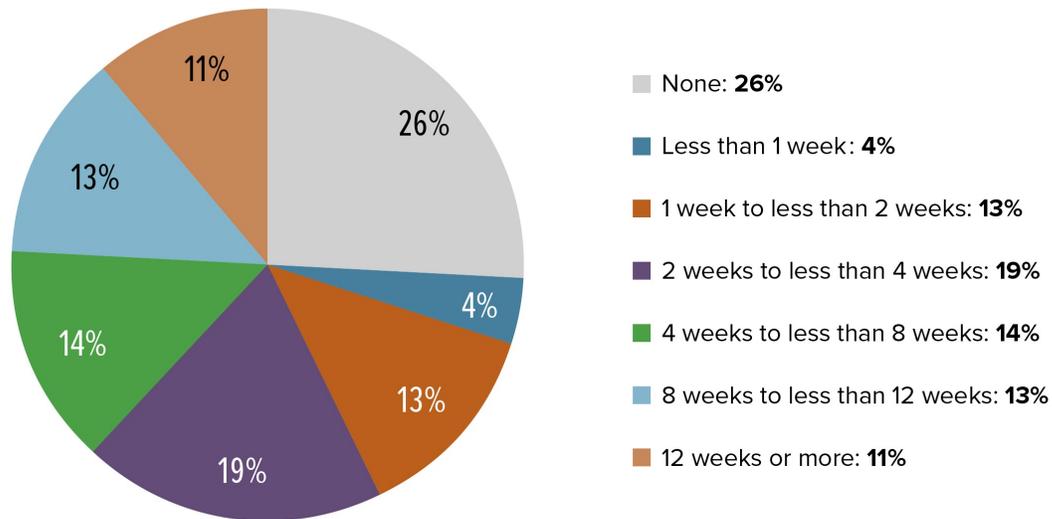
"The challenges for employee caregivers have increased exponentially as a result of the risk for COVID-19 among older and vulnerable people, social distancing requirements, and 24/7 child care responsibilities," said Candice Sherman, CEO of the Northeast Business Group on Health (NEBGH), an employer-led coalition. "Employers are trying to increase support for caregiving employees by providing more backup help, flexible working hours and access to expert resources, and some are providing relief funds to help with expenses."

In late 2019 and early 2020, NEBGH and AARP surveyed benefit managers at 119 mostly large U.S. employers. The survey, a follow-up to one conducted in 2017, found that more employers now provide paid leave specifically for caregiving (<https://online.flippen.com/view/907037/>)—23 percent of respondents do so, up from 11 percent in 2017.

But while 61 percent of benefit managers said caregiving is a top priority for them, and 45 percent believe they are on par with similar organizations in developing caregiving-friendly benefits, almost a quarter (22 percent) see themselves as below or well below average, "a clear sign there is much room for improvement," Sherman said.

Length of Paid Caregiving Leave

How many weeks per year of paid caregiving leave (or other leave types that may be used for caregiving) can employees access?



Source: Northeast Business Group on Health and AARP, 2019/2020 Caregiving and the Workplace: Employer Benchmarking Survey.

Employees Seek Help

As employees continue to deal with the challenges of COVID-19, whether they're still at home or returning to the worksite, "employers may want to consider offering benefits tailored to employees who are providing care for their loved ones" if they are not already addressing these needs, said Kathy Barber, vice president for benefits and compensation at Saratoga Springs, N.Y.-based Ayco, a provider of financial well-being programs.

"The coronavirus has compelled some organizations to implement relevant crisis plans, but having [caregiving] offerings in place from the get-go is also important," Barber said. Doing so "sends the message that a company is taking into account the stressful circumstances its employees might be facing in their personal lives."

Adam Goldberg, founder and CEO at Boston-based Torchlight, a caregiver-benefits digital platform company, noted, "With the vast majority of Americans staying at home during the pandemic, many are not only struggling with health concerns and high stress, they are also grappling with elder care concerns, distance learning, working at home, sudden job losses/furloughs, and the death of loved ones." Torchlight has posted the free Caregiving in Times of Crisis Toolkit (https://www.torchlight.care/caregiving-in-times-of-crisis-kit-covid-19?utm_source=pressrelease), with advice and information for businesses and caregivers.

Given the coronavirus crisis, it's no surprise that providers of caregiving benefits have seen a drastic uptick in service requests since the pandemic hit the U.S. in March. "During normal periods, we generally see a wide range of requests, from help with hospital bills for older adults to navigating the proper care services for children with atypical development," said Lindsay Jurist-Rosner, founder and CEO of Wellthy, a New York City-based provider of employee caregiver support services. "But in recent weeks, we've seen a dramatic shift in the priorities and needs of families."

These are the most common needs for which families have been seeking help:

- Securing home delivery for medications and groceries.
- Arranging telehealth appointments.

- Finding mental health resources for heightened anxiety.
- Keeping aging family members safe and helping them stay engaged while in isolation.

The biggest changes in families' needs during the pandemic, Jurist-Rosner noted, include the need for support as part of COVID-19 recovery. "We're seeing some challenges with limited rehab options and skilled nursing facilities not accepting new patients," she said. The firm has increasingly been asked to give assistance with making funeral arrangements, as well.

The Dependent Care FSA Option

Shadiah Sigala, CEO and co-founder of Kinside, a child care benefits provider in Los Angeles, encouraged employers to provide—and fund—dependent care flexible spending accounts (<https://www.employeebenefitadviser.com/opinion/a-second-child-care-crisis-is-coming-employers-will-need-to-address-it>) (FSAs). Generally, the IRS limits pretax contributions (from employer and employee combined) to \$5,000 per year (www.shrm.org/ResourcesAndTools/hr-topics/benefits/Pages/2020-fsa-contribution-cap-rises-to-2750.aspx#dfsa).

"Between pay cuts and furloughs, many parents will need more affordable care" when they return to work, she wrote in a recent *Employee Benefit Adviser* commentary.

Additionally, parents may need to hire at-home caregivers, as many day care centers have gone out of business because of financial losses related to the pandemic. (Sigala expects a 20 percent decline in total available spots when the economy reopens.)

Funding dependent care FSAs "is an investment in your company's reboot," she wrote. "You need people working, and you want to make sure the expense of child care doesn't get in the way of that."

Caregiving Benefits on the Rise

Even before the pandemic, more employers were stepping up and helping their employee caregivers.

The Society for Human Resource Management's 2019 Employee Benefits survey of 2,763 HR specialists showed increasing numbers of employers offering caregiving benefits (www.shrm.org/hr-today/trends-and-forecasting/research-and-surveys/pages/benefits19.aspx) last year. The survey found the following differences in caregiving offerings between 2019 and 2015 (unless otherwise noted):

- **Providing employees with the names of child care providers:** 11 percent, up from 9 percent.
- **Subsidizing a child care center or program:** 4 percent, up from 2 percent in 2018.
- **Providing employees with the names of elder care providers:** 10 percent, up from 6 percent.
- **On-ramping programs for family members dealing with elder care responsibilities** (includes temporary, part-time or reduced schedule options): 6 percent, up from less than 1 percent.
- **Access to elder care services and information** (e.g., geriatric counseling, assisted living assessments, in-home assessments, elder care fairs): 7 percent in 2019 but not asked in earlier surveys. Employers also offered more time off for family leave in 2019 compared to 2018.
- **Family leave beyond the time required by the federal Family and Medical Leave Act (FMLA):** 22 percent, up from 16 percent..
- **Family leave beyond state-mandated family and medical leave:** 19 percent, up from 14 percent.
- **Elder care leave beyond federal FMLA leave:** 13 percent, up from 10 percent.
- **Elder care leave beyond state-mandated family and medical leave:** 12 percent, up from 9 percent.

Feedback

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Employers Use Tech to Manage New Caregiving Leave (www.shrm.org/ResourcesAndTools/hr-topics/benefits/Pages/employers-use-tech-to-manage-new-caregiving-leave.aspx), *SHRM Online*, March 2020

Why Intel Enhanced Paid-Parental and Caregiving Leave (www.shrm.org/ResourcesAndTools/hr-topics/benefits/Pages/why-Intel-enhanced-paid-parental-and-caregiving-leave.aspx), *SHRM Online*, February 2020

Improving the Lives of Employee Caregivers Makes Business Sense (www.shrm.org/ResourcesAndTools/hr-topics/benefits/Pages/g/ResourcesAndTools/hr-topics/benefits/Pages/improving-lives-of-employee-caregivers-makes-business-sense.aspx), *SHRM Online*, January 2020

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