

2026

Future of Benefits Report

Why leading companies invest in care

Letter from our CEO

If you're a member of today's workforce, chances are you're also a caregiver or will be in the near future. Today's workers are not only beginning to care for their parents at a younger age, they're also more likely to be caring for children and parents at the same time, for longer durations, with less help than prior generations.

New research from CareBenefits by Care.com finds that almost three-quarters of Millennial employees (74%) and more than two-thirds of Gen Z (67%) say they care for a child or will in the future, and more than half of each group says they'll care for a senior loved one at some point.

Those of us who have cared for a loved one know how caregiving stress spills over into the workday in ways we can't always predict or control. Employers recognize that caregiving can increase employees' stress levels at work, but are underestimating how many employees are really struggling (81% vs. employers' estimate of 55%).

The 2026 Future of Benefits Report examines how caregiving has evolved from a personal challenge to a business imperative. Our data not only shows the growing burden of caregiving responsibilities across generations and roles, but also digs into why workplaces have struggled to keep pace despite employers' best intentions.

Importantly, the data also shows why, even with the traditional workplace model under strain, there is plenty of reason to be hopeful. A large majority of both employees (85%) and employers (92%) align on the idea that employers bear some responsibility for helping employees cope with rising care costs. Companies that adapt their benefits and people strategies to support family care needs are not only bringing relief to their workforce but positioning themselves to compete for talent.

The future of benefits is coming into sharper focus. The roadmap is here. The next move is yours.



Brad Wilson
CEO, Care.com





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The evolving workplace

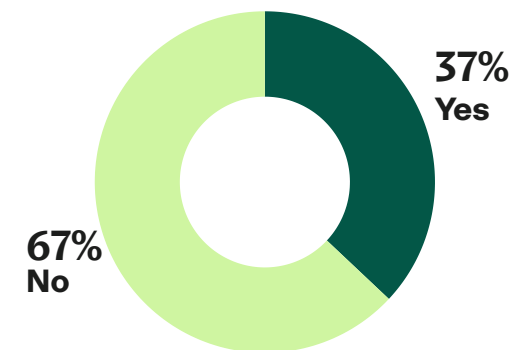
Today, caregiving realities extend across generations, industries, and role types, yet the majority of caregivers do not self-identify as such.



The invisible force reshaping work

Caregiving is affecting today's workforce in ways that often go unnamed and under-acknowledged, even by those most affected. While most employees do not self-identify as caregivers, the data shows they are fulfilling a caregiving role for at least one loved one or will in the future.

Employees who identify as "a caregiver"



Currently serve as caregivers or plan to in future

Gen Z

CARE FOR 1+ CHILD



CARE FOR 1+ SENIOR



Millennials

CARE FOR 1+ CHILD



CARE FOR 1+ SENIOR



52% are part of the sandwich generation or will be in the future—serving as caregiver for an aging loved one and a child at the same time.



What's causing the explosion of caregiving?

- 1. The rise of the sandwich generation.** With the average age of childbearing increasing every year, the age gap between generations has grown over time.¹ As a result, today's workers are more likely than their predecessors to take on caregiving for their parents at a younger age and to have parents and young children with care needs at the same time.²
- 2. Longer lifespans without longer healthspans.** Caregiving is now a marathon, not a sprint, as lifespans have increased but the number of years spent in good health has not.³
- 3. Less support.** Today, the average employee has fewer siblings to share the responsibilities of elder care.⁴ Meanwhile, the rising costs of child and senior care are also limiting employees' ability to hire professional support.⁵

The hourly workforce

Caregiving can affect workers in hourly roles even more substantially, as it may be more difficult to take paid time off. Notably, the majority of both Gen Z and Millennials from our survey currently work in hourly roles.

Employees in hourly vs. salaried roles by generation

Millennials

FULL-TIME, HOURLY ROLES



55%

FULL-TIME SALARIED



41%

Gen X

FULL-TIME, HOURLY ROLES



45%

FULL-TIME SALARIED



45%

Gen Z

FULL-TIME, HOURLY ROLES



58%

FULL-TIME SALARIED



31%

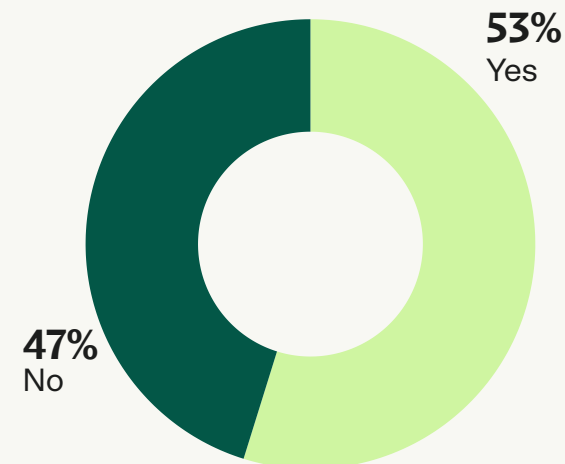
The support gap

As caregiving realities intensify, absenteeism, productivity loss, and other operational consequences follow. While employers recognize their workers are facing increased stress, they are still underestimating the true toll of caregiving—and how much recognition and support this crisis really demands.

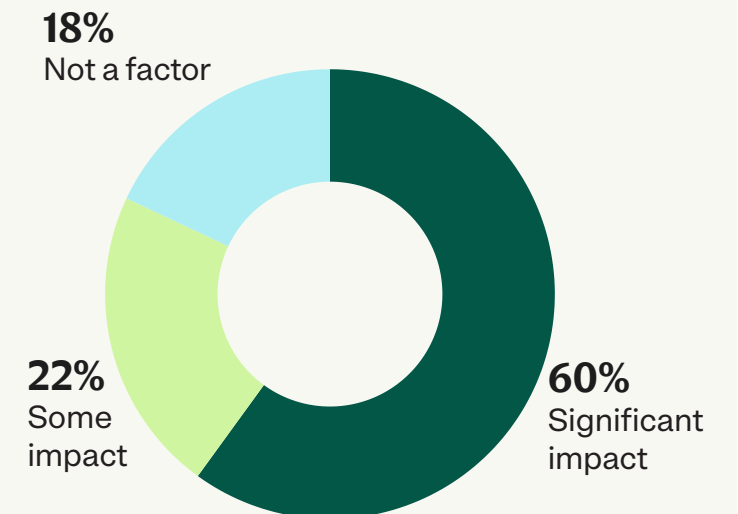
The consequences of caregiving

Caregivers acknowledge balancing work and caregiving is affecting their job performance and workplace experience.

Have missed work due to caregiving challenges



Caregiving's impact on stress at work



48% of workers have seen **decreased productivity due to finding or managing care**



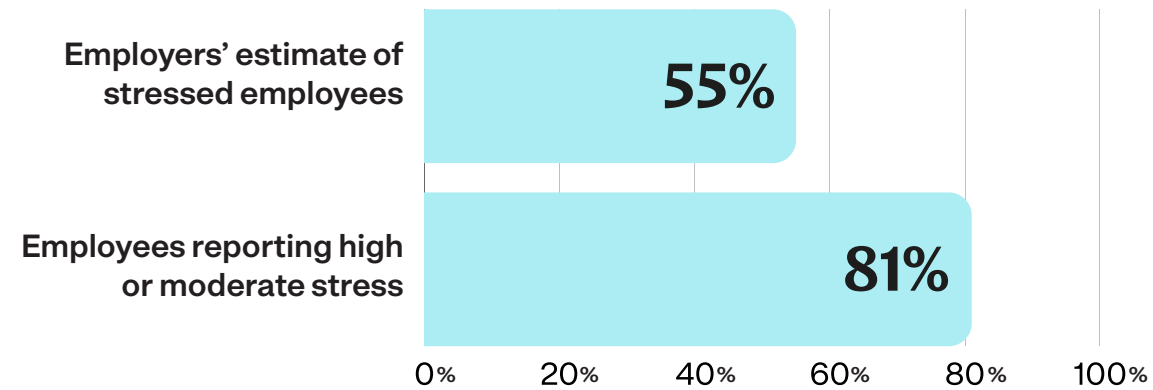
The true cost of care

Care.com's 2026 Cost of Care Report found **the average parent is spending 20% or more of their annual income on child care and an additional 17% on caregiving to support seniors, pets, and housekeeping.**⁶ It's no surprise that the same report found 93% of parents believe employers should help ease the burden by offering subsidized caregiving benefits.

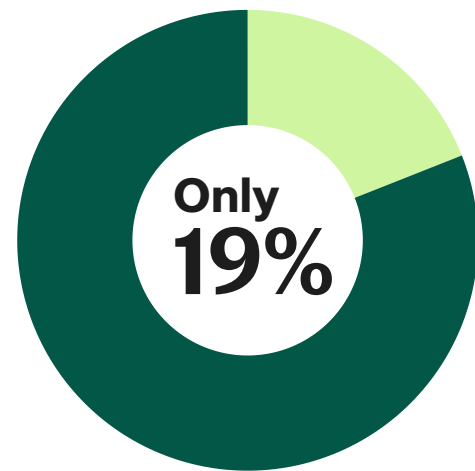
The stress disparity

Employers are drastically underestimating the stress levels of their employees with caregiving responsibilities and may not fully understand how to help relieve the burden.

Perception vs. reality: stress at work



Support isn't keeping up



of employees feel their needs as a caregiver are well recognized



of employees feel "very supported" when caregiving needs affect their work

Employers' perspective

Only 29% rate managers at their company as "very prepared" to support employees' caregiving challenges.

Quantifying the medical toll of caregiving stress

Chronic stress can affect more than workplace performance and satisfaction—it can affect employees' health.

A global study found stress-related illnesses underlie

PRIMARY CARE VISITS

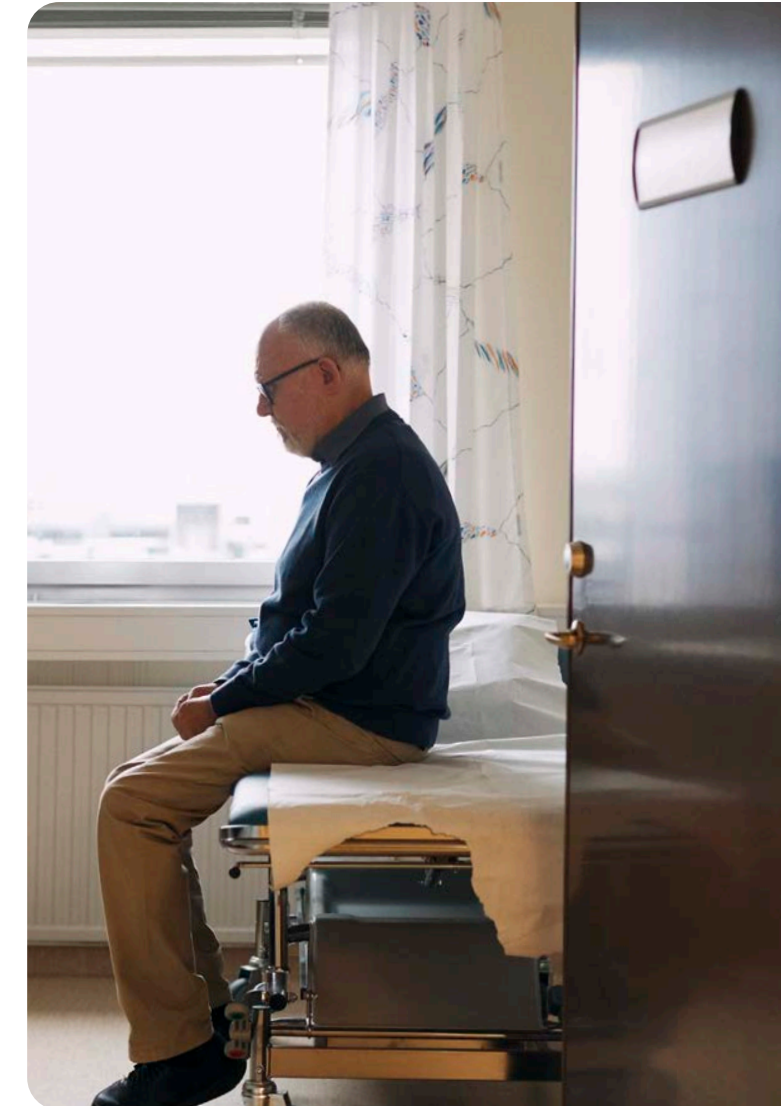
35%

HOSPITAL ADMISSIONS

25%

ER VISITS⁷

19%



The Care.com 2026 Cost of Care Report found "**family and caregiving**" was **the #2 driver of stress for employees**, behind finances.⁸ By addressing the precursors of caregiving-related stress (including the financial burden), employers may be able to improve overall health outcomes and reduce health-related expenditures.

The cost of misalignment

For employers, caregiving pressures translate into measurable business risk, as employees consider leaving their jobs or the workforce altogether due to a lack of family care support. Other workers are willing to seek greener grass with employers who offer family care benefits. And those who have family care benefits agree—having that support affects their productivity, job satisfaction, and more.



The business risk

While employers' priorities for their benefits programs may align with caregiving needs in principle, employees may still require more support in practice.

The importance of family care benefits

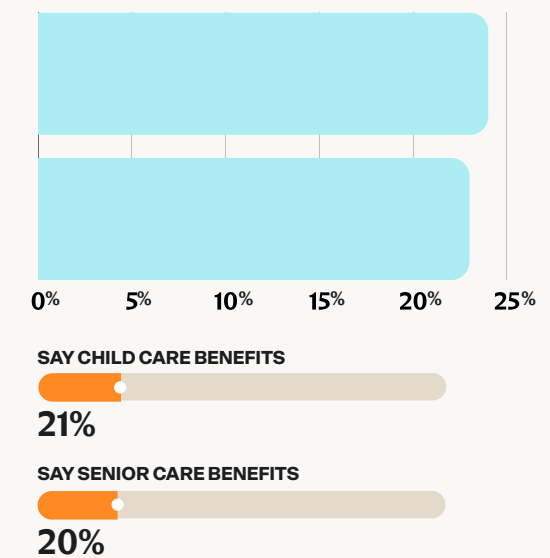
Family care benefits have quickly become one of the most sought-after forms of employee compensation. Workers who have family care benefits say losing them would negatively affect their workplace experience in multiple ways.

Family care benefits and employee attrition

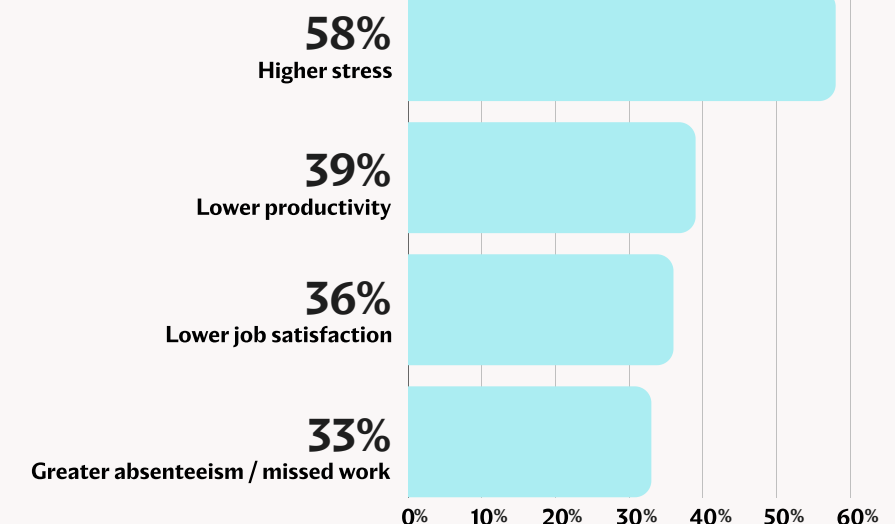
24% have considered leaving the workforce due to care needs

23% have left one employer for another that had certain family care benefits

85% say there's at least one benefit that could inspire them to leave their current job if offered by a different employer



Losing family care benefits would mean...



Are more mothers opting out of work?

In the first half of 2025, workforce participation for mothers of young children fell nearly 3%—the largest mid-year drop in more than 40 years.⁹ Throughout 2025, about half a million women in the United States exited the workforce, with 42% of those who left voluntarily citing caregiving responsibilities as the main reason.^{10,11}

Almost 3 out of 5 parents who are not working full-time say they would choose to do so if they had access to quality and affordable childcare.¹² As more workers take on parenting roles, investing in family care benefits will become a crucial strategy for reducing attrition.

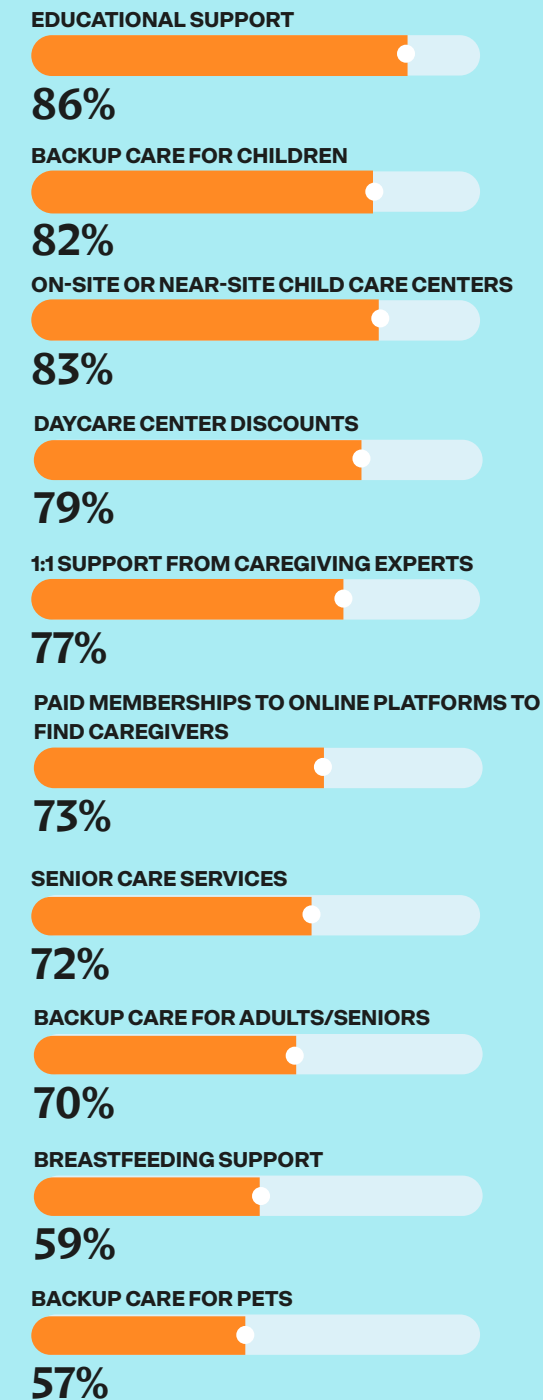


The positive impact of family care benefits

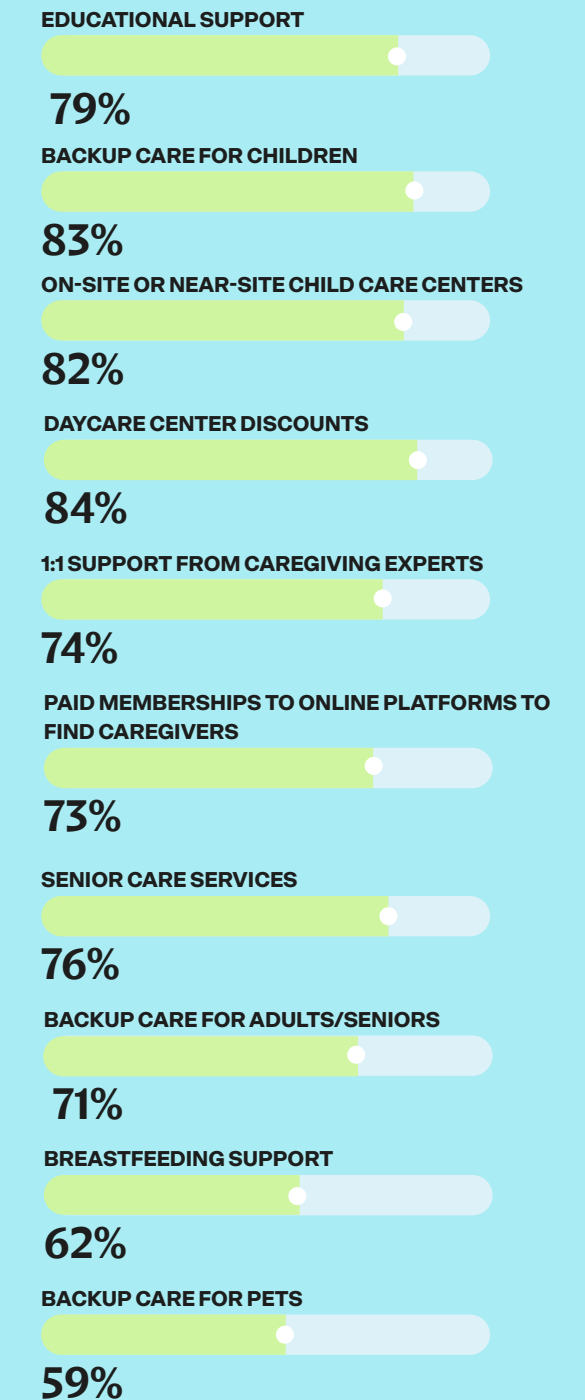
Many employers say they would like to offer family care benefits but are unsure of the ROI. Employers rate educational support and backup care for children as among the most impactful for employee productivity and retention.

Employers rate the impact of specific family care benefits

Say this benefit impacts productivity



Say this benefit impacts talent retention



Modernizing the workplace

Despite the challenges, alignment is emerging, as more employers actively invest to expand family care benefits. Increasingly, companies are pairing hybrid and return-to-office mandates with caregiving support to ease the transition for workers with caregiving responsibilities. Unfortunately, employees may not be fully aware they have access to these benefits, pointing to a need for stronger communication and awareness.

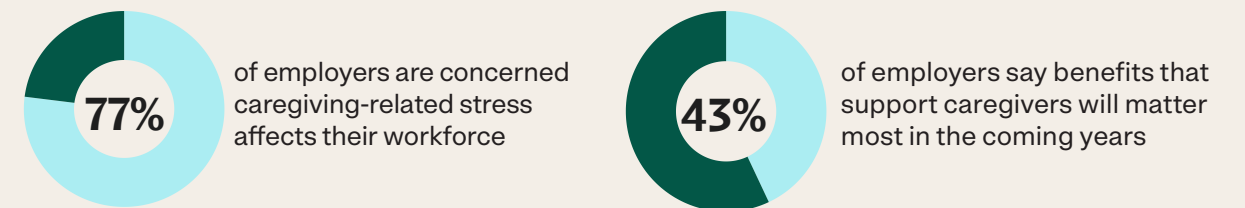


Employers play a role in relieving caregiving burden

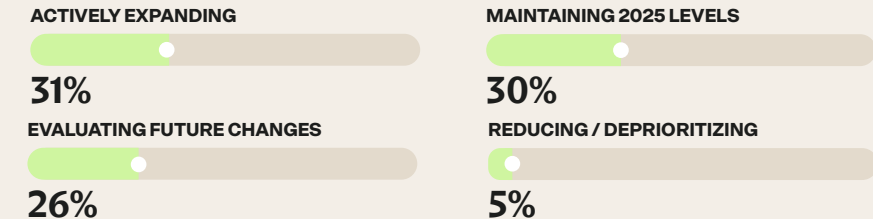
Consensus on employer role in supporting caregivers



Benefits are trending in the right direction

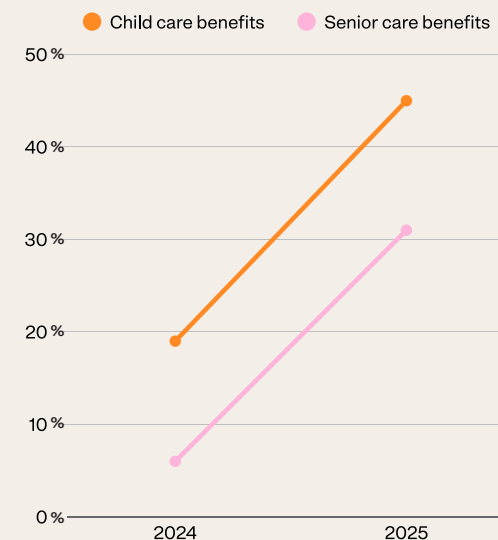


6x as many employers are expanding vs. reducing or deprioritizing family care benefits

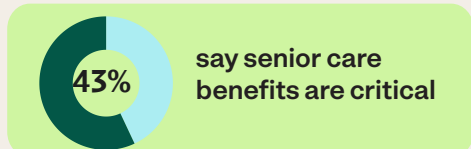
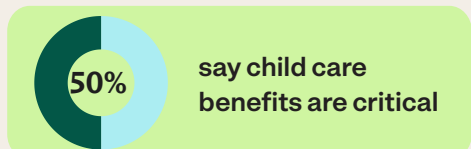


Return to office support

As 81% of employers have now required a full or hybrid return to office, many are concurrently providing family care benefits to offset the burden.

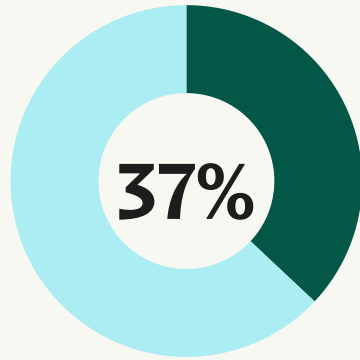


Of the 53% of employees who've had a full or partial return to work:

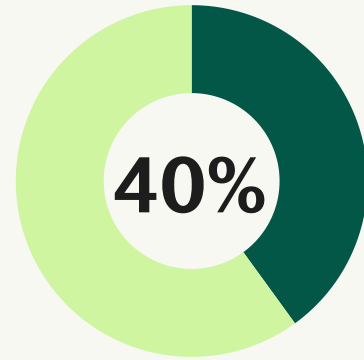


Persistent barriers

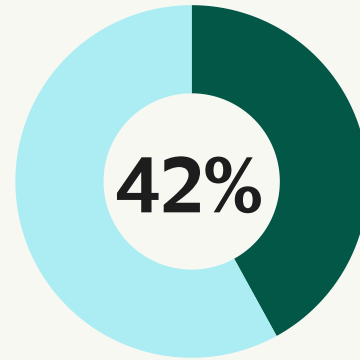
While progress is encouraging, cost constraints and prioritization continue to limit further investment.



of employers will adopt new benefits if there is clear proof of demand or ROI



of employers view family care benefits as important but say they are in need of cost-effective solutions



of employers' #1 reason for not offering family care benefits is "cost relative to other benefit priorities"

Policy unlock: Leveraging federal employer tax credit

In September 2025, the federal government released guidelines for expanding the Employer Tax Credit (Section 45F):

Increasing the credit rate to
40%
of qualified child care expenditures

Raising the annual credit cap to
\$500,000
to be adjusted with inflation

Enabling employers to partner with outside experts to deliver child care benefits without managing them in-house¹³



However, our data showed **41% of employers are not aware of this expansion.**

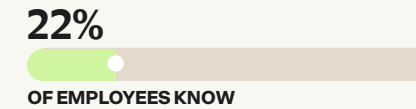
Once aware, **78%** of employers who do not offer child care benefits say this tax credit will increase their consideration of doing so.

The awareness gap continues

Despite the growing alignment, simply investing in family care benefits does not guarantee impact. The data reveals a persistent awareness gap between what employers offer and what employees believe is available to them.

Benefits offered vs. Employee awareness

Child care benefits



Senior care benefits



Increasing impact by improving communication

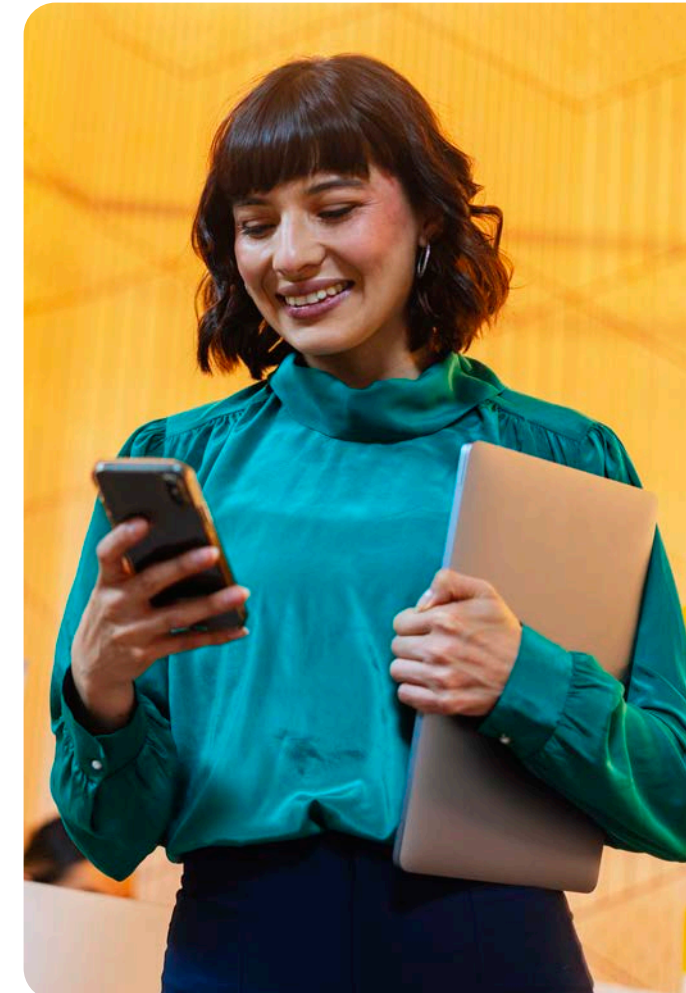
To enhance investments in family care benefits, employers must elevate benefits awareness into an always-on communications strategy, leveraging all of the following:

Multiple channels for hybrid workforces (email + onsite messaging)

Employee resource groups (ERGs)

Onboarding training

Seasonal reminders when care needs are highest (e.g. school breaks, summer, and back to school)



Next steps: Closing the gap

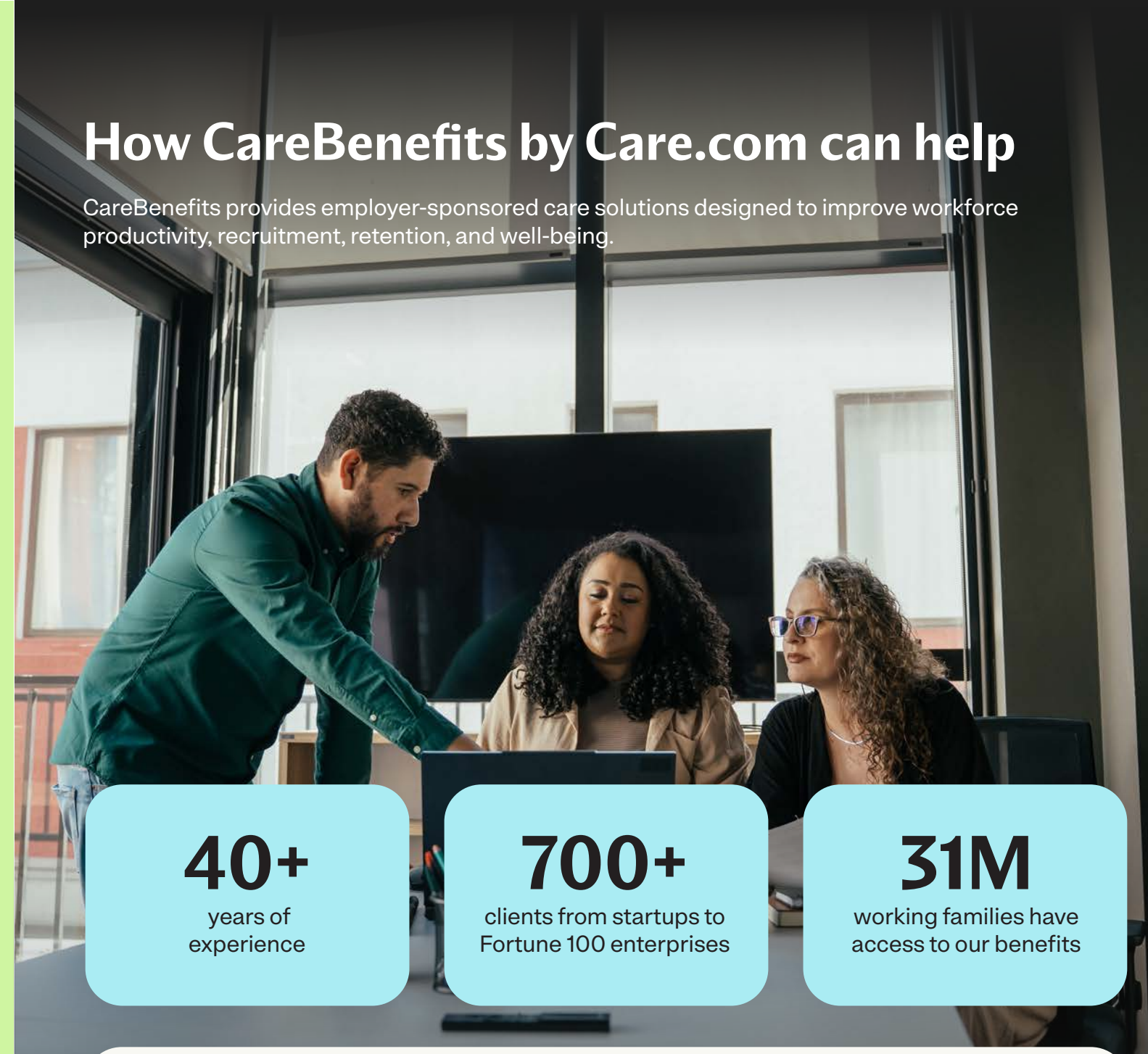
To begin closing the gap between workers' increased support needs and companies' good intentions, we must help caregivers identify their needs, understand what's available to them, and take advantage of the relief that family care benefits can provide.

How employers can provide relief

- 1 Understand caregiving realities.** The sandwich generation is no longer a fringe group—it's becoming the bulk of the workforce. With majorities of Gen Z and Millennials soon to be juggling child and senior care, benefits strategies built around a previous generation's needs will leave most of today's employees behind.
- 2 Name it and talk about it.** When employees don't identify as caregivers, they're less likely to seek help, even when it's available. Manager training and internal communication campaigns can close that gap before it becomes an attrition problem.
- 3 Measure impact now and later.** You can't solve what you can't see. Conducting an annual, all-employee survey to track caregiving-related absenteeism, productivity loss, and turnover before and after benefits investment is the clearest path to building and sustaining executive buy-in.
- 4 Start with the basics.** Comprehensive benefits overhauls take time, but relief doesn't have to wait. Backup care and expert caregiving support offer immediate impact and a natural entry point for companies building toward a fuller benefits strategy.
- 5 Customize for your workforce.** A one-size-fits-all approach to benefits may not fit workers' diverse caregiving needs. The best outcomes come from understanding your workforce's distinct pain points and making enhancements to both benefits and culture.

How CareBenefits by Care.com can help

CareBenefits provides employer-sponsored care solutions designed to improve workforce productivity, recruitment, retention, and well-being.



40+
years of
experience

700+
clients from startups to
Fortune 100 enterprises

31M
working families have
access to our benefits

Our comprehensive suite of solutions helps employees find, afford, and navigate care for children, aging or disabled loved ones, pets, and themselves. By addressing one of the leading causes of workplace stress and absenteeism—caregiving—CareBenefits helps organizations reduce burnout, strengthen employee loyalty, and enhance overall performance.

Because when care works, work works.

care.com/benefits

Methodology

Employer Methodology

Sample: 600 benefits decision-makers

Margin of Error: ±4.0%

Methodology Summary:

This sample of 600 U.S. adults was surveyed January 16 to January 31, 2026. All respondents are C-suite level executives, managers, or higher-ranking staff at a company of over 100 employees, and are at least partially responsible for company decisions regarding employee benefits, confirmed by both consumer-matched data and self-confirmation.

DKC Analytics conducted and analyzed this survey with a sample procured using the Pollfish survey delivery platform, which delivers online surveys globally through mobile apps and the mobile web, along with the desktop web. No post-stratification has been applied to the results. The full and valid survey completion rate was 79%.

Employee Methodology

Sample: 1,000 employees

Margin of Error: ±3.1%

Methodology Summary:

This sample of 1,000 U.S. adults was surveyed on January 12 and 13, 2026.

All respondents are currently employed for wages and eligible for employer-provided benefits, confirmed by both consumer-matched data and self-confirmation.

DKC Analytics conducted and analyzed this survey with a sample procured using the Pollfish survey delivery platform, which delivers online surveys globally through mobile apps and the mobile web, along with the desktop web. No post-stratification has been applied to the results. The full and valid survey completion rate was 65%.

Endnotes

¹ *Average age of mothers at childbirth by birth order, United States.* Our World in Data. <https://ourworldindata.org/grapher/period-average-age-of-mothers-birth-order>

² Notarantonio, L. (Dec. 16, 2024). *How Gen Z Became the New 'Sandwich Generation.'* Newsweek. <https://www.newsweek.com/gen-z-millennials-paid-time-off-caring-responsibilities-2001192>

³ Garmany, A., and A. Terzic. (Dec. 11, 2024). *Global Healthspan-Lifespan Gaps Among 183 World Health Organization Member States.* JAMA Network | Open. <https://jamanetwork.com/journals/jamanetworkopen/fullarticle/2827753>

⁴ *Changes in household size.* U.S. Census Bureau, Decennial Census, 1940, and Current Population Survey, March and Annual Social and Economic Supplements, 1947 to 2025. <https://www.census.gov/content/dam/Census/library/visualizations/time-series/demo/families-and-households/hh-6.pdf>

⁵ Brown, M. (Feb. 2, 2026). *2026 Cost of Care Report.* Care.com. <https://www.care.com/c/cost-of-care-report/>

⁶ Ibid.

⁷ (Nov. 18, 2019). *Impact of Stress on Healthcare Systems.* Cigna.com. <https://www.cignaglobal.com/blog/thought-leadership/impact-of-stress-on-healthcare-systems>

⁸ Brown, M. (Feb. 2, 2026). *2026 Cost of Care Report.* Care.com. <https://www.care.com/c/cost-of-care-report/>

⁹ Zak, L. (Sep. 8, 2025). *U.S. sees steepest decline of mothers of young children in the workforce in 40 years, study finds.* CBS Evening News. <https://www.cbsnews.com/news/women-leaving-us-workforce-steepest-rate-40-years/>

¹⁰ Wallace, A., S. Warnes, L. Abucayan, and M. Chacon. (Oct. 17, 2025). *Nearly half a million women have left their jobs so far this year. Here's why, in their own words.* CNN Business. <https://www.cnn.com/interactive/2025/10/business/women-leaving-workforce-unemployment-vis/>

¹¹ (Jan 29, 2026). *Caregiving pressures top factor pushing women out of the workforce, Catalyst finds.* Catalyst. <https://www.catalyst.org/about/newsroom/2026/caregiving-pressure-women-workforce>

¹² (Oct. 1, 2025). *The great exit: College-educated mothers of young children leaving the labor force.* KPMG. <https://kpmg.com/us/en/articles/2025/october-2025-the-great-exit.html>

¹³ McDermott, B. (Sep. 4, 2025). *The 45F Tax Credit for Employer-Provided Child Care.* Congress.gov. <https://www.congress.gov/crs-product/IF12379>



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