



BETTER WORKPLACES
BETTER WORLD™



EXECUTIVE SUMMARY

2025 EMPLOYEE BENEFITS SURVEY

Welcome to the 2025 SHRM Employee Benefits Survey, one of the longest-running annual surveys of employee benefits trends in the U.S. For 30 years, SHRM has collected data from U.S. HR professionals nationwide to measure the popularity and prevalence of employer-offered benefits.

This executive summary explores major benefits categories, including prevailing trends. Key takeaways are also presented for senior business leaders who want to apply these findings to their organizations.

HR professionals, business leaders, and policymakers can use the survey's findings to understand trends in employee benefits practices, benchmarked against the aggregate of 3,969 organizations. This holistic view helps them make informed decisions about their benefits offerings.

Looking to go even deeper? SHRM members have exclusive access to an interactive online database to benchmark the survey results by industry, organization size, and location (region and state). Members can access five years of data — from 2021 to 2025.

Find the Employee Benefits Survey Results interactive online tool at shrm.org/benefits.



WHICH BENEFITS DO EMPLOYERS PRIORITIZE?

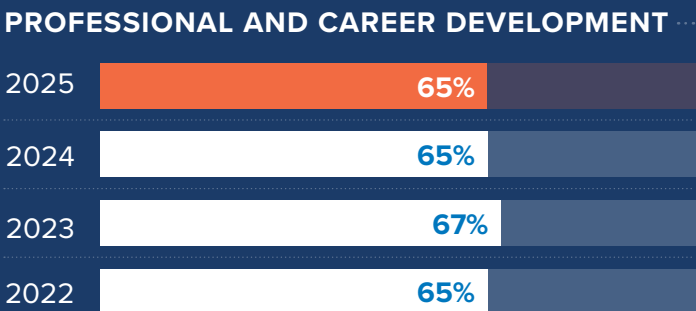
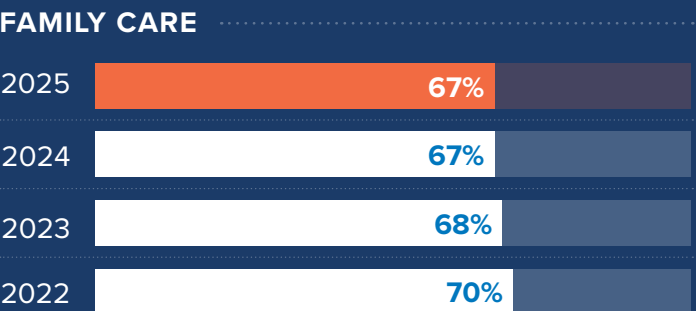
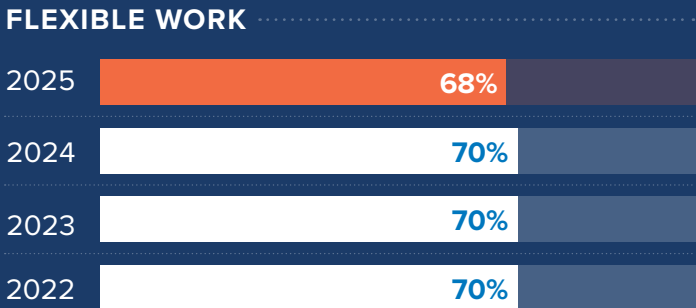
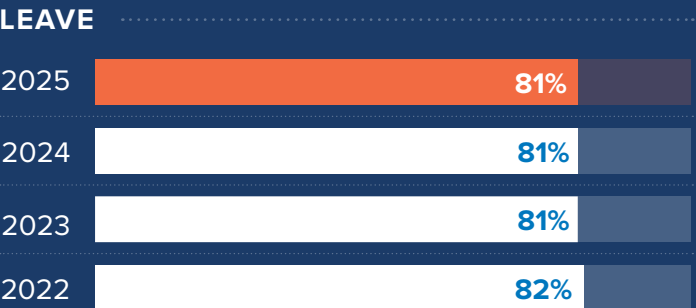
Employers consider many factors when setting their benefits policies, including laws and regulations, industry standards, workforce demographics, budget, and recruitment and retention objectives. That said, a few categories stand out across industries and organization sizes.

Health-related benefits remained a top priority in 2025, with 88% of employers listing them as “extremely important” or “very important” for their workforces. For the fourth consecutive year, leave benefits tied for second with retirement savings and planning benefits. These categories were listed as “extremely important” or “very important” by 81% of employers.

Below that trio is a second tier of high-priority benefits: flexible working benefits (68%), family care benefits (67%), and professional and career development benefits (65%). These categories have remained fairly steady in recent years, although flexible working benefits declined by 2 percentage points in 2025.

EMPLOYER-RATED IMPORTANCE OF TOP BENEFITS CATEGORIES

(Percentages show combined “very important” and “extremely important” ratings)



SOURCE: 2025 EMPLOYEE BENEFITS SURVEY, SHRM, 2025. VISIT [SHRM.ORG/BENEFITS](https://www.shrm.org/benefits) TO LEARN MORE.

BENEFITS SNAPSHOT: HEALTH CARE

Befitting the high-priority status of health care benefits, some offerings are nearly universal, including general health plan coverage (97%), dental insurance (99%), and vision insurance (96%).

Seven in 10 respondents (70%) offer a fully insured health plan, meaning they pay a fixed premium amount to an insurer, which then pays medical claims. Just over one-quarter of organizations (27%) provide a self-insured offering, meaning they operate their own health plan and typically pay medical claims themselves, often through a third-party administrator. These figures are unchanged from 2024.

70%

of organizations offer a fully insured health plan.

27%

of organizations offer a self-insured health plan.

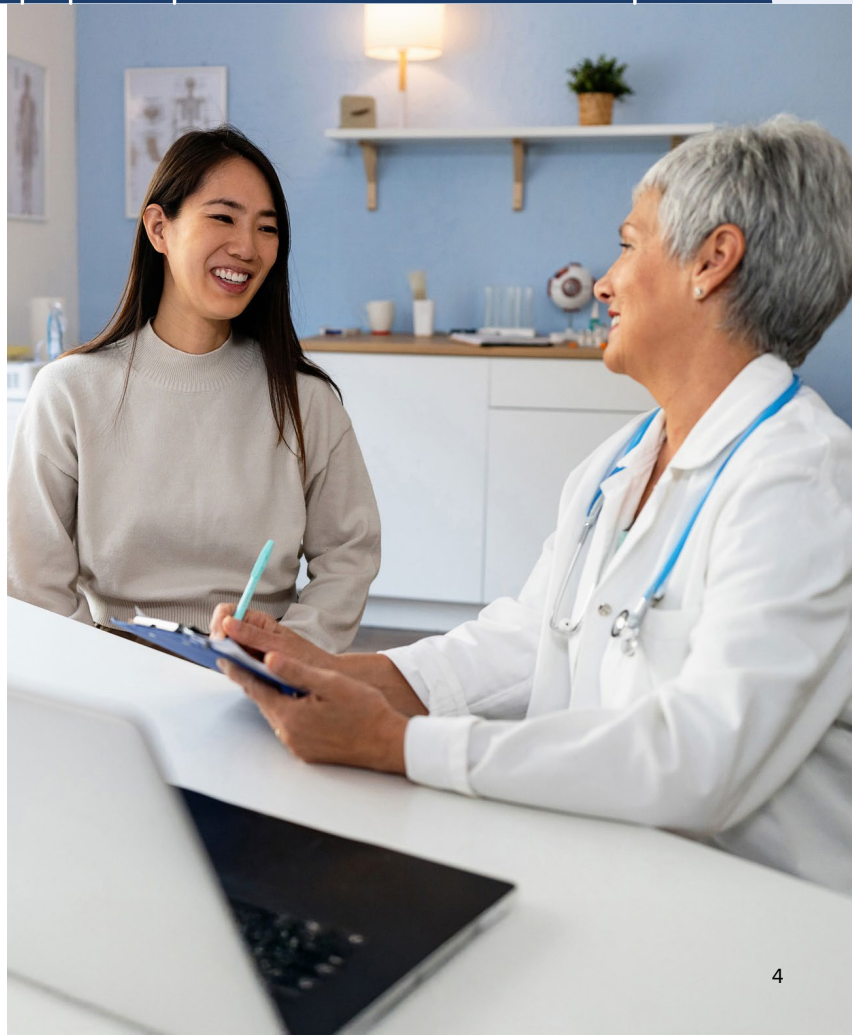
SOURCE: 2025 EMPLOYEE BENEFITS SURVEY, SHRM, 2025.
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Preferred provider organization (PPO) plans remain the most common type of health insurance coverage offered (81%), followed by high-deductible health plans (HDHPs) linked with a savings or spending account (64%). These HDHPs feature a health savings account (HSA), health reimbursement arrangement (HRA), or flexible spending account (FSA).

While the percentage of employers that offer an HSA (61%) and those that offer an HRA (14%) have stayed about the same, employer contributions to these plans moved in opposite directions in 2025. The average maximum annual employer contribution to HSAs rose to about \$1,059 for individual plans (up 2.5%) and \$1,735 for family plans (up 6.2%). By contrast, the average maximum HRA contribution declined to about \$2,096 for individual plans (down 2.7%) and \$3,365 (down 6.6%) for family plans.

Separately, the prevalence of medical FSAs continues to decline, falling to 60% in 2025 from 63% in 2024 and 68% in 2021.



The breakout health care benefit of 2025 is GLP-1 drug coverage for type 2 diabetes and/or weight management, which was asked about for the first time.



GLP-1 drug coverage:

23%

Another growing benefits area is emergency health care expenses.



Critical illness insurance:

53%



Hospital indemnity insurance:

40%

A majority of employers offer critical illness insurance, which helps cover extra expenses related to a diagnosis. This benefit's prevalence increased for the third consecutive year. Meanwhile, hospital indemnity insurance increased in prevalence by 4 percentage points from 2024 — the biggest year-over-year percentage-point increase for any benefit in this survey.

SOURCE: 2025 EMPLOYEE BENEFITS SURVEY, SHRM, 2025. VISIT [SHRM.ORG/BENEFITS](https://shrm.org/benefits) TO LEARN MORE.



Visit the Employee Benefits Survey Results interactive online tool at shrm.org/benefits to explore more health-related benefits trends, including those on:

- Insurance
- Reproductive services
- Prescription drugs
- Coverage for specific procedures



BENEFITS SNAPSHOT: RETIREMENT

Retirement savings and planning benefits continue to be top of mind for employers, with 81% considering this “very important” or “extremely important” for the third consecutive year. Many benefits offerings in this category have stabilized in recent years.

The most prevalent retirement savings option continues to be traditional 401(k) or similar defined contribution plans, with 93% of respondents offering them and 85% of that subset offering a 401(k) match.

Meanwhile, Roth 401(k) or similar defined contribution plans continue to gain momentum. In 2025, 76% of employers offered such a plan, up 3 percentage points from 2024 and 12 percentage points from 2021. Among employers offering a Roth 401(k) or similar plan, 74% offer a contribution match.

Average employer match for traditional 401(k) contributions:

6.30%

Average employer match for Roth 401(k) contributions:

6.08%

SOURCE: 2025 EMPLOYEE BENEFITS SURVEY, SHRM, 2025.
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For the first time this year, employers were asked whether they make qualified student loan payment (QSLP) matches, which allow employers to match 401(k) or 403(b) contributions based on an employee’s student loan repayments. Only 4% of employers currently offer this benefit, which was made possible by the SECURE Act 2.0.



Visit the Employee Benefits Survey Results interactive online tool at shrm.org/benefits to explore more retirement savings and planning-related benefits trends, including those on:

- Pension plans
- Phased retirement programs
- Retirement planning or investment advice



BENEFITS SNAPSHOT: LEAVE

Paid vacation, holiday, and sick leave continue to be offered by at least 95% of employers. Most employers (68%) combine vacation and sick leave as paid time off (PTO), unchanged from 2024. By contrast, only 6% of employers offer paid open/unlimited leave.

PTO INCREASES WITH SERVICE TIME

For a second year, SHRM asked organizations offering paid leave about the average amount granted to employees based on organizational service time. As expected, average leave rises with tenure. For example, employees with 20 or more years of service receive more than twice as many annual PTO days (26 days) as employees with less than one year of service (12 days).

SOME PAID-FAMILY-LEAVE TYPES TAKE A STEP BACK

In 2025, several types of paid-family-leave benefits declined in prevalence by 2 percentage points: bereavement leave (89%), paid leave to care for immediate family (31%), and paid leave to care for extended family (17%).

NEW AND NOTABLE IN 2025



Three leave benefits were either reintroduced to the survey in 2025 or included for the first time.



Paid jury duty (beyond what may be required by law):

70%



Paid military leave (beyond what may be required by law):

32%



Paid prenatal leave (beyond what may be required by law):

10%

SOURCE: 2025 EMPLOYEE BENEFITS SURVEY, SHRM, 2025. VISIT [SHRM.ORG/BENEFITS](https://shrm.org/benefits) TO LEARN MORE.

This year, New York [became the first state](#) to offer paid time off for prenatal or other pregnancy-related care. This benefit provides all privately employed workers in New York with up to 20 hours of paid sick leave for such care.



Visit the Employee Benefits Survey Results interactive online tool at shrm.org/benefits to explore more leave-related benefits trends, including those on:

- Paid leave for new parents
- Paid leave for mental health days
- Average vacation, sick, and PTO days by tenure

BENEFITS SNAPSHOT: FAMILY CARE BENEFITS

Family care benefits spiked in importance after the pandemic imposed remote work upon millions of people. While 67% of employers listed family care benefits as “very important” or “extremely important” in 2025, prevalence has gradually declined from 2021’s peak of 76%.

Notably, no benefits in this category increased in prevalence from 2024, although that’s not necessarily a sign of retreat. For example, 13% of employers offer lactation support services in the form of consulting and education, unchanged since 2024. Similarly, pet insurance is offered by 22% of employers, the same as in 2024.

One notable area of retreat is dependent care FSAs, with 54% of employers offering this benefit in 2025. That’s down 4 percentage points from 2024 and 11 percentage points from 2021. As noted above, medical FSAs have also been on a downward trend.

LOOKING FORWARD: AN AGING POPULATION AND ELDER CARE

The aging U.S. population presents challenges for employers in [tailoring benefits to older workers](#) and supporting employees with elder care responsibilities. Only 7% of employers offer access to elder care services and information, while 13% offer an elder care referral service that provides employees with the names of elder care providers (separate from or part of an employee assistance plan). These figures are unchanged from 2024.

Some states are paying attention to these issues. [A new law in Illinois](#), for example, adds “family responsibilities” as a protected class, prohibiting discrimination or harassment against employees based on their family caregiving responsibilities. Such laws could encourage employers to proactively add or increase family caregiving benefits.



Visit the Employee Benefits Survey Results interactive online tool at shrm.org/benefits to explore more family-care-related benefits trends, including those on:

- Child care centers and programs
- Adoption assistance
- Foster care assistance



BENEFITS SNAPSHOT: FLEXIBLE WORK

Flexible work policies and benefits are seen as “very important” or “extremely important” for 68% of employers — a clear majority, yet a 2-percentage-point decrease from the level it had sat at since 2022. Similarly, while many flexible work benefits have seen slight declines in prevalence, they’ve stabilized enough to suggest a permanent place in employers’ benefits strategies.

Case in point: Hybrid work and flextime during core business hours each declined in prevalence in 2025, yet a majority of employers continue to offer these benefits. Hybrid work is provided by 60% of employers, down 3 percentage points from 2024, while 51% of employers offer flextime during core business hours, down 2 percentage points.

Employer subsidies for at-home work equipment have also seemed to stabilize, with 55% of employers offering this benefit, down only 1 percentage point from the prior year. Companies providing this benefit in 2025 offered an average annual maximum reimbursement amount of \$888, or about \$17 more than the year before.

MORE THAN HALF OF EMPLOYERS (55%) PROVIDE AT-HOME OFFICE EQUIPMENT OR SUBSIDIZE THE COST.



What are they most likely to cover?



95% OFFICE TECHNOLOGY
(e.g., monitors, keyboards)



62% GENERAL OFFICE SUPPLIES



35% CELLPHONE SERVICE



22% WELL-BEING ITEMS



22% OFFICE CHAIRS

SOURCE: 2025 EMPLOYEE BENEFITS SURVEY, SHRM, 2025. VISIT [SHRM.ORG/BENEFITS](https://shrm.org/benefits) TO LEARN MORE.



Visit the Employee Benefits Survey Results interactive online tool at shrm.org/benefits to explore more flexible-work-related benefits trends, including those on:

- Break arrangements
- Compressed workweeks
- Four-day workweeks

BENEFITS SNAPSHOT: PROFESSIONAL AND CAREER DEVELOPMENT

Professional development was named by 65% of employers as “very important” or “extremely important” in 2025, which was unchanged from the year before.

Most employers offer benefits related to professional development activities, including professional memberships (87%), formal training or education for keeping skills current (82%), and upskilling/reskilling (79%). Most also cover fees for certifications and recertifications (78%) and professional license applications and renewals (75%).

One notable increase in prevalence is in leadership development benefits. For example, 47% of employers offer executive or leadership coaching, up 3 percentage points from 2024. Meanwhile, 26% of employers offer formal mentoring programs, an increase of 2 percentage points and the highest prevalence since 2021.



Visit the Employee Benefits Survey Results interactive online tool at shrm.org/benefits to explore more professional-development-related benefits trends, including those on:

- 529 plan benefits
- Student loan payments
- Average maximum amount provided for education assistance

BENEFITS SNAPSHOT: ARTIFICIAL INTELLIGENCE

According to [SHRM's 2025 CHRO Priorities and Perspectives report](#), 90% of CHROs said they expect AI integration in the workplace to become more or much more prevalent in 2025, while 87% expect AI to be critical to boosting workforce productivity. Some organizations are reflecting this trend in their benefits.

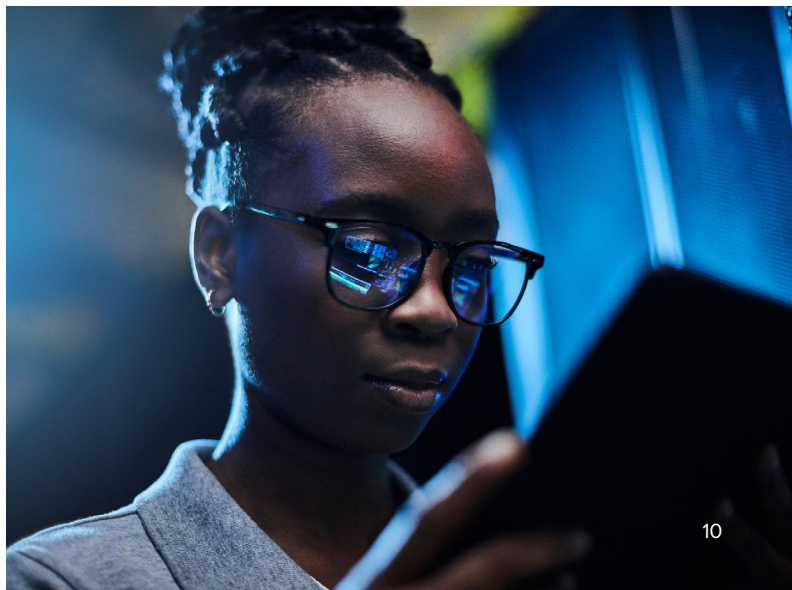


Subscriptions to AI chatbots such as ChaptGPT, Microsoft CoPilot, or Claude.ai:

16%

SOURCE: 2025 EMPLOYEE BENEFITS SURVEY, SHRM, 2025.
VISIT [SHRM.ORG/BENEFITS](https://shrm.org/benefits) TO LEARN MORE.

A [SHRM report from December 2024](#) suggested that many employees see AI as a long-term trend, particularly when they already use it for routine work tasks. Paying for AI chatbot subscriptions could help employers encourage AI adoption while promoting best practices for workplace use.



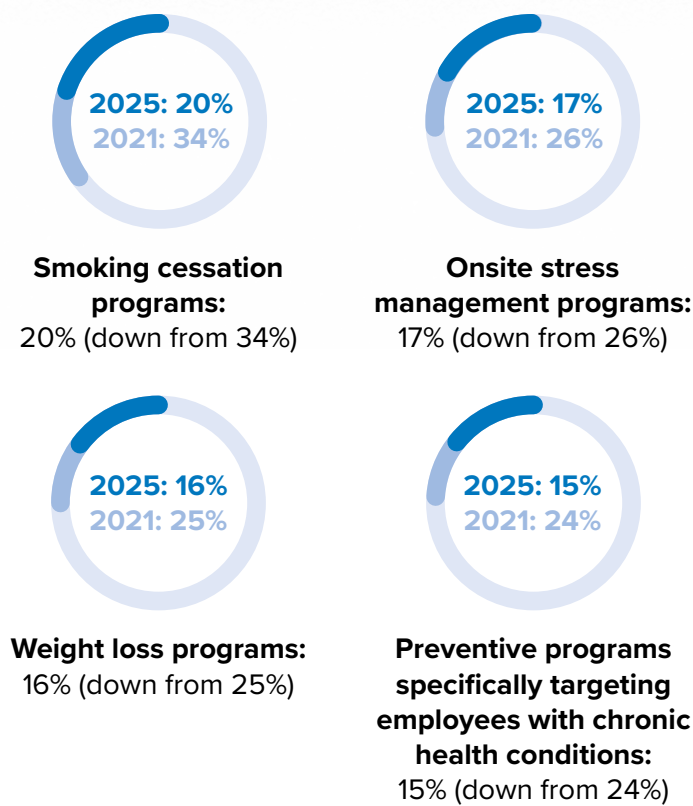
BENEFITS GROUPINGS TO WATCH

Below are notable changes in groups of related benefits that could influence employer policies moving forward.

LIFESTYLE BENEFITS

Some employers have pulled back from these benefits over a multiyear period, at least as standalone offerings.

Benefit prevalence in 2025 compared with 2021:

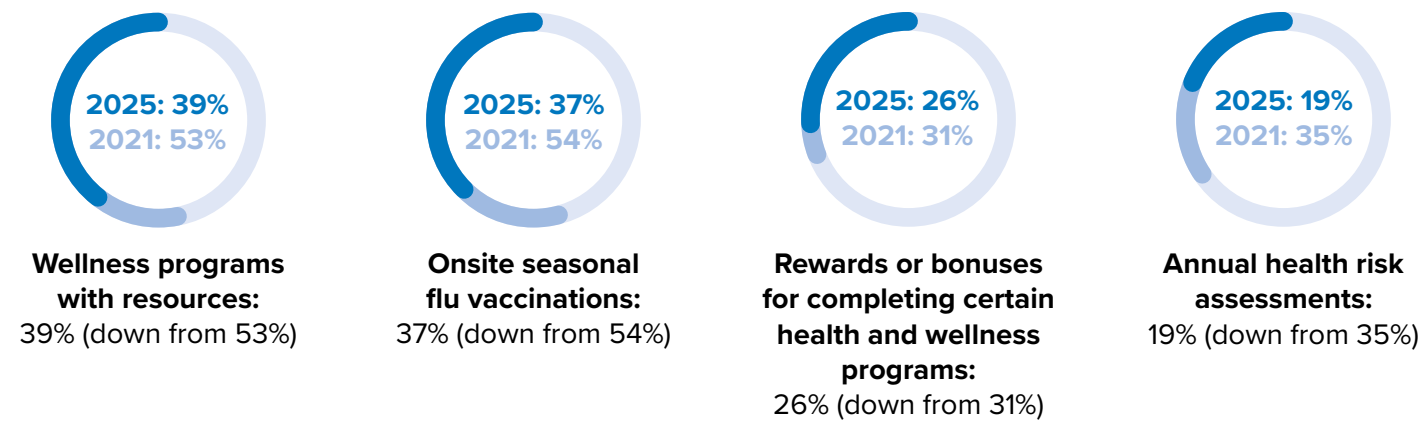


SOURCE: 2025 EMPLOYEE BENEFITS SURVEY, SHRM, 2025. VISIT [SHRM.ORG/BENEFITS](https://www.shrm.org/benefits) TO LEARN MORE.

WELLNESS BENEFITS

Similar to lifestyle benefits, many add-on wellness benefits, including participation incentives, have become less common in recent years.

Benefit prevalence in 2025 compared with 2021:



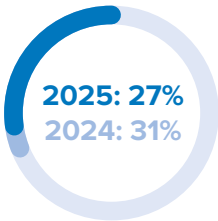
SOURCE: 2025 EMPLOYEE BENEFITS SURVEY, SHRM, 2025. VISIT [SHRM.ORG/BENEFITS](https://www.shrm.org/benefits) TO LEARN MORE.

HOUSING AND RELOCATION

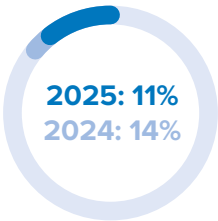


Benefits related to employee relocation mostly saw significant declines even over just the one-year period since 2024.

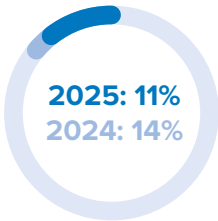
Benefit prevalence in 2025 compared with 2024:



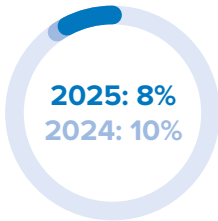
Relocation lump sum payments:
27% (down from 31%)



Reimbursement of shipping fees:
11% (down from 14%)



Location visit assistance:
11% (down from 14%)



Temporary relocation benefits:
8% (down from 10%)

SOURCE: 2025 EMPLOYEE BENEFITS SURVEY, SHRM, 2025. VISIT [SHRM.ORG/BENEFITS](https://www.shrm.org/benefits) TO LEARN MORE.



TAKEAWAYS FOR BUSINESS LEADERS

Today's employers face economic uncertainty, disruptive technologies, persistent inflation, and an aging workforce. These trends make benefits decisions ever more important — and potentially more complex. The [2025 SHRM Employee Benefits Survey](#) can give you better information and context for making the tough judgment calls that can shift the needle on employee engagement, productivity, and retention.

Here are a few takeaways from this year's results to consider when making benefits decisions:

COMPLIANCE REMAINS CRITICAL

The new presidential administration is re-examining and rethinking regulations across the board, potentially affecting how companies shape, offer, and report on their benefits. Be ready to track and respond to changes in federal law and enforcement. In addition, don't neglect to follow [state and local updates](#), as well, particularly if your organization operates in multiple locations.

HYBRID AND FLEXIBLE WORK ENTER A NEW PHASE

A majority of employers said they still offer hybrid work or flextime benefits. This suggests that employers find this approach sustainable as they look beyond the binary of working onsite or at home. While every employer will need to determine how employees gather and when they work, consider this an opportunity to tailor your flexible work benefits so they unlock productivity without sacrificing engagement or retention.

WORKFORCES NEED TO CATCH UP WITH GENERATIVE AI

Just a few years ago, generative AI was largely unknown. Now, it's part of every conversation about organizational strategy, resource allocation, spending, and hiring. What is your organization's plan for choosing when to use AI, getting workers ready to wield AI ethically and effectively, and ensuring AI capabilities are combined with human insights? Offering paid subscriptions for AI services is one possible benefit, but not every worker will intuitively know what to do with those tools.

GLP-1 DRUG COVERAGE DEMANDS ATTENTION

Already, 16% of surveyed employers are covering the cost of GLP-1 drugs for type 2 diabetes and/or weight management. While this benefit is popular among employees, it's also potentially expensive. An insurer in Massachusetts is [restricting GLP-1 coverage](#) to patients with diabetes, rather than also covering those seeking to manage weight loss. The GLP-1 phenomenon should prompt efforts to balance your employees' need for this benefit and the need to manage costs.

As a members-only benefit, SHRM offers an interactive online benchmarking tool at shrm.org/benefits, where users can filter results from the Employee Benefits Survey according to their organization's size, industry, and location (region and state). In addition, users may view and export results across the entirety of the benefits surveyed — all available on demand.

METHODOLOGY

The 2025 SHRM Employee Benefits Survey was conducted from Jan. 21 to March 10, 2025. Online surveys were sent to U.S.-based professional members of SHRM, which yielded eligible responses from 3,969 participants representing independent organizations. Respondents were asked to provide answers regarding what employee benefits their organizations offered during plan year 2025. A stratified sampling approach was used to ensure coverage of all locations (including states) in the online benchmarking tool. Respondents represent organizations of all sizes — from two employees to more than 50,000 — in a wide variety of industries and sectors across the U.S. The data is unweighted.





OUR PURPOSE IS TO ELEVATE HR

Our mission is to empower people and workplaces by advancing HR practices and by maximizing human potential. Our vision is to build a world of work that works for all.

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