### FACT SHEET

# Paid Family Leave Ensures Health Equity for All





#### Introduction

ver the last 50 years, the US workforce has changed drastically, with women comprising nearly 50% of total employees! Moreover, married couples increasingly share child-rearing responsibilities! In order for employees to balance work with pregnancy, caregiving, and other medical responsibilities for themselves and their families, individuals must have a meaningful opportunity to take extended time off work! Paid family leave (PFL) can provide such an opportunity. Paid family leave is used here as a generic term to refer to any of a variety of government- or employer-sponsored paid leave policies, including maternity, paternity, parental, adoptive, and family leave, which allow parents to take time off work to care for newborn and young children.\*2

Nationwide, only an estimated 13% to 14% of workers have access to employer-sponsored PFL.<sup>3,4</sup> State-level PFL policies have important health equity implications because they can expand the availability of PFL beyond the higher-paying, salaried jobs that are most likely to offer it as a benefit.<sup>4</sup> However, only 5 states and the District of Columbia have enacted PFL policies.

This fact sheet describes the positive health effects of paid leave for families, young children, and women, and highlights aspects of existing state PFL policies that promote more equitable access by increasing its availability to all working parents.

<sup>\*</sup> In most instances, the same paid family leave policies also cover time off to care for the serious health conditions of other family members. The fact sheet focuses on leave used for the care of newborn and very young children.

## Paid Family Leave Is a Public Health and Health Equity Issue

Many studies have looked at the economic effects of PFL.1,3 The economic case for PFL has been strengthened by domestic studies examining the positive impact of PFL on businesses in 3 states -California, New Jersey, and Rhode Island — each of which has had a PFL policy for enough time for researchers to draw conclusions about its effects.<sup>5,6</sup>

The connection between PFL and health, however, is less often explored. Few US studies have explicitly made a public health case for PFL, although the effects of PFL on health have long been examined and confirmed in international studies.7 Even fewer studies, domestic or international, connect PFL to health equity. A 2015 domestic white paper clearly connects the availability of PFL to improved public health, and in particular to improved health equity, but it is one of the few reports to make this connection.8

Paid family leave has a positive effect on the social determinants of health (SDOH), which are the conditions in which people are born, grow, live, work, and age.9 Health inequities result when SDOH,



including access to higher incomes and better housing and education, are inequitably distributed across communities, in large part because of historical and structural injustices.<sup>10</sup> Conversely, health equity results when "everyone has the opportunity to attain full health potential and no one is disadvantaged from achieving this potential because of social position or any other socially defined circumstance." Economic security is one of the most significant SDOH.<sup>12</sup> PFL therefore advances health equity by advancing employment opportunity and economic security for families.13-16

The lack of opportunity to use PFL among lowincome employees prevents such employees from attaining their full health potential, thus raising serious health equity concerns. In the United States, only 6% of low-wage workers have access to PFL;4 nearly 50% of low-wage workers are women of color.<sup>17</sup> Moreover, a recent report examining the PFL policies of the nation's top 60 private employers revealed that half of the companies that disclosed their PFL policy information had "discriminatory policies that leave out fathers, adoptive parents, and low-wage employees." The largest employer in the nation provides PFL to salaried, but not hourly, employees (the latter of whom make up 59% of the company's workforce),18 and anecdotal evidence suggests that additional large employers' PFL policies likewise discriminate based on employment classification.4 Other studies find that workers of color and part-time workers are significantly less likely to work for employers who offer PFL.8,13,19

A PFL policy that promotes health equity will

State-level PFL policies typically function as insurance programs, whereby employees, employers, or both pay in, and employees who wish to take leave can withdraw benefits. New York's PFL law is administered by the worker's compensation board.

provide all workers the opportunity to attain their full health potential rather than letting their social position determine their ability to take family leave. The more workers who are able to take time off, the better families can balance work responsibilities with pregnancy, childbirth, childrearing, and other medical or family needs, and the healthier the workforce becomes.<sup>15</sup>

Five states — California, New York, New Jersey (Family Leave Insurance), Rhode Island (Temporary Caregiver Insurance), and Washington — have made strides toward improving health equity by passing state-level PFL laws,<sup>20</sup> as have several cities and the District of Columbia (DC).<sup>21</sup>

Government- or employer-sponsored policies providing PFL to all workers can therefore reduce health inequities by providing opportunities for all workers to take leave to care for their health and the health of their children. A study of California's PFL law, for example, suggests that the biggest gains in leave-taking after PFL was implemented were seen among black mothers, followed by Hispanic mothers.<sup>2</sup>

## Health Benefits Associated with Paid Family Leave

Paid family leave contributes to improved public health and increased health equity in a number of ways:

## Paid family leave improves whole family health by reducing stress,<sup>23</sup> a determinant of poor health.<sup>24,25</sup> It can:

- Improve stress associated with having children in marital relationships<sup>26</sup>
- Reduce low-income mothers' stress and anxiety associated with childbirth and childrearing<sup>27,28</sup>
- Provide stress relief to pregnant mothers affected by intimate partner violence<sup>29,30</sup>

#### Paid family leave improves children's health.<sup>1,31</sup> It can:

- Reduce infant mortality rates<sup>32</sup> and improve breastfeeding initiation (especially among lowincome mothers) and continuance<sup>33,34</sup>
- Lower health risks during early childhood that rely on parental input<sup>32</sup>

- Allow parents to appropriately care for adopted children's health, by facilitating their secure attachment<sup>35,36</sup>
- Help reduce rates of child maltreatment and neglect<sup>37</sup>
- Improve mother-infant interactions and involvement, which is shown to improve infants' health<sup>38</sup>

#### Paid family leave improves new mother's health. It can:

- Provide time for women to physically recover from childbirth<sup>28</sup>
- Provide opportunities for women to obtain the health benefits associated with increased levels of breastfeeding initiation<sup>39</sup>
- Reduce postpartum depressive symptoms and postpartum depression<sup>28,40,41</sup>

For a more detailed discussion of how PFL can improve health by improving the SDOH, mental health, physical health, and other factors that contribute to well-being, please refer to ChangeLab Solutions' *Literature Review: Paid Family Leave Secures Health Equity for All*, a review of domestic and international literature on the link between PFL and public health and health equity.

The federal Family and Medical Leave Act (FMLA), signed into law in 1993, provides up to 12 weeks of *unpaid* leave for a worker's serious health conditions or those of a spouse, parent, or child. "Serious health condition" includes any period of incapacity due to pregnancy and childbirth.<sup>61</sup> Employees can also take FMLA leave for domestic-violence related issues affecting themselves or their family members, for example for overnight hospitalizations, or for post-traumatic stress disorder treatment resulting from intimate partner violence.<sup>62</sup>

## Only *Paid* Family Leave Promotes Public Health and Health Equity

The Family and Medical Leave Act (FMLA) is the federal law providing time off for parents to care for newborn children in the United States. However, because the leave is unpaid, many people who have access to FMLA-guaranteed leave do not use it.<sup>42,43</sup> The fact that the FMLA provides only for unpaid leave has deleterious health equity consequences: Studies suggest that the parents who use FMLA leave are primarily economically advantaged, college educated, and married, and can generally afford to take unpaid leave.<sup>44</sup>

Additionally, there are large gaps in FMLA coverage, which create health inequities: Although all federal, state, and local public agencies are required to provide FMLA leave, private sector employers must provide leave only if they employ 50 or more workers, and those workers must meet employee eligibility requirements.<sup>45</sup> According to a 2012 Department of Labor survey, only 17% of employers reported that they were covered by the FMLA, and 30% were unsure about whether they were covered; only 59% of all employees working for covered employers reported meeting the conditions necessary to receive FMLA leave.<sup>46</sup>

Finally, the FMLA's definitions of family members are too limited. In particular, the FMLA requires that employees show that they intend to assume, or have assumed, the obligations of a parent to a child.<sup>47</sup> This requires many employees, including the many grandparents and siblings in the United States who act as parent-like figures to children,<sup>48</sup> to jump through judicial hurdles to prove that a parent-child relationship exists to take FMLA leave to care for children.

## PFL Best Practices to Promote Public Health and Health Equity

The more workers able to take time off to treat their own serious health conditions, including pregnancy and childbirth, and to bond with and care for their newborn and young children, the healthier the workforce and their families. Moreover, PFL policies that cover low-income workers and workers of color can reduce health inequities.

To ensure an equitable PFL policy, elements should include:

- An expansive definition of covered employer and eligible employees, so that all employers are covered, regardless of their size, and so the policy applies to all employees irrespective of their salary, or whether they work part-time or full-time
- Increased length of leave to guarantee, at minimum, the amount of PFL that both domestic and international literature recommend is necessary to maximize health outcomes for parents and children during the pregnancy and postpartum periods
- Increased benefit amount to make it feasible for low-income employees to use PFL for the purpose of bettering the health of themselves or their families
- Job protection and no waiting period to increase the likelihood than an employee will take PFL
- An expansive definition of eligible family members, including who constitutes a "parent," "spouse," and "child" to ensure that employees with non-traditional familial relationships are supported by PFL

The following chart identifies the structural elements of existing state PFL laws that provide opportunities for the greatest number of employees to take leave.

Element of PFL	Example of Best Practice to Promote Public Health and Health Equity
Covered employers	The District of Columbia's Universal Paid Leave Amendment Act applies to all private employers, regardless of their size, and self-employed individuals can optin. The law covers all employees who spend more than 50% of their time in DC working for a covered employer — an important equity element, as it includes Maryland and Virginia residents who may commute because they cannot afford the cost of living in DC. <sup>49</sup> Likewise, Washington's law applies to all employers and allows self-employed individuals to opt-in, but further promotes equity by allowing independent contractors to opt-in as well. <sup>50</sup>
Length of leave and benefit amount	New York will provide up to 8 weeks of paid leave, capped at 50% of the statewide average weekly wage (AWW), in 2018, and up to 12 weeks of paid leave, capped at 67% of the statewide AWW, by 2021. <sup>51</sup> Washington will provide 12 weeks of paid leave to workers in 2020. <sup>52</sup> Low-income workers who earn less than 50% of the state's AWW will receive 90% of their income. Higher-income workers (making more than 50% of the statewide AWW) will receive compensation according to a formula that calculates benefit amounts based on a percentage of the employee's wages and the state's AWW with benefits capped at \$1000 per week. The cap will be adjusted to 90% of the state AWW in the future. <sup>53</sup>
Job protection	Rhode Island, New York, and Washington provide for fully job-protected leave. <sup>51,54,55</sup> Job protection at the state level serves the large number of employees who are not covered by the federal FMLA's job protection because of its eligibility requirements.
No waiting period	California currently has a 7-day waiting period, but the waiting period will be eliminated by 2018. <sup>56</sup> Washington has no waiting period for bonding leave. <sup>57</sup>
Eligible family members	New York and Washington allow leave to care for grandchildren, <sup>58</sup> and New Jersey expands the definition of spouse to include domestic and civil union partners. <sup>59</sup> The District of Columbia and Washington explicitly include siblings as family members for whom employees can take leave. <sup>49,60</sup>

#### Conclusion

Paid family leave is an important health-promoting tool for mothers, children, and families. State PFL policies can also be designed in ways that promote health equity by including workers who are less likely to have access to PFL through their employers — and less likely to be protected by FMLA and other existing policies. Taking steps to ensure PFL policies reach all workers, particularly those who are low-income or otherwise vulnerable, creates a benefit that effectively addresses health inequity to promote a healthier future for all.



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