

At A Glance: The Case for Paid Medical Leave

Leave for a worker’s own serious medical needs is an essential component of any paid leave law. American workers need both paid family *and* paid medical leave so that when they have serious health needs, they can get treatment, remain financially stable, and return to their jobs ready to work.

Paid medical leave protects workers with *serious* health needs for whom limited sick time will not be enough.

- Paid medical leave provides extended time off to deal with a serious health need. This includes acute conditions like cancer, chronic conditions like diabetes or asthma, or recovering from an accident or serious injury.
- Paid medical leave is therefore different from paid sick time.
 - Paid sick time can be used for a wide range of health needs, including ordinary illnesses like a cold or the flu, while paid medical leave can only be used for serious health needs that generally do not include things like colds or stomach viruses.
 - Paid sick time is generally limited in time. There is no national paid sick time requirement (and about 30% of private sector workers have no paid sick time)¹ but for those who do have access to it, the national average of paid sick time for private sector workers is just seven sick days per year.² This is far too little for a serious illness or injury. Paid medical leave programs provide the amount of time necessary to meet workers’ serious health needs.
 - Paid sick time is paid for directly by employers, while paid medical leave would be provided through a social insurance system.

Most workers—especially low-income workers—currently do not have access to adequate paid leave to deal with their own serious illnesses.

- Nationwide, about 3 in 5 private sector workers do not have access to short-term disability insurance through their employers, leaving them vulnerable when they need to take time off from work to address their serious health needs.³
- An overwhelming majority of low-income workers cannot take paid leave to deal with their serious health needs: nationwide, over 80% of those in the bottom quarter of earners and nearly 90% of those in the bottom tenth of earners lack access to short-term disability

¹ U.S. Bureau of Labor Statistics, *Employee Benefits Survey: Mar. 2018*, Table 32 (2018), <https://www.bls.gov/ncs/ebs/benefits/2018/ownership/private/table32a.htm>.

² U.S. Bureau of Labor Statistics, *Employee Benefits Survey: Mar. 2018*, Table 35 (2018), <https://www.bls.gov/ncs/ebs/benefits/2018/ownership/private/table35a.htm>.

³ U.S. Bureau of Labor Statistics, *Employee Benefits Survey: Mar. 2018*, Table 16 (2018), <https://www.bls.gov/ncs/ebs/benefits/2018/ownership/private/table16a.pdf>.

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insurance through their employers.⁴ A comprehensive paid leave law is critical to provide support to these workers.

- 85% of part-time workers lack access to short-term disability insurance to deal with their own serious health needs and 75% of part-time workers lack access to *any* paid time off for their own health.⁵

Paid leave keeps people healthy by putting them in control of their treatment and helping them get the care they need.

- When workers do not have the leave they need, they may defer or forego necessary medical treatment.⁶ Paid leave allows workers to get the treatment they need, when they need it.
- Paid medical leave helps cancer patients and survivors determine a course of treatment, follow through with that treatment, afford treatment, and manage side effects.⁷
- For workers who receive health insurance through their employers, taking needed leave can mean risking their coverage when they need it the most. Strong paid medical leave laws protect workers' right to keep their employer-provided health insurance, ensuring that workers do not lose the coverage they need at these critical junctures.

Paid leave benefits both employees and employers by helping workers stay healthy on the job or return to the job ready and able to work.

- Paid leave keeps workers safe on the job, increasing productivity and decreasing employer costs.
 - Workers with paid leave are significantly less likely to suffer dangerous injuries on the job⁸ or deaths on the job (for example, from heart conditions).⁹
 - When workers must return to work before a chronic condition is stabilized or before they have healed from an injury, they are more likely to relapse or re-injure

⁴ *Id.*

⁵ U.S. Bureau of Labor Statistics, *Pay protection during temporary absences from work: what we know and what we don't know* (Sep. 2015), <https://www.bls.gov/opub/mlr/2015/article/pay-protection-during-temporary-absences-from-work.htm/>.

⁶ See Abt Associates Inc., *Family and Medical Leave in 2012: Technical Report 131* (Sep. 2012), <https://www.dol.gov/asp/evaluation/fmla/FMLA-2012-Technical-Report.pdf>.

⁷ Elizabeth Harrington & Bill McInturff, *Key Findings -- National Surveys of Cancer Patients, Survivors, and Caregivers*, American Cancer Society Cancer Action Network (2017), <https://www.acscan.org/sites/default/files/ACS%20CAN%20Paid%20Leave%20Surveys%20Key%20Findings%20Press%20Memo%20FINAL.pdf>. The results of this survey strongly suggests that other workers with chronic or serious illnesses will have better access to treatment and care when they are able to take paid time off from work.

⁸ Abay Asfaw *et al.*, *Paid Sick Leave and Nonfatal Occupational Injuries*, 102.9 AMERICAN JOURNAL OF PUBLIC HEALTH e59-e64 (2012), <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3482022/>.

⁹ Daniel Kim, *Paid Sick Leave and Risks of All-Cause and Cause-Specific Mortality Among Adult Workers in the USA*. 14.10 INT. J. OF ENV. RESEARCH AND PUB. HEALTH 1247 (2017), <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5664748/pdf/ijerph-14-01247.pdf>.

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themselves while working.¹⁰ Nationally, 1 in 3 U.S. adults under 65 has at least one chronic health condition.¹¹

- About half of those who experience serious illness are unable to perform their jobs as well as they could before they fell ill.¹² Paid leave allows workers to recover and return to full productivity more quickly than they would by continuing to work.
- Employees with conditions like arthritis appreciate work more and view it as an opportunity for rehabilitation when they are able to access paid medical leave.¹³
- Nearly 1 in 3 seriously ill workers either lose their jobs or have to change jobs as a result of their illness.¹⁴ Paid medical leave can help workers' balance their health needs with work and keep their jobs.
 - Keeping quality workers on the job also saves employers money. Employers pay a high cost for employee turnover, with replacing a worker costing about one fifth of that employee's annual salary.¹⁵
- For women who give birth, paid benefits to medically recover from childbirth increase the likelihood they will return to work.¹⁶

Millions of Americans face severe economic consequences as a result of their serious health needs. Paid medical leave can reduce this financial strain.

- About 1 in 4 adults in the U.S. report that they or someone in their household had problems paying medical bills in the past year.¹⁷ More than 1 in 3 seriously ill adults used up all or most of their savings to deal with their health and medical conditions.¹⁸

¹⁰ T.G. Hollo, *Evaluating family and medical leave insurance for Washington state*, 11 ECONOMIC OPPORTUNITY INSTITUTE (May 2012), <http://www.opportunityinstitute.org/wp-content/uploads/family-leave-insurance/EvaluatingFamilyandMedicalLeave-Jan13.pdf>.

¹¹ *Workers Affected By Chronic Conditions: How Can Workplace Policies And Programs Help?*, GEORGETOWN UNIV. HEALTH POLICY INST., Issue Brief Number 7 (June 2004), <https://hpi.georgetown.edu/agingsociety/pubhtml/workplace/workplace.html>.

¹² The Commonwealth Fund, The New York Times, & Harvard T.H. Chan School of Public Health, *Being Seriously Ill in America Today* 8 (Aug. 2018), <https://cdn1.sph.harvard.edu/wp-content/uploads/sites/94/2018/10/CMWF-NYT-HSPH-Seriously-Ill-Poll-Report.pdf> (hereinafter "The Commonwealth Fund study").

¹³ Hoving *et al.*, *Work Participation and Arthritis: A Systematic Overview of Challenges, Adaptations and Opportunities for Interventions*, 52 RHEUMATOLOGY 7 (July 2013), <https://doi.org/10.1093/rheumatology/ket111>.

¹⁴ The Commonwealth Fund study, *supra* note 12, at 8.

¹⁵ Sarah Jane Glynn & Heather Boushey, *There are significant business costs to replacing employees*, CENTER FOR AMERICAN PROGRESS (Nov. 16, 2012), <https://www.americanprogress.org/issues/economy/reports/2012/11/16/44464/there-are-significant-business-costs-to-replacing-employees/>.

¹⁶ Zachary Campell *et al.*, *The Impact of Paid Leave: Evidence from Temporary Disability Insurance in Rhode Island* (July 2017), 30, <https://www.mathematica-mpr.com/-/media/internet/conferences/2017/drc-annual-meeting-2017/summaries/hastings.pdf?la=en>.

¹⁷ Liz Hamel *et al.*, *The Burden of Medical Debt: Results from the Kaiser Family Foundation/New York Times Medical Bills Survey* (Jan. 2016), <https://kaiserfamilyfoundation.files.wordpress.com/2016/01/8806-the-burden-of-medical-debt-results-from-the-kaiser-family-foundation-new-york-times-medical-bills-survey.pdf>.

¹⁸ The Commonwealth Fund study, *supra* note 12, at 8.

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- Nearly one-fourth of the seriously ill are unable to pay for basic necessities like food, heat, or housing while ill.¹⁹ Seriously ill people also experience problems paying their hospital bills (34%) and emergency room bills (26%), or affording prescription drugs (29%), even when they have health insurance.²⁰
- Medical bills represent all or almost all of the total non-mortgage debt for about 1 in 5 adults.²¹ Among low-income households, out-of-pocket medical costs are central in about one-fourth of personal bankruptcies.²²
- About 1 in 3 people in healthcare debt have had to take a cut in pay or hours as a result of a serious illness and struggle to pay medical bills due to income loss.²³ Paid leave can ease this burden by helping make up for lost income when workers must miss work for treatment or recovery.

While the federal Family and Medical Leave Act (FMLA) provides unpaid leave for individuals to care for their own serious health needs, many workers are not covered by this law.

- Because of the FMLA's coverage requirements, approximately 44% of workers in the private sector nationwide are not covered by the FMLA.²⁴ Those excluded include a disproportionate number of low-income workers and part-time workers.²⁵
- Over half of FMLA leaves are taken for a worker's own serious illness.²⁶ Yet nearly half of those who are *not* covered by the FMLA still have serious health needs requiring leave from work.²⁷

Even for the workers who are covered by the FMLA, the law's *unpaid* leave does not protect workers from the financial threats of serious illness.

- Many FMLA-covered workers need leave for their own serious medical conditions, but do not take it. By far, the most common reason FMLA-covered workers do not take the leave they need is that they cannot afford to.²⁸ Paid leave is crucial to ensure that workers who need leave can afford to use it.

¹⁹ *Id.*

²⁰ *Id.* at 2.

²¹ Hamel, *supra* note 17, at 19.

²² Tal Gross & Matthew J. Notowidigdo, *Health insurance and the consumer bankruptcy decision: Evidence from expansions of Medicaid* 95 (7-8), J. OF PUB. ECON. 767-778 (2011), <https://doi.org/10.1016/j.jpubeco.2011.01.012>

²³ Hamel, *supra* note 17, at 9.

²⁴ Helene Jorgenson & Eileen Appelbaum, *Expanding federal family and medical leave coverage: Who benefits from changes in eligibility requirements*, CENTER FOR ECON. & POLICY RESEARCH 3 (2014), <http://cepr.net/documents/fmla-eligibility-2014-01.pdf>.

²⁵ A Better Balance, *A Foundation and a Blueprint: Building the Workplace Leave Laws We Need After Twenty-Five Years of the Family and Medical Leave Act* (February 2018), 16-19, <https://www.abetterbalance.org/resources/a-foundation-and-a-blueprint/>.

²⁶ Abt Associates Inc., *supra* note 6, at 70.

²⁷ *Id.* at 122.

²⁸ *Id.* at 104.

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- FMLA-covered black and Latino workers are more likely than white workers to either be ineligible for or unable to afford to take unpaid FMLA leave.²⁹
- Among FMLA-covered workers who take some leave, half said the reason their leave ended was because they could not afford to take more time off and nearly a third cut needed leave short for financial reasons.³⁰
- In order to deal with loss of or reduction in pay while on FMLA leave, workers resort to drastic measures such as:
 - Dipping into savings earmarked for another purpose (37%)³¹
 - Putting off paying bills (36%)³²
 - Borrowing money (30%)³³
 - Relying on public assistance (15%)³⁴

Paid medical leave can help fight substance abuse, including opioid abuse.

- The federal FMLA recognizes treatment for substance use disorders as a serious health need for which covered workers can take leave.³⁵
- Inpatient or residential treatment, which requires workers to take time off from work, can be highly effective in treating drug addiction.³⁶ Paid medical leave protects workers' jobs and their income while they seek the treatment they need to effectively overcome substance abuse.

²⁹ Nat'l Partnership for Women and Families, *Paid Family and Medical Leave: A Racial Justice Issue – and Opportunity* 5 (2018), <http://www.nationalpartnership.org/our-work/resources/workplace/paid-leave/paid-family-and-medical-leave-racial-justice-issue-and-opportunity.pdf>.

³⁰ Nat'l Partnership for Women and Families, *A Look at the U.S. Department of Labor's 2012 Family and Medical Leave Act Employee and Worksite Surveys 2* (2013), <http://www.nationalpartnership.org/our-work/resources/workplace/fmla/dol-fmla-survey-key-findings-2012.pdf>.

³¹ *Id.*

³² *Id.*

³³ *Id.*

³⁴ *Id.*

³⁵ See 29 C.F.R. § 825.119(b).

³⁶ See Nat'l Inst. on Drug Abuse, *Treatment Approaches for Drug Addiction* (revised Jan. 2018), <https://www.drugabuse.gov/publications/drugfacts/treatment-approaches-drug-addiction>.