

# Family and Medical Leave Insurance Fact Sheet

At some point, nearly everyone needs time to recover from a serious illness or care for a sick loved one or new child. But the majority of working people in the United States cannot take the leave they need without risking their jobs or economic security. **A national Family and Medical Leave Insurance (FMLI) program would allow people to receive a portion of their wages when they need time for family or medical reasons** – resulting in significant benefits for their families, businesses and our economy.

- Currently [only 13 percent](#) of the U.S. workers have access to paid family leave through their employers, and [less than 40 percent](#) have personal medical leave through an employer-provided temporary disability program. That means millions of workers who develop serious health conditions, have seriously ill family members or become parents are forced to choose between what is best for them and their families and income they need to cover basic expenses.
- The Family and Medical Leave Act – the only federal law designed to help working people meet the dual demands of job and family – [leaves out 40 percent of the workforce](#) and guarantees only unpaid leave, which millions cannot afford to take.

*“People desperately want to have successful families, to be good parents, to have a job and succeed at it. If you take one away to get the other, the country pays a grievous price and every life is diminished.”*

- President Bill Clinton, February 5, 2013

## FAMILY AND MEDICAL LEAVE INSURANCE INCREASES FINANCIAL SECURITY FOR WORKING FAMILIES:

***Paid leave enables families to maintain economic stability during a family health crisis or following the birth or adoption of a baby.***

- In 2010, [nearly three quarters of children](#) had both parents or their only parent working, a 13 percent increase since the mid-1980's when FMLA was first drafted.
- Women are the primary or co-breadwinners for nearly two-thirds of the nation's families, so a woman's income loss during pregnancy or maternity leave has [significant economic consequences](#) for her family.
- Women who take paid leave after a child's birth are [more likely to be employed](#) the following year and report increased wages than women who do not take leave. Parents who took leave report [lower levels of public assistance](#) in the year following their child's birth, when compared to those without paid leave.

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- Studies show that [seven percent](#) of people who filed for bankruptcy cited the birth of a child as the cause. A [significant number](#) of bankruptcies also happen after a worker misses two or more weeks of work due to illness.
- Family and medical leave insurance [increases men's role in caregiving by making it possible for them to be involved without the family taking a big financial hit](#). In California, for example, fathers' leave-taking for bonding with a new child rose 12 percent from 2011 to 2012. In Iceland, where men and women each get 3 months paid leave and can share another 3, [90 percent of fathers of newborns take leave – and 3 years later, 70% of those couples share child care responsibilities](#).
- FMLI enables people to care for aging parents with serious health problems—an increasingly common responsibility as the population ages. [Forty-eight percent](#) of family caregivers who have to take time off to care for a family member lost income during that time.

## PAID FAMILY LEAVE PROMOTES CHILDREN'S WELLBEING:

*Ensuring that new parents can take time to care for a newborn gives babies their best start in life.*

- Four-fifths of respondents who took paid leaves reported they were [better able to care for a new baby](#). New mothers who take paid leave are [more likely](#) to take the minimum doctor-recommended six to eight weeks to recover from birth. Newborns whose mothers take 12 weeks of leave are [more likely to be breastfed, receive regular check-ups, and get critical immunizations](#).
- Paid parental leave [reduces infant mortality](#) and produces better long-term health outcomes, especially for children with chronic health conditions.<sup>1</sup>
- When parents take time to care for their sick children, the kids have a speedier recovery, and the length of hospital stays is decreased by nearly a third.<sup>2</sup>

## PAID FAMILY LEAVE PROMOTES THE WELLBEING AND INDEPENDENCE OF SENIORS:

*Care by adult children helps seniors stay in their homes and avoid more expensive nursing home care.*

- By 2030, the number of Americans over 65 will be 70 million—[double today's 35 million](#). Nearly two-thirds of Americans under the age of 60 expect to be responsible for the care of an elder relative within the next ten years, and by 2020 about 40 percent of the workforce will be [caring for older parents](#).
- Enabling families to care for aging parents without fear of losing all their wages and allowing seniors to age in their homes instead of state facilities [saves the state money](#).

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- When cared for by family members, patients in the hospital recover from illness and injury faster, [leading to shorter hospital stays](#), improved health outcomes, and decreased health costs.

## **BUSINESSES SUPPORT FAMILY AND MEDICAL LEAVE PROGRAMS:**

*Replacement income provided by FMLI goes right back into the local economy, boosting businesses, as workers spend it to help cover the basics.*

- Business owners cite [weak sales](#) as the biggest problem for their business and the economy, according to a joint survey by the American Sustainable Business Council, the Main Street Alliance and the Small Business Majority.
- California employers report that the program has had a [neutral or positive effect on employee productivity](#), profitability, and turnover, and most employers coordinate their own benefits with the state's PFL program.
- A [2013 study](#) found that 87% of California employers said the state's paid family leave program had not resulted in any cost increases. A recent Rutgers study shows that [New Jersey's](#) FMLI program has saved businesses money by improving employee retention, decreasing turnover costs, and improving productivity.

## **STATES ARE TAKING ACTION TO ADOPT FAMILY AND MEDICAL LEAVE INSURANCE PROGRAMS:**

*Across the country, diverse state coalitions are working to introduce and pass FMLI to support families and boost the economy.*

- In 2002, California became the first state to pass a Paid Family Leave program, which provides access to family leave insurance for about 13 million Californians. The program has been enormously successful. Research shows that California's paid leave program has improved worker retention and increased productivity, profitability and morale. More than [9 in 10 employers](#) report no costs – or cost-savings – from the program.
- New Jersey implemented its law in 2009, ensuring access to paid family leave for 3.7 million in the state. Contrary to predictions from opponents, the [program has had no negative impact on businesses](#). Many employers have reported increased employee morale as a result, and more than 3 in 4 [New Jerseyans support the law](#).
- In 2013, [Rhode Island](#) became the third state to adopt a family leave insurance program, known as Temporary Care Insurance. This initiative broke new ground by protecting the jobs of all workers

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who use the program, not just those who are also covered by the Family and Medical Leave Act. This law covers nearly 80 percent of the state’s workforce, or nearly 400,000 Rhode Islanders.

- In [Washington State](#), a paid leave program awaits funding. [New York State](#) and Connecticut are the next states likely to pass a family leave insurance program. Massachusetts, D.C. and Colorado are among the states that have active campaigns. Vermont and New Hampshire have [each approved a task force](#) to explore the issue. And several other states, including Hawaii, Nebraska and Wisconsin are laying the groundwork for similar legislation.

## **A NATIONAL FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM:**

***Congressional leaders are working to establish a national family and medical leave insurance program that builds on the work states are already doing on similar programs.***

- A bill in Congress would establish a national family and medical leave insurance program. The FAMILY Act, which was introduced by Sen. Kirsten Gillibrand (D-NY) in the Senate and Rep. Rosa DeLauro (D-CT) in the House of Representatives in December 2013, currently has 106 sponsors in Congress.
- This bill would provide workers up to 12 weeks of paid leave for a personal serious illness, an illness of a child, parent or spouse and the birth or adoption of a child, among others. Workers and employers would each contribute two-tenths of one percent of pay into this insurance program; the self-sustaining fund would mean workers could receive up to 66 percent of their wages while on leave.

## **POLLS SHOW BROAD SUPPORT AMONG VOTERS FOR FMLI**

- [Eighty-one percent of voters](#) – including 94 percent Democrats, 80 percent of Independents and 65 percent of Republicans – agree that workplace rules to ensure paid time off to care for family members “is good for our nation.”
- [Latinos, African Americans, women and young people](#) feel strongest about the importance of congressional and presidential action: 79 percent of Latinos, 77 percent of African Americans, 69 percent of women and 68 percent of people under 30 considered it “very important.”

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<sup>1</sup> Heymann, J., & Earle, A. (2010). Raising the global floor: dismantling the myth that we can't afford good working conditions for everyone. Stanford, CA.: Stanford Politics and Policy.

<sup>2</sup> Heymann, J. (2001, October 15). The Widening Gap: Why America’s Working Families Are in Jeopardy—and What Can Be Done About It. New York, NY: Basic Books.