

Perceived Effects of Paid Family Leave Among Parents of Children with Special Health Care Needs

California's Experience

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About 15 percent of children in the United States are chronically ill. These children with special health care needs (CSHCN) account for half of all child hospital days nationwide, require many more medical visits than other children, and miss many more days of school. Their parents face special challenges as they struggle to balance work and the needs of their sick children.

The federal Family and Medical Leave Act (FMLA) was intended in part to provide help by guaranteeing parents of ill children up to 12 weeks of unpaid leave, with protection against being fired. The effect of FMLA, however, has been limited. Fewer than half of U.S. employees are eligible for the program; in a national survey, nearly 80 percent of eligible parents who didn't take advantage of FMLA said they couldn't afford to take the unpaid leave.

In response to this need for greater access to both leave and pay during leave, the federal government and several states have considered enacting paid family leave programs. California was the first state to implement one, beginning the Paid Family Leave Insurance (PFLI) program in 2004. The adoption of PFLI provided a natural

Key findings:

- California's Paid Family Leave Insurance program, the first government-mandated paid leave program in the United States, increased neither the percentage of parents who took leave to care for their sick child nor the amount of leave that parents took.
- Fewer than 15 percent of parents who took enough leave to qualify for the program knew about it; other barriers included fear of job loss and the amount of pay provided.
- Future paid leave programs may benefit from job protection and active dissemination of program information among employees.

experiment, allowing a team of RAND analysts to assess use and health effects of paid and unpaid leave among parents of CSHCN in California before and after PFLI and to compare those effects with leave-taking among similar parents in another state over the same time frames.

This product is part of the RAND Corporation research brief series. RAND research briefs present policy-oriented summaries of published, peer-reviewed documents.

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This Highlight summarizes RAND Health research reported in the following publications:

Chung PJ, Garfield CF, Elliott MN, Carey C, Eriksson C, and Schuster MA, "Need for and Use of Family Leave Among Parents of Children with Special Health Care Needs," *Pediatrics*, Vol. 119, No. 5, May 2007, pp. e1047–e1055.

Schuster MA, Chung PJ, Elliott MN, Garfield CF, Vestal KD, and Klein DJ, "Perceived Effects of Leave from Work and the Role of Paid Leave Among Parents of Children with Special Health Care Needs," *American Journal of Public Health*, Vol. 99, No. 4, April 2009, pp. 698–705.

Schuster MA, Chung PJ, Elliott MN, Garfield CF, Vestal KD, and Klein DJ, "Awareness and Use of California's Paid Family Leave Insurance Among Parents of Chronically Ill Children," *Journal of the American Medical Association*, Vol. 300, No. 9, Sept 2008, pp. 1047–1055.

Taking Advantage of a Natural Experiment

To provide a baseline against which to measure PFLI's effects, RAND researchers conducted a survey of parents of CSHCN shortly before PFLI was implemented (see Figure 1).

Researchers randomly sampled CSHCN who had received care before PFLI implementation in either Mat-tel Children's Hospital at the University of California, Los Angeles, or Children's Memorial Hospital in Chicago, Illinois. Hospitals such as these provide the majority of care for children with serious chronic conditions.

Between November 2003 and January 2004, researchers interviewed about 375 employed parents of CSHCN at each site, asking them about their jobs and job benefits, their need for and use of leave, and how their leave-taking affected their family's health and finances.

Assessing the Effects of Leave

About half of the parents interviewed were eligible for FMLA, and about two-thirds of those who were eligible were aware of the law. About 80 percent of the parents interviewed had missed work—via FMLA or other leave—to care for their child; their absences ranged from less than a week to more than three months (see Figure 2).

- *Overall, taking leave appeared to have good health effects.* Parents felt that taking leave in general, not just through FMLA, had good effects on their child's physical and emotional health (see Figure 3). Reported effects on their own emotional health were more mixed, but still generally positive (see Figure 4).
- *However, taking leave strained resources.* Staying home often strained financial resources, causing parents to dig into savings, put off paying bills, or limit spending on basic needs (see Figure 5).
- *Taking leave also compromised job performance for some parents.* While a substantial minority (44 percent) reported that leave-taking had no effect on their job performance, a similar percentage of parents (42 percent) reported a bad or very bad effect.
- *Substantial unmet need for leave remains.* About 40 percent of parents said that at least once in the last 12 months, they were unable to stay home to take care of their sick child, even though they thought they should. The most common reasons were that they could not afford to lose pay, they thought they might lose their job, or they thought taking leave would hinder job advancement. About three-quarters of these parents said they would have stayed home if they had received some or more pay during their absence.

Parents who were eligible for FMLA and were aware of their eligibility or who had access to employer-provided leave

Figure 1. Structuring a Natural Experiment

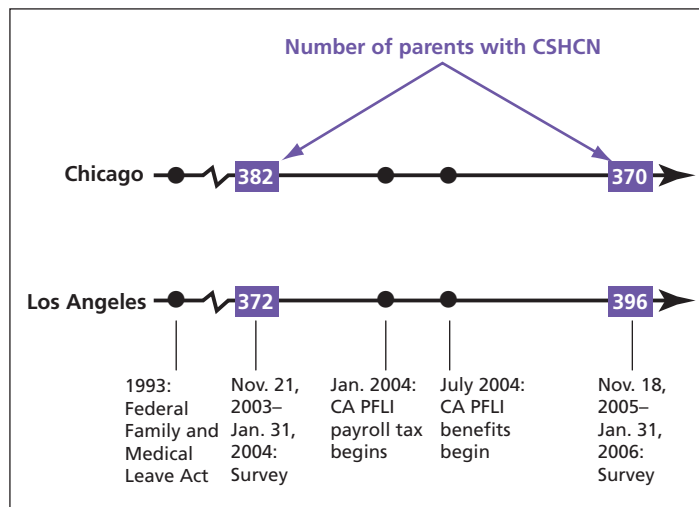
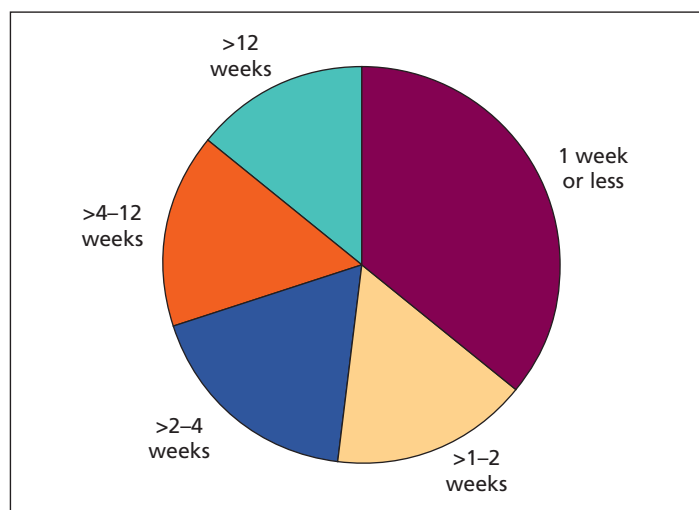


Figure 2. Length of Longest Leave Taken by Parents Who Took Leave



(paid or unpaid) were more likely than other parents to stay home to care for their child. But even among parents who did stay home, 40 percent said they had to return to work sooner than was optimal for their child's health.

Findings from this baseline survey suggested that parents of CSHCN might benefit from access to paid leave. California's adoption of the PFLI program in 2004 provided an opportunity to explore this hypothesis.

Assessing the Effects of Paid Leave—PFLI

Adopted in 2004, California's PFLI program provides up to six weeks annually of non-job-protected leave for most employees at 55 percent of salary, up to a maximum weekly benefit of \$728 in 2004. About 18 months after PFLI

Figure 3. Most Parents Said That Taking Leave Had a Positive Effect on Their Child’s Health

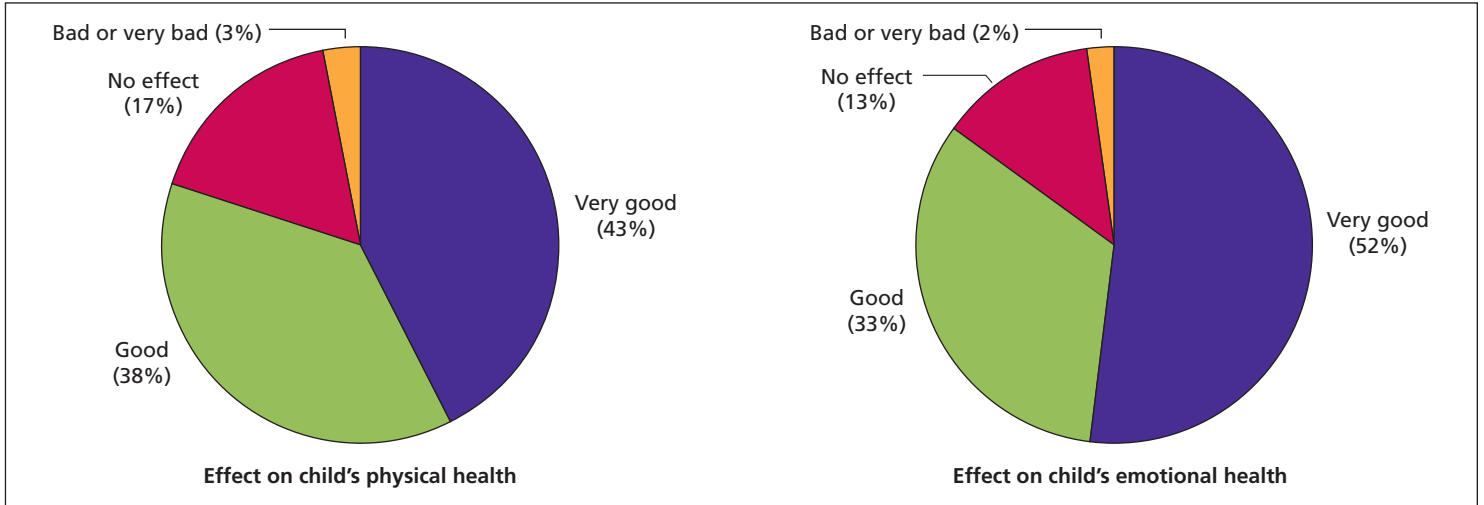


Figure 4. Parents Reported That Taking Leave Had Mixed Effects on Their Emotional Health

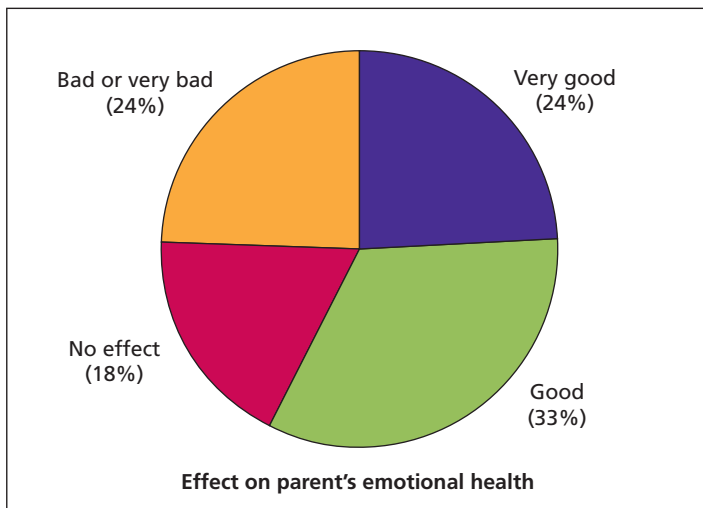
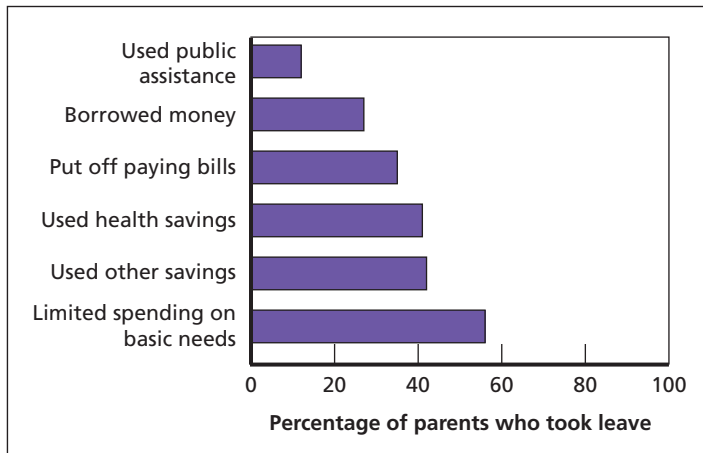


Figure 5. Taking Leave Often Strained Finances



benefits began in July 2004, the RAND team identified and surveyed a second group of parents of CSHCN and gathered the same kind of information elicited in the first survey (see Figure 1). In addition, the team asked parents whether they were aware of, and had used, PFLI.

- *PFLI had no effect on leave-taking.* California’s paid leave program increased neither the percentage of parents who took leave to take care of their sick child nor the amount of leave that parents took. In addition, similar percentages of California parents reported, both before and after PFLI was enacted, that they had been unable to stay home at least once in the last 12 months even though they believed that their child’s illness required it.
- *Why did so few parents use PFLI?* One possible reason few parents used PFLI was that most weren’t aware of the program. Fewer than 20 percent of parents knew about PFLI, and only 5 percent said they had used it.

Even parents who might be particularly expected to use paid leave were unlikely to do so: Among parents who missed enough work to fulfill PFLI’s mandatory one-week waiting period and thus qualify for benefits, fewer than 15 percent were aware of the program, and only 6 percent had used it. Lack of readily available information about the program probably contributes to the widespread lack of awareness—employers are only required to make information about PFLI available to new employees and those who specifically inquire about family leave.

- *Analyses revealed other barriers to use.* Fear of job loss may have prevented some parents from using PFLI leave—the program does not protect parents who take leave from being fired (if they don’t otherwise have FMLA job protection). Among parents who had heard about PFLI but

didn't use it, about 10 percent said that their supervisors told them not to take time off.

- *The amount of pay provided may also limit use.* Unlike FMLA, which provides for unpaid leave, California's program gives parents who take leave up to 55 percent of salary while they are absent from work. However, this partial salary may not be enough to motivate some parents to use the program.

Can a Paid Family Leave Program Work?

Despite adoption of the PFLI program, California parents of CSHCN still have substantial unmet need for leave to care for their chronically ill children. What does PFLI's poor performance in this population imply for the design and implementation of similar programs in other states?

Providing protection from being fired would remove one barrier, as would reducing a leave program's waiting requirements and other administrative barriers, and increasing pay levels.

But dissemination is likely key. Information about a leave program needs to be made widely available, not just given to new employees or those requesting leave. FMLA, for instance, benefited from an intensive publicity campaign and mandatory public posting in the workplace, resulting in high levels of awareness. Even with PFLI, pregnant women in California automatically receive information about PFLI when they apply for state pregnancy/postpartum disability insurance (since PFLI and disability insurance are administered by the same agency); consequently, the overwhelming majority of PFLI claims in the state are for maternal-infant bonding. Similar dissemination strategies aimed at employees more generally would likely have a substantial impact on uptake among parents of CSHCN, who remain underinformed and highly vulnerable. Finally, health practitioners who care for CSHCN could also play a key role in dissemination by educating parents about leave laws. ■

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