



FAMILY & MEDICAL LEAVE INSURANCE: PROVIDING CONNECTICUT FAMILIES WITH ECONOMIC SECURITY



Connecticut has a history of trendsetting policies that support families. In 1990, three years before the Federal Government passed the Family and Medical Leave Act (FMLA), Connecticut passed a state FMLA that offered 16 weeks of unpaid, job-protected leave, for workers to recover from an illness, nurture a new baby, or care for a sick family member. The Federal FMLA is 12 weeks.

Unfortunately, many CT workers are not covered by or eligible for FMLA...

It is estimated that only half of all workers nationally are both eligible and covered by FMLA.¹ For eligibility you need to:

- Work for an employer with 50 or 75 employees (federal and state), and
- Be employed for 1000-1250 hours.

And for those who are eligible, the majority cannot afford an unpaid leave...

- According to a follow-up study of the FMLA, 78% of employees who needed family or medical leave but didn't take it said they didn't take it because they could not afford to.
- Of those who took leave but without pay, 9% were forced to go on public assistance while they were on leave.²



At some point, nearly everyone needs time away from work to recover from a serious illness or care for a sick loved one or new child. This is certainly the experience for many of Connecticut's working families and these unpaid leaves have ramifications.

- More than 40% of bankruptcies are the result of lost wages due to serious illness.³
- On average, a worker who is 50 years of age or older who leaves the workforce to take care of a parent will lose more than \$300,000 in wages and retirement income.⁴
- 13% of families with a new infant become poor within a month.⁵

Family Medical Leave Insurance is key to preventing families from falling into poverty

When illness strikes or planning for the birth of a child, the only options available for most families are either to cobble together available leave time such as a vacation or sick leave, which is often inadequate, or to quit.⁶ The outcomes are different however, for those with some form of protection.

- Workers who have access to paid leave after a child's birth tend to remain in the workforce, have higher wages over time, and rely less on public assistance and food stamp benefits.
- Paid leave safeguards the income and retirement security of workers with eldercare responsibilities who might otherwise have to drop out of the workforce.⁷
- Women who return to work after a paid leave have 39% lower likelihood of receiving public assistance and a 40% lower likelihood of food stamp receipt in the year following the child's birth, when compared to those who return to work or take no leave at all.⁸

What is happening in other States?

Two states, California and New Jersey, have Family Leave Insurance Programs. New York, Rhode Island and Washington State have proposals before their legislatures this year. There are discussions at the federal level about establishing a State Paid Leave Fund, to help states launch Family & Medical Leave Insurance, but the push needs to come from the states.

Why does Connecticut need to study the establishment of FMLI?

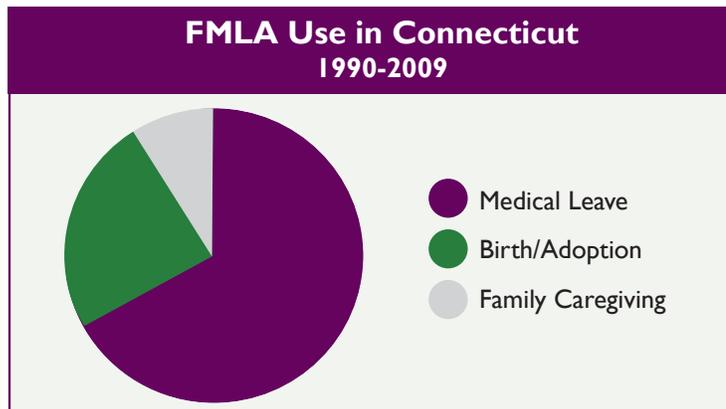
Unlike California and New Jersey, which built their Family Medical Insurance programs out of their existing state-run Temporary Disability Insurance programs, Connecticut will need to determine how to administer and fund its FMLI and who will be eligible to participate.



The Time is Now!

Since 1990, 334,924 Connecticut workers have used FMLA to secure their job while on leave for up to 16 weeks. 67% of these workers did so because of their own illness.

It is time for Connecticut to once more lead the way and establish a legislative Task Force that shows how Connecticut can offer families the much needed relief they deserve.



¹Fass, s. (2009). Paid Leave in the States, A Critical Support for Low-wage Workers and Their Family, National Center for Children in Poverty.

²Applebaum, E. & White, K. (2009). Economics and Politics of Work-Family Policy, The Working Poor Families Project.

³<http://www.dailykos.com/story/2012/01/05/1051848/-Medical-bills-cause-62-percent-of-nbsp-bankruptcies>

⁴MetLife Mature Market Institute. (2011, June). The MetLife Study of Caregiving Costs to Working Caregivers: Double Jeopardy for Baby Boomers Caring for Their Parents Retrieved 15 January 2013, from <https://www.metlife.com/assets/cao/mmi/publications/studies/2011/mmi-caregiving-costs-working-caregivers.pdf>

⁵Rynell, A. (2008, October). Causes of Poverty: Findings from Recent Research. Heartland Alliance Mid-America Institute on Poverty publication. Retrieved 16 January 2013, from <http://www.heartlandalliance.org/news-and-publications/research-and-reports/causes-of-poverty.pdf>

⁶Boushey, H. & Glynn, S. (2012). The Effects of Paid Family and Medical Leave on Employment Stability and Economic Security, Center for American Progress.

⁷MetLife Mature Market Institute. (2011, June). The MetLife Study of Caregiving Costs to Working Caregivers: Double Jeopardy for Baby Boomers Caring for Their Parents Retrieved 15 January 2013, from <https://www.metlife.com/assets/cao/mmi/publications/studies/2011/mmi-caregiving-costs-working-caregivers.pdf>

⁸Houser, L. & Vartanian, T. (2012). Policy Matters: Public Policy, Paid Leave for New Parents, and Economic Security for US Workers, Rutgers Center for Women and Work.



The Connecticut Association for Human Services (CAHS) works to end poverty and to engage, equip and empower all families to build a secure future. "FMLI" is one in a series of data and policy briefs. Visit www.cahs.org for more papers or information.