

## Adopting Permanent Paid Medical Leave in the U.S. and Closing Racial and Gender Gaps in Access: Global Insights on Effective, Equitable Policy Design



The U.S. is just one of 11 countries in the world without a national, permanent paid medical leave policy.<sup>1</sup> Enacting paid medical leave for all would markedly reduce the spread of infectious diseases, improve the care of Americans with a wide array of serious health conditions, save lives, and prevent families from falling into poverty.

Tens of millions of Americans have no access to any paid medical leave, and the majority cannot afford to take unpaid time off, especially for longer-term illnesses. Further, the leave policies that do exist in the U.S. often restrict coverage to those working at companies of a specific size, for a minimum tenure, and specified hours. For example, the Family and Medical Leave Act (FMLA), which provides unpaid leave for serious health conditions, excludes those working for an employer with fewer than 50 employees; more recently, the Families First Coronavirus Response Act adopted the same threshold to limit access to family leave during the pandemic. Likewise, states and cities that have adopted paid sick or medical leave, from Connecticut to Tacoma to Dallas to Maryland, include their own exclusions based on hours, firm size, tenure, and/or type of employment. This study analyzed the impact of these types of restrictions on who can access medical leave in the U.S. and who cannot. The study then looked at feasible alternatives to increase coverage of Americans.



### Impacts of Wage Replacement Rate and Duration on Access and Equity

- The U.S. is the only country worldwide that only guarantees **unpaid** medical leave.
- Unpaid leave exacerbates racial and ethnic gaps in wealth and income linked to historic and ongoing discrimination:
  - The median Black household earns just 60 cents for each white household's dollar, while Latinx households earn 74 cents.
  - Meanwhile, white households' median net worth is eight times that of Black households and nearly five times that of Latinx households, making it far less likely that Black and Latinx households can afford to take unpaid leave.

<sup>1</sup>Most countries worldwide use the term “paid sick leave” to describe all paid leave for illness, including both shorter-term leave to cover routine sicknesses as well as longer-term leave for serious illnesses or medical conditions. Because the U.S. has a history of distinguishing between “sick days” for short-term leave and “medical leave” for longer-term leave, and since the focus of this brief is on leave of adequate duration to cover all illnesses, we primarily use the term “medical leave,” with the exception of instances in which we are referencing a specific range of U.S. policies.



**WORLD** Policy  
Analysis Center

### ABOUT WORLD

The **WORLD** Policy Analysis Center (**WORLD**) aims to improve the quantity and quality of globally comparative data on policies affecting health, development, well-being, and equity.

With these data, **WORLD** informs policy debates; facilitates comparative studies of policy progress, feasibility, and effectiveness; and advances efforts to hold decision-makers accountable.

### ABOUT THE DATA

For full data cited in this brief as well as references to other related research, please see:

Heymann J, Sprague A, Earle A, McCormack M, Waisath W, Raub A. [\*\*U.S. Sick Leave in Global Context: U.S. Eligibility Rules Widen Inequalities Despite Readily Available Solutions.\*\*](#) *Health Affairs*. July 2021.

### CONTACT US

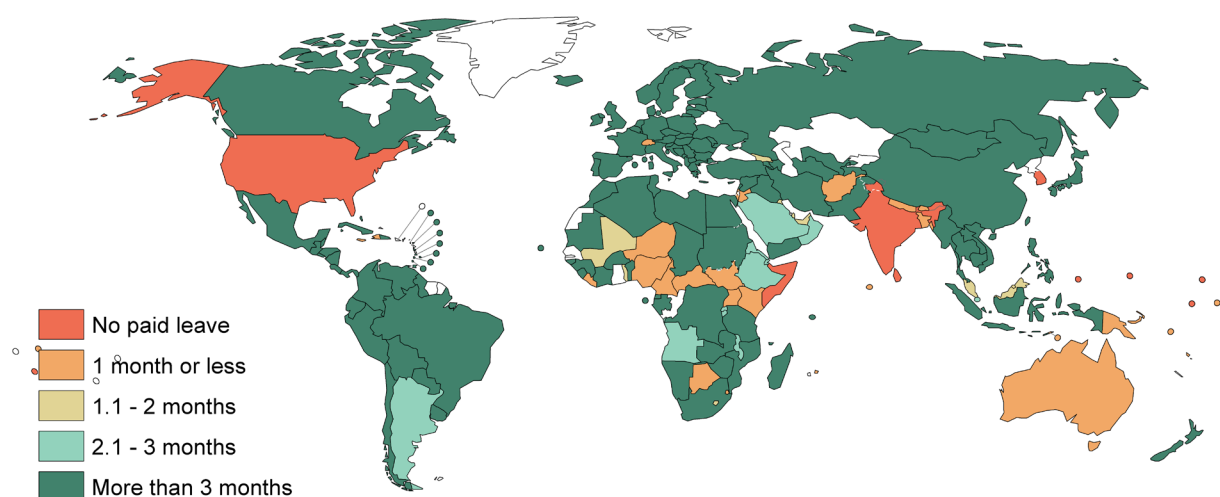
**WEBSITE**  
[worldpolicycenter.org](https://worldpolicycenter.org)

**EMAIL**  
[world@ph.ucla.edu](mailto:world@ph.ucla.edu)



- For workers with major illnesses, leave that is not only paid but of adequate duration is critical to both health and economic stability:
  - While hospitalization durations for cancer vary significantly, radiation and chemotherapy treatments can last 6 months; though some can work part-time or intermittently while seeking treatment, nearly all cancer patients will require substantial time off.
  - Workers recovering from a heart attack typically need at least a month for recovery, while some need three months or more; those with more physically demanding jobs require more time before returning to work.
- Failing to provide adequate paid leave to ensure all workers can meet their health needs during a serious illness will also exacerbate racial and socioeconomic disparities in access to care:
  - Black and white Americans have similar rates of cancer and heart disease, but mortality rates among Black adults are much higher due in part to inadequate access to treatment.
  - With high out-of-pocket medical costs even for Americans who are insured, maintaining income during a serious illness has critical implications for both health and families' economic stability, and loss of income during sickness is a top cause of home loss.
- 74% of high-income countries—and 67% of countries overall--guarantee more than three months of paid medical leave for workers with one year of tenure.

## What is the duration of paid medical leave countries provide?



Duration is the amount provided to those with one year or more of work tenure.

Source: WORLD Policy Analysis Center, Adult Labor Database, 2020

### **Impacts on Workers at Small Businesses, the Self-Employed, and Gig Workers**

- Current minimum firm size rules in the U.S. disproportionately exclude Latinx workers: among those working 15+ hours per week, 42% of Latinx workers, compared to 35.9% of white workers and 24.4% of Black workers, work in a business with fewer than 50 employees.
- Among the 181 countries that provide paid medical leave, none broadly exclude workers at smaller businesses.
- In addition, 68% of high-income countries with paid medical leave explicitly cover self-employed workers.



### **Impacts on Part-Time Workers**

- Eligibility rules that exclude part-time workers disproportionately exclude women. For example, all together, 16.6% of women in the private sector, compared to 9.6% of men, are excluded by the FMLA's 1250-hour rule; factoring in race, the disparities grow even wider, with 18.7% of Latina women, compared to just 8.4% of white men, excluded by this rule.
- Among countries that provide paid medical leave worldwide, 96% of high-income countries and 93% of all countries either explicitly cover part-time workers regardless of hours or broadly cover all workers without a legislated exclusion for part-time.
- Just 4% of high-income countries with paid medical leave and 7% of all countries with paid leave establish a minimum hour threshold for paid medical leave

### **Impacts on Workers Beginning a New Job**

- Among those working 15+ hours per week, 22% of Black workers, 22.9% of Indigenous workers, and 27.7% of multiracial workers, compared to 19% of white workers, have been at their current jobs for under a year.
- Mandating that workers meet minimum tenure requirements to qualify for medical leave excludes both new entrants to the labor force as well as those starting new jobs after a period of unemployment—with particularly significant consequences in the context of wide racial gaps in unemployment reinforced by COVID-19: as of January 2021, 9.2% of Black workers and 8.6% of Latinx workers were unemployed, compared to 5.7% of white workers.
- The majority of countries that provide paid leave--57%--guarantee workers at least some medical leave without requiring that they have worked or contributed to a social security fund for a minimum amount of time.
- Among countries that provide paid medical leave, just 4 require a worker to have been with the same employer for 12 months to qualify.



### Exhibit 1: What percentage of workers are excluded by each eligibility requirement in the FMLA and other sample policies?

	Has less than 1 year of tenure			Works less than 1250 hours per year			Employer has less than 50 employees		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
White	21.2%	17.8%	19.0%	16.2%	8.4%	11.9%	34.6%	36.9%	35.9%
Black	23.1%	21.4%	22.0%	15.7%	12.7%	14.2%	21.4%	27.6%	24.4%
Latinx	20.6%	19.3%	19.5%	18.7%	11.5%	14.4%	37.6%	45.0%	42.0%
Asian	19.0%	15.1%	16.5%	16.4%	8.9%	12.2%	33.9%	31.4%	32.5%
Indigenous	23.4%	22.3%	22.9%	17.2%	10.7%	13.9%	30.1%	35.6%	32.7%
Multiracial	26.4%	29.5%	27.7%	18.2%	15.2%	16.7%	31.7%	35.0%	33.3%
Total	21.3%	18.7%	19.9%	16.6%	9.6%	12.7%	33.3%	37.2%	35.4%

Source: Analysis of Data from Current Population Survey, 2018

### Recommendations

Permanent paid sick and medical leave is urgently needed to both reduce spread of major infectious diseases and improve health outcomes long-term. **To increase leave access for everyone and eliminate disparities across race, ethnicity, gender, and socioeconomic status, a new national medical leave policy must include an adequate wage replacement rate, provide leave for an adequate duration to cover major illnesses, and explicitly guarantee coverage regardless of employer size, tenure, hours, or occupation type.** Numerous countries show these design elements are feasible.