

A Review of the Evidence on the Length of Paid Family and Medical Leave

Twenty-five years ago, the United States passed the Family and Medical Leave Act (FMLA). The FMLA guarantees workers up to 12 weeks of unpaid leave for family or medical reasons, yet this unpaid leave remains unaffordable or inaccessible for millions of American workers. Many states and the federal government are currently considering paid leave policies. Given the wide range of potential policy options, it is critical to better understand what the evidence says about the most effective approaches to improving health and gender equality while supporting a strong economy. Using data from the experiences of U.S. states and other high-income countries that have paid leave, this brief examines the existing evidence on the economic feasibility and benefits of paid leave at different durations. This brief focuses on serious health conditions. While paid leave to meet more common health needs is very important, it is beyond the scope of this brief.

Unless otherwise cited, this brief references data from the WORLD Policy Analysis Center's analysis of paid family and medical leave policies across the Organisation for Economic Co-operation and Development (OECD). For detailed reports and more information, please visit <u>www.worldpolicycenter.org/events-and-launches/paid-fmla</u>.

Parental Leave

Both medical evidence and rigorous research on the economic effects of paid leave *strongly support making at least 6 months of paid parental leave available* after the birth or adoption of an infant. These benefits include:

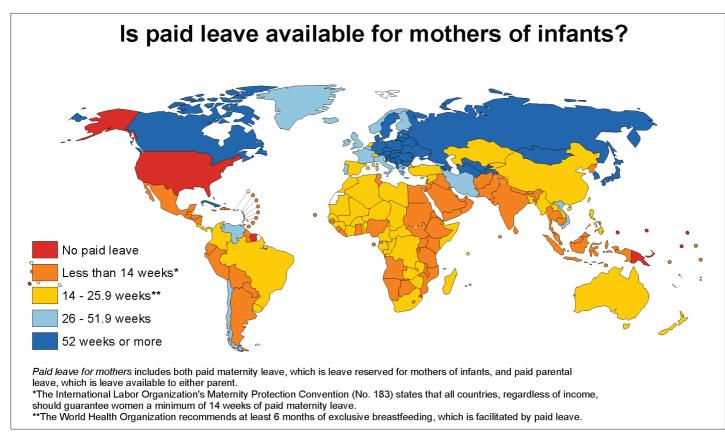
- Exclusive breastfeeding for the first 6 months, as recommended by the World Health Organization and the American Academy of Pediatrics, has a range of well-established health benefits. For example:
 - 6 months of exclusive breastfeeding decreases a child's risk of ear infections by 50%, upper respiratory infections by 63%, lower respiratory infections by 77%, and gastrointestinal infections by 64%.
 - Breastfeeding for 6 months or longer is associated with reductions in the risk of child obesity by 24%, Type I diabetes by 30%, and sudden infant death syndrome by 36%.
- Families' ability to care for their infant: Child care costs are generally highest in the first year of life due to the necessity of lower caregiver-to-child ratios. Paid parental leave enables parents to care for their infant in the absence of affordable high-quality child care.
- Increased earnings for women up to 5 years after childbirth:
 - For example, a rigorous quasi-experimental study in Denmark found benefits for mothers' income and work experience following a leave expansion from 14 to 20 weeks.²
 - Across the OECD, the proportion of household income earned by women increased with access to more than 24 weeks of paid leave.³
- **Retention of female employees**: Studies of Britain and Japan found that maternity leave eligibility increased the probability that women returned to work for the same employer.^{4,5}



- **Higher levels of maternal employment**: A multilevel analysis of 19 countries found that longer parental leaves up to a year were associated with a lower employment gap between mothers and non-mothers.⁶
- Lower risk of poverty: In two studies looking across OECD countries, more generous parental leave policies were associated with a lower risk of poverty for twoparent households and especially for single mothers.^{7,8}

Six months of paid parental leave is economically feasible:

- **Feasibility**: 25 of 34 OECD countries guarantee at least 6 months of paid leave for mothers of infants.
- Sustainability: 13 OECD countries have had at least 6 months of paid leave available to mothers for more than 20 years. Since 1995, policies have lengthened in duration and expanded to include fathers.
- **Economic growth**: OECD countries that provided at least 6 months of paid maternal leave had no evident differences in GDP growth.
- **Labor force participation**: In OECD countries with at least 6 months of paid maternal leave, labor force participation rates were higher compared to countries with shorter leave.



In settings where 6 months of paid leave is not politically feasible, a *minimum of 3 months* of paid parental leave is essential to:

- **Lower infant mortality rates**: Cross-national studies of high-income countries have found that paid parental leave contributed to a decrease in infant mortality rates.^{9,10}
- Recovery from childbirth for mothers in terms of improved overall well-being and reduced rates of depression:
 - Physical health measures of vitality and overall well-being begin improving 12 weeks after birth.¹¹
 - Women who took less than 12 weeks of maternity leave had higher short-term and long-term depression rates.¹²
- Establishing breastfeeding, which contributes to reduced rates of illness in infants, improved health outcomes for children post-infancy, and improved health outcomes for mothers.¹³
- Increased preventive health care, improved parent-child bonding, and support for children's early development during the particularly critical first months of life.
- More equal child care and household responsibilities: Quasi-experimental studies in Norway and Quebec showed that policies reserving leave for fathers were associated with increases in gender-equal sharing of housework.^{14,15}

Across different durations of paid parental leave, there is also reason to consider making paid parental leave available on a part-time basis:

• Labor force attachment: Part-time leave supports return to work, especially when child care expenses are high relative to wages. A rigorous study in France found that the introduction of part-time leave was associated with an increase in the probability of employment after taking leave, particularly for mothers with lower education levels. $^{\rm ^{16}}$

• **Economic feasibility**: 21 OECD countries allow mothers to take at least some portion of paid parental leave on a part-time basis, and 20 OECD countries do so for fathers.

Personal Medical Leave

Paid personal medical leave provides job and income security during a critical time when workers are unable to work, or when work would interfere with a healthy recovery. Based on the medical evidence, **6** months of paid personal medical leave is important to cover severe illnesses, such as **cancer** that requires chemotherapy and/or radiation treatment:

- Recovery time includes time needed for surgery, chemotherapy, radiation, and to manage the adverse effects of treatment.¹⁷
- Median hospitalization times vary greatly by type of cancer; some require 2 weeks of hospitalization.
- Radiation and chemotherapy treatment may last 6 months, although some workers may be able to return to work part-time or intermittently while undergoing treatments.¹⁸⁻²⁴

There is also substantial evidence that making at least 6 months of leave is economically feasible:

- **Feasibility**: 28 of 34 OECD countries provide at least 6 months of paid personal medical leave.
- Greater alignment with global standards and recommendations: 6 months of paid leave is shorter than the 1 year recommended by the International Labour Organization, but it is consistent with the minimum amount of leave that is provided by most other OECD countries.



- **Economic growth**: OECD countries that provided 6 months or more of paid medical leave had no evident differences in GDP growth.
- **Does not necessarily lead to higher unemployment**: OECD countries that provided 6 months or more of paid medical leave did not have consistently higher or lower rates of unemployment for workers ages 25 to 54.

Actual granted leave would depend on the severity of the illness and may often be significantly shorter.

- Recovery for workers after an acute myocardial infarction (heart attack):
 - o Workers generally need to be absent from work for at least 4 weeks for hospitalization and acute recovery.²⁵
 - The timeline for return to work varies based on the type of work and the nature of the work environment; more physical jobs typically require a longer absence.²⁶
 - 4–8 follow-up appointments are generally needed for 6 months after the initial incident to assess the quality of recovery (1–2 appointments per week for the first 3 months and an additional 1–2 appointments thereafter).²⁶
- Ongoing health needs and complications for workers with diabetes:
 - Employees with diabetes are at higher risk for cardiovascular disease and other major illnesses, and require increased maintenance appointments.²⁷
 - Follow-up care for this chronic disease is typically lifelong; the amount of time needed depends on the success of disease management and the number of complications.²⁸
 - Hospitalization may be required due to diabetes and related complications and varies widely, ranging from days to several weeks.²⁸⁻³¹

Paid personal medical leave should be made available on a **part-time and intermittent basis**:

 Support mental and physical health: Many serious diseases involve both "acute" and "continuation" phases of treatment, along with regular follow-up appointments to assess the quality of recovery or provide additional treatment. Workers' physical and mental health can benefit from the ability to work during the latter periods. • **Retention and return to work**: Employers benefit when valued employees can return to work. The introduction of partial medical leave in Finland, which enabled employees to work part-time while recovering, had a strong positive effect on workforce participation.³²

Family Medical Leave

It is very important for families to be able to provide care for their family members as it matters to health outcomes:

- Parental caregiving and associated benefits for children's recovery: Enabling parents to care for sick children themselves supports faster recovery from both inpatient and outpatient procedures.^{33,34}
- Care for elderly family members at the end of life: Family caregivers are needed to help manage symptoms (e.g., pain, nausea, and vomiting), help make end-of-life decisions, and provide logistical and emotional support.
- Care for partners or other family members facing short-term limitations: Paid leave enables workers to provide assistance to their partners during hospitalization and periods of activity restrictions.

The duration of paid leave that is necessary to meet these health needs varies greatly. For children, parental presence is important for the full duration of the illness. During periods of recovery, this care can be split between parents or other close caregivers:

- Children with congenital heart disease: May require more than a week of hospitalization for even uncomplicated surgical repairs, and two- to fivefold more time with complications, plus additional time for recovery after hospitalization.^{35,36}
- Children with cancer: The average hospital stay across all pediatric cancers is 12 days, with 3–6 hospital admissions per year. In addition, children with cancer miss 25–31 days of school in the year after their first diagnosis for ongoing treatments and recovery.³⁷⁻³⁹
- Children with mood disorders: The average length of admission can be up to a month, and common mood disorder treatment requires regular outpatient therapy.⁴⁰



Similarly, during **end-of-life care**, it is generally important for most immediate family members to be there.

- Of the 2.5 million deaths that occur per year in the U.S., 45% of these deaths occur in a hospice care setting.⁴¹
- In the vast majority (90%) of cases, the duration of hospice care is less than 6 months. The median length of care is 17 days.⁴¹

It is less clear how much time would be needed to care for adult family members facing short-term limitations, such as after an acute myocardial infarction or diabetes-related complication. The amount of paid leave needed will depend on how sick the patient was when he/she was sent home from the hospital, the extent to which legislation and family circumstances allow multiple family members to share caregiving responsibilities, the extent of community support, and the availability and affordability of home health care services.

Across all of these caregiving needs, making family leave available on a part-time or intermittent basis enables workers to give care that is important to their families' health while simultaneously being able to work:

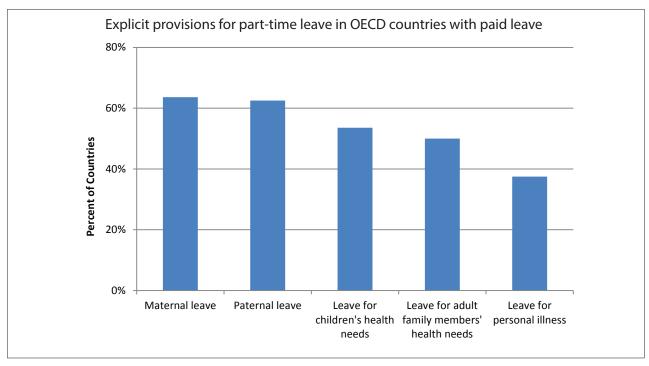
- Support return to work during recovery phases:
 - Many serious diseases involve both "acute" and "continuation" phases of treatment, along with regular follow-up appointments to assess the quality of recovery or provide additional treatment. Continuous care is unlikely to be needed during the latter phases.
- Part-time and/or intermittent care at home for elderly adults:
 - Nearly a quarter of elderly adults do not recover their full functional status by a year after hospital discharge.⁴²
 - Elderly adults have a 2.5- to 4.6-fold higher risk of hospitalization than non-elderly adults.⁴³ These hospital stays last 6 days on average, but recovery is often lengthy. Only 65% will have recovered their functional status by the time they are discharged.⁴²



- **Caregiver mental health**: Enabling caregivers to work part-time may reduce caregiver fatigue.⁴⁴
- Lower burden on employers: Alongside legislation that allows multiple family members to take leave, part-time or intermittent leave enables multiple workers to share caregiving duties. For example, care for an elderly adult can be split between adult children if more than one is able, reducing the amount of time a worker is absent for any single employer.

Fewer OECD countries have addressed paid family medical leave than paid parental or personal medical leave. OECD countries that provided at least 3 months of paid leave for children's health needs had no evident differences in economic performance.

Addressing the health needs of adult family members is of critical importance as the population ages. Paid leave for adult family members' health needs is generally more limited than paid leave for children. 8 OECD countries provide 3 months or more of paid leave for adult health needs, 1 country provides 2 months of paid leave, and 13 countries provide less than 4 weeks of paid leave. In 2 countries, paid leave is limited to cases of terminal illness.



- **Systematic literature review** of the paid leave literature from high-income countries, including more than 5,500 studies.
 - Focused on studies that analyzed the impact of paid parental, family medical, and personal medical leave on economic, health, and gender equality outcomes.
- **Review of medical needs**: Medical experts reviewed the evidence on how paid leave can support health and recovery.
- Study of OECD laws and policies: Systematic analysis of the national laws and policies in place as of September 2016 for 34 OECD countries to better understand which approaches have been economically feasible.
 - Comparative measures were created on the duration, payment levels, financing mechanisms, tenure requirements, and other aspects of each paid leave policy.

For more information, download the full reports from www.worldpolicycenter.org/events-and-launches/paid-fmla.

Acknowledgments

We are deeply grateful for the support from Pivotal Ventures, executive office of Melinda Gates, which made this research possible.

References

1. American Academy of Pediatrics Section on Breastfeeding. Policy Statement: Breastfeeding and the Use of Human Milk. *Pediatrics*. 2012;129(3):e827-e841.

2. Rasmussen AW. Increasing the length of parents' birth-related leave: The effect on children's long-term educational outcomes. *Labour Economics*. 2010;17(1):91-100.

3. Stier H, Mandel H. Inequality in the family: The institutional aspects of women's earning contribution. *Soc Sci Res*. 2009;38(3):594-608.

4. Waldfogel J. The family gap for young women in the United States and Britain: Can maternity leave make a difference? *J Labor Econ.* 1998;16(3):505-545.

 Waldfogel J, Higuchi Y, Abe M. Family leave policies and women's retention after childbirth: Evidence from the United States, Britain, and Japan. *J Popul Econ.* 1999;12(4):523-545.
Pettit B, Hook JL. The structure of women's employment in comparative perspective. *Soc Forces.* 2005;84(2):779-801
Maldonado LC, Nieuwenhuis R. Family policies and single parent poverty in 18 OECD countries, 1978–2008. *Community, Work & Family.* 2015;18(4):395-415.

8. Misra J, Moller S, Strader E, Wemlinger E. Family policies, employment and poverty among partnered and single moth-

ers. Res Soc Stratif Mobil. 2012;30(1):113-128.

9. Ruhm CJ. Parental leave and child health. *J Health Econ*. 2000;19(6):931-960.

Tanaka S. Parental leave and child health across OECD countries. *The Economic Journal*. 2005;115(501):F7-F28.
Dagher RK, McGovern PM, Dowd BE. Maternity Leave Duration and Postpartum Mental and Physical Health: Implications for Leave Policies. *Journal of Health Politics, Policy and*

Law. 2014;39(2):369-416.

12. Chatterji P, Markowitz S. Family leave after childbirth and the mental health of new mothers. *Journal of Mental Health Policy and Economics*. 2012;15(2):61-76.

13. Mirkovic KR, Perrine CG, Scanlon KS, Grummer-Strawn LM. Maternity leave duration and full-time/part-time work status are associated with US mothers' ability to meet breastfeeding intentions. *Journal of Human Lactation*. 2014;30(4), 416-419. 14. Kotsadam A, Finseraas H. The state intervenes in the battle of the sexes: Causal effects of paternity leave. *Soc Sci Res*. 2011;40(6):1611-1622.

15. Patnaik A. Reserving Time for Daddy: The Consequences of Fathers' Quotas. *SSRN Working Paper.* 2017.

16. Joseph O, Pailhe A, Recotillet I, Solaz A. The economic impact of taking short parental leave: Evaluation of a French reform. *Labour Economics*. 2013;25:63-75.

17. American Cancer Society (ACS). Survivorship: During and After Treatment. 2015. Available at: http://www.cancer.org/treatment/survivorshipduringandaftertreatment/index. Accessed January 18, 2017.

18. Lowrance WT, Elkin EB, Jacks LM, et al. Comparative effectiveness of prostate cancer surgical treatments: a population based analysis of postoperative outcomes. *J Urol*. 2010;183(4): 1366-1372.

19. Caras RJ, Lustik MF, Kern SQ, Sterbis JR, McMann LP. Laparoscopic radical prostatectomy demonstrates less morbidity than open radical prostatectomy: an analysis of the American College of Surgeons-National Surgical Quality Improvement Program database with a focus on surgical trainee involvement. *J Endourol.* 2014;28(3), 298-305.

20. Bolenz C, Gupta A, Hotze T, et al. Cost comparison of robotic, laparoscopic, and open radical prostatectomy for prostate cancer. *Eur Urol*. 2010;57(3):453-458.

 McDevitt J, Kelly M, Comber H, Kelleher T, Dwane F, Sharp L. A population-based study of hospital length of stay and emergency readmission following surgery for non-small-cell lung cancer. *Eur J Cardiothorac Surg*. 2013;44(4):e253-259.
Farjah, F, Varghese TK, Costas K, et al. Lung resection

outcomes and costs in Washington State: a case for regional quality improvement. *Annals Thorac Surg*. 2014;98(1):175-181; discussion 182.

23. Swanson SJ, Miller DL, McKenna RJ, et al. Comparing robot-assisted thoracic surgical lobectomy with conventional video-assisted thoracic surgical lobectomy and wedge resection: results from a multihospital database (Premier). *J Thorac Cardiovasc Surg*. 2014;147(3):929-937.

24. Fox JP, Desai MM, Krumholz HM, Gross CP. Hospital-level outcomes associated with laparoscopic colectomy for cancer in

the minimally invasive era. *J Gastrointest Surg*. 2012;16(11): 2112-2119.

25. Dreyer RP, Xu X, Zhang W, et al. Return to Work After Acute Myocardial Infarction: Comparison Between Young Women and Men. *Circ Cardiovasc Qual Outcomes*. 2016;9:S45-52.

26. Qaseem A, Fihn SD, Dallas P, Williams S, Owens DK, Shekelle P. Management of stable ischemic heart disease: summary of a clinical practice guideline from the American College of Physicians/American College of Cardiology Foundation/American Heart Association/American Association for Thoracic Surgery/Preventive Cardiovascular Nurses Association/Society of Thoracic Surgeons. *Ann Intern Med*. 2012;157(10):735-743. 27. American Diabetes Association. Position Statement: Standards of Medical Care in Diabetes - 2016. *Diabetes Care*. 2016;39(Suppl 1):S1-S112.

28. Fraze T, Jiang HJ, Burgess J. Hospital Stays for Patients with Diabetes, 2008: Statistical Brief #93. Healthcare Cost and Utilization Project (HCUP) Statistical Briefs. Rockville (MD): Agency for Healthcare Research and Quality (US); 2010. 29. Kumar VA, Ledezma ML, Idroos ML, Burchette RJ, Rasgon SA. Hospitalization rates in daily home hemodialysis versus peritoneal dialysis patients in the United States. *Am J Kidney Dis.* 2008;52(4): 737-744.

30. Lipsky BA, Tabak YP, Johannes RS, et al. Skin and soft tissue infections in hospitalised patients with diabetes: culture isolates and risk factors associated with mortality, length of stay and cost. *Diabetologia*. 2010;53(5):914-923.

 Nirantharakumar K, Saeed M, Wilson I, et al. In-hospital mortality and length of stay in patients with diabetes having foot disease. *J Diabetes Complications*. 2013;27(5):454-458.
Kausto J, Viikari-Juntura E, Virta LJ, Gould R, Koskinen A, Solovieva S. Effectiveness of new legislation on partial sickness benefit on work participation: a quasi-experiment in Finland. *BMJ Open*. 2014;4(12):e006685.

33. Power N, Franck L. Parent participation in the care of hospitalized children: a systematic review. *Journal of Advanced Nursing*. 2008;62(6):622-641.

34. Chung PJ, Garfield CF, Elliott MN, Carey C, Eriksson C, Schuster MA. Need for and use of family leave among parents of children with special health care needs. *Pediatrics*. 2007;119(5):e1047-e1055.

35. Johnson EA, Zubair MM, Armsby LR, et al. Surgical quality predicts length of stay in patients with congenital heart disease. *Pediatric Cardiology*. 2016;37(3):593-600.

36. Liu M, Druschel CM, Hannan EL. Risk-adjusted prolonged length of stay as an alternative outcome measure for pediatric congenital cardiac surgery. *Annals Thorac Surg.* 2014;97(6):2154-2159. 37. French AE, Tsangaris E, Barrera M, et al. School attendance in childhood cancer survivors and their siblings. *J Pediatr*. 2013;162(1):160-165.

 Price RA, Stranges E, Elixhauser A. Pediatric Cancer Hospitalizations, 2009: Statistical Brief #132. Agency for Healthcare Research and Quality Healthcare Utilization Project. 2012.
Kaul S, Korgenski EK, Ying J, et al. A retrospective analysis of treatment-related hospitalization costs of pediatric, adolescent, and young adult acute lymphoblastic leukemia. *Cancer Medicine*. 2016;5(2):221-229.

40. Lasky T, Krieger A, Elixhauser A, Vitiello B. Children's hospitalizations with a mood disorder diagnosis in general hospitals in the united states 2000-2006. *Child Adolesc Psychiatry Ment Health*. 2011;5:27-27.

41. National Hospice and Palliative Care Organization (NHPCO). NHPCO Facts and Figures: Hospice Care in America. 2015. Available at: http://www.nhpco.org/sites/default/files/public/Statistics_Research/2015_Facts_Figures.pdf.

42. Boyd CM, Landefeld CS, Counsell SR, et al. Recovery of activities of daily living in older adults after hospitalization for acute medical illness. *J Am Geriatr Soc.* 2008;56(12):2171-2179. 43. Aminzadeh F, Dalziel WB. Older adults in the emergency department: a systematic review of patterns of use, adverse outcomes, and effectiveness of interventions. *Ann Emerg Medicine*. 2002;39(3):238-247.

44. Schmitz H, Stroka MA. Health and the double burden of full-time work and informal care provision — Evidence from administrative data. *Labour Economics*. 2013;24:305-322.

About WORLD: The WORLD Policy Analysis Center aims to improve the quantity and quality of globally comparative data on policies affecting human health, development, well-being, and equity. With this data, WORLD informs policy debates, facilitates comparative studies of policy progress, feasibility, and effectiveness, and advances efforts to hold decision-makers accountable.

worldpolicycenter.org