This White Paper was prepared as part of the ongoing research and policy evaluation work by the Minnesota Department of Health’s Center for Health Equity, using publicly available information and materials. 
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March 13, 2015

Dear Legislators:

The common understanding is that health care is the major contributor to health. That’s why people often look to the insurance industry, health care providers, and health systems to address their health concerns. However, there is increasing evidence that the major factors driving health are outside of the health care system. We now know health is mostly related to the social and economic conditions within our communities. We also know these conditions are created and influenced by social and economic policies and systems that have developed over many years. Unfortunately, in too many cases these policies systematically disadvantage populations of color, rural communities, American Indians and low-income individuals. This leads to health disparities and inequities.

This white paper on “Paid Leave and Health” highlights the links between socio-economic factors and health, and underscores how a lack of access to paid sick and family leave contributes to health disparities. Key points from the white paper include:

• With paid leave policies, people are healthier. People with paid leave use less sick time and health care and their children do better in school. Paid maternity leave contributes to better maternal mental and physical health, better prenatal and postnatal care, more breastfeeding, and greater parent/infant bonding. Elders cared for by family members with paid leave more often enjoy a higher quality of life.
• People with lower incomes, part-time workers, and single parents are least likely to have access to paid sick and family leave. These groups are disproportionately populations of color and American Indians. These disparities in access to paid leave have a cascading effect on families and communities, including children, the elderly and people with disabilities.

This white paper clearly outlines the benefits of paid leave policies not only for individuals and families but also for employers. Employers offering paid sick and family leave enjoy economic benefits including improved recruitment, retention, and morale of employees. Conversely, a lack of employee access to paid leave results in costs for employers including lost labor time, costs related to the spread of illness and disease, and challenges in employee recruitment and retention.

Paid sick and family leave is an economic issue, but this paper indicates it is also a public health issue. The issue is particularly important to populations of color and American Indians, who are statistically less likely to work in jobs offering paid leave. With Minnesota’s increasingly diverse population, paid sick and family leave policies offer an effective tool for reducing disparities and advancing health equity.

Sincerely,

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Executive Summary

Safe, stable and nurturing relationships and environments are the foundation for life-long health. These conditions are necessary for children to thrive; people who are able to both provide for and care for their children and other family members are themselves healthier, and their loved ones are, too. When families are able to care for one another it strengthens not only the individual, not only the family, but the entire community.

Healthy individuals, families and communities are the foundation of well-functioning, productive societies. Many factors contribute to health, including the policies and systems that shape the nature of everyday life. Among these policies, the availability of paid leave is a key contributor, as it creates the opportunity for family members to provide care and support for one another. Paid leave policies make it possible for people to both earn a living and care for their loved ones.

Many people in Minnesota do have access to paid leave from work to care for themselves and loved ones, but many do not. In fact, there are significant inequities. The people who are less likely to have access to paid leave – those with lower incomes, part-time workers, and single parents – are also from the populations experiencing the greatest disparities in health outcomes, including populations of color and American Indians. These disparities in access to paid leave have a cascading effect on families and entire communities, including children, the elderly and people with disabilities.

The benefits of paid leave policies do not accrue only to individuals or families. Employers, communities, and systems all benefit from people being able to take care of each other and also fulfill their job responsibilities. When paid leave policies are present, people are healthier, they use less sick time, they need less health care, and their children do better in school. Mothers who take paid leave experience improvements in mental and physical health, receive better prenatal and postnatal care, breastfeed their babies for longer periods of time, and experience greater bonding with their children. Elders who are cared for by family members often have a higher quality of life. Workers who have access to paid leave are more likely to schedule and attend preventive care visits with providers, and those who take paid leave while sick experience faster recovery and prevent the spread of illness and disease in the workplace.
Summary of Findings

- Paid sick leave and paid family leave are associated with many positive health outcomes for employees and their families. This includes lower rates of on-the-job injuries, increased use of preventive care, less stress and better maternal and child health outcomes, including lower rates of infant mortality.

- The job protections under current family leave laws allow covered employees to take time from work to care for their own health needs and to care for family members, including new children – if they can afford to go without the income.

- Access to paid sick leave is not evenly distributed across occupations or industries. Employees in low-wage occupations are least likely to have access to paid sick leave and are the least able to forego wages to take time off to recover when sick, visit their health care provider, or care for others who may be sick.

- The same employees least likely to have paid sick leave or the financial capacity to forego wages are in occupations most likely to have contact with the public, especially food services, long-term care and health care.

- The lack of access to paid sick leave has public health implications and has contributed to contagious disease outbreaks. In Minnesota, at least 208 outbreaks of foodborne illness were linked to employees working while sick between 2004 and 2013, and 579 outbreaks were associated with person-to-person transmission in public settings from 2004 to 2011.

- Some of the communities most negatively impacted by factors associated with poor health—poverty, unsafe or unstable housing, and hunger—are also disproportionately affected by inadequate access to paid sick and family leave.

- Gaps in current laws on paid sick and family leave contribute to health inequities beginning early in life and have significant implications for other disparities among children.

- Research supports increasing access to paid leave to improve health and income, reduce inequities and disparities starting in childhood, and reduce disease outbreaks.

- Inadequate access to paid leave adds significant costs to Minnesota employers’ health care expenses and adds to the costs of publicly-funded health care programs.
PAID LEAVE AND HEALTH

This paper explores the factors associated with access to leave, as well as the impact paid leave policies have on the health and economic well-being of workers, their families, and the public.

Key findings are based both on a theoretical framework and empirical evidence and include:

▪ Paid parental leave is linked to lower infant mortality rates and better health for both infants and mothers. Neuroscience and behavioral research confirm that the foundation for future relationships, health, and the capacity to learn and thrive throughout life begins before birth and is influenced strongly prenatally and during the first three years of life. There is mounting evidence demonstrating the importance of a healthy birth and safe, stable, nurturing relationships and environments for a thriving childhood and a healthy future. Paid maternal/paternal leave strengthens bonds and decreases chronic stress among families with newborns, with long-term health benefits.

With paid leave, mothers and babies experience improved rates and duration of breastfeeding, which improves health for both mother and child. Moreover, new mothers recover and adjust better after childbirth, leading to better mental and physical health for both mothers and children.

▪ People with paid sick leave are more likely to visit their health care providers for timely care and recover more quickly from an illness. Quicker recovery has benefits for both employees and employers, including improved productivity and fewer injuries. Employees who have paid sick time are less likely to suffer occupational injuries.

▪ Paid sick leave policies could protect the health of the public and reduce costs to our community by limiting the spread of infectious diseases. For example, options for paid sick leave might provide an incentive for food workers to stay home while sick rather than working and potentially spreading an illness.

▪ Access to paid leave and the ability to take paid leave are not available equally across populations of different income levels or race/ethnicity. Structural racism is a factor not only in health disparities but also in the conditions that create health, such as paid leave policies.1 People of color and American Indians are more likely than white Minnesotans to be in low-paying, less secure jobs with few benefits.

▪ Under current law in Minnesota, the characteristics of an employer largely determine an employee’s access to paid sick, parental or family leave, rather than an employee’s health status or risk of contagion to the general public. Small employers and lower-paying jobs are

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less likely to provide paid leave -- a problem compounded by the fact that workers in low-paying jobs are also less likely to be able to take advantage of unpaid leave.

▪ Many of the employees least likely to have paid sick leave and least able to forego wages are working in jobs with high degrees of public contact, such as restaurant and food service workers. Their inability to take leave from work while contagious risks public health and can be linked to hundreds of disease outbreaks in Minnesota over the last decade.

▪ Research suggests that flexible, family-friendly policies such as paid leave result in economic benefits to employers, including improved recruitment, retention, and morale of employees. Conversely, a lack of paid leave benefits results in indirect costs to employers, including lost labor time, costs related to the spread of illness and disease, and challenges in employee recruitment and retention.

Current laws contribute to the differences in employees’ ability to take leave from work when sick or for family health concerns, and may be contributing to health inequities in Minnesota. Minnesota does not have laws requiring leave to be paid, making time off from work unaffordable for many employees; nor are all employees covered by current federal and state family medical leave laws.

While there have been some adjustments to both Minnesota and federal employee leave laws since their original passage, few changes have been made on two key issues: 1) wage replacement for employees while on leave; and 2) expansion of some minimal leave protections and benefits to all employees, regardless of the size of their employer, the number of hours worked, or the length of time they have worked for their employer. The evidence is strong that failure to address these two issues may be contributing to overall health inequities observed in Minnesota.

The state’s population is growing more diverse at the same time that employment is expected to grow rapidly in some of the industries least likely to provide paid sick, family and parental leave. Minnesota may see increasing disparities and unnecessary health care costs if these issues are not considered and addressed.
Introduction

The mission of the Minnesota Department of Health (MDH) is to protect, maintain and improve the health of all Minnesotans. In 2014, MDH released *Advancing Health Equity in Minnesota: Report to the Legislature*. The health equity report documented the multiple factors that create opportunities for individuals to be healthy, which extend far beyond medical care. It also noted, “Health is created in the community through social, economic and environmental factors as well as individual behaviors and biology.” A follow-up white paper on *Income and Health* provided an example of the impact of one of these factors by documenting a clear relationship between income and health. This analysis of the health implications of paid leave policies is an important next step in the much broader discussion of the relationships between employment stability, economic security and health.

In the United States, there is no universal paid leave policy available for all employees across private or public settings. Figure 1 provides the national context for access to paid leave benefits. This figure indicates that in the U.S., approximately six out of ten workers have access to paid sick time – eight out of ten full-time employees and one out of four part-time employees. Approximately one in ten has access to paid family leave.


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A delegation of members from the Minnesota Legislature requested that MDH review currently available research to evaluate the links between paid leave and health. The MDH Center for Health Equity (CHE) prepared this report. The MDH Center for Health Equity was established in December 2013 with the intent of bringing an overt and explicit focus on health equity to the efforts of MDH. The Center brings together the expertise of the Minnesota Center for Health Statistics and the Office of Minority and Multicultural Health, as well as the Eliminating Health Disparities Initiative.

This report adds to the analysis of the conditions and opportunities that create health by examining the current data and literature on the relationship between various forms of paid leave from work (e.g., sick time, family leave and parental leave) and health. Specifically, this paper considers the relationships between paid leave and maternal and child health, occupational safety and health, and the prevention of communicable diseases.

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6 In August 2014, a group of Minnesota legislators requested that MDH conduct an analysis of paid leave and health. This letter is available upon request.
Methodology/Sources

In this report, the research and data relating to paid sick and family leave are largely national in scope. While this report includes Minnesota-specific information, availability is limited. Some of the state-level analyses are produced by organizations that advocate for these issues, such as the Institute for Women’s Policy Research, affiliated with George Washington University. These sources are noted in the paper. It is also important to note that different data collection methodologies and definitions of terms occasionally result in variations in estimates.

For purposes of this paper, paid sick time refers to a partial or full continuation of wages that allows employees to take time off from work (usually up to a limit established by the employer) to address their own or a family member’s health concerns. Family leave refers to time from work taken to address major health concerns that are often longer-term or chronic, for either the employee (medical leave) or other family members. Parental leave is used by mothers and fathers to care for a new child in the family. Maternity/paternity leave refers to time away from work for mothers or fathers after the birth, adoption or fostering of a new child. Family, parental and maternity leave may be paid or unpaid, as noted in the paper.
Findings

#1: There is a strong link between health and access to paid leave to care for personal health or the health of family members.

PAID LEAVE ALLOWS PARENTS TO SPEND TIME WITH NEW INFANTS, RESULTING IN BETTER HEALTH FOR BOTH INFANTS AND MOTHERS.\(^7,8,9\)

During pregnancy and the first 1,100 days of life, the brain is developing and forming neural pathways at its most rapid rate of the entire life course.\(^10\) Research also demonstrates that while genes are responsible for basic architecture of the brain, there is not enough genetic information to prescribe the final wiring. Experience and environment play critical roles in developing the capacity and functionality of the brain. Parents and caregivers determine the types of experiences and environments to which very young children are exposed. Therefore, relationships – and the nature of those relationships – are critical to the healthy development of young children. Parents, caregivers, and communities must cultivate safe, stable, and nurturing relationships in order to provide positive experiences and environments for very young children.\(^11\)

The opposite is also true. Research into adverse childhood experiences, trauma, and toxic stress for infants and toddlers lacking these types of relationships also shows that adverse experiences can negatively influence the health, economic standing, and educational success of individuals and have an intergenerational impact.\(^12\)

The addition of a new baby into a family may be a precipitating event, causing the family to enter or fall deeper into poverty. Poverty is important because economic disadvantage may have cascading effects on many aspects of family life, including limited parent-child interaction time due to overtime work, multiple jobs, or shift work; a lack of child care choices to meet the needs of the family; and raising children in a neighborhood that is more dangerous, has less food security, and has fewer community resources than more affluent neighborhoods. Parents living at or below poverty and those who are low income are often one event or one sick child


\(^11\) Ibid.

\(^12\) Middlebrooks, Jennifer, and Natalie Audage. 2008. *The Effects of Childhood Stress on Health Across the Lifespan*. Centers for Disease Control and Prevention, National Center for Injury Prevention and Control.
away from losing a job. These kinds of conditions can lead to high levels of stress in families’ everyday environments, which in turn can affect children’s development.\(^{13}\)

When parents have job-protected leave and can afford to spend more time with their new children, they generally do so. Low-income working parents take shorter leaves than more well-off parents. However, in California, when low-income mothers were provided partial paid leave through the state’s paid family leave program, they doubled the length of time they took off to spend with their infants from 3 to 6 weeks.\(^{14}\)

Research has identified likely pathways through which the additional time parents have with their children results in better health outcomes:

- **Maternity leave** is associated with higher rates of breastfeeding and breastfeeding for longer periods of time. The benefits of breastfeeding to children’s health have been widely researched and documented, including lower rates of mortality, malnutrition and infection.\(^{15}\) In one study, for instance, duration of breastfeeding increased by one-third of a month for every additional month not at work.\(^{16}\) This observation is confirmed in Minnesota: The Pregnancy Assessment and Monitoring System (PRAMS) survey found that the mothers who were still on maternity leave three months after giving birth were more likely to be breastfeeding than those who said they were already working or in school.\(^{17}\) When California implemented its paid parental leave program, it increased the likelihood and duration of breastfeeding among all mothers, but especially those in “low quality jobs.”\(^{18}\)

- **Parental leave** is associated with higher rates of vaccinations, well child check-ups and timely health care provider visits when infants become sick.\(^{19}\)

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\(^{13}\) Center on the Developing Child at Harvard University. *The Long Reach of Early Childhood Poverty: Pathways and Impacts.* Available at [http://www.developingchild.harvard.edu](http://www.developingchild.harvard.edu)


\(^{17}\) Minnesota Pregnancy Risk Assessment System (PRAMS), Minnesota Department of Health. Made possible by a grant from the Centers for Disease Control and Prevention.


Parental leave provides more time for maternal health recovery. The available research on new mothers’ health shows that women need several months to fully recover from childbirth. More than six weeks are needed for women’s reproductive organs to go back to their non-pregnant state, and many medical disorders, fatigue, discomfort, and risk of infection last beyond three months.20

Postpartum depression and other mood disorders are experienced by at least one in 10 new mothers and may develop as late as three to six months after birth. Although the research on the association between length of maternity leave and maternal depression is not conclusive, researchers have found that longer leaves (up to six months) are associated with decreased symptoms of maternal depression.21 Maternal depression, if left unaddressed, can have serious negative impacts on children’s physical and mental health and cognitive development.22

Parental leave provides parents time to bond with children during a critical time in the child’s development. Researchers have determined the “vital importance of establishing a strong and healthy mother-infant bond beginning in the early months of life.”23

Paid parental leave is associated with significantly better infant health, including fewer infant deaths.24 The positive effects of parental leave on infant mortality were observed only when the leave was paid. There were “no significant effects with unpaid or non-job-protected leave.”25 Examining data across countries and states with varying policies, researchers found lower infant mortality rates, especially during the post-neonatal period (infants between 28 and 365 days old), when their parents could take leave with pay.26 (See Appendix A for Minnesota infant mortality rates.)

Across European countries, job-protected paid leave policies have produced tangible reductions in mortality rates. Increasing the length of paid leave periods resulted in a greater reduction in infant mortality rates.27,28,29

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21 Ibid.
25 Ibid.
26 Ibid.
In the U.S., infant mortality rates were considerably lower when mothers were provided partial pay and able to take advantage of the full 12 weeks of leave.\(^{30}\)

**PAID SICK LEAVE ALLOWS EMPLOYEES TO CARE FOR OTHERS FOR WHOM THEY ARE RESPONSIBLE.** Many employees are responsible for the care of their children or other family members. Paid sick leave makes it easier to manage the tasks of arranging health care provider visits and directly providing care and nurturing, which reduces stress. Having paid sick days is associated with lower rates of worry about family members’ health while on the job.\(^{31}\) The worry that results from a lack of access to paid sick days contributes to stress that can negatively affect the health and productivity of the employee, resulting in more absenteeism. In fact, workers without paid time off have a greater risk of taking six or more sick days than workers with paid time off.\(^{32}\)

An analysis of national survey data found that employees without paid sick leave delayed seeking care or were unable to obtain medical care for a family member.\(^{33}\) One-third of the lowest income workers (family incomes less than $35,000 per year) without paid sick days reported delaying or not seeking care for a family member.\(^{34}\) In a survey of California workers, 44 percent of parents said they had sent their children to school sick because of a lack of sick days.\(^{35}\)

Children in low-income families are especially likely to need to visit their health care provider, as they have a greater likelihood of having chronic health conditions such as asthma and developmental challenges.\(^{36}\) However, in 2009 it was estimated that only 30 percent of low-income parents with a child with poor or fair health had paid sick leave.\(^{37}\)

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\(^{32}\) Ibid.


\(^{34}\) Ibid.

\(^{35}\) Ibid.


\(^{37}\) Ibid.
Many working adults are responsible for caring for older relatives and spouses. There were an estimated 66 million unpaid family caregivers in the U.S. in 2009. Thirty-eight percent provided care to an older relative. Their care needs were often great: dementia, mental illness, cancer, heart disease, and stroke. Nearly three-fourths (73 percent) of caregivers were employed at least some of the time, and often caregiving affected their ability to work. Access to paid sick time would allow these caregivers greater flexibility to care for their family members.

PAID SICK DAYS ARE ASSOCIATED WITH MORE VISITS TO HEALTH CARE PROVIDERS, REGARDLESS OF WHETHER PEOPLE HAVE HEALTH INSURANCE. Clinic visits help maintain health through preventive care and check-ups and may avert hospitalization if issues are caught early and treated. Workers with paid sick leave were found to be significantly more likely to have routine cancer screenings than those without. People with access to paid sick days are less likely to seek emergency room care for themselves, their children or other family members than those without paid sick days.

PAID SICK DAYS ARE ASSOCIATED WITH LOWER RATES OF WORKING WHILE SICK AND FASTER RECOVERY FROM ILLNESS. Employees with paid sick leave are more likely to take time off when sick than are employees without paid sick leave. Conversely, employees without paid sick leave are more likely to go to work even though they are ill. Failure to take time from work to recover may increase the severity or duration of an illness. One analysis found that the average number of days in bed due to illness was significantly lower for those with paid sick days than for those without sick days.

PAID SICK DAYS ARE ASSOCIATED WITH LOWER RATES OF OCCUPATIONAL INJURIES, ESPECIALLY FOR EMPLOYEES WORKING IN INDUSTRIES WITH HIGH RATES OF PHYSICAL INJURY. Employees with paid

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39 Ibid.
40 Ibid.
44 Ibid.
sick leave had a 28 percent lower chance of a nonfatal injury than those without paid sick leave. The greatest impact of paid sick leave was found in industries with higher rates of nonfatal injuries, including construction, manufacturing, agriculture, health care, and social assistance. Likely reasons include less pressure on employees who are fatigued or who are taking medication to go to work while sick, which may compromise their ability to perform tasks safely. The greatest impact of paid sick leave on injury reduction was found among workers at risk of injury caused by machines and being struck by objects.\textsuperscript{47}

#2: Lack of access to paid leave can result in significant health implications and costs for workers and the community.

In Minnesota, from 2004-2013, sick or recently sick food workers were identified as the source or likely source for 208 confirmed foodborne outbreaks that resulted in 2,996 documented illnesses.\textsuperscript{48} The Infectious Disease Epidemiology, Prevention and Control Division of MDH receives and investigates reports from local public health agencies, physicians, institutions and other sources regarding potential illness outbreaks. Because not all foodborne illnesses are recognized or reported to MDH, the figures likely greatly underestimate the number of cases and incidences of foodborne illness.

Interviews with patrons and staff traced these outbreaks to ill food workers handling ready-to-eat food items such as salads and sandwiches in restaurant, catering, or cafeteria settings. In other foodborne outbreaks, ill or convalescent patrons contaminated shared food (e.g., self-serve food items in a wedding reception buffet or a school cafeteria).

By far, the most commonly spread illness was norovirus.\textsuperscript{49} Other outbreaks traced to employees who were sick or who had recently cared for sick family members were \textit{Salmonella}, \textit{E. coli 0157}, Hepatitis A, and Group A Streptococcus.\textsuperscript{50}

 \textsuperscript{48} By far, the most commonly spread illness was norovirus.\textsuperscript{49} Other outbreaks traced to employees who were sick or who had recently cared for sick family members were \textit{Salmonella}, \textit{E. coli 0157}, Hepatitis A, and Group A Streptococcus.\textsuperscript{50}
Table 1: Foodborne Illnesses MN: 2004-2013

<table>
<thead>
<tr>
<th></th>
<th>Number of Outbreaks</th>
<th>Number of Cases</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food worker ill or recently ill</td>
<td>208</td>
<td>2996</td>
</tr>
<tr>
<td>Food worker cared for ill family member</td>
<td>6</td>
<td>65</td>
</tr>
<tr>
<td>Total</td>
<td>214</td>
<td>3061</td>
</tr>
</tbody>
</table>

Source: Minnesota Department of Health

Foodborne illness outbreaks are costly to our community. One study found that the average cost per case of norovirus in the U.S. was $673 for the enhanced cost-of-illness model and $530 for the basic model.\(^{51}\) Multiplying those figures by the 2996 cases of foodborne illness traced to ill workers in Minnesota, 98% of which were norovirus,\(^{52}\) shows that these outbreaks cost Minnesotans an estimated $1.6 million to $2 million between 2004 and 2013.

In addition to foodborne outbreaks, gastrointestinal illness outbreaks occur in other settings, especially long-term care facilities, schools, child care settings, group homes and treatment facilities. In addition to ill employees, disease is spread in these settings by children attending school or child care while sick because their parents lack access to paid sick time. These settings not only share the characteristic that they provide services to people who often have vulnerable immune systems (children and the elderly), they are also staffed by people working in some of the state’s lowest-paid occupations. It is estimated that two thirds of influenza cases are caused by contact with sick individuals and contaminated surfaces in schools or community settings.\(^{53}\)

From 2004 through 2011, the Department received more than 20,000 reports of illnesses confirmed or suspected to have been spread through person-to-person contact in these settings. Norovirus was the most commonly reported illness, but *E. coli* (especially in child care settings), *Salmonella* and other contagious diseases were also reported.\(^{54}\) (See Appendix B for numbers and sites of gastrointestinal illness person-to-person transmission outbreaks in Minnesota.)


\(^{52}\) Minnesota Department of Health, Infectious Disease Epidemiology, Prevention and Control Division


\(^{54}\) Minnesota Department of Health, Infectious Disease Epidemiology, Prevention and Control Division.
Nursing home residents are particularly susceptible to contagious illnesses that can result in death. A study done in the 1990s in New York found a significantly lower rate of infectious disease outbreaks in nursing homes where staff had paid sick leave, compared to those without the benefit, among other factors.\(^\text{55}\)

Serious past or current outbreaks of other diseases in the U.S. and in other countries include meningitis, Severe Acute Respiratory Syndrome (SARS), Ebola, and the H1N1 flu. The Minnesota Department of Health and the federal Centers for Disease Control and Prevention (CDC) are continually monitoring diseases and developing preventive and early intervention strategies to stop their spread or eradicate them. The harm of a widespread outbreak of infectious disease could be devastating. The Trust for America’s Health, using a CDC model, estimates that 39,000 Minnesotans would die in a serious flu pandemic.\(^\text{56}\)

Isolating people who are sick and keeping people from congregating at work and other settings are primary methods recommended for stopping the spread of highly contagious diseases.

#3: Access to paid sick and family leave is not distributed equally among working Minnesotans and is often unrelated to employees’ health needs or their attachment to the workforce (length of work history or hours worked).

**EMPLOYER SIZE AND INDUSTRY SECTOR ARE ASSOCIATED WITH LEAVE AVAILABILITY.** In March 2014, 89 percent of employees in state and local government had access to paid sick leave, compared to 61 percent of employees in private industry. In private industry, large employers (81%) are more likely to provide paid sick leave than small employers (50%).\(^\text{57}\)

**ACCESS TO PAID SICK LEAVE VARIES GREATLY BY INDUSTRY AND TYPE OF JOB.** Employees are least likely to have access to paid sick leave in service jobs, such as waiters, personal care attendants, dental and medical assistants, and child care workers. Other employees with low rates of access to paid sick leave are farmers, forestry workers, and construction, building grounds and maintenance workers. Figure 2 shows the wide range of access to paid sick leave across occupations in Minnesota.\(^\text{58}\)

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EMPLOYEES WITH THE LOWEST INCOMES HAVE THE POOREST ACCESS TO PAID SICK LEAVE. Figure 3 shows access to paid sick leave by income. This graph illustrates that the percentage of employees with access to paid sick leave among employees with wages in the 90th percentile ($42.80/hour or higher) was four times higher than the percentage of employees with access to paid sick leave for the lowest income group ($8.99/hour or lower)\textsuperscript{59}.

\textbf{Figure 3}

![Access to Paid Sick Leave by Income - Rates for All Civilian Employees, U.S. (2014)](image)

Source: U.S. Bureau of Labor Statistics

ACCESS TO SICK LEAVE VARIES BY RACE. Long-standing systemic patterns and biases in employment, occupation and education have resulted in certain racial and ethnic groups being concentrated in occupations with low rates of paid sick leave and other benefits. Figure 4 shows that people of color are estimated to be less likely to have sick leave than whites. Similar to other indicators by race, disparities are greater in Minnesota than in the US overall.\textsuperscript{60,61}

![Figure 4: Access to Paid Sick Leave by Race and Ethnicity: Minnesota, 2012](source: Institute of Women’s Policy Research)

THERE IS UNEQUAL ACCESS TO PAID FAMILY LEAVE BASED ON INCOME AND EDUCATION. Table 2 indicates that employees with the lowest wages are the least likely to have access to benefits that would replace some or all of their wages while on family leave.\textsuperscript{62} This table also illustrates that few employees—even in the highest wage groups—have access to paid family leave.

<table>
<thead>
<tr>
<th>Paid Family Leave</th>
<th>All Jobs</th>
<th>Lowest Wage Quartile</th>
<th>Highest Wage Quartile</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>12%</td>
<td>5%</td>
<td>21%</td>
</tr>
</tbody>
</table>

Source: US BLS 2013 National Compensation Survey of Employers

Figure 5 indicates that access to paid leave increases with the education level of mothers. While access to paid leave is not universally available to mothers at any educational level, women with more education are more likely than women with less education to support their time

\textsuperscript{60} Institute for Women’s Policy Research. 2014. \textit{Paid sick days access varies by race/ethnicity, sexual orientation and job characteristics}. Working paper #B337. Available at www.iwpr.org

\textsuperscript{61} Institute for Women’s Policy Research. 2014. \textit{Access to paid time in Minnesota}. Briefing paper #B344. Available at www.iwpr.org

away from work with paid leave (which includes maternity, sick, vacation and other paid leave) and disability leave.\textsuperscript{63}

**Figure 5**

![Mothers' Access to Paid Leave by Education: U.S. 2006-2008](image)

Source: U.S. Census

**FAMILY LEAVE PARTICIPATION AND ACCESS TO FAMILY LEAVE VARY BY RACE AND ETHNICITY OF THE MOTHER.** Table 3 indicates racial and ethnic variation in the percentage of mothers who took maternity leave after the birth of their last child. This table also indicates that access to maternity leave varied by mothers’ race and ethnicity.\textsuperscript{64}

**Table 3: Participation in and Access to Maternity Leave by Race/Ethnicity: U.S., 2013**

<table>
<thead>
<tr>
<th></th>
<th>Maternity Leave After Last Childbirth</th>
<th>No maternity leave because employer did not offer or allow</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>72%</td>
<td>3%</td>
</tr>
<tr>
<td>Black</td>
<td>64%</td>
<td>10%</td>
</tr>
<tr>
<td>Multiple Race</td>
<td>76%</td>
<td>3%</td>
</tr>
</tbody>
</table>


Maternity Leave After Last Childbirth  
No maternity leave because employer did not offer or allow

<table>
<thead>
<tr>
<th>Hispanic</th>
<th>63%</th>
<th>8%</th>
</tr>
</thead>
</table>

Source: CDC National Survey of Family Growth

EMPLOYEES LEAST LIKELY TO HAVE PAID SICK LEAVE AND LEAST ABLE TO FOREGO WAGES ARE CONCENTRATED IN JOBS WITH HIGH DEGREES OF PUBLIC CONTACT. Many years of epidemiological data collection and research has established a strong connection between disease outbreaks and employees working while sick. The CDC estimates that each year roughly 1 in 6 Americans (48 million people) get sick, 128,000 are hospitalized, and 3,000 die of foodborne diseases.65 Many of the illnesses can be traced to employees working while sick—more than half of all foodborne illness outbreaks are associated with restaurants.66

IN MINNESOTA, MANY EMPLOYEES WORKING IN JOBS WITH THE LEAST ACCESS TO PAID SICK LEAVE AND WITH THE LEAST FINANCIAL CAPACITY TO FOREGO WAGES HAVE JOBS WITH HIGH DEGREES OF PUBLIC CONTACT. Table 4 estimates the number of Minnesota employees in the five lowest-wage occupation groups without paid sick leave.67 Three of the five occupational groups—85 percent of employees in this low-wage category—have a high risk of transmitting disease to the public.

Table 4: Estimated of Access to Paid Sick Leave for Five Lowest Wage Occupations: Minnesota (2013)

<table>
<thead>
<tr>
<th>Five lowest annual mean wage occupations</th>
<th>Approx. % of employees without sick leave</th>
<th>Approx. Number of Employees without paid sick leave</th>
<th>Annual Mean Wage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food preparation and serving-related</td>
<td>79%</td>
<td>180,300</td>
<td>$20,800</td>
</tr>
<tr>
<td>Personal care and service</td>
<td>72%</td>
<td>77,900</td>
<td>$24,560</td>
</tr>
<tr>
<td>Building grounds cleaning and</td>
<td>57%</td>
<td>45,400</td>
<td>$26,430</td>
</tr>
</tbody>
</table>

# Five lowest annual mean wage occupations

<table>
<thead>
<tr>
<th>Maintenance</th>
<th>Approx. % of employees without sick leave</th>
<th>Approx. Number of Employees without paid sick leave</th>
<th>Annual Mean Wage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health care support</td>
<td>45%</td>
<td>42,500</td>
<td>$29,020</td>
</tr>
<tr>
<td>Farming, fishing and forestry</td>
<td>85%</td>
<td>3,000</td>
<td>$30,910</td>
</tr>
</tbody>
</table>

Sources: MDH calculations

#4: Gaps in current paid leave laws contribute to the differences in employees’ ability to take leave from work for personal or family health concerns, causing a structural inequity that creates unequal opportunity for health.

In March 2014, paid sick leave was available to approximately two-thirds of the U.S. civilian workforce. This is an increase over 20 years ago, due in part to an increase in white-collar jobs.\(^6^8\)

It is important to note that many employers do offer paid sick leave, and some offer paid family leave benefits, even though they are not required to do so. Nationally, one-half of employees of small employers—those employers least likely to provide paid sick leave—had paid sick leave in 2014. However, as shown above, those without paid leave are more often members of populations that are most disadvantaged.

IN MINNESOTA, THERE ARE NO FEDERAL OR STATE REQUIREMENTS FOR EMPLOYERS TO PROVIDE PAID SICK TIME OR PAID FAMILY LEAVE. The federal Family and Medical Leave Act (FMLA), and Minnesota’s Parental Leave Law and Safe and Sick Leave laws provide job-protected leave that benefits many employees, but the laws do not cover all employers or employees. Both the federal and state laws have allowed hundreds of Minnesota employees to take time off without pay to address their own health needs or care for family members, without fear of losing their jobs. Nationwide, in 2012, thirteen percent of employees took leave from their job under the FMLA.\(^6^9\) The most common reasons:

- Employee’s own illness—55%

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- Pregnancy or a new child—21%
- Illness of a spouse, child or parent—18%

Most leaves were for 10 days or fewer.

However, the federal law applies only to employees who work for an employer with 50 or more employees within 75 miles of their work site and who have worked at least 1,250 hours per year for at least one year for that employer. Employees who work multiple jobs, have recently changed employers or work for smaller employers are not covered. Nationally, it is estimated that 59 percent of employees work for large employers and meet the tenure and hours worked criteria that allow them to be covered under the FMLA.70

Many of the employees who do not qualify for FMLA are strongly attached to the labor force—they have long work histories and have worked many hours—but do not meet the 12-month tenure requirement because they work in industries that have high turnover, seasonal fluctuations or contingent work assignments (e.g., construction and landscaping) or work multiple part-time jobs simultaneously. It is estimated that approximately two-fifths of women of childbearing age are ineligible for FMLA.71

Minnesota’s parental leave law extends coverage to smaller employers (21 or more employees), thereby expanding the number of parents to whom the law applies. It is roughly estimated that an additional 8 percent of Minnesota employees are eligible for parental leave through the state law. This is based on calculations of the impact of lowering the employer size requirement to 20 or more employees under the federal FMLA, estimated to increase the percent of eligible employees from 59 percent to 67 percent.72

Minnesota’s recently adopted “Sick and Safe Leave” law (MN Statute 181.9413) requires employers who provide personal sick leave benefits (paid or unpaid) also to allow employees to use their sick leave to care for an ill or injured minor child, adult son or daughter, spouse, sibling, parent or parent-in-law, grandchild, grandparent or step parent in the same manner. The law also applies to employees needing to provide or receive assistance because of sexual assault, domestic abuse or stalking. Employers can limit the use of sick leave for these purposes to 160 hours per year.

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70 Ibid.
The state law does not require employers who do not provide paid sick leave to do so, but it does require that any leaves taken under these new provisions be paid if the employer offers paid leave for other illness or injuries.

**MANY EMPLOYEES IN JOBS PROTECTED BY EITHER THE STATE OR FEDERAL LAW ARE UNABLE TO TAKE ADVANTAGE OF THE PROTECTIONS OF THESE LAWS IN THE ABSENCE OF SOME FORM OF WAGE REPLACEMENT.** Large-scale survey data and focus groups confirm that finances are a major reason why employees go to work sick or take shorter leaves under FMLA than they would prefer. Employees without FMLA protection also say that they go to work sick because of concerns about demotion to a less desirable work shift and fear of supervisor retaliation or job loss.

**THE LACK OF WAGE REPLACEMENT MAKES IT ESPECIALLY CHALLENGING FOR NEW PARENTS TO TAKE SIGNIFICANT TIME FROM WORK TO ESTABLISH A RELATIONSHIP WITH THEIR CHILD.** Higher-wage employees on leave may see little or no reduction in their income if they are able to combine paid vacation and sick time or other paid benefits that they did not exhaust while pregnant. A few may have access to paid parental leave or short-term disability insurance.

Leave laws have had little impact on parents with family incomes below $40,000, single-parent families, and parents with a high school degree or less. When parents are covered by three months of unpaid, job-protected leave, barriers to using that leave continue to exist for some groups. For example, parents in lower income groups who do not have access to paid leave benefits and have insufficient income reserves are unlikely to take advantage of unpaid leave from their employer.

**MOTHERS WITH THE LOWEST EDUCATIONAL LEVELS ARE MORE LIKELY TO BE UNEMPLOYED AROUND THE TIME OF THEIR CHILD’S BIRTH, EVEN THOUGH THEY WORKED DURING THEIR PREGNANCY, INCREASING THE LIKELIHOOD OF FINANCIAL INSECURITY AND STRESS IN THEIR FAMILIES.**

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73 Ibid.
The lack of leave options for women with less education (described above), combined with a greater likelihood for less-educated first-time mothers to quit or be let go from their jobs (in Table 5) indicates high levels of job and financial insecurity for these families.80

Table 5: Job Loss by Education of First-time Mothers: U.S., 2011

<table>
<thead>
<tr>
<th>Educational Attainment</th>
<th>Quit Job</th>
<th>Let go from job</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than High School</td>
<td>50%</td>
<td>11%</td>
</tr>
<tr>
<td>High School Grad</td>
<td>33%</td>
<td>7%</td>
</tr>
<tr>
<td>Some College</td>
<td>23%</td>
<td>5%</td>
</tr>
<tr>
<td>College Degree or Higher</td>
<td>13%</td>
<td>3%</td>
</tr>
</tbody>
</table>

Source: U.S. Census. 2011

JOB LOSS DUE TO LACK OF PAID LEAVE CAN RESULT IN HIGHER UTILIZATION OF PUBLIC ASSISTANCE OR PUBLICLY-FUNDED HEALTH CARE PROGRAMS. When they lose income from job loss, some parents turn to public assistance. Fifteen percent of FMLA leave takers who received no or partial pay said they used public assistance while on leave.81 Receiving public assistance provides families some income but, because of low payment amounts, at levels far below the federal poverty level.

On the other hand, low-income parents with access to paid leave were less likely to rely on public assistance, “even when controlling for other socioeconomic factors that might affect reliance on public assistance.”82

UNEQUAL ACCESS TO AND ABILITY TO TAKE PARENTAL LEAVE MAY BE WIDENING THE GAPS THAT BEGIN IN EARLY CHILDHOOD BETWEEN CHILDREN OF LOWER- AND HIGHER-INCOME PARENTS AND CONTRIBUTING TO LATER DIFFERENCES IN SCHOOL READINESS AND EDUCATIONAL ACHIEVEMENT. Since the federal law’s passage in 1993 (and in Minnesota, since 1987), higher-income families have benefitted more from the FMLA than lower-income families. In addition to greater

material resources and wealth, more affluent parents have generally been able to take time off from work to spend with their newborn or newly adopted children, starting them off in life with more advantages, including good health. During that same time, disproportionately more children of poorer parents whose employers do not offer paid leave benefits were unable to benefit from increased time with their parents.

#5: Paid sick, family and parental leave policies impact the economic security of community members and their capacity to care for one another.

The information on the relationship between income and access to paid leave suggests that current leave policies are contributing to the disparities in health described in the prior MDH paper on income and health. Because employees without access to leave are also more likely to be working in low wage jobs, they are often forced to choose between caring for their own or a family member’s health, or losing wages or possibly even their jobs. Going to work while sick or shortly after having a baby may allow them to maintain their jobs or income in the short-term, but may result in greater problems in the long-term.

Families with higher incomes experience these tradeoffs as well. An AARP analysis of the impact of adult children caring for their parents and others estimated high costs in terms of lost wages and lost Social Security benefits and pensions due to unpaid time away from work. Conservatively, the AARP estimated more than $300,000 in lost income per adult caregiver.83 Caregiving under these circumstances may have negative impacts on the caregiver’s health and is often associated with stress and depression.84

COMMUNITIES ALREADY EXPERIENCING HIGHER RATES OF POVERTY AND DISCRIMINATION ARE MORE LIKELY TO BE NEGATIVELY IMPACTED BY THE LACK OF PAID SICK AND FAMILY LEAVE POLICIES. Employees and their families make up communities, and community well-being is critically important to health and longevity as well. An earlier Department of Health report concluded, “The health of the individual is almost inseparable from the health of the larger community.”85 The communities in which residents disproportionately do not benefit from current leave policies are also those experiencing other barriers to good health due to structural racism and biases in other policies. This includes poverty, unsafe and unstable housing, and poor


educational outcomes. Recognition of these patterns in unequal access to employment benefits contributes to our understanding of the inequities in health outcomes.
#6: Research suggests that flexible and family-friendly policies result in economic benefits to employers.

Research suggests that a lack of paid leave can cost employers in lost labor time, costs related to the spread of illness and disease, and costs associated with recruiting and retaining employees.

Labor time lost due to health reasons results in diminished economic output. In one study, adults between the ages of 19 to 64 who were not working due to disability, chronic disease or other health reasons, who missed days due to illness, or who reported that they were unable to concentrate at work because of their own illness or the illness of a family member accounted for 885 million days’ worth of lost time at work. Nationally, the total labor time lost due to all of these factors represents lost economic output totaling $260 billion per year.

Costs to employers can also be incurred when a lack of paid leave benefits results in employees working while sick. Using the example of foodborne illnesses in which sick employees were identified as the source or likely source of an outbreak, employers may incur a range of costs due to factors such as liability, loss of business and disrupted production.

Research also suggests that providing short-term leave to employees can benefit employers by improving recruitment and retention of employees. Access to paid leave can provide an added incentive for workers to accept a position and have an impact on employees’ choice to remain in a position as an alternative to leaving the workforce when time away from work is needed. Another study noted that cost of replacing an employee was 21 percent of that employee’s annual salary, a cost that can be reduced with family-friendly leave policies. Paid leave provisions and other flexible work arrangements have also been linked to increased motivation among workers.

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Conclusion

Almost two-thirds of U.S. employees can take time off from work when sick and not lose all of their wages. Additionally, approximately one in 10 Americans uses the job protections provided by the federal Family and Medical Leave Act annually. Because of Minnesota’s laws, it is reasonable to assert that Minnesota employees likely have a higher rate of access to and use of these benefits. As a result, many working Minnesotans recover more quickly when sick, visit their health care provider, and care for other family members. This results in better health and financial security for employees and their families and strengthens communities.

However, not all Minnesota employees have access to these leave benefits and the positive health outcomes associated with their use. Rather, it is the characteristics of their employers, and not the employees, their work effort, or their need for leave that determines whether employees will have access to paid sick, parental or family leave. Furthermore, the ability to take time to address health concerns is not distributed evenly or equitably across incomes, occupations, or races/ethnicities. Research indicates that lack of access to leave benefits may have both short-term and long-term personal and public health care costs, and may place the health of all Minnesotans at risk.

While there have been some adjustments to both Minnesota and federal laws since their passage, few changes have been made on two key issues: (1) wage replacement for employees while on leave, and (2) expansion of leave protections and benefits to all employees, regardless of the size of their employer, the number of hours worked, or the length of time they have worked for their employer. The evidence is strong that failure to address these two issues may be contributing to overall health inequities observed in Minnesota.

Other states, including California, Connecticut and Massachusetts, as well as large U.S. cities, have enacted employment policies that result in more equitable access to and use of leave; the growing body of research and data based on their experiences can inform Minnesota policy. In fact, an increasing number of Minnesota cities, including Saint Paul and Brooklyn Park, have recently adopted paid parental leave policies for their employees.

To be most effective in assessing the impact of policy changes over time, better data are needed. In addition to improving the uniformity of terms and concepts used in data gathering, more data are needed at the state level regarding eligibility and use of paid sick leave and family leave. Data collection efforts such as the Minnesota Behavioral Risk Factor Surveillance System (BRFSS) and the MDH Pregnancy Risk Assessment Monitoring System (PRAMS) are

prospective resources that could respond to the need to expand data capacity to monitor the impact of these types of policy efforts.

Attending to these issues is becoming increasingly important because paid leave policies, or a lack thereof, do impact health. We are learning more about the importance of health and experiences in the first few years of life and their connections to future health and well-being, underscoring the need for parental leave policies that are accessible to employees regardless of income or industry sector. We are also gaining a better understanding of the relationship between conditions such as income and housing to health, and we increasingly understand the importance of communities to individual and family health. The state’s population is growing more diverse at the same time that employment is expected to grow rapidly in some of the industries least likely to provide paid sick, family, and parental leave. Minnesota may see increasing disparities and unnecessary health care costs if these issues are not considered and addressed.
References


Minnesota Pregnancy Risk Assessment Monitoring System (PRAMS), Minnesota Department of Health, Division of Community and Family Health, Maternal and Child Health (made possible by grant number IU01DP003117-01 from the Center for Disease Control and Prevention)


Appendix A: Infant Mortality

Infant mortality rates by race/ethnicity of mother and age of infant: Minnesota, 2008-2012 (rates are per 1,000 births)

<table>
<thead>
<tr>
<th>Age of Infant at Death</th>
<th>All</th>
<th>African American</th>
<th>American Indian</th>
<th>Asian</th>
<th>Hispanic*</th>
<th>White</th>
</tr>
</thead>
<tbody>
<tr>
<td>Neonatal (less than 28 days old)</td>
<td>3.3</td>
<td>6.3</td>
<td>4.6</td>
<td>3.2</td>
<td>3.4</td>
<td>2.8</td>
</tr>
<tr>
<td>Post-neonatal (28 to 364 days old)</td>
<td>1.7</td>
<td>2.9</td>
<td>4.4</td>
<td>1.2</td>
<td>1.8</td>
<td>1.4</td>
</tr>
<tr>
<td>Total</td>
<td>4.9</td>
<td>9.2</td>
<td>9.1</td>
<td>4.4</td>
<td>5.1</td>
<td>4.3</td>
</tr>
</tbody>
</table>

*Can be any race

Source: MN Department of Health, Center for Health Statistics
Appendix B: Gastrointestinal Outbreaks

Gastrointestinal Illness Person-to-Person Transmission Outbreaks in Minnesota: 2004-2011

<table>
<thead>
<tr>
<th></th>
<th>School</th>
<th>Long-term care</th>
<th>Child care</th>
<th>Other</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Outbreaks</td>
<td>76</td>
<td>357</td>
<td>34</td>
<td>112</td>
<td>579</td>
</tr>
<tr>
<td>Number of Illnesses</td>
<td>5,315</td>
<td>12,958</td>
<td>200</td>
<td>1,650</td>
<td>20,123</td>
</tr>
</tbody>
</table>

Source: Minnesota Department of Health

Sites of Major Gastrointestinal Illness Person-to-Person Transmission Outbreaks MN: 2004-2011

- Nursing homes: 53%
- Schools: 12%
- Assisted living: 8%
- All other: 18%
- Hospitals: 1%
- Trtmt Facilities: 1%
- Camp: 1%
- Child care: 6%

Source: Minnesota Department of Health
Appendix C: Legislative Letter

Dear Commissioner Ehlinger,

In anticipation of the 2015 legislative session, we are seeking information from your department as we consider a possible proposal that would provide paid sick time to employees in Minnesota.

We are requesting that the Department of Health review currently available research to evaluate the links between paid leave and health. We are interested in an analysis of paid leave policies such as paid sick time, paid family leave, and paid parental leave.

We encourage you to review available health research that has demonstrated associations among paid leave and improved maternal and child health, occupational safety and health, and prevention of communicable disease. We would also appreciate your documentation of any communicable disease outbreak incidents in Minnesota where the exclusion of sick workers may have prevented or mitigated the outbreak.

We trust that timing of this request will allow you to provide an opinion prior to the beginning of the 2015 legislative session on January 6th, 2015.

Sincerely,

Majority Leader Erin Murphy
Representative Ryan Winkler
Representative Mike Freiberg
Representative Tina Liebling
Representative Barb Yarusso
Representative Yvonne Selcer
Representative Shannon Savick

Representative Rena Moran
Representative John Lesch
Representative Carly Melin
Representative Zach Dorholt
Senator Melissa Franzen
Senator Kathy Sheran