



THE OHIO
WOMEN'S
PUBLIC POLICY NETWORK

FACT SHEET:
**WHAT WOULD A STATEWIDE FAMILY
AND MEDICAL LEAVE INSURANCE
PROGRAM MEAN FOR OHIO**

August 2018

The United States is the only industrialized country in the world without some form of guaranteed, legally-protected paid leave. Because of this shortfall, an overwhelming 85 percent of American workers do not have access to the benefit through an employer. Women – particularly women of color – are disproportionately burdened by our country's lack of action on paid leave.

Without access to family-friendly workplace policies like paid family and medical leave, workers are unable to meet the dual demands of work and home. By passing a state bill to establish a state-wide Family and Medical Leave Insurance program, Ohio workers will have access to the financial support they need to take time off of work to care for a loved one or address their own health issue, without risking their economic security.

OHIOANS NEED PAID FAMILY AND MEDICAL LEAVE:

Extending access to paid leave strengthens women and families, reduces gender and economic disparities, has a positive impact on local economies, improves critical health outcomes for moms and babies, and contributes to a stronger, more productive workforce.

In the absence of a national standard, only 15 percent of workers have access to paid family leave, and that drops to a mere four percent among low-wage workers. In Ohio, even unpaid leave under the

Family and Medical Leave Act (FMLA) is inaccessible for 62 percent of working people. Black and Latina women are even less likely than white women to have access to paid leave, which exacerbates the wealth gaps and racial disparities among families of color and white families.

Rates of infant mortality, immunization, and breastfeeding have all been seen to improve when women have access to paid leave during pregnancy and after childbirth. A review of data from 18 of the world's largest market-based democracies, including the United States, found that a 10-week extension in paid leave is associated with a decrease in infant deaths in the first month of life by 2.6 percent and in the second through twelfth months of life by 4.1 percent.

The United States is the most dangerous country in the developed world to give birth, and Ohio has a maternal mortality rate higher than the national average. Women of color are even more likely to face pregnancy-related complications, and nationally, Black women are three to four times more likely to die from pregnancy-related deaths compared to white women. Access to paid leave can contribute to reducing racial health disparities, allowing women to take time to heal, adjust to a new schedule, and attend to follow up medical appointments and health needs, without risking their financial health.

Paid leave policies for mothers and fathers increase the level of women's employment and participation in the regional workforce, and contribute to higher levels of employment rates and wages for mothers in the years following childbirth.

In nearly two-thirds (67 percent) of Ohio households, women are the sole, primary, or co-breadwinner. Mothers' wages play a critical role in the economic stability of Ohio families, particularly for families of color: 85 percent of Black mothers, 62 percent of Latina mothers, and 53 percent of White mothers are key family breadwinners. Access to paid leave helps preserve women's incomes during leave and is crucial for the financial security of Ohio families.

Paid leave policies have numerous benefits for businesses, such as improving employee retention, increasing job satisfaction and productivity, and assisting employers in competition for top talent.

Access to paid leave policies has been proven to decrease the demand for social services. Women who use paid leave are 39 percent less likely to receive public assistance and have a 40 percent lower rate of enrollment in the food stamps program.

OHIOANS WANT PAID FAMILY AND MEDICAL LEAVE:

Paid leave policies have strong, wide-spread support among voters, workers, employers, family advocates, and the healthcare community.

Cities, counties, and states are increasingly proposing and passing paid leave policies, including at least four cities and two counties here in Ohio. State lawmakers have also proposed legislation to create a state-wide family and medical leave insurance policy.

There is wide-spread support from voters for a comprehensive, inclusive paid leave policy. In a survey conducted prior to the 2018 election, 8 in 10 (84 percent) voters stated that they support a comprehensive national paid family and medical leave policy that covers all workers.

Of those respondents, there was support across political party lines: 94 percent of Democrats, 83 percent of Independents, and 74 percent of Republicans support a policy that covers leave for a newborn or newly adopted child; a seriously ill, injured, elderly, or disabled family member; an individual's own medical emergency; or to address a deployment or injury of a military service member.

According to the survey, most voters (70 percent) believe that support for paid family and medical leave should not be a partisan issue, including the majority of Democrats (86 percent), Independents (66 percent), and Republicans (54 percent).

Paid leave policies also have support among business leaders. According to polling by the organization Small Business Majority, 59 percent - or nearly six in 10 - small business owners stated their support for a publicly-administered family and medical leave insurance fund, either at the state or national level, funded entirely through employee contributions.

A POLICY THAT WORKS:

Implementing a state Family and Medical Leave Insurance (FMLI) bill would provide workers with the kind of support they want, need, and deserve.

Purpose of leave: The bill would allow for workers to continue earning a percentage of their paycheck while they take time off of work to:

- Care for and bond with a newborn, newly-adopted child, or newly-placed foster child
- Care for a family member with a serious health condition
- Address one's own medical health condition

Definition of family member: The policy covers the following 'family members' for parental leave: biological, adopted, or foster mother, step-mother, father, or stepfather, legal ward or person standing in loco parentis (in place of a parent); and the following 'family members' for the family medical leave: child, parent, or spouse.

Duration of leave: Workers would be provided with up to 12 weeks of family and medical leave during a 12-month period at partial pay. Benefits are not payable for periods of leave less than 8 consecutive hours during one work week. Employees must take a 7-day waiting period.

Benefit amount: Employees will receive wage replacement benefits of 66 percent of the individual's average weekly wages if their yearly earnings are more than 50 percent of the statewide average weekly wage. Those whose yearly earnings are more than 30 percent but less than 50 percent of the statewide average weekly wage, their wage replacement during the leave will be at 85 percent of their average weekly wage. The maximum benefit amount shall not exceed \$1,000 per week.

Employee eligibility: To be eligible for the program, employees must have worked at least 680 hours and contributed to premiums to the Family and Medical Leave Insurance Fund for at least one year.

Program funding mechanism: Funding for the program is provided entirely by the employee through premiums deducted from employees' wages and remitted to the Ohio Department of Job and Family Services (ODJFS). The premium amount will be determined following an actuarial evaluation conducted by the Director of ODJFS. The Ohio policy is based on legislation currently pending in Colorado, which has estimated that the total cost to an employee would be approximately \$25 to \$30 per year.

Impact on employers: All employers are covered, but employers offering more generous paid leave benefits will have the option to continue offering that policy. As the program is completely employee-funded, businesses will not bear the financial costs of funding such a program. In fact, employers currently offering paid leave policies in Ohio that are employer-funded or a combination of employer- and employee-funded would be able to alleviate the financial costs of providing such a policy themselves if a state FMLI program was created to provide the benefit instead.

Participation in the program: Participation in the program is not mandatory for individuals. Those wishing to opt-out of the program will be given that option and will not be required to pay premiums towards the program. Independent contractors will have the ability to join the program for an initial period of coverage lasting at least three years.

Total cost of the program: The ODJFS actuarial evaluation will also determine the administrative and technology costs of developing and operating such a program. In order to supplement the costs for establishing a program, ODJFS may apply for and accept gifts, grants, donations, and additional federal funding. The ODJFS Director may request an appropriation if sufficient funds cannot be raised to cover costs of establishing the program. The analysis from Colorado's legislation - which the Ohio bill is based on - estimated that the cost of running an actuarial evaluation and establishing the program would be approximately \$400,000.

ABOUT THE COALITION:

The Ohio Women's Public Policy Network is a coalition of more than 25 advocacy organizations focused on promoting policies that create economic security for women and strengthen Ohio families. Using a collective voice that represents the women of our state, this network works to ensure that public policy reflects the true needs of women and families.

For more information, visit our website at

WWW.WOMENSPUBLICPOLICYNETWORK.ORG

The Ohio Women's Public Policy Network is made possible by generous support from

the
WOMEN'S FUND
OF CENTRAL OHIO