

Research Summary: Pay During Leave May Improve Leave-Taking's Effects on Families with Chronically Ill Children

Schuster MA, Chung PJ, Elliott MN, Garfield CF, Vestal KD, Klein DJ. Parents of Children with Special Health Care Needs: Perceived Effects of Leave from Work and the Impact of Paid Leave. *Am J Pub Health*. 2009 Apr; 99(4): 698-705

Findings in brief: A new study published in the April 2009 issue of the American Journal of Public Health has found that, among parents of children with serious chronic illnesses who missed work because of their child's illness, those who received full pay during leave reported more positive effects of leave-taking than those who received no pay. Parents who received full pay reported more positive effects of leave on their child's physical and emotional health and their own emotional health, and less negative effects on their family's finances. This is the first study to report positive effects of leave-taking on the health of both chronically ill children and their parents, and the first to report a possible link between pay during leave and improved health in these families.

Methodology: The investigators surveyed parents of chronically ill children in California and Illinois in 2003-04. These children were substantially sicker than typical children, with 47% having been hospitalized in the past year, and 14% having been hospitalized four times or more. Almost half of the parents had taken leaves lasting longer than two weeks, and nearly a third had taken leaves longer than four weeks. During their longest leaves, 43% of parents reported receiving no pay, 15% partial pay, and 42% full pay.

Parents appeared to face stark tradeoffs between taking leave for their child's illness and maintaining their family's financial stability. The vast majority of parents reported that leave-taking had a positive ("very good" or "good") effect on their child's physical health and emotional health. Likewise, a majority reported a positive effect

on their own emotional health, although 24% reported a negative ("bad" or "very bad") effect. Most parents, however, reported neutral-to-negative effects on their ability to perform their job and clearly negative effects on family finances. Three-quarters reported at least one of six financial problems caused by leave-taking (ranging from limiting spending on basic needs to signing up for public assistance), and a quarter reported at least four. Most of these effects were magnified as the length of leave increased – longer leaves had more positive effects on child physical and emotional health, and more negative effects on financial stability.

Parents who received full pay during leave, however, reported consistently better consequences compared with those who received no pay. The percentage of parents who reported that leave-taking had a "very good" effect on their child's physical health was higher (31% vs. 45%). Similarly, leave-taking's perceived effect on their child's emotional health also was better (58% "very good" vs. 45% "very good"), as were leave-taking's effects on their own emotional health (66% reporting a "very good" or "good" effect vs. 53%) and their family finances (26% reporting two or more financial problems vs. 63%).

Although the potential for full pay to reduce the negative financial effects of leave-taking is not surprising, this study is the first to link paid leave with improved health for both chronically ill children and their parents. Parents who receive full pay are perhaps better able to focus attention on their child's needs, to obtain additional health services and supports in the home or hospital, and to worry less about financial consequences of leave-taking. Furthermore, full pay may indicate a more family-friendly workplace culture that provides greater emotional support during leave.

This study has several important policy implications. First, parents clearly value family leave when their children are ill and believe it to be extremely beneficial to their child's physical and emotional health and, to a

lesser extent, their own emotional health. Second, parents suffer substantial financial stress from leave-taking, with about half of parents reporting multiple serious financial problems. Third, the receipt of full pay during leave may have far-reaching positive consequences for these families; full pay not only alleviates financial stress but also appears to enhance (directly or indirectly) leave's positive effects on health.

Thus, recent innovative state policies such as California's first-in-the-nation Paid Family Leave Insurance Program, as well as other state and federal policies and proposals, may prove to be important not only for employee retention but also for the physical and emotional health of children and families.

Unfortunately, the same investigators' recent analysis of the Paid Family Leave Insurance Program, published in the September 3, 2008 issue of the *Journal of the American Medical Association*, showed that use of the benefit remains minimal among parents of chronically ill children in California. Lack of use appears due largely to lack of awareness caused by limited efforts to inform workers about the benefit, but may also be due to parents' need for full pay (the benefit pays 55% of salary, with a cap for higher-income employees), their concerns about employer retaliation (the benefit does not guarantee job protection), and bureaucratic obstacles. Although there is evidence that awareness of the benefit may be somewhat better among other groups of employees (e.g., new mothers), the early experiences of the Paid Family Leave Insurance Program suggest that such programs should incorporate meaningful strategies to inform the public, as well as address other weaknesses, before employees can take full advantage of the positive financial and health effects that paid family leave may provide.

The study was led by Mark Schuster, MD, PhD (William Berenberg Professor of Pediatrics at Harvard Medical School, Chief of General Pediatrics and Vice-Chair for Health Policy

Research at Children's Hospital Boston, and former Director of Health Promotion and Disease Prevention at RAND); Paul Chung, MD, MS (Assistant Professor of Pediatrics at the David Geffen School of Medicine and Mattel Children's Hospital at UCLA and Senior Natural Scientist at RAND); Craig Garfield, MD, MAPP (Assistant Professor of Pediatrics at University of Chicago and North Shore University HealthSystem); and Marc Elliott, PhD (Senior Statistician at RAND).

1. 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 May; 119(5): e1047-55.
2. Schuster MA, Chung PJ, Elliott MN, Garfield CF, Vestal KD, Klein DJ. Awareness and Use of California's Paid Family Leave Insurance among Parents of Chronically Ill Children. *JAMA*. 2008 Sep; 300(9): 1047-55.
3. Schuster MA, Chung PJ, Elliott MN, Garfield CF, Vestal KD, Klein DJ. Parents of Children with Special Health Care Needs: Perceived Effects of Leave from Work and the Impact of Paid Leave. *Am J Pub Health*. 2009 Apr; 99(4): 698-705.

For a copy of the full report, contact: Dion Whitfield (phone: 310-794-3000, fax: 310-794-2660, email: dwhitfield@mednet.ucla.edu).