



Family and Medical Leave Insurance *A Creative Economic Solution for Wisconsin Families*

Family and Medical Leave Insurance will strengthen Wisconsin’s economic recovery and economic security for working families: Half of Wisconsin workers do not have access to paid Family and Medical Leave, leaving them unable to afford time off when they or their families need care after birth or a serious health condition. This policy will help ensure that working families don’t have to choose between their families’ health and financial security, creating greater stability for individual families and our state’s economy.

- **Family and Medical Leave Insurance keeps money in the pockets of middle class families—what we need to help our state recover.**
- **Nearly a quarter of adults in the US have lost a job or been threatened with job loss for taking time off due to illnessⁱ.** Many more suffer severe financial hardship or are unable to take time off because they can’t afford to. FMLI will keep jobs more secure and stable and enable hard-working people to provide for their families.
- **Too often, families are pushed into financial crisis because of lost wages, or a job loss as a result of illness or other health needs.** Studies show that seven percent of peopleⁱⁱ who filed for bankruptcy cited the birth of a child as the cause, and a significant number of bankruptcies happen after a worker misses two or more weeks of work due to illness.ⁱⁱⁱ
- **Family and Medical Leave Insurance supports the long-term earning potential and financial stability of working women and moms.** Moms in states with Family and Medical Leave Insurance are more likely to return to work^{iv} the year after the birth of a child, and to increase their wages over time, strengthening financial security for their families.

Family and Medical Leave Insurance creates stronger, healthier families: When children, seniors and other ill family members are cared for by their loved ones, their long-term health, development and recovery improves.

- **Families and the economy have changed, and now more than ever, people need workplace policies that promote healthy careers and healthy families.** As of 2010, the percentage of children who had both parents or their only parent in the labor force climbed to 72.3 percent. Family and medical leave insurance would make it easier for working parents to care for newborns without undue financial hardship.^v
- **When new mothers can afford to be home with their newborns, moms and babies have better health outcomes.** Babies get to the doctor for immunizations and preventative check-ups, and moms are able to recover from birth with less chance of having post-partum depression. Family leave enables moms to breastfeed longer, which strengthens their babies’ immune systems, and can prevent costly health complications later in life^{vi}.
- **Hospital stays for children are shorter and recoveries faster when parents are with their children.** Hospitalized children have shorter stays (31 percent shorter in one study) and improved wellbeing when their parents are able to care for them. The presence of family members reduces the workload of hospital staff, improves follow-up care, and reduces complications for all age groups.^{vii}
- **Family Medical Leave Insurance gives every child the best chance of success in life.** Low-wage workers are the least likely to have access family leave. That means children in low-income households are more likely to miss out on critical time with their parents during their first weeks of life, which studies show increases the



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chance later on of preventable health complications. Family leave insurance will help ensure every child has a chance to get a healthy start in life.

Small businesses support Family and Medical Leave Insurance

- **When working people lose jobs and income, they can't spend money in the local economy.** Business owners cite weak sales as the biggest problem for their businesses and the economy^{viii}. Workers are also consumers who need money to spend. The replacement income provided by Family and Medical Leave Insurance will go right back into the local economy as workers use that money to cover the basics.
- **Family and Medical Leave Insurance saves businesses money.** A 2011 study of California's family leave program estimated that paid family leave saves employers \$89 million a year by improving worker retention and increasing productivity.^{ix} A similar study from Rutgers University shows cost savings for businesses in New Jersey from decreased turnover and improved employee morale.^x

Family and Medical Leave Insurance will save Wisconsin money: Hard-working Wisconsinites and our state budget are hurting because families do not have access to time off when they or their family members are sick. Too often caring for a personal or family illness means losing a job or weeks of pay. This forces workers to rely on publicly funded programs to support their families.

- **Family and Medical Leave Insurance is revenue neutral.** The program is funded solely through employee contributions, a small amount from each paycheck, providing the peace of mind of knowing that should a medical emergency arise, they will not have to sacrifice their family's economic security.
- **Wisconsin's local governments spend billions supporting the health and wellbeing of children, seniors, and families.** Family leave insurance programs also decrease the likelihood that parents or caregivers will be forced to rely on public assistance during a medical emergency or after the birth of a child.
- **Policies that value families will save the state money devoted to elder care.** By enabling families to care for aging parents without fear of losing wages or a job and allowing seniors to stay in their homes instead of state facilities, the state will be able to reduce elder care costs for seniors currently receiving support – all while improving care.

ⁱ <http://www.publicwelfare.org/resources/DocFiles/psd2010final.pdf>

ⁱⁱ http://futureofchildren.org/futureofchildren/publications/docs/11_01_FullJournal.pdf

ⁱⁱⁱ <http://www.americanprogress.org/wp-content/uploads/issues/2012/04/pdf/BousheyEmploymentLeave1.pdf>

^{iv} <http://www.americanprogress.org/issues/labor/news/2012/08/16/11980/fact-sheet-paid-family-and-medical-leave/>

^v <http://www.bls.gov/news.release/pdf/famee.pdf>

^{vi} <http://www.americanprogress.org/issues/labor/news/2012/09/27/39507/celebrating-the-success-of-californias-paid-family-leave-act/>

^{vii} Taylor, O'Connor, 1989: "Resident Parents and Shorter Hospital Stays," *Archives of Disease in Childhood*, 64:274-276,

<http://adc.bmj.com/content/64/2/274.full>; Palmer, 1993: "Care of Sick Children by Parents: A Meaningful Role,"

^{viii} http://asbcouncil.org/sites/default/files/files/Regulations_Poll_Report_FINAL.pdf

^{ix} <http://digitalcommons.law.ggu.edu/cgi/viewcontent.cgi?article=2036&context=ggulrev>

^x <http://news.rutgers.edu/medrel/news-releases/2012/01/rutgers-study-finds-20120118>