

Reform of New York's  
Temporary Disability  
Insurance Program and  
Provision of Family Leave  
Insurance:

Estimated Costs of  
Proposed Legislation



A Fiscal Policy Institute Report  
[www.fiscalpolicy.org](http://www.fiscalpolicy.org)

June 5, 2014

## **Acknowledgments**

The Fiscal Policy Institute wishes to acknowledge the integral role that Eileen Appelbaum played in this project. Dr. Appelbaum is a senior economist at the Center for Economic and Policy Research (CEPR) and visiting professor in the Department of Management, Leicester University. She is one of the nation's foremost experts on state family leave programs. Dr. Appelbaum has advised FPI on how to apply data on the use of temporary disability and family leave insurance programs in California and New Jersey in estimating the impact of proposed changes to temporary disability insurance and establishment of paid family leave insurance in New York.

Dr. Appelbaum has 20 years of experience conducting empirical research on workplace practices and she has published widely on workforce, employment and labor market issues generally and on the labor market experiences of women. Among her most recent works are *Unfinished Business, Paid Family Leave in California and the Future of U.S. Work-Family Policy*, (Cornell University Press, ILR: November 2013) with Ruth Milkman, and, *Private Equity at Work: When Wall Street Manages Main Street* (Russell Sage Foundation: May 2014) with Rosemary Batt. Prior to her current work at CEPR, Dr. Appelbaum was Director of the Center for Women and Work at Rutgers University. As Professor in the university's School of Management and Labor Relations, Dr. Appelbaum worked with New Jersey's Office of Legislative Services on the initial cost estimates for New Jersey's Family Leave Insurance program established in 2009.

The principal author of this report is the Fiscal Policy Institute's Senior Fiscal Policy Analyst, Carolyn Boldiston. It was prepared under the direction of James Parrott, FPI's Deputy Director and Chief Economist and Frederick Floss, FPI's Executive Director. Data assistance for this report was provided by Brent Kramer, Senior Economist, Chioma Osueke, Research Assistant, Hee-Young Shin, former Research Associate and Doris Knudsen, former volunteer. Michele Mattingly, Research Associate, helped edit the report. Bryan LaVigne, Director of Administration and Development, formatted the figures and the report.

## **Technical Supplement**

A technical supplement that explains the methodology for estimating the costs presented in this report is available on the Fiscal Policy Institute web site: [www.fiscalpolicy.org](http://www.fiscalpolicy.org).

The Fiscal Policy Institute ([www.fiscalpolicy.org](http://www.fiscalpolicy.org)) is an independent, nonpartisan, nonprofit research and education organization committed to improving public policies and private practices to better the economic and social conditions of all New Yorkers. Founded in 1991, FPI works to create a strong economy in which prosperity is broadly shared.

## **Table of Contents**

Acknowledgments.....	i
Technical Supplement.....	i
Executive Summary .....	1
Introduction.....	2
Background .....	2
Scope of estimating impact of the proposed legislation.....	6
Use of workforce characteristics and leave-taking experience in three states .....	7
Process used to estimate costs of the proposed legislation .....	7
Projected benefit costs for TDI and FLI under A 1793B and S 4742B .....	9
Temporary Disability Insurance: Additional benefit costs .....	9
Family Leave Insurance: New costs.....	11
Funding Temporary Disability Insurance and Family Leave Insurance.....	13
Funding TDI and FLI coverage in California, New Jersey and New York .....	13
Potential impact of proposed legislation on current TDI premiums .....	16
Summary .....	20
Comparison of TDI and FLI benefit costs .....	20
Actual and estimated hourly costs for TDI and FLI coverage compared to employers' total compensation costs for employees .....	20
Additional Material.....	23
Sources .....	28

## **Executive Summary**

As an increasing number of women and mothers participate in the workforce, federal and state laws and policies have not met the needs of both male and female workers who must balance taking care of themselves and their families with the responsibilities of work. Under Temporary Disability Insurance (TDI) in New York, the maximum wages replaced, or benefits, during leaves for one's off-the-job illness or injury, including pregnancy, have not been increased for twenty-five years and have lost 50 percent of their value. Moreover, since New York's TDI program does not cover family leave needs, such TDI benefits are not now available to care for a new child or seriously ill family member. As a result, workers who do not have access to additional employer-paid benefits must often choose between caring for family and their job.

Bills proposed during the 2014 state legislative session would address these circumstances by increasing the weekly wages replaced during temporary disability leaves and extending those benefits to care for family. Specifically, the *rate* at which wages are replaced would go up from half to two-thirds of a worker's weekly wage and the overall *cap* in such benefits would be increased from the current long-outdated level of \$170 per week to 50 percent of New York's average weekly wage over a four-year phase-in period. The resulting additional TDI costs likely would be shared by employers and employees and new Family Leave Insurance (FLI) costs, estimated to be about one-quarter to one-third of total TDI costs, would be paid entirely by employees.

As a proportion of employers' labor costs, temporary, or short-term, disability insurance costs are very small. Bureau of Labor Statistics' data indicate TDI costs are \$0.10 per employee hour worked, or 0.3 percent, of employers' total compensation costs in the Mid-Atlantic region that includes New York. However, current costs through the state-operated New York State Insurance Fund (NYSIF) for the minimally-required level of TDI coverage are substantially lower than this, about \$0.01 per employee hour worked. This assumes no employee contribution which employers have the option to require as an offset to their costs.

Under the proposed legislation raising TDI benefit levels, projections detailed in this report suggest that NYSIF premiums would increase by up to \$0.02 per employee hour worked in the first year and *up* to \$0.04 per employee hour worked in the fourth year when the increase in the weekly benefit cap is fully phased-in. To fund FLI, employees' estimated costs through NYSIF are minimal with a potential impact of \$0.01 per hour in the first year and \$0.02 per hour in the fourth year.

In California, where paid family leave has existed since 2004, businesses have experienced lower employee turnover and higher morale; many companies report this benefit has not resulted in cost increases and has had a positive or no noticeable effect on productivity. The proposed expansion of benefits in New York would not only provide necessary support to individuals and their families at very reasonable, or even modest costs to employers and employees, it would reform and modernize family and medical leave in New York along the lines of neighboring states and other countries.

## **Introduction**

### **Background**

Changes to the labor force in New York and across the country that began in the last half of the twentieth century and have continued into this century have affected workers' abilities and options to care for themselves and their families. Over this time period, there has been a dramatic increase in the workforce participation of women and mothers and in the proportion of households with a single mother as sole breadwinner. This has been accompanied by an increase in the length of working lives and life expectancies.<sup>1</sup> What happens when workers in this labor force, and their spouses, parents or children, are in ill health or in need?

Existing federal and state-level programs in New York provide leave for such circumstances, but these programs are limited both in scope and in the level of benefits they provide. The federal Family and Medical Leave Act (FMLA), enacted in February 1993, allows workers on worksites of 50 or more employees to retain their jobs and seniority while on family and medical leave, but it does not provide any wage replacement during such leaves. New York, along with California, Hawaii, New Jersey and Rhode Island, requires workers to have temporary disability insurance (TDI) that provides partial pay for medical leaves due to off-the-job, or non-work-related illness or injury, including pregnancy and complications relating to pregnancy (workers' compensation provides wage replacement for leaves due to on-the-job illness or injury).<sup>2</sup>

However, only California, New Jersey and very recently, Rhode Island, provide paid leave to care for a new child or a seriously ill family member. These programs are expansions of the existing TDI systems that provide coverage for such leaves in these states. New York's program is deficient because it not only lacks a paid family leave component, it lacks adequate replacement of workers' wages—employees receive only half of their average weekly wages up to a maximum of \$170 per week, the lowest levels among these five states. See Figure 1. This replacement rate shortchanges lower-wage workers who find it difficult already to make ends meet. Further, the current \$170 cap has not kept up with changes in the cost-of-living; it has lost almost 50 percent of its value since it was last raised to this amount in 1989. See Figure 2.

---

<sup>1</sup> See *Demographic Change to the Labor Force in New York and the United States* at the end of this document.

<sup>2</sup> For a brief summary and history of the law that provides temporary disability insurance in New York, including a review of the New York State Insurance Fund, see Boldiston, Carolyn, Fiscal Policy Institute, *Technical Analysis: Estimating the Cost of Using New York's Temporary Disability Insurance Program to Provide Partial Pay to Covered Workers During Leaves Taken Under the Family and Medical Leave Act*, pages 31-33 at <http://fiscalpolicy.org/wp-content/uploads/2012/11/Cost-of-Temporary-Disability-Insurance-Program-for-FMLA.pdf>.

**Temporary Disability Insurance and Family Leave Insurance Programs, as of January 1, 2014.**

**FIGURE 1**

Current	Maximum Weekly Benefit	Wage Replacement Rate [1]	Maximum Leave Length (Number of Weeks)	
			Temporary Disability	Family Leave
California	\$1,075	55%	52	6
Hawaii	\$546	58%	26	NA
New Jersey	\$595	67%	26	6
New York	\$170	50%	26	NA
Rhode Island	\$752	4.62%	30	4
Washington [2]	\$250	67%	NA	5

NA - not applicable, program does not exist.

[1] Per weekly wages except for Rhode Island, whose rate is per quarterly wages.

[2] Legislation for a paid family leave program in Washington has passed, but it has not been implemented.

**Proposed**

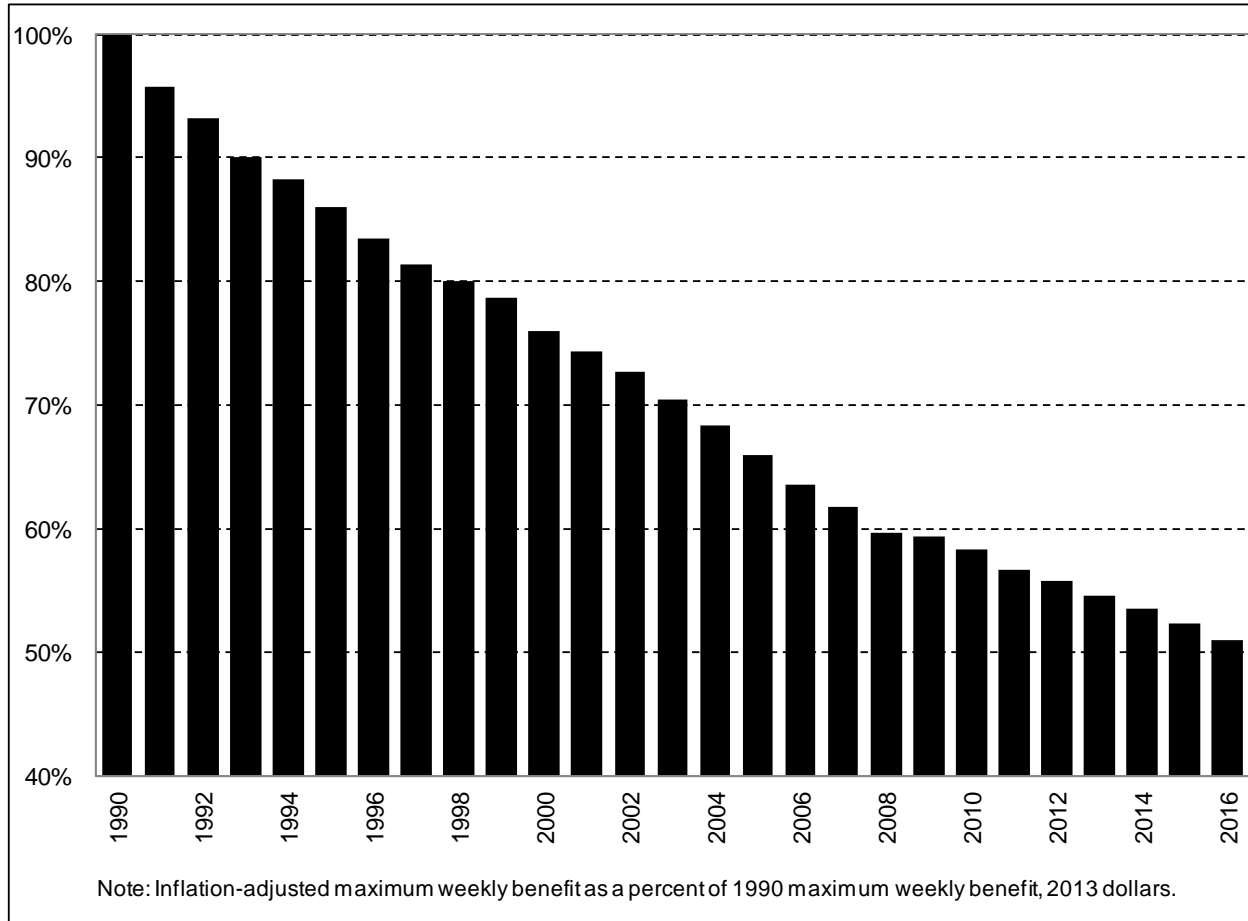
New York [3]	\$603	67%	26	12
Washington	\$1,000	67%	12	12

[3] The maximum weekly benefit amount when fully phased-in during the fourth year of proposed legislation would be half of New York's average weekly wage; using New York's 2012 average weekly wage, that amount would be \$603.

Source: Fiscal Policy Institute compilation of state agency information and proposed legislation.

**New York's current Temporary Disability Insurance maximum weekly benefit has lost almost 50% of its purchasing power since it was last raised to \$170 in 1989.**

**FIGURE 2**



Workers in higher-quality jobs (jobs that pay over \$20 per hour with employer-provided health care) have more access to a range of employer-paid benefits than do workers in lower-quality jobs<sup>3</sup> who more often lack the financial resources to take partially-paid time off for their own medical conditions or the birth or adoption of a new child, or unpaid time off during family health events. Additionally, the proportion of workers in large and medium size establishments across the country with *paid* family leave is almost twice the proportion of employees with this benefit in small establishments. In 2012, these amounts were 15 percent and 8 percent, respectively.<sup>4</sup>

In response to these circumstances, momentum has grown in New York to pass legislation that provides for two related but distinct needs: raising the wages replaced for workers during temporary disability leaves and establishing family leave insurance (FLI). Recent efforts in New York State and around the country have garnered the backing of an increasing number of elected officials and business leaders who support the availability of paid family leave. United States Senator Kirsten Gillibrand introduced the federal Family and Medical Insurance Leave (FAMILY) Act in December 2013 requiring partial pay during leaves to care for one's own health and needy family members. Senior staff at Morgan Stanley and other companies support the establishment of paid family leave to ensure that women remain in and advance through the workforce.<sup>5</sup>

In the current New York State legislative session, A 1793B has passed the Assembly, and S 4742B has been introduced in the Senate, to:

1. increase the current cap on weekly TDI benefits from \$170 to 50 percent of New York's average weekly wage over a four-year phase-in period;
2. increase the TDI wage replacement rate during leave from half to two-thirds of a worker's weekly wages (up to the maximum weekly benefit amount); and
3. require workers to be covered for up to 12 weeks of employee-funded family leave to bond with and care for a new child or to care for a seriously ill family member (at the level of benefits proposed in Figure 1).

The proposed legislation would apply to all workers covered presently for TDI. In New York State, these are private sector workers only with very limited exclusions. In 2011, insurance carriers provided the minimum level of coverage specified by state law (i.e., statutory coverage)

---

<sup>3</sup> Appelbaum, Eileen and Ruth Milkman, Center for Economic and Policy Research, *Leaves that Pay, Worker and Employer Experiences with Paid Family Leave in California*, January 13, 2011, page 4 at <http://www.cepr.net/documents/publications/paid-family-leave-1-2011.pdf>.

<sup>4</sup> Van Giezen, Robert W., Bureau of Labor Statistics, *Beyond the Numbers, Paid leave in private industry over the past 20 years*, August 2013, Vol. 2, No. 18 at [http://www.bls.gov/opub/btn/volume-2/paid-leave-in-private-industry-over-the-past-20-years.htm#\\_edn2](http://www.bls.gov/opub/btn/volume-2/paid-leave-in-private-industry-over-the-past-20-years.htm#_edn2).

<sup>5</sup> Lacapra, Lauren Tara, *Morgan Stanley CFO says companies need more female executives*, Reuters, April 2, 2014 at <http://www.reuters.com/article/2014/04/03/morganstanley-porat-idUSL1N0MV03N20140403>.



to about three-fourths of this TDI-covered workforce, 5.6 to 5.8 million workers.<sup>6</sup> The New York State Insurance Fund (NYSIF), a state-created and state-owned company which acts as a competitive insurance carrier, provided TDI to about 600,000 of these workers. The remaining workers either have coverage beyond statutory requirements provided by insurance carriers or have coverage provided directly by their employers acting as self-insurers (this coverage may either meet or exceed statutory requirements).

### Scope of estimating impact of the proposed legislation

The New York Paid Leave Coalition asked the Fiscal Policy Institute (FPI) to prepare detailed estimates of the costs resulting from this proposed legislation. FPI projects costs by:

1. modeling the effect on current utilization of increasing the cap on weekly benefits (or maximum weekly benefit amount, MWBA);
2. modeling the effect on current utilization of raising the rate at which wages are replaced, from half to two-thirds of a worker's weekly wages; and
3. modeling the costs of utilization of paid family leave insurance at the same benefit levels as for TDI.

Under the proposed legislation, the increase in the cap on weekly benefits from \$170 to 50 percent of New York's average weekly wage occurs over a four-year period. See the table below for the phase-in schedule.

#### Proportion of NYS Average Weekly Wage Represented by Maximum Weekly Benefit

<u>Year One</u>	<u>Year Two</u>	<u>Year Three</u>	<u>Year Four</u>
35%	40%	45%	50%

Given this phase-in schedule, FPI estimates costs resulting from the following four scenarios:<sup>7</sup>

1. TDI utilization in year one;
2. TDI utilization in year four;
3. FLI utilization in year one; and

---

<sup>6</sup> Actual numbers vary by source of data. Both the New York State Workers' Compensation Board and the New York State Department of Financial Services maintain relevant statistics which vary slightly. See the section on coverage and utilization in the accompanying technical supplement.

<sup>7</sup> Costs of increasing the MWBA over a four-year phase-in period are also estimated for the TDI system's *current* wage replacement *rate* of half of a worker's average weekly wages. This rate was used in prior bills when FPI had begun its analysis. This information is available in the technical supplement that accompanies this report.

4. FLI utilization in year four.

The 2012 average weekly wage (AWW) for New York State, \$1,204.81, is used to determine maximum weekly benefit amounts in both years one and four of the proposed legislation, \$422 and \$603, respectively. Emphasis is placed on estimating costs for year four of the proposed legislation when the maximum weekly benefit amount is fully phased-in.

**Use of workforce characteristics and leave-taking experience in three states**

Three sets of information are used to estimate additional TDI benefit costs and new FLI benefit costs in New York resulting from this legislation:

1. overall features or standards of existing and proposed TDI and FLI programs in California, New Jersey and New York;
2. demographic and workforce characteristics of these three states; and
3. actual TDI and FLI leave-taking experience and its characteristics in CA, NJ and NY.

Until July 2013, when Rhode Island began coverage for family leave, California and New Jersey were the only states that operated both TDI and FLI programs.<sup>8</sup> To estimate how eligible New York workers may respond to proposed changes, data on workers' coverage for and use of TDI and FLI under the state plans in California and New Jersey are applied to workers who have TDI coverage currently at the minimum statutory level provided by insurance carriers.

During this cost estimation, similarities and differences among the three states in their workforce composition and in the features and utilization of their TDI and FLI programs are taken into account. The following worker characteristics are used to adjust the application to New York of rates of utilization (take-up rates), benefit amounts and leave lengths experienced for these programs in California and New Jersey: age, gender, race/ethnicity, fertility and wage level. Data on workers' TDI and FLI use by their wage-level in California strengthen the estimation process and results.

**Process used to estimate costs of the proposed legislation**

Because of the differences among the three states' programs and workforces and uncertainty regarding potential usage under the proposed New York legislation, a *range* of levels is estimated for:

---

<sup>8</sup> California provides State Disability Insurance which encompasses both the short-term, or temporary, Disability Insurance (DI) program and the Paid Family Leave (PFL) program. In this document, TDI refers to Temporary Disability Insurance in New York and New Jersey and California's DI program. FLI refers to Family Leave Insurance in New Jersey and PFL in California.

*Reform of NY's TDI Program and Provision of Family Leave Insurance: Estimated Costs*

1. the number of people that will take TDI leave or family leave in New York (number of claims or take-up);
2. the average weekly benefit amount for such leave; and
3. the average lengths of leave for the major types of temporary disability and family care.

Determining this range entails estimating lower bound and upper bound amounts for the above factors in years one and four of the proposed legislation. These factors are projected also for a most likely outcome within the year four range of estimates. These amounts are multiplied together—i.e., number of claimants times average weekly benefit times average length of leave—and produce a range of total benefit costs. In the case of the TDI program, actual total benefits paid in 2011 are subtracted from estimated total benefits in years one and four of the proposed legislation to determine *new*, or *additional*, benefit costs. Finally, TDI and FLI benefits costs are divided by the total number of covered employees to determine the likely range of average cost per employee on both a weekly and annual basis.

These cost estimates are a function of workers' wages. Although the impact of wage inflation has not been included in the present cost analysis, the following forecasts of wage increases would be applied once it is known in which year the proposed legislation would take effect.

**Percent Change in Wage Per Employee**

<b><u>2012</u></b>	<b><u>2013</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>2016</u></b>	<b><u>2017</u></b>
1.5%	0.4%	4.1%	3.3%	3.3%	3.4%

For calendar years: 2012, actual; 2013, estimate; 2014 forward, forecast. New York State Division of the Budget, *FY 2015 Economic and Revenue Outlook*, p. 136.

## Projected benefit costs for TDI and FLI under A 1793B and S 4742B

The overall average weekly cost projections that result from the implementation of the proposed legislation are summarized in the boxes below and their *components* are presented in Figures 3a and 3b on the following pages.

A 1793B and S 4742B do not specify yet how additional TDI benefit costs resulting from this legislation would be shared between employees and employers, and the costs below do not address such cost-sharing. This aspect will be negotiated in the final version of legislation.

### Average Weekly Benefit Costs Per Employee

#### Range of Costs    Impact

**Year 1**, Weekly benefit cap is 35% of NYS AWW (\$422)

\$0.97 to \$1.48    *Additional TDI costs*  
\$0.27 to \$0.73    *New FLI costs*

**Year 4**, Weekly benefit cap is 50% of NYS AWW (\$603)

\$1.47 to \$2.72    *Additional TDI costs*  
\$0.51 to \$1.26    *New FLI costs*

It should be noted that these estimates are for gross benefit costs; they do not include administration and profit.<sup>9</sup> Also, they do not reflect the significant savings that would accrue to employers from wages not paid to employees during family and medical leaves.

### Temporary Disability Insurance: Additional benefit costs

In 2011, out of approximately 5,635,000 New York workers with statutory coverage provided by insurance carriers, there were approximately 182,600 total TDI claims resulting in \$231 million total benefits paid.<sup>10</sup> (Total benefits paid do not represent total premiums paid by employers and employees for TDI coverage.) This represents a take-up rate of approximately 3.24 percent, compared to 3.73 percent in New Jersey, and 5.46 percent in California for the same year or

---

<sup>9</sup> The Fiscal Policy Institute has calculated potential costs for administration and profit as a result of implementation of this legislation. In this analysis, these have not been added to increases in *benefit* costs. However, the estimated increases in current insurance premiums charged for TDI coverage as a result of these increased benefit costs do account for these factors. FPI assumes that administrative costs and profit would maintain the same proportion relative to total premium costs that currently exists.

<sup>10</sup> Fiscal Policy Institute analysis of New York State Workers' Compensation Board data (most recent year available).

overlapping state fiscal year. In New York in 2011, claim length averaged 8.4 weeks, and weekly benefits paid averaged \$151.57; *per covered employee*, this represented a *current* benefit cost of approximately \$41 per year or \$0.79 per week.

Actual utilization and benefit costs are presented in Figure 3A along with the *ranges* of total and additional estimated TDI benefit costs cited above. These projected costs result from increasing the wage replacement rate to two-thirds of a worker's weekly wage in 1) *year one* of the proposed legislation when the maximum weekly benefit amount increases to 35 percent of New York State's average weekly wage; and 2) *year four* when the maximum weekly benefit amount increases to 50 percent of New York's AWW.

**Summary, Estimated Utilization and Benefit Costs**  
**67 percent weekly wage replacement rate, benefit costs in millions**

**FIGURE 3A**

	Temporary Disability Insurance					
	Current	Year 1		Year 4		
	\$170 MWBA	\$422 MWBA		\$603 MWBA		
	Actual [1]	Lower Bound	Upper Bound	Lower Bound	Most Likely Outcome [2]	Upper Bound
Take-up rate	3.24%	3.24%	3.73%	3.24%	3.74%	4.40%
Total claims	182,600	182,600	210,400	182,600	210,600	248,100
Pregnancy	53,600	53,000	61,000	53,000	61,100	71,900
Other	129,000	129,600	149,400	129,600	149,500	176,200
Total average length of leave	8.4 weeks	8.4 weeks	8.9 weeks	8.3 weeks	8.9 weeks	9.3 weeks
Pregnancy	7.3 weeks	7.3 weeks	7.3 weeks	7.1 weeks	7.1 weeks	7.1 weeks
Other	8.8 weeks	8.8 weeks	9.5 weeks	8.8 weeks	9.6 weeks	10.2 weeks
Average weekly benefit paid [3]	\$151.57	\$334-\$354	\$334-\$354	\$435-\$445	\$435-\$445	\$435-\$445
<b>Additional</b> benefit costs [4]		\$281 - \$312	\$394 - \$432	\$428 - \$433	\$584 - \$603	\$773 - \$796
Per covered employee [4]						
Per week		\$.97-\$1.07	\$1.35-\$1.48	\$1.47-\$1.52	\$2.00-\$2.07	\$2.65-\$2.72
Per year		\$50 - \$55	\$70 - \$77	\$76 - \$79	\$104 - \$107	\$137 - \$141
<b>Total</b> benefit costs [4]	\$231	\$512 - \$543	\$625 - \$663	\$659 - \$674	\$815 - \$834	\$1,004-\$1,027
Per covered employee [4]						
Per week	\$0.78	\$1.75-\$1.85	\$2.13-\$2.26	\$2.25-\$2.30	\$2.78-\$2.85	\$3.43-\$3.50
Per year	\$41	\$91 - \$96	\$111 - \$118	\$117 - \$120	\$145 - \$148	\$178 - \$182

MWBA refers to maximum weekly benefit amount.

Estimates prepared by the Fiscal Policy Institute, May 2014.

See footnotes at end of document.

Compared to *current* total benefit costs (or benefits paid), total and per employee estimated benefit costs in the lower bounds of years one and four increase because of the higher estimated average weekly benefit resulting from both the proposed higher wage replacement rate and higher maximum weekly benefit amount. Total and per employee estimated benefit costs in the

most likely outcome of year four and higher bounds of years one *and* four increase, not only because of the proposed higher wage replacement rate and weekly benefit amounts, but also because of an estimated increase in the number of claims and average length of leaves.

In the fourth year of proposed legislation, raising *both* the wage replacement rate from half to two-thirds of a worker's weekly wages and the maximum weekly benefit amount to 50 percent of New York's average weekly wage would increase total TDI benefit costs by a factor of almost 3 to 4.5. Even so, *total* estimated benefits paid per covered employee under the most likely outcome are very similar to total benefits paid per covered employee in New Jersey—around \$3.00 per week or \$150 per year. This is less than half of the per covered employee benefit costs in California reflecting both the higher utilization of TDI in California and the higher maximum leave length and weekly benefit cap compared to what currently exists and is proposed for New York. See Figure 9 at the end of the document.

### **Family Leave Insurance: New costs**

As with TDI, a range in total and per employee costs is estimated for the first and fourth years of implementation of a family leave insurance program in New York when the replacement rate is two-thirds, or 67 percent, of a worker's weekly wages. See Figure 3B. *Summary: Estimated Utilization and Benefit Costs, 67 percent weekly wage replacement rate* for estimated costs.

Compared to estimated TDI costs, estimated family leave costs are much lower. This is for the following reasons: 1) experience in California and New Jersey indicates that use of paid family leave is much lower than use of paid temporary disability or medical leave; and 2) actual and proposed maximum leave length for paid family leave in California, New Jersey and in New York is lower than the maximum leave length for TDI in these states. See the *Summary* section for more discussion of this topic.

The range of estimated per employee benefit costs in year one, \$0.27 to \$0.73 per week or \$14 to \$38 per year, includes the per employee benefit costs experienced in New Jersey in the first two full years of its family leave insurance program, about \$0.40 per week or \$20 per year. Likewise, the *midpoint* of the range of estimated per employee benefit costs in year four is similar to the per employee benefit costs that California has experienced recently in its paid family leave program, around \$0.85 per week or \$45 per year. See Figure 9 *Benefits Paid*.

While many women who use TDI prior to childbirth and/or during recovery from childbirth will shift to use of paid family leave in order to bond with a new child, utilization of both programs in California and New Jersey demonstrates that fewer women use FLI for bonding purposes than use TDI for pregnancy<sup>11</sup>. Estimated take-up rates in this analysis reflect this experience. However, the average *length* of TDI leave for pregnancy decreased slightly under implementation of FLI in New Jersey (similar data were not available for California). This phenomenon is applied also to New York—for early bonding with a new child that overlaps

---

<sup>11</sup> Review of this data for New Jersey takes the differing number of covered workers for each program into account. See the technical supplement that accompanies this report for more discussion.

recovery from childbirth, it is assumed that some mothers will shift to use of paid family leave when TDI would have been used previously.

**Summary, Estimated Utilization and Benefit Costs**  
**67 percent weekly wage replacement rate, benefit costs in millions**

**FIGURE 3B**

	Family Leave Insurance					
	Year 1, \$422 MWBA		Year 4, \$603 MWBA			
	Lower Bound	Upper Bound	Lower Bound	Midpoint [5]	Upper Bound	
Take-up rate	0.74%	1.09%	0.90%		1.37%	
Total claims	41,700	61,500	50,500		77,100	
Bonding	33,700	49,500	40,600		61,900	
Other care	8,000	12,000	9,900		15,200	
Total average length of leave	5.5 weeks	9.4 weeks	6.7 weeks		10.0 weeks	
Bonding	6.0 weeks	10.6 weeks	7.3 weeks		11.0 weeks	
Other care	3.5 weeks	4.5 weeks	4.0 weeks		6.0 weeks	
Average weekly benefit paid [3]	\$350-\$370	\$350-\$370	\$440-\$480		\$440-\$480	
<b>Total</b> benefit costs [4]	\$80 - \$85	\$202 - \$214	\$149 - \$162	\$244 - \$266	\$339 - \$370	
Per covered employee [4]						
Per week	\$0.27-\$0.29	\$0.69-\$0.73	\$0.51-\$0.55	\$0.84-\$0.90	\$1.16-\$1.26	
Per year	\$14 - \$15	\$36 - \$38	\$26 - \$29	\$43 - \$47	\$60 - \$66	
	<b>Sum of Estimated TDI and FLI Benefit Costs (added by bounds)</b>					
	<b>Current</b>	<b>Year 1</b>		<b>Year 4</b>		
	<b>\$170 MWBA</b>	<b>\$422 MWBA</b>		<b>\$603 MWBA</b>		
	<b>Actual</b>	<b>Lower Bound</b>	<b>Upper Bound</b>	<b>Lower Bound</b>	<b>Midpoint [5]</b>	<b>Upper Bound</b>
<b>Total</b> benefit costs [4]	\$231	\$592 - \$628	\$827 - \$877	\$808 - \$836	\$1,059-\$1,100	\$1,343-\$1,397
Per covered employee [4]						
Per week	\$0.78	\$2.02-\$2.14	\$2.82-\$2.99	\$2.76-\$2.85	\$3.62-\$3.75	\$4.59-\$4.76
Per year	\$41	\$105 - \$111	\$147 - \$156	\$143 - \$149	\$188 - \$195	\$238 - \$248

MWBA refers to maximum weekly benefit amount.

Estimates prepared by the Fiscal Policy Institute, May 2014.

See footnotes at end of document.

## Funding Temporary Disability Insurance and Family Leave Insurance

### Funding TDI and FLI coverage in California, New Jersey and New York

Currently, the California State Disability Insurance program funds temporary disability insurance and paid family leave wholly through employee payroll deductions using a rate and wage ceiling that are adjusted annually. The *average* contribution per covered worker in 2014 for this purpose is estimated to be \$444 at a 1 percent contribution rate and taxable wage ceiling of \$101,636.<sup>12</sup> In New Jersey, both employees and employers pay for TDI coverage at rates that are adjusted annually as of 2012. In 2014, employees will contribute 0.38 percent of their wages on a maximum \$31,500 annual earnings and employers will pay an experience rating tax on employee wages. Employees pay the full cost of family leave insurance in New Jersey through a similar tax on earnings; in 2014, this rate is 0.1 percent of wages subject to TDI taxes.<sup>13</sup> Therefore, the maximum 2014 *employee* contributions in New Jersey for TDI and FLI are approximately \$120 and \$31.50 respectively. See Figure 4 *Employee and Employer Contributions*.

In New York, the cost of temporary disability insurance may be paid entirely by the employer or paid jointly by the employer and the employee. New York State law allows (but does not require) employers to offset their costs of providing their employees with temporary disability insurance by deducting 0.5 percent in weekly wages per employee up to a maximum \$0.60 per week, or \$31.20 per year.<sup>14</sup> Plans under which employees agree to contribute more for enhanced benefits are also permitted. As of January 2010, the New York State Insurance Fund, the state-owned insurance carrier, calculates premium costs for TDI coverage at a rate of 0.14 percent of the first \$340 in weekly wages, or \$17,680 in annual earnings, per employee—this averages approximately \$25 annually. The State Insurance Fund charges the same rate for male and female employees and premiums are pro-rated for employees who earn less than \$340 per week.<sup>15</sup>

Available information on rates offered for TDI coverage in New York by *private sector* carriers shows a significant range from close to \$20 to over \$31 per year for males and from approximately \$44 to \$66 per year for females. See Figure 5 *2013 Insurance Carriers' Premiums for Statutory TDI Coverage*. Premiums for female workers are more than twice those for males likely because females make three-quarters of the TDI claims in New York. Most women's claims, however, are for reasons other than pregnancy and their average leave length is shorter than for men's claims. See Figure 10 *Coverage and Utilization by Gender under the NYS Disability Benefits Law (Temporary Disability Insurance)* and Figure 11 *New York State: TDI Claims Covered by Insurance Carriers, 2011* at end of the document.

---

<sup>12</sup> State of California, Employment Development Department, *Quick Statistics* at [http://www.edd.ca.gov/About\\_EDD/Quick\\_Statistics.htm#DIStatistics](http://www.edd.ca.gov/About_EDD/Quick_Statistics.htm#DIStatistics).

<sup>13</sup> New Jersey Department of Labor and Workforce Development, *Division of Employer Accounts 2014 Rates* at <http://lwd.dol.state.nj.us/labor/ea/rates/ea2014.html>.

<sup>14</sup> New York State Workers' Compensation Board, *Disability Benefits* at [http://www.wcb.ny.gov/content/main/offthejob/IntroToLaw\\_DB.jsp](http://www.wcb.ny.gov/content/main/offthejob/IntroToLaw_DB.jsp).

<sup>15</sup> New York State Insurance Fund, *Premium Rates*, at <http://ww3.nysif.com/DisabilityBenefits/PolicyholderServices/PremiumRates.aspx>



## Employee and Employer Contributions [1], State Plans

**FIGURE 4**

	2009	2010	2011	2012	2013	2014
<b>California: State Disability Insurance (includes Disability Insurance and Paid Family Leave) [2]</b>						
Contribution Rate	1.10%	1.10%	1.20%	1.00%	1.00%	1.00%
Taxable Wage Ceiling	\$90,669	\$93,316	\$93,316	\$95,585	\$100,880	\$101,636
Maximum Employee Contribution	<b>\$997</b>	<b>\$1,026</b>	<b>\$1,120</b>	<b>\$956</b>	<b>\$1,009</b>	<b>\$1,016</b>
Total Employee Contributions (millions)	\$5,158.8	\$5,500.5	\$5,772.5	\$5,278.5	\$5,635.2	\$5,781.8
Per Covered Employee	<b>\$440</b>	<b>\$475</b>	<b>\$490</b>	<b>\$431</b>	<b>\$444</b>	<b>\$444</b>
Total Covered Employees	11,724,158	11,583,554	11,804,020	12,237,263	12,688,000	13,018,000
<b>New Jersey: Temporary Disability Insurance</b>						
Contribution Rate	0.5%	0.50%	0.50%	0.20%	0.36%	0.38%
Taxable Wage Ceiling	\$28,900	\$29,700	\$29,600	\$30,300	\$30,900	\$31,500
Maximum Employee Contribution	<b>\$145</b>	<b>\$149</b>	<b>\$148</b>	<b>\$61</b>	<b>\$111</b>	<b>\$120</b>
Total Employee Contributions (millions)	\$303.5	\$308.2	\$314.8	NA	NA	NA
Per Covered Employee	<b>\$111</b>	<b>\$114</b>	<b>\$116</b>	NA	NA	NA
Total Employer Contributions (millions)	\$207.7	\$209.5	\$209.4	NA	NA	NA
Per Covered Employee	<b>\$76</b>	<b>\$77</b>	<b>\$77</b>	NA	NA	NA
Total Contributions (millions)	\$511.2	\$517.7	\$524.2	NA	NA	NA
Per Covered Employee	<b>\$187</b>	<b>\$191</b>	<b>\$193</b>	NA	NA	NA
Total Covered Employees	2,733,400	2,706,100	2,711,500	2,741,300	2,782,400	2,832,500
<b>New Jersey: Family Leave Insurance [3]</b>						
Contribution Rate	0.09%	0.12%	0.06%	0.08%	0.10%	0.10%
Taxable Wage Ceiling	\$28,900	\$29,700	\$29,600	\$30,300	\$30,900	\$31,500
Maximum Employee Contribution	<b>\$26</b>	<b>\$36</b>	<b>\$18</b>	<b>\$24</b>	<b>\$31</b>	<b>\$32</b>
Total Employee Contributions (millions)	\$72,800	\$111.4	\$56.7	NA	NA	NA
Per Covered Employee	<b>\$20</b>	<b>\$30</b>	<b>\$15</b>	NA	NA	NA
Total Covered Employees	3,701,300	3,662,100	3,668,100	3,710,700	3,766,000	3,833,500

NA - Not available.

[1] With the exception of contribution rate and taxable wage ceiling, figures are rounded.

[2] Employees make one contribution to SDI for temporary disability *and* family leave coverage. Figures for 2013 and 2014 are estimates.

[3] As New Jersey's FLI program took effect on July 1, 2009, only six months of data are available for that year.

Sources: California Employment Development Department; see [http://www.edd.ca.gov/about\\_edd/Quick\\_Statistics.htm](http://www.edd.ca.gov/about_edd/Quick_Statistics.htm). Annual Reports, New Jersey Department of Labor and Workforce Development; see [http://lwd.dol.state.nj.us/labor/forms\\_pdfs/ti/Annual%20FLI-TDI%20Report%20For%202009.pdf](http://lwd.dol.state.nj.us/labor/forms_pdfs/ti/Annual%20FLI-TDI%20Report%20For%202009.pdf); [http://lwd.dol.state.nj.us/labor/forms\\_pdfs/ti/ANNUAL\\_FLI-TDI\\_REPORT\\_FOR\\_2010.pdf](http://lwd.dol.state.nj.us/labor/forms_pdfs/ti/ANNUAL_FLI-TDI_REPORT_FOR_2010.pdf); and [http://lwd.dol.state.nj.us/labor/forms\\_pdfs/ti/ANNUAL\\_FLI-TDI\\_REPORT%202011.pdf](http://lwd.dol.state.nj.us/labor/forms_pdfs/ti/ANNUAL_FLI-TDI_REPORT%202011.pdf) and <http://lwd.dol.state.nj.us/labor/ea/rates/rateindex.html>.

## 2013 Insurance Carriers' Premiums for Statutory TDI Coverage

**FIGURE 5**

Carrier	Males		Females	
	Monthly	Annual	Monthly	Annual
Nationwide	\$2.59	<b>\$31.08</b>	\$5.52	<b>\$66.24</b>
First Rehab Life	\$1.75	<b>\$21.00</b>	\$3.80	<b>\$45.60</b>
Standard Security Life, 1-9 wrkrs	\$1.69	<b>\$20.28</b>	\$3.68	<b>\$44.16</b>
Standard Security Life, 10-49 wrkrs	\$1.90	<b>\$22.80</b>	\$4.20	<b>\$50.40</b>
National Benefit Life [1]	\$1.65	<b>\$19.80</b>	\$3.75	<b>\$45.00</b>
National Benefit Life [2]	\$1.85	<b>\$22.20</b>	\$4.75	<b>\$57.00</b>
State Insurance Fund [3]		<b>\$24.76</b>		<b>\$24.76</b>
Arch		<b>\$19.70</b>		<b>\$44.50</b>

[1] Bronx, Columbia, Delaware, Dutchess, Greene, Kings, Nassau, New York, Orange, Putnam, Queens, Richmond, Rockland, Suffolk, Sullivan, Ulster, Westchester.

[2] All other counties.

[3] The State Insurance Fund does not charge different premiums rates for males and females.

Premium rates are affected by the following factors: 1) the number of claims made by covered workers, 2) reserves of funds used to make benefit payments, 3) administrative costs and 4) reasonable profit. Insurance carriers must also comply with the benefit loss or minimum loss ratio requirement in state law, which states that carriers must spend at least 60 percent of total premiums collected on claims.<sup>16</sup> One reason why the gender neutral premiums charged by the New York State Insurance Fund are low compared to private sector carriers may be the surplus in the Disability Benefits Fund, \$128.6 million in 2012.<sup>17</sup>

Substantial reserves in disability benefits funds have been used recently by New Jersey for state fiscal relief. The previous fixed employee contribution rate of 0.5 percent for TDI coverage in New Jersey resulted in surpluses in these funds; transfers of a portion of these reserves were made to the state's General Fund between 1995 and 2008. A 2008 ballot initiative amended the state constitution to ban such diversions. This experience is relevant to New York's

<sup>16</sup> On April 22, 2013, Governor Cuomo announced that Zurich American would refund \$4.56 million to policyholders because it did not spend 60 percent of its premiums on claims during 2009, 2010 and 2011. See <https://www.governor.ny.gov/press/04222013-zurich-american-refund-insurance-policyholders>.

<sup>17</sup> *New York State Insurance Fund: 2012 Annual Report* at <http://ww3.nysif.com/AboutNYSIF/~media/pdf/AnnualReport/NYSIF2012AR130715rpdf.ashx>.

consideration of this proposed legislation given the transfer of \$1 billion in funds from the State Insurance Fund in New York's current enacted budget.

Since 2012, the worker contribution rate for New Jersey's TDI program has varied, ranging from 0.20 percent in 2012 to 0.36 percent in 2013 and 0.38 percent in 2014. During these same years, the *total* worker contribution rate for *both* TDI and FLI has been 0.28 percent, 0.46 percent, and 0.48 percent, respectively. See Figure 4. These totals have been less than the previous TDI fixed worker rate of 0.50 percent, meaning that affected workers have contributed at a lower rate for both programs during this time period than they previously did for only TDI.

### **Potential impact of proposed legislation on current TDI premiums**

Under the proposed legislation, the maximum weekly benefit for TDI leave would increase from \$170 to 50 percent of the state's AWW, and the wage replacement rate would increase from half to two-thirds, or 67 percent, of workers' weekly wages. In response, insurance carriers may increase the maximum amount of wages used to calculate premium costs for TDI coverage. The ratio of the current weekly wage cap NYSIF uses to set premiums *to* the current maximum weekly benefit amount is \$340/\$170 or 2/1. If this ratio is used with the MWBA in year four of the proposed legislation, approximately \$603, to determine the weekly wage cap that NYSIF or another carrier may use then to set premiums, this results in a weekly wage ceiling of approximately \$1,205, or close to \$63,000 in annual earnings.

Applying the same rate used to calculate premium costs currently by the State Insurance Fund, 0.14 percent, this would result in an annual premium of approximately \$88 for TDI coverage in year four of the proposed legislation. This is the same amount as the premium estimated to be charged by the State Insurance Fund for TDI coverage in year four of the proposed legislation (most likely outcome) under an alternative approach. In this second method, current premium costs are increased by the same proportion represented by the estimated increase in benefit costs under the proposed legislation. See Figure 6 *Use of Cost Estimates to Project Impact on Insurance Premiums: Temporary Disability Insurance*.

## Use of Cost Estimates to Project Impact on Insurance Premiums Temporary Disability Insurance, and TDI with FLI

**FIGURE 6**

*Actual, or current, annual benefit cost per covered employee (\$170 maximum weekly benefit):*

\$40.99

### Under Proposed Legislation

Estimated *additional* annual TDI benefit costs:

	Year 1, \$422		Year 4, \$603		
	Lower bound	Upper bound	Lower bound	Most Likely Outcome	Upper bound
Midpoint of range of additional costs [1]	\$52.50	\$73.50	\$77.50	\$105.50	\$139.00
Percent <i>increase</i> from \$40.99	128%	179%	189%	257%	339%

For the insurance carriers listed below, if the above percent increases are applied to *current* premium rates for statutory coverage (see 'Current' column below), the estimated increases to premiums, listed to the right of current premiums, would result. It is assumed the above estimated increases have the same impact on current rates for TDI coverage of males and females (this may not be the case).

Estimated *increases* to current premiums:

	Current	Year 1, \$422		Year 4, \$603		
		Lower bound	Upper bound	Lower bound	Most Likely Outcome	Upper bound
State Insurance Fund	\$24.76	\$31.71	\$44.40	\$46.81	\$63.73	\$83.96
First Rehabilitation Life, male	\$21.00	\$26.90	\$37.66	\$39.70	\$54.05	\$71.21
First Rehabilitation Life, female	\$45.60	\$58.40	\$81.77	\$86.22	\$117.37	\$154.63
Nationwide, male	\$31.08	\$39.81	\$55.73	\$58.76	\$79.99	\$105.39
Nationwide, female	\$66.24	\$84.84	\$118.78	\$125.24	\$170.49	\$224.62

Total estimated premiums for increased TDI costs:

	Current	Year 1, \$422		Year 4, \$603		
		Lower bound	Upper bound	Lower bound	Most Likely Outcome	Upper bound
State Insurance Fund	\$24.76	\$56.47	\$69.16	\$71.57	\$88.49	\$108.72
First Rehabilitation Life, male	\$21.00	\$47.90	\$58.66	\$60.70	\$75.05	\$92.21
First Rehabilitation Life, female	\$45.60	\$104.00	\$127.37	\$131.82	\$162.97	\$200.23
Nationwide, male	\$31.08	\$70.89	\$86.81	\$89.84	\$111.07	\$136.47
Nationwide, female	\$66.24	\$151.08	\$185.02	\$191.48	\$236.73	\$290.86

Total estimated premiums for increased TDI costs and new FLI costs [2]:

	Current	Year 1, \$422		Year 4, \$603		
		Lower bound	Upper bound	Lower bound	Most Likely Outcome	Upper bound
State Insurance Fund	\$24.76	\$65.23	\$91.51	\$88.19	\$115.82	\$146.78
First Rehabilitation Life, male	\$21.00	\$55.33	\$77.61	\$74.79	\$98.23	\$124.49
First Rehabilitation Life, female	\$45.60	\$120.14	\$168.53	\$162.41	\$213.30	\$270.32
Nationwide, male	\$31.08	\$81.88	\$114.86	\$110.69	\$145.38	\$184.24
Nationwide, female	\$66.24	\$174.51	\$244.81	\$235.92	\$309.85	\$392.67

[1] See *Summary: Estimated Utilization and Benefit Costs*, 67 percent weekly wage replacement rate

[2] Most likely outcome includes the arithmetic average of year 4 lower and upper bound FLI costs.

Source: Fiscal Policy Institute, May 2014.

Under this scenario, premiums would continue to be pro-rated for employees that earn less than \$1,205 per week. TDI premium costs for employers, therefore, would reflect their employees' differing wage levels, i.e., premium costs for lower to moderate-wage workers would be less than for higher-wage workers (up to the wage ceiling), reflecting their differing potential weekly TDI benefit amounts. If the present cap in maximum weekly contribution—\$0.60—were raised, this would ensure that higher-wage workers would make proportionately higher contributions for their higher wage replacement as compared to lower-wage workers.

Turning to FLI, the legislation proposes that employees pay the full cost of FLI up to 45 cents per week per employee during the first year and an amount not to exceed 115 percent of the cost per employee to provide family leave insurance by the State Insurance Fund in subsequent years.<sup>18</sup> This would result in a maximum annual contribution of \$23.40 per employee for FLI in year one of the proposed legislation.

If employee contributions were specified as rates in subsequent years rather than fixed amounts, this would ensure that higher-wage workers would make proportionately higher contributions for their higher wage replacement compared to lower-wage workers. Such rates may also vary according to the balance in the fund from which FLI benefits are paid, among other factors discussed above. See Figure 7 *Use of Cost Estimates to Project Impact on Insurance Premiums: Family Leave Insurance* for estimated increases to insurance premiums for providing family leave insurance. These increases represent the same percentage growth estimated for benefit costs under the proposed legislation due to provision of FLI.

---

<sup>18</sup> Bill A 1793B-2013 passed the Assembly and was delivered to the Senate (S 4742B-2013) on March 5, 2014. See <http://open.nysenate.gov/legislation/bill/A1793B-2013>.

## Use of Cost Estimates to Project Impact on Insurance Premiums Family Leave Insurance, and Current TDI with FLI

### FIGURE 7

**Actual, or current, annual benefit cost per covered employee (\$170 maximum weekly benefit):**

**\$40.99**

**Under Proposed Legislation  
Estimated FLI benefit costs:**

	Year 1, \$422		Year 4, \$603	
	Lower bound	Upper bound	Lower bound	Upper bound
Midpoint of range of additional costs [1]	\$14.50	\$37.00	\$27.50	\$63.00
Percent increase from \$40.99	35%	90%	67%	154%

For the insurance carriers listed below, if the above percent increases are applied to current premium rates for statutory coverage (see 'Current' column below), the estimated increases to premiums, listed to the right of current premiums, would result. It is assumed the above estimated increases have the same impact on current rates for TDI coverage of males and females (this may not be the case). *Employees would pay estimated premium increases for FLI coverage.*

**Estimated increases to current premiums due to new FLI costs:**

	Current	Year 1, \$422		Year 4, \$603	
		Lower bound	Upper bound	Lower bound	Upper bound
State Insurance Fund	\$24.76	\$8.76	\$22.35	\$16.61	\$38.06
First Rehabilitation Life, male	\$21.00	\$7.43	\$18.96	\$14.09	\$32.28
First Rehabilitation Life, female	\$45.60	\$16.13	\$41.16	\$30.59	\$70.09
Nationwide, male	\$31.08	\$10.99	\$28.05	\$20.85	\$47.77
Nationwide, female	\$66.24	\$23.43	\$59.79	\$44.44	\$101.81

**Total estimated premiums for current TDI costs and new FLI costs:**

	Current	Year 1, \$422		Year 4, \$603	
		Lower bound	Upper bound	Lower bound	Upper bound
State Insurance Fund	\$24.76	\$33.52	\$47.11	\$41.37	\$62.82
First Rehabilitation Life, male	\$21.00	\$28.43	\$39.96	\$35.09	\$53.28
First Rehabilitation Life, female	\$45.60	\$61.73	\$86.76	\$76.19	\$115.69
Nationwide, male	\$31.08	\$42.07	\$59.13	\$51.93	\$78.85
Nationwide, female	\$66.24	\$89.67	\$126.03	\$110.68	\$168.05

[1] See *Summary: Estimated Utilization and Benefit Costs, 67 percent weekly wage replacement rate*

Source: Fiscal Policy Institute, May 2014.

## **Summary**

### **Comparison of TDI and FLI benefit costs**

Overall, total benefit costs for family leaves are modest and much lower than benefit costs for temporary disability leaves. In California, total benefits paid for family leave in 2011-2012 represented only 12 percent of total benefits paid for temporary disability leave. In New Jersey, total benefits paid for family leave in 2011 equaled 18 percent of total benefits paid for TDI leave that year. See Figure 9 at the end of the document. These ratios are affected by the difference in the maximum length of leave available to employees under their states' respective programs. Both California and New Jersey provide a maximum of 6 weeks of family leave. However, California provides a maximum 52 weeks of temporary disability leave while New Jersey provides a maximum of 26 weeks of TDI leave.

A similar comparison for New York shows that in year four of the proposed legislation, at a MWBA and wage replacement rate similar to those in New Jersey, estimated benefit costs *for up to 12 weeks* of family leave will range from 23 to 36 percent of TDI benefit costs. This percentage is higher than in California and New Jersey because New York's proposed maximum family leave length is twice as long as these two states allow.

### **Actual and estimated hourly costs for TDI and FLI coverage compared to employers' total compensation costs for employees**

Actual and estimated costs to provide workers with temporary disability and family leave insurance are very small compared to employers' total costs for compensation—wages, salaries and benefits—and they are also small compared to employers' costs for paid leave (vacation, holiday, sick and personal). In the U.S. Mid-Atlantic region in December 2013, private sector employers' average labor or compensation cost per employee was \$33.67 *per hour* worked, representing \$22.95 in wages and salaries and \$10.71 in benefits; per employee costs for paid leave, \$2.55, amounted to less than one-quarter of current total benefit costs. See Figure 8 *Employer costs per hour worked for employee compensation and costs as a percent of total compensation: Private Industry workers.*

**Employer costs per hour worked for employee compensation and costs as a percent of total compensation: Private industry workers  
December 2013**

**FIGURE 8**

Compensation Component	United States		Mid Atlantic	
	Cost	Percent	Cost	Percent
Total compensation	\$29.63		\$33.67	
Wages and salaries	\$20.76	70.1%	\$22.95	68.2%
Total benefits	\$8.87	29.9%	\$10.71	31.8%
Paid leave	\$2.05	6.9%	\$2.55	7.6%
Vacation	\$1.07	3.6%	\$1.28	3.8%
Holiday	\$0.62	2.1%	\$0.75	2.2%
Sick	\$0.25	0.8%	\$0.35	1.0%
Personal	\$0.11	0.4%	\$0.18	0.5%
Supplemental pay [1]	\$0.85	2.9%	\$1.05	3.1%
Insurance	\$2.45	8.3%	\$3.04	9.0%
Life	\$0.04	0.1%	\$0.05	0.1%
Health	\$2.30	7.8%	\$2.84	8.4%
<b>Short-term disability</b>	\$0.05	0.2%	<b>\$0.10</b>	<b>0.3%</b>
Long-term disability	\$0.05	0.2%	\$0.06	0.2%
Retirement and savings	\$1.10	3.7%	\$1.29	3.8%
Defined benefit	\$0.47	1.6%	\$0.57	1.7%
Defined contribution	\$0.63	2.1%	\$0.72	2.1%
Legally required benefits	\$2.43	8.2%	\$2.78	8.3%
Social Security	\$1.39	4.7%	\$1.53	4.5%
Medicare	\$0.34	1.1%	\$0.39	1.2%
Federal unemployment insurance	\$0.04	0.1%	\$0.04	0.1%
State unemployment insurance	\$0.23	0.8%	\$0.32	1.0%
Workers' compensation	\$0.43	1.5%	\$0.51	1.5%

[1] Includes overtime, premium pay for work in addition to the regular work schedule (such as overtime, weekends, and holidays), shift differentials, and nonproduction bonuses.

Note: The sum of individual items may not equal totals due to rounding.

Source, Bureau of Labor Statistics, Employer Costs for Employee Compensation, December 2013 at <http://www.bls.gov/news.release/ecec.nr0.htm>; <http://www.bls.gov/news.release/ecec.t05.htm>; and, <http://www.bls.gov/news.release/ecec.t07.htm>.



These data indicate that the current cost for short-term disability in the Mid-Atlantic region is ten cents per hour; this amount includes both (or temporary) coverage at the minimum level required by law *and* coverage beyond statutory requirements. For employers in New York State that purchase statutory TDI coverage for each employee through the NYSIF at about \$25 per year, this cost is approximately one cent per hour worked for a full-time employee, *if there are no contributions provided by employees for this coverage*. Statutory coverage purchased through other insurance carriers that ranges currently from approximately \$20 to \$31 per year for males and \$44 to \$66 per year for females still results in an hourly cost of \$0.03 cents or less, substantially less than the current cost for employers in the Mid-Atlantic region.

If just the additional estimated TDI benefit costs are taken into account when considering the impact of the proposed legislation, employers' costs for full-time employees would increase \$0.02 to \$0.04 per hour in year one and \$0.04 to \$0.07 per hour in year four. If current premium amounts are used to project costs, the increase in year one for coverage provided by NYSIF and by private insurance carriers for male employees would be \$0.01 to \$0.03. For private insurance carriers to provide female employees with coverage in year one, hourly costs would increase \$0.03 to \$0.06. In year four, these costs would increase from current levels by \$0.02 to \$0.05 per hour for males and workers covered by NYSIF and by \$0.04 to \$0.11 for females.

As a proportion of total labor or compensation costs, costs for family leave coverage are extremely minimal. If just estimated new FLI benefit costs are considered, for full-time employees, costs would increase by less than \$0.01 to \$0.02 per hour in year one, and by \$0.01 to \$0.03, per hour in year four. Using actual premiums indicates that employees' costs would increase by up to \$0.02 or \$0.03 per hour for female employees in year one and up to \$0.05 per hour for this group in year four. Costs for male employees and workers covered by NYSIF would remain at less than \$0.01 to \$0.02 more per hour.

## Additional Material

### Demographic Change in the Labor Force in New York and the United States

#### *Women in the labor force*

In 1972, almost 44 percent of women in the United States participated in the labor force; this figure is now almost 58 percent.<sup>19</sup> And while the size of the civilian labor force grew by 87 percent from 1970 to 2012 (from almost 83 million to just under 155 million), the number of women employed or seeking employment during this period more than doubled from over 31.5 million to 72.6 million.<sup>20</sup>

#### *Mothers with school-age children and single mothers in the labor force*

Almost 34 percent of mothers with children under 3 years of age were employed in 1976; that figure in 2012 was almost 61 percent.<sup>21</sup> The proportion of households with children under eighteen years of age where a single mother was the sole provider of income has increased from 7.3 percent in 1960 to 25.3 percent in 2011.<sup>22</sup>

#### *Length of working life*

From about 1990 to 2010, the *average* retirement age for men increased from 62 to 64. Because the number and ages of women in the labor force has shifted dramatically over the last 50 years, determining average change in retirement age for women is more difficult. Data suggest this has gone up from 55 in the 1960s to 62 in 2010.<sup>23</sup>

---

<sup>19</sup> United States (U.S.) Department of Labor, Women's Bureau, *Labor Force Participation Rates by Sex and Race or Hispanic Ethnicity, 1972–2012*, use of data from Bureau of Labor Statistics, Current Population Survey at [http://www.dol.gov/wb/stats/facts\\_over\\_time.htm#labor](http://www.dol.gov/wb/stats/facts_over_time.htm#labor).

<sup>20</sup> United States (U.S.) Department of Labor, Women's Bureau, *Civilian labor force by sex, 1970–2012*, use of data from Bureau of Labor Statistics, Current Population Survey at [http://www.dol.gov/wb/stats/facts\\_over\\_time.htm#labor](http://www.dol.gov/wb/stats/facts_over_time.htm#labor).

<sup>21</sup> United States (U.S.) Department of Labor, Women's Bureau, *Labor Force Participation Rate of Mothers by Age of Own Child, March 1976-2012*, use of data from Bureau of Labor Statistics, Current Population Survey at [http://www.dol.gov/wb/stats/LForce\\_rate\\_mothers\\_child\\_76\\_12\\_txt.htm](http://www.dol.gov/wb/stats/LForce_rate_mothers_child_76_12_txt.htm).

<sup>22</sup> Wang, Wendy Kim Parker and Paul Taylor, *Breadwinner Moms*, Pew Research: Social and Demographic Trends, May 29, 2013 at <http://www.pewsocialtrends.org/2013/05/29/breadwinner-moms/>.

<sup>23</sup> Munnell, Alicia H., *What is the average retirement age?*, Center for Retirement Research, Boston College, August 2011, Number 11-11 at [http://crr.bc.edu/wp-content/uploads/2011/08/IB\\_11-11-508.pdf](http://crr.bc.edu/wp-content/uploads/2011/08/IB_11-11-508.pdf).

### ***Length of life expectancy***

Finally, life expectancy increased by almost eight years across the country from 70.8 years in 1970 to 78.5 years in 2009.<sup>24</sup> In New York State in 2010, life expectancy increased to 80.5 years compared to 78.9 years in the nation overall. Life expectancy in New York City has been increasing faster than life expectancy nationwide and in other urban areas.<sup>25</sup>

### **Footnotes: FIGURE 3A and 3B Summary, Estimated Utilization and Benefit Costs**

[1] New York State Workers' Compensation Board data are used to estimate a total base of 5,635,000 employees with statutory TDI coverage provided by insurance carriers. New York State Department of Financial Services data indicate coverage and utilization that is slightly higher, with, for instance, a base of approximately 5,775,000 employees and 186,500 claims in 2011. Take-up, average duration of leave and average weekly benefit paid are very similar, however (3.23 percent, 8.3 weeks and \$152.29, respectively, in 2011).

[2] The TDI 'most likely outcome' is *not* an arithmetic midpoint between the year four lower and upper bound parameters. The take-up rate and average length of leave associated with this outcome are what New York is projected to experience within the range of estimates for year four based on various factors. See the technical supplement for more description of this projection.

[3] These amounts do not represent lower and upper bounds; rather they are the average benefits that result from the interaction of take-up—distributed by wage level, wage replacement and the proposed maximum weekly benefit. See technical supplement to this document for more information on the estimation of average weekly benefit amounts.

[4] This does not include administrative cost and profit. See footnote 9 in the text of this document and the relevant sections in the technical supplement for more information.

[5] The year four lower and upper bound FLI benefit costs have been averaged for the purpose of adding them to the year four TDI "most likely outcome" costs.

---

<sup>24</sup> Centers for Disease Control, *National Vital Statistics Reports*, Vol. 62, No. 7, January 6, 2014 at [http://www.cdc.gov/nchs/data/nvsr/nvsr62/nvsr62\\_07.pdf](http://www.cdc.gov/nchs/data/nvsr/nvsr62/nvsr62_07.pdf) (see Table 19).

<sup>25</sup> The Henry J. Kaiser Family Foundation, *Life Expectancy at Birth (in years)* at <http://kff.org/other/state-indicator/life-expectancy/> and New York City Department of Health and Mental Hygiene, *Epi Research Report*, March 2013 at <http://www.nyc.gov/html/doh/downloads/pdf/epi/epiresearch-lifeexpectancy.pdf>.

## Benefits Paid, State Plans

**FIGURE 9**

	2009	2010	2011	2012	2013
<b>California: Disability Insurance</b>					
Average Weekly Benefit Paid	\$443	\$447	\$446	\$454	\$472
Total Benefits Paid (millions)	\$4,380.4	\$4,452.5	\$4,341.9	\$4,320.8	4,403.10
Per Covered Employee: Per Week	<b>\$7.19</b>	<b>\$7.39</b>	<b>\$7.07</b>	<b>\$6.79</b>	<b>\$6.67</b>
Per Covered Employee: Per Year	\$373.62	\$384.38	\$367.83	\$353.09	\$347.03
<b>California: Paid Family Leave</b>					
Average Weekly Benefit Paid	\$481	\$489	\$491	\$504	\$526
Total Benefits Paid (millions)	\$462.7	\$488.3	\$510.7	\$540.0	\$570.8
Per Covered Employee: Per Week	<b>\$0.76</b>	<b>\$0.81</b>	<b>\$0.83</b>	<b>\$0.85</b>	<b>\$0.87</b>
Per Covered Employee: Per Year	\$39.47	\$42.15	\$43.26	\$44.13	\$44.99
<b>California: Total</b>					
Total Benefits Paid (millions)	\$4,843.1	\$4,940.8	\$4,852.6	\$4,860.8	\$4,973.9
Per Covered Employee: Per Week	\$7.94	\$8.20	\$7.91	\$7.64	\$7.54
Per Covered Employee: Per Year	<b>\$413.09</b>	<b>\$426.54</b>	<b>\$411.10</b>	<b>\$397.21</b>	<b>\$392.02</b>
Total Covered Employees	11,724,158	11,583,554	11,804,020	12,237,263	12,688,000
Maximum Weekly Benefit Amount	\$997	\$1,026	\$1,120	\$956	\$1,009
<b>New Jersey: Temporary Disability Insurance [1]</b>					
Average Weekly Benefit Paid	\$404	\$413	\$420	NA	NA
Total Benefits Paid (millions) [2]	\$430.1	\$429.8	\$418.6	NA	NA
Per Covered Employee: Per Week	\$3.03	\$3.05	\$2.97	NA	NA
Per Covered Employee: Per Year	<b>\$157.35</b>	<b>\$158.83</b>	<b>\$154.38</b>	NA	NA
Total Covered Employees	2,733,400	2,706,100	2,711,500	2,741,300	2,782,400
<b>New Jersey: Family Leave Insurance [1]</b>					
Average Weekly Benefit Paid	\$471	\$479	\$482	NA	NA
Total Benefits Paid (millions) [2]	\$31.6	\$72.9	\$74.7	NA	NA
Per Covered Employee: Per Week	NA	\$0.38	\$0.39	NA	NA
Per Covered Employee: Per Year	NA	<b>\$19.91</b>	<b>\$20.36</b>	NA	NA
Total Covered Employees	3,701,300	3,662,100	3,668,100	3,710,700	3,766,000
Maximum Weekly Benefit Amount	\$546	\$561	\$559	\$572	\$584

NA - Not available.

[1] As New Jersey's FLI program took effect on July 1, 2009, only six months of data are available for that year. Data from these two programs are not added together as for California because there are differing numbers of covered employees for each program.

[2] Does not include benefit payments for disability during unemployment.

Source: California Employment Development Department; see [http://www.edd.ca.gov/about\\_edd/Quick\\_Statistics.htm](http://www.edd.ca.gov/about_edd/Quick_Statistics.htm). Annual Reports, New Jersey Department of Labor and Workforce Development; see [http://lwd.dol.state.nj.us/labor/forms\\_pdfs/tdi/Annual%20FLI-TDI%20Report%20For%202009.pdf](http://lwd.dol.state.nj.us/labor/forms_pdfs/tdi/Annual%20FLI-TDI%20Report%20For%202009.pdf); [http://lwd.dol.state.nj.us/labor/forms\\_pdfs/tdi/ANNUAL\\_FLI-TDI\\_REPORT\\_FOR\\_2010.pdf](http://lwd.dol.state.nj.us/labor/forms_pdfs/tdi/ANNUAL_FLI-TDI_REPORT_FOR_2010.pdf); and [http://lwd.dol.state.nj.us/labor/forms\\_pdfs/tdi/ANNUAL\\_FLI-TDI\\_REPORT%202011.pdf](http://lwd.dol.state.nj.us/labor/forms_pdfs/tdi/ANNUAL_FLI-TDI_REPORT%202011.pdf).

**Coverage and Utilization by Gender under the NYS Disability Benefits Law (TDI)**

**FIGURE 10**

Coverage: Precisely and Substantially Statutory Combined

	<b>Total</b>		<b>Male</b>		<b>Female</b>	
	<b>2010</b>	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>	<b>2011</b>
Number of Covered Employees	5,868,699	5,768,669	3,110,809	3,058,204	2,757,890	2,710,465
Percent of Total			53.0%	53.0%	47.0%	47.0%
Number of Initial Claims Allowed	192,661	186,520	47,954	46,882	144,707	139,638
Percent of Total			24.9%	25.1%	75.1%	74.9%
Average Weeks per Claim	8.33		9.09		8.08	

Source: Fiscal Policy Institute compilation of data from the New York State Department of Financial Services.

## New York State: TDI Claims Covered by Insurance Carriers, 2011

**FIGURE 11**

	<b>Total Claims</b>	<b>Statutory Claims</b>	<b>Plan Claims</b>
<b>All Claims</b>			
Indemnity Claims Allowed	201,084	182,604	18,480
Weeks of Indemnity Paid	1,684,866.45	1,526,572.95	158,293.50
Amount of Indemnity Paid	\$270,984,892	\$231,380,338	\$39,604,554
Average Weeks Per Claim	8.38	8.36	8.57
Average Weekly Benefit Paid	\$160.83	\$151.57	\$250.20
Number of Covered Employees [1]	6,288,161	5,635,000	653,161
Claims Allowed Per Covered Employees	3.20%	3.24%	2.83%
<b>Pregnancy Claims</b>			
Indemnity Claims Allowed	57,869	53,565	4,304
Weeks of Indemnity Paid	422,243.50	392,522.40	29,721.10
Amount of Indemnity Paid	\$67,152,235	\$59,697,171	\$7,455,064
Pregnancy Claims as % of Total Claims	28.8%	29.3%	23.3%
Average Weeks Per Claim	7.30	7.33	6.91
Average Weekly Benefit Paid	\$159.04	\$152.09	\$250.83

[1] Statutory figure approximates actual figure. This measure was estimated for one insurance carrier that did not provide this data; based on other data pertaining to this carrier, the carrier has an extremely small share of such coverage. This estimation did not affect calculation of take-up rate.

Source: Fiscal Policy Institute compilation of raw data provided by the New York State Workers' Compensation Board.

## Sources

### Federal

United States Department of Commerce, United States Census Bureau, *American Community Survey* at <http://factfinder2.census.gov/faces/nav/jsf/pages/index.xhtml>.

United States Department of Labor, Bureau of Labor Statistics, *Employer Costs for Employee Compensation* (December 2013) at <http://www.bls.gov/news.release/ecec.nr0.htm>; <http://www.bls.gov/news.release/ecec.t05.htm>; and, <http://www.bls.gov/news.release/ecec.t07.htm>.

United States Department of Labor, Wage and Hour Division (administers the Family and Medical Leave Act)

- Overview, fact sheets, regulations, etc., see <http://www.dol.gov/whd/fmla/>;
- FMLA surveys, see <http://www.dol.gov/whd/fmla/survey/>.

### State

#### California

*Employment Development Department* (administers the State Disability Insurance and Paid Family Leave programs), see <http://www.edd.ca.gov/>, <http://www.edd.ca.gov/Disability/> and [http://www.edd.ca.gov/Disability/More\\_PFL\\_information.htm](http://www.edd.ca.gov/Disability/More_PFL_information.htm); specifically:

- Coverage, eligibility and benefits, see *State Disability Insurance Program* at [http://www.edd.ca.gov/pdf\\_pub\\_ctr/de8714c.pdf](http://www.edd.ca.gov/pdf_pub_ctr/de8714c.pdf), and, *Paid Family Leave (PFL)* at [http://www.edd.ca.gov/pdf\\_pub\\_ctr/de8714cf.pdf](http://www.edd.ca.gov/pdf_pub_ctr/de8714cf.pdf); also, *State Disability Insurance (SDI) for State Employees* at [http://www.edd.ca.gov/Disability/SDI\\_for\\_State\\_Employees.htm](http://www.edd.ca.gov/Disability/SDI_for_State_Employees.htm);
- Data, see *Quick Statistics* at [http://www.edd.ca.gov/About\\_EDD/Quick\\_Statistics.htm#DIStatistics](http://www.edd.ca.gov/About_EDD/Quick_Statistics.htm#DIStatistics);
- *May 2013 Disability Insurance (DI) Fund Forecast* at [http://www.edd.ca.gov/About\\_EDD/pdf/edd-diforecastmay13.pdf](http://www.edd.ca.gov/About_EDD/pdf/edd-diforecastmay13.pdf).

#### New Jersey

*Department of Labor and Workforce Development* (administers the Temporary Disability Insurance and Family Leave Insurance programs)

- TDI Program, see <http://lwd.dol.state.nj.us/labor/t di/t diindex.html>;
- FLI Program, see [http://lwd.dol.state.nj.us/labor/fli/worker/program\\_info\\_menu.html](http://lwd.dol.state.nj.us/labor/fli/worker/program_info_menu.html);
- Data, see Annual reports for both programs at [http://lwd.dol.state.nj.us/labor/forms\\_pdfs/t di/Annual%20FLI-TDI%20Report%20For%202009.pdf](http://lwd.dol.state.nj.us/labor/forms_pdfs/t di/Annual%20FLI-TDI%20Report%20For%202009.pdf) (2009); [http://lwd.dol.state.nj.us/labor/forms\\_pdfs/t di/ANNUAL\\_FLI-TDI\\_REPORT\\_FOR\\_2010.pdf](http://lwd.dol.state.nj.us/labor/forms_pdfs/t di/ANNUAL_FLI-TDI_REPORT_FOR_2010.pdf) (2010);

[http://lwd.dol.state.nj.us/labor/forms\\_pdfs/tdi/ANNUAL\\_FLI-TDI\\_REPORT%202011.pdf](http://lwd.dol.state.nj.us/labor/forms_pdfs/tdi/ANNUAL_FLI-TDI_REPORT%202011.pdf) (2011).

- Contribution rates for both programs (available links to individual years), see <http://lwd.dol.state.nj.us/labor/ea/rates/rateindex.html>;
- *Discussion Points* (departmental response to questions from the state legislature) at [http://www.njleg.state.nj.us/legislativepub/budget\\_2013/DOL\\_response.pdf](http://www.njleg.state.nj.us/legislativepub/budget_2013/DOL_response.pdf) and [http://www.njleg.state.nj.us/legislativepub/budget\\_2014/DOL\\_response.pdf](http://www.njleg.state.nj.us/legislativepub/budget_2014/DOL_response.pdf).

## **New York**

### *Governor's Press Office*

- *Governor Cuomo Announces Zurich American to Refund \$4.56 Million to Insurance Policyholders*, Albany, NY (April 22, 2013) at <https://www.governor.ny.gov/press/04222013-zurich-american-refund-insurance-policyholders>.

### *New York State Assembly*

- Bill A1793B-2013 (same as S4742B-2013; passed Assembly and delivered to Senate on March 5, 2014) at <http://open.nysenate.gov/legislation/bill/A1793B-2013>.

*New York State Department of Financial Services* (formerly Insurance Department; regulates insurance companies), coverage and utilization *data* are not available online, only through request:

- Form for insurance carriers to report coverage and claims annually at [http://www.dfs.ny.gov/insurance/health/dbl\\_blank.pdf](http://www.dfs.ny.gov/insurance/health/dbl_blank.pdf).

*New York State Insurance Fund* (state-owned and state-operated insurance carrier):

- *2012 Annual Report* at <http://ww3.nysif.com/AboutNYSIF/~media/pdf/AnnualReport/NYSIF2012AR130715rpdfo.ashx>;
- Disability benefits, see [http://ww3.nysif.com/~link.aspx?id=9E156FB25D114EA69C799B03F543858E&z=z](http://ww3.nysif.com/~link.aspx?id=9E156FB25D114EA69C799B03F543858E&z=z;);
- Premium rates, see <http://ww3.nysif.com/DisabilityBenefits/PolicyholderServices/PremiumRates.aspx>

### *New York State Senate*

- Bill S4742B-2013 (same as A1793B-2013; amended and recommitted to the Labor Committee on March 20, 2014) at <http://open.nysenate.gov/legislation/bill/S4742B-2013>.

*New York State Workers' Compensation Board* (administers the Disability Benefits Law); see the following links for information on coverage and benefits, coverage and utilization *data* are not available online, only through request:

- General information, see [http://www.wcb.ny.gov/content/main/offthejob/IntroToLaw\\_DB.jsp](http://www.wcb.ny.gov/content/main/offthejob/IntroToLaw_DB.jsp);
- Employers/Businesses, see <http://www.wcb.ny.gov/content/main/Employers/Employers.jsp>;



- Workers, see <http://www.wcb.ny.gov/content/main/Workers/Workers.jsp>;
- Insurance Carriers, see <http://www.wcb.ny.gov/content/main/Carriers/Carriers.jsp>.

## **Other Materials**

Albelda, Randy and Alan Clayton-Matthews (Scholar Works, University of Massachusetts), *Sharing the Costs, Reaping the Benefits: Paid Family and Medical Leave in Massachusetts*, (June 2006) at

[http://scholarworks.umb.edu/cgi/viewcontent.cgi?article=1000&context=lrc\\_pubs](http://scholarworks.umb.edu/cgi/viewcontent.cgi?article=1000&context=lrc_pubs); see also *Appendix C: The IWPR/LRC Paid Family and Medical Leave Simulation Model* which is summarized in the appendix in *Sharing the Costs, Reaping the Benefits: Paid Family and Medical Leave in Massachusetts*.

Appelbaum, Eileen, Ruth Milkman, Luke Elliott, and Teresa Kroeger (Center for Economic and Policy Research) *Good for Business? Connecticut's Paid Sick Leave Law*, March 6, 2014. For press release, see <http://www.cepr.net/index.php/press-releases/press-releases/new-report-confirms-connecticut-business-owners-positive-experience-with-nations-1st-paid-sick-days-law>.

Appelbaum, Eileen and Ruth Milkman, *Unfinished Business, Paid Family Leave in California and the Future of U.S. Work-Family Policy*, (Cornell University Press, ILR: November 2013). For information, see <http://www.cornellpress.cornell.edu/book/?GCOI=80140100480110&readingList=0&tabId=4>.

Appelbaum, Eileen and Ruth Milkman (Center for Economic and Policy Research), *Leaves that Pay: Employer and Worker Experiences with Paid Family Leave in California* (January 2011) at <http://www.cepr.net/index.php/publications/reports/leaves-that-pay>.

Beal, Robert W. (as Principal and Consulting Actuary to Milliman USA), *The Cost of Extending New York DBL Coverage to FMLA Leave and Executive Summary*, (February 27, 2004).

Boldiston, Carolyn (Fiscal Policy Institute), *Technical Analysis: Estimating the Cost of Using New York's Temporary Disability Insurance Program to Provide Partial Pay to Covered Workers During Leaves Taken Under the Family and Medical Leave Act* (December 1998) at <http://fiscalspolicy.org/wp-content/uploads/2012/11/Cost-of-Temporary-Disability-Insurance-Program-for-FMLA.pdf>.

Boushey, Heather and Sarah Jane Glynn, (Center for American Progress), *Comprehensive Paid Family and Medical Leave for Today's Families and Workplaces* (August 2012) at <http://www.americanprogress.org/wp-content/uploads/2012/09/BousheyUniversalFamilyLeavePaper.pdf>.

Boushey, Heather and Sarah Jane Glynn, (Center for American Progress), *The Many Benefits of Paid Family and Medical Leave* (November 2012) at <http://www.americanprogress.org/wp-content/uploads/2012/11/GlynnModelLegislationBrief-2.pdf>.

Center for Law and Social Policy, *California: Paid Family Leave is a Basic Ingredient, Not the Icing, Says Galaxy Desserts* (Getting Down to Business Newsletter - May 2013) at <http://www.clasp.org/resources-and-publications/getting-down-to-business-newsletter-may-2013>.

Dube, Arindrajit and Ethan Kaplan (University of California at Berkeley Labor Center), *Paid Family Leave in California: An Analysis of Costs and Benefits* (June 19, 2002) at [http://laborcenter.berkeley.edu/healthcare/dube\\_kaplan\\_pfl02.pdf](http://laborcenter.berkeley.edu/healthcare/dube_kaplan_pfl02.pdf).

Klerman, Jacob, Kelly Daley, and Alyssa Pozniak (Cambridge, MA: Abt Associates), *Family and Medical Leave in 2012: Executive Summary* (2012) at <http://www.dol.gov/asp/evaluation/fmla/FMLA-2012-Executive-Summary.pdf>.

Lacapra, Lauren Tara, *Morgan Stanley CFO says companies need more female executives*, Reuters, (April 2, 2014) at <http://www.reuters.com/article/2014/04/03/morganstanley-porat-idUSL1N0MV03N20140403>.

Lovell, Vicky, Ph. D. (Institute for Women's Policy Research), *Valuing Good Health: An Estimate of Costs and Savings for the Healthy Families Act* (March 2005) at <http://www.iwpr.org/publications/pubs/valuing-good-health-an-estimate-of-costs-and-savings-for-the-healthy-families-act>.

Ochshorn, Susan (ECEPolicyWorks) and Curtis Skinner (National Center for Children in Poverty), *Strengthening 21st Century Families: The Case for Paid Family Leave* (posted February 19, 2013 in Spotlight on Poverty and Opportunity) at <http://www.spotlightonpoverty.org/ExclusiveCommentary.aspx?id=c23d766a-de84-4620-b2da-7a6d3b681eab>.

Von Bergen, Jane M., *Praise for N.J.'s family leave insurance* (posted May 5, 2013) at [http://articles.philly.com/2013-05-05/news/39028647\\_1\\_insurance-program-fmla-employers](http://articles.philly.com/2013-05-05/news/39028647_1_insurance-program-fmla-employers).

Van Giezen, Robert W. (Bureau of Labor Statistics), *Beyond the Numbers, Paid leave in private industry over the past 20 years* (August 2013, Vol. 2, No. 18) at [http://www.bls.gov/opub/btn/volume-2/paid-leave-in-private-industry-over-the-past-20-years.htm#\\_edn2](http://www.bls.gov/opub/btn/volume-2/paid-leave-in-private-industry-over-the-past-20-years.htm#_edn2).





*The Fiscal Policy Institute is an independent, nonpartisan, nonprofit research and education organization committed to improving public policies and private practices to better the economic and social conditions of all New Yorkers. Founded in 1991, FPI is committed to creating a strong economy in which prosperity is broadly shared.*

**[www.fiscalpolicy.org](http://www.fiscalpolicy.org)**

**One Lear Jet Lane • Latham, NY 12110 • 518-786-3156  
11 Park Place, Suite 701 • New York, NY 10007 • 212-721-5624**