Monthly Labor Review
September 2015

Pay protection during temporary absences from work: what we know and what we don't know

Employer-provided sick leave plans generally provide pay protection to ill or injured workers. Data from the Bureau of Labor Statistics show that other benefits also may be used to protect workers from loss of income. This article explores the range of benefits available for pay protection and looks at how certain unique plans are treated in the BLS statistics. Further, the article examines the uses of sick leave and other pay protection plans, especially for family leave issues. What is known about various pay protection benefits is identified, as is a series of unknowns: issues related to pay protection that aren't currently identified in BLS surveys.

William J. Wiatrowski
wiatrowski.william@bls.gov

William J. Wiatrowski is deputy commissioner, U.S. Bureau of Labor Statistics.

Comparisons of employment practices across developed nations often point to differences in the availability of paid sick leave. For example, a 2009 report from the Center for Economic Policy and Research states, "[among] 22 countries ranked highly in terms of economic and human development…the United States is the only country that does not guarantee that workers receive paid sick days or paid sick leave."[1] This report describes the mandatory nature of paid sick time in other countries, either through government-run social insurance programs or a requirement that employers provide such protection.[2] In the United States, paid sick leave may be provided by employers, although such coverage is mandatory only in a few states and localities. Through its National Compensation Survey (NCS), the U.S. Bureau of Labor Statistics (BLS, the Bureau) provides annual estimates of the percentage of workers covered by paid sick leave; in 2014, 61 percent of private industry workers had such coverage. But that single statistic does not give a complete picture of the pay protection benefits available to injured or ill workers. The goal of this article is threefold: to make clear what BLS data are available on pay protection for absences due to non-work-related injuries or illnesses, to explain how unique situations are treated in the BLS data, and to identify what information remains unknown.[3]

The NCS provides the following information:

- An estimated 61 percent of private industry workers were covered by a paid sick leave plan in 2014; coverage varied by occupation, wage level, and other factors.
- Some employers provide other means of protecting pay while employees are unable to work because of sickness or injury; such short-term disability plans may be instead of or in addition to paid sick leave.
- State temporary disability insurance (TDI) plans, mandated sick leave benefits, and consolidated leave plans are included in the NCS data as long as the employer is paying some portion of the cost of the benefit.
- Considering all benefits paid for at least in part by employers, 70 percent of private industry workers had some form of pay protection in 2014.
- Separately from the 70 percent of private industry workers who had some form of pay protection in 2014, 85 percent of private industry workers had unpaid family leave available; such leave is guaranteed by the Family and Medical Leave Act. An estimated 12 percent of private industry workers had a specific paid family leave plan available.

- Information also exists on pay protection and family leave coverage for state and local government workers, with 90 percent of these workers having some form of pay protection available in 2014.

But these facts don't tell the whole story. The NCS does not provide the following information:

- What percentage of workers have pay protection benefits that are not paid for by their employer? For example, some state TDI plans are funded entirely by employees and therefore are not included in the NCS data. Further, employees may purchase separate pay protection plans individually or through some group, such as a labor union. Plans with no employer cost are not included in the NCS.
- To what extent can pay protection benefits be used for reasons other than an employee's own illness or injury? Employees may be able to use paid sick leave or short-term disability benefits for family leave purposes, such as attending to a sick family member or bonding with an infant. No information is available on the extent of such provisions.
- Even when employees are provided some form of pay protection, what restrictions are imposed by employers? For example, employees may have to request time off in advance, or employers may require medical documentation. Again, provisions such as these are not captured by the NCS.
- To what extent can employees use other forms of paid leave, such as paid vacation or personal leave, to cover absences due to illness or injury? Moreover, what are the limitations on such usage? Can employees use leave one day at a time? Must an employee request leave in advance? The answers to these questions are unknown.

This article explores the topic of pay protection benefits in depth, looking at (1) the development of these benefits over time, (2) the treatment of unique situations, such as consolidated leave plans and state TDI programs, and (3) recent trends in some states and municipalities mandating that employers provide paid sick time. Current BLS data on access to sick leave and other forms of pay protection are presented and explained, including new estimates that look across benefits to identify the share of workers with some form of protection. Finally, the use of pay protection benefits to attend to family members, such as a newborn child or sick parent, will be explored.

Historic developments

Employers have provided an array of benefits to their workers for more than a century.[4] The availability of benefits grew during the World War II years and beyond, fueled in part by limits on wage increases and the growing number of workers covered by collective bargaining agreements. Benefits provided under those agreements often were designed to treat all workers equally through fixed benefit amounts. In contrast, nonunion white-collar workers frequently had benefits that varied with their pay. The variations were tied in part to different ways that workers were paid (hourly vs. salaried) and whether or not they were covered by overtime and other provisions of the Fair Labor Standards Act (nonexempt vs. exempt).[5] The following presents some examples of contrasting approaches to providing benefits:

Benefit	Blue-collar, union, hourly, or nonexempt workers	White-collar, nonunion, salaried, or exempt workers
Pay protection during temporary disability	Sickness and accident insurance (typically a fixed dollar amount)	Paid sick leave (percentage of salary)
Life insurance	Fixed dollar amount	Percentage of salary

Defined-benefit pension	Dollar amount times years of service	Percentage of salary times years of service

While the historic construct represented by these approaches has evolved over time, in part in response to the decline in collective bargaining coverage, remnants of this pattern of providing benefits can still be seen today.

BLS has been collecting and reporting data on paid sick leave and on (what was originally called) sickness and accident insurance plans since the 1940s, first as part of its Occupational Wage Surveys and more recently as part of its Employee Benefits Survey (EBS).[6] Data are currently available through the NCS, which incorporates EBS data in addition to data on employer costs for employee compensation. Available data include the percentage of workers who are covered by various types of benefits and details of those benefits, such as the average number of sick leave days granted each year.[7]

Paid sick leave plans have not changed much since the Bureau first began capturing data. These plans generally provide workers with full pay. Typically, employees receive a fixed number of days per year, and paid time off begins on the first day away from work. In contrast, sickness and accident insurance plans (also called accident and sickness insurance) have undergone numerous changes over the same period. Information captured by BLS over several decades beginning in the 1940s often identified these plans as one component of an *employee health and welfare plan*, which was sponsored either directly by the employer or through a union and usually also included health and life insurance. A typical sickness and accident insurance plan pays a fixed dollar amount per week, or a percentage of earnings up to a maximum dollar amount per week. Benefits begin after a waiting period and frequently last for up to 26 weeks. Benefits are provided on a *per-disability basis*, meaning that, for subsequent absences, a worker receives the full complement of days off but also has to fulfill the waiting period once again.

The Bureau updates its benefit definitions and the data elements that are captured and tabulated as employers' practices change. In the case of benefits available to replace income during temporary non-work-related disabilities, BLS identified a number of changes in plans beginning in the 1990s. With the decline in the share of workers covered by a collective bargaining agreement, employee health and welfare plans and their sickness and accident insurance component became less prevalent. Some employers offered multiple sick leave plans, designed to cover a few incidental days as well as more lengthy absences. To complicate matters further, some plans replaced full pay for some number of days before switching to partial pay replacement—and some plans varied these features with the employee's length of service.

The changes over the years made it difficult to maintain the traditional distinction between sick leave and sickness and accident insurance and led BLS to change how such plans are classified. In 1998, the sickness and accident insurance component was renamed *short-term disability benefits* and the definition was expanded to include all insured, self-insured, and state-mandated plans (including unfunded plans) that provide benefits for each disability, as follows:[8]

- *Unfunded salary continuation.* The employer pays the benefit from operating revenue and assumes all associated risks and expenses.
- *Noncommercially insured.* The employer is required to have liquid assets corresponding to the projected liability of the plan. These plans must be registered with the U.S. Department of Labor and are guaranteed by the Employee Retirement Income Security Act of 1974 (ERISA). The employer assumes all risks and expenses of providing the benefit.

- *Commercially insured.* The employer pays monthly premiums to an insurance carrier in exchange for the carrier assuming all risks of underwriting a short-term disability policy. The actuarially determined premium frequently is specified as a rate per $10 of weekly benefit per month. In some cases, the employer contributes a specific amount (often, a number of cents per hour worked for each employee) to a designated union fund that provides welfare benefits.

- *State temporary disability plans.* The states of California, Rhode Island, Hawaii, New Jersey, and New York require TDI coverage. These plans provide temporary income for a limited period to workers who are unable to work because of non-work-related accidents or illnesses. California and Rhode Island mandated plans do not require employer contributions; Hawaii, New Jersey, and New York require employer contributions to disability plans.

In essence, the new short-term disability benefit included all short-term pay protection arrangements that failed to meet the strict definition of sick leave.

The current definitions are as follows:

- Paid sick leave plans provide all or part of an employee's earnings if the employee is unable to work because of a non-work-related illness or injury. Employees commonly receive their regular pay for a specified number of days off per year. Sick leave is provided on a per-year basis, usually expressed in days, and is never insured.
- Short-term disability plans provide benefits for non-work-related illnesses or accidents on a per-disability basis, typically for a 6- to 12-month period. Benefits are paid as a percentage of employee earnings or as a flat dollar amount. Short-term disability benefits vary with the amount of predisability earnings, length of service with the establishment, or length of the disability.[9]

In making this change, a small number of plans that were previously categorized as sick leave plans were recategorized as plans offering short-term disability benefits. These plans typically provided both full and partial pay replacement over a long time (such as 26 weeks) and provided benefits on a per-disability basis (i.e., benefits renewed with each new absence). In such cases, employees who were previously identified as having two sick leave plans, one for incidental absences and one for longer term absences, were now counted as having one sick leave plan and one short-term disability plan.

In 2014, paid sick leave plans typically provided a fixed number of days per year, averaging 8 days per year after 5 years of service. Nearly half of covered workers could accumulate sick days over multiple years, often up to a specified maximum, such as 30 days. Benefits began on the first day away from work. Days were granted over time (e.g., 1 day earned per month) or were provided in total at the beginning of the year (e.g., the full allowance of 10 sick days received each January). Workers had days available until those days were exhausted; benefits did not renew for each disability.

Currently, there are a variety of approaches to providing short-term disability benefits. In 2014, a typical plan imposed a short waiting period, provided coverage for 26 weeks, and offered benefits that renew with each disability. Plans often provided a fixed percentage of earnings (commonly between 60 percent and 70 percent), up to a maximum weekly amount, the median being $584 in 2014.

Unique plans

Some employers provide a single amount of time off, rather than separate plans covering vacation time, sick time, personal time, and other time off. Referred to in the NCS as *consolidated leave plans*, such arrangements also may incorporate paid holidays, especially in workplaces that are always open, such as hospitals or hotels. BLS treats all time off provided under a consolidated leave plan as paid vacation time. In 2014, 77 percent of private

industry workers received paid vacations and, of those, 29 percent were covered by a consolidated leave plan. Consolidated leave plans averaged 23 days per year after 10 years of service, 8 days more than traditional vacation plans. To the extent that a consolidated leave plan may be used for short-term illnesses or injuries, and where no other sick leave plan exists, the Bureau counts workers with a consolidated leave plan as also having a paid sick leave plan. Such workers are included in the share of workers with paid sick leave.

Several states have established TDI plans to provide pay protection for workers who experience short-term injuries and illnesses, and more recently, some states and municipalities have mandated that employers provide paid sick time. An example of the state TDI programs is the New York plan. Looking much like a traditional sickness and accident insurance plan, the New York TDI currently provides one-half of average weekly wages, up to a maximum of $170 per week for 26 weeks; benefits begin on the 8th day of disability.[10] New Jersey has a similar plan. The plans in these states are funded at least in part by employer contributions; in some cases, the cost is shared by both employers and employees. Under certain circumstances, employers may meet the coverage requirement through their own plan, rather than by participating in the state plan.

New York's and New Jersey's TDI plans (including those in which employees share the cost of the plan) are included in the NCS as short-term disability plans. BLS estimates that 17 percent of workers with short-term disability benefits are covered by these legally required plans. California and Rhode Island also have TDI plans, although they are funded entirely by employees through mandatory payroll deductions.Because these plans do not include any employer funding, they are not counted as short-term disability plans in the NCS. If no other plan were available to workers in these states, such workers would be counted in the NCS as not having coverage. To the extent that workers in these states also had paid sick leave or short-term disability benefits funded at least in part by the employer, such coverage would be counted in the NCS.[11]

Hawaii does not have a plan but mandates that employers provide short-term illness and injury pay protection which meets minimum requirements. Employers can meet these requirements by purchasing insurance equal to the state minimum or by providing an employer plan equal to or greater than the minimum.[12] Regardless of how benefits are provided, because they are funded by the employer, they are included in the NCS, either as paid sick leave or as short-term disability benefits, depending upon the features of the plan. In recent years, several states and municipal governments have passed laws that require certain employers to provide paid sick time. Some employers already meet this requirement through their existing paid sick leave or short-term disability benefits. Other employers must begin to offer appropriate plans that comply with the new law. An example is the Connecticut sick leave mandate, which went into effect in 2012. In general (although the law does include a variety of definitions and caveats), Connecticut employers with 50 or more employees are required to provide sick leave, to accrue at a rate of 1 hour of paid sick leave for each 40 hours worked, up to a maximum of 40 hours per year.[13] Because these benefits are funded by employers, they are included in the NCS.

The unique plans just described are included in BLS pay protection benefit estimates to the extent that they are funded at least in part by the employer. Excluded from survey estimates are plans funded entirely by the employee, including any pay protection plans purchased individually or through a group such as a labor union. Because of this limitation, the BLS estimates constitute a lower bound of the extent of pay protection available to U.S. workers. Further, some employees may be able to use available paid vacation time or paid personal leave days for absences due to illness or injury, although any restrictions on such use are unknown.

Who's covered by pay protection benefits?

BLS currently captures and disseminates separate information on the availability of paid sick leave and the availability of short-term disability benefits. Table 1 shows the percentage of private industry workers with coverage for each of these benefits. A few things are clear from these data. First, some workers have access to both benefits. (The sum of the amounts of coverage for each benefit individually is greater than 100 percent for some categories of workers.) Next, there are differences in coverage by type of worker. For example, 82 percent of management, professional, and related workers have paid sick leave, compared with 51 percent of workers in sales and related occupations. Finally, coverage is limited among certain groups, such as those in service occupations, 40 percent of whose workers have access to paid sick leave and 20 percent to short-term disability benefits.

Table 1. Percentage of workers with access to selected pay protection benefits, private industry, National Compensation Survey, March 2014

Characteristics	Access to paid sick leave	Access to short-term disability benefits
All workers	61	40
Worker characteristics		
Occupation:		
Management, professional, and related	82	54
Management, business, and financial	88	65
Professional and related	78	48
Service	40	20
Sales and office	63	38
Sales and related	51	29
Office and administrative support	71	44
Natural resources, construction, and maintenance	54	40
Installation, maintenance, and repair	67	44
Production, transportation, and material moving	56	47
Production	58	54
Transportation and material moving	53	40
Full- or part-time status:		
Full time	74	49
Part time	24	15
Nonunion or union status:		
Nonunion	60	37
Union	70	68
Wage distribution:		
Lowest 25 percent	30	16
Lowest 10 percent	20	12
Second 25 percent	64	37
Third 25 percent	73	50
Highest 25 percent	84	62
Highest 10 percent	87	67
Establishment characteristics		
Industry:		

See footnotes at end of table.

Table 1. Percentage of workers with access to selected pay protection benefits, private industry, National Compensation Survey, March 2014

Characteristics	Access to paid sick leave	Access to short-term disability benefits
Goods producing	59	54
Construction	42	29
Manufacturing	65	63
Service providing	61	37
Trade, transportation, and utilities	58	36
Wholesale trade	74	50
Retail trade	47	26
Transportation and warehousing	73	48
Utilities	91	51
Information	91	79
Financial activities	86	65
Finance and insurance	90	73
Credit intermediation activities	90	72
Insurance carriers	89	70
Real estate and rental and leasing	74	39
Professional and business services	64	44
Professional, scientific, and technical services	78	55
Administrative and waste services	44	26
Education and health services	74	34
Educational services	75	43
Junior colleges, colleges, and universities	81	50
Health care and social assistance	74	32
Leisure and hospitality	28	16
Accommodation and food services	24	17
Other services	54	27
Establishment size:		
1–99 workers	52	29
1–49 workers	50	26
50–99 workers	56	37
100 or more workers	72	53
100–499 workers	65	46
500 workers	81	62

Note: Data indicate the percentage of workers with access to each benefit, without regard to the availability of other benefits.

Source: Bureau of Labor Statistics, National Compensation Survey.

Although BLS no longer categorizes occupations as white collar and blue collar, the traditional difference in benefit coverage between these two groups of workers can still be seen. For example, sick leave is more prevalent among professional and related workers (78-percent coverage) than among production workers (58 percent). But the historic distinction between sick leave and short-term disability benefits among white-collar and blue-collar workers is less apparent: for all categories of workers, sick leave is more prevalent than short-term disability benefits.

One way to understand the overall extent of pay protection benefits is to look at the intersection of paid sick leave and short-term disability benefits. At one time, the Bureau tabulated the percentage of workers with some form of pay protection benefits, but it no longer provides such tabulations, in part because of the many changes in these

types of benefits. For this article, data on the availability of pay protection benefits in 2014 were retabulated to identify the share of workers with at least one form of coverage. In 2014, 70 percent of private industry workers had some form of pay protection available for short-term non-work-related injuries or illnesses. (See table 2.)

Table 2. Percentage of workers with access to paid sick leave and short-term disability insurance benefit combinations, private industry, National Compensation Survey, March 2014

Characteristics	Paid sick leave or short-term disability insurance	Paid sick leave only	Short-term disability insurance only	Paid sick leave and short-term disability insurance	No paid sick leave or short-term disability insurance
All workers	70	30	9	31	30
Worker characteristics					
Occupation:					
Management, professional, and related	88	33	6	48	12
Management, business, and financial	94	29	6	60	6
Professional and related	84	36	6	42	16
Service	48	27	8	12	52
Sales and office	71	32	7	31	29
Sales and related	58	29	7	22	42
Office and administrative support	79	35	7	37	21
Natural resources, construction, and maintenance	63	25	15	23	37
Installation, maintenance, and repair	78	33	10	34	22
Production, transportation, and material moving	72	25	16	30	28
Production	77	23	19	35	23
Transportation and material moving	67	27	14	26	33
Full- or part-time status:					
Full time	83	34	9	39	17
Part time	32	17	8	6	68
Nonunion or union status:					
Nonunion	68	31	8	29	32
Union	91	23	21	47	9
Wage distribution:					
Lowest 25 percent	39	22	8	8	61
Lowest 10 percent	28	15	8	5	72
Second 25 percent	73	36	9	28	27
Third 25 percent	84	33	11	39	16
Highest 25 percent	92	30	8	54	8
Highest 10 percent	94	27	7	60	6
Establishment characteristics					
Industry:					
Goods producing	76	23	18	36	24

See footnotes at end of table.

Table 2. Percentage of workers with access to paid sick leave and short-term disability insurance benefit combinations, private industry, National Compensation Survey, March 2014

Characteristics	Paid sick leave or short-term disability insurance	Paid sick leave only	Short-term disability insurance only	Paid sick leave and short-term disability insurance	No paid sick leave or short-term disability insurance
Construction	56	27	14	16	44
Manufacturing	84	21	20	44	16
Service providing	69	31	7	30	31
Trade, transportation, and utilities	68	32	10	26	32
Wholesale trade	83	33	10	41	17
Retail trade	57	31	10	16	43
Transportation and warehousing	84	35	10	38	16
Utilities	99	48	7	43	1
Information	94	15	3	76	6
Financial activities	90	25	4	61	10
Finance and insurance	94	22	4	68	6
Credit intermediation activities	94	22	4	68	6
Insurance carriers	94	24	5	65	6
Real estate and rental and leasing	76	37	2	38	24
Professional and business services	72	28	8	36	28
Professional, scientific, and technical services	86	31	8	47	14
Administrative and waste services	52	26	8	18	48
Education and health services	79	45	5	29	21
Educational services	82	39	7	36	18
Junior colleges, colleges, and universities	90	40	9	41	10
Health care and social assistance	78	46	4	28	22
Leisure and hospitality	36	20	8	8	64
Accommodation and food services	33	17	9	8	67
Other services	61	34	7	20	39
Establishment size:					
1–99 workers	60	31	8	21	40
1–49 workers	57	31	7	19	43
50–99 workers	67	30	11	26	33
100 or more workers	82	29	10	43	18
100–499 workers	76	30	11	35	24
500 workers	90	27	9	54	10

Note: Data indicate the percentage of workers with various combinations of benefits available to them.

Source: Special tabulations from the Bureau of Labor Statistics, National Compensation Survey.

Looking at some of the categories of workers with access to either paid sick leave or short-term disability benefits, one observes patterns similar to those seen with the data on paid sick leave. Access was greatest among professional workers, union workers, those with higher average wages, and those in larger establishments. For groups that had limited access to paid sick leave, such as part-timers and workers in the lowest income group, access to some type of pay protection benefit continued to be low. For example, only 32 percent of part-time workers and 28 percent of those in the lowest 10 percent of the wage distribution had access to some pay protection benefit.

It was not unusual for workers to have access to both paid sick leave and short-term disability benefits. Again, such joint coverage was seen most often among professionals, union workers, those with higher incomes, and those in larger establishments. Access to short-term disability benefits without sick leave was generally rare. Among the more distinctive patterns of access to benefits was that of union workers, with 91 percent having some coverage. Of those, about one-quarter had sick leave only, one-quarter had short-term disability benefits only, and half had both benefits.

From time to time, BLS has attempted to determine how benefits are coordinated when workers are covered by both paid sick leave and short-term disability benefits. When employees receive more than one benefit, those benefits might be paid consecutively (after sick leave is exhausted, short-term disability benefits begin) or there might be some offset feature (both plans pay benefits at the same time, with sick leave making up the difference between the short-term disability benefit and full pay). Eventually, BLS stopped trying to determine how benefits worked together, because the number of coordination arrangements became unmanageable and survey respondents sometimes did not know how—and indeed, even whether—their benefits were coordinated.

Using pay protection benefits

Although the Bureau publishes information on the share of workers who are covered by pay protection benefits and information on plan provisions, such as the duration of benefits, what is not available is information on how such benefits may be used and on whether there are any restrictions on usage. For example, it may not be clear whether benefits are available for medical visits or to care for a sick relative.

Of particular interest is the availability of benefits for new mothers and fathers. Clearly, benefits can be expected to cover the time that a new mother is incapacitated; however, it is less clear whether these benefits for fathers and mothers can be used to bond with their newborns or, for that matter, with newly adopted children. The Bureau captures information on the availability of paid and unpaid parental leave separately from data on paid sick leave and short-term disability benefits. Unpaid parental leave is frequently available: in 2014, 85 percent of private industry workers had such time off available. Such broad availability of unpaid parental leave is consistent with the provisions of the Family and Medical Leave Act.[14] In contrast, only 12 percent of private industry workers were covered by a separate paid parental leave plan, although it is unknown whether existing sick leave or short-term disability plans may be used for parental leave purposes. (As noted earlier, BLS data on employee benefits are limited to plans paid for at least in part by employers. Paid family leave plans funded entirely by employees are not included.)[15]

BLS surveys of employee benefits in the 1990s included some questions on whether sick leave could be used for other purposes. In 1997, among full-time employees in larger private establishments, 59 percent of those with sick leave benefits could use the time off for medical appointments and 52 percent could use the time to care for a sick

child. BLS discontinued these questions in part because they were difficult for employers to answer; in some cases, there was no policy covering the topic.

Another unknown has to do with the restrictions imposed on the use of pay protection benefits. Is there a limit on the number of days that can be used for a specific purpose, such as care of a sick relative? Must employees obtain approval in advance to take time off? Are they required to provide medical documentation? Such barriers may limit the availability of pay protection benefits or may make employees reluctant to request time off.

State and local government workers

The NCS also provides data on employee benefits for state and local government workers. In 2014, 89 percent of these workers had paid sick leave benefits available and 23 percent had access to short-term disability benefits. Looking at table 3 reveals that 90 percent had some coverage.Although the share of state and local government workers with pay protection benefits is greater than the share of private industry workers with such benefits, it is important to remember differences in the occupation profile of these two sectors. State and local governments have a high concentration of professional, technical, and clerical workers, as well as protective service workers. Jobs in retail trade and manufacturing are less prevalent in government. Looking at comparable occupations, one readily sees that the share of government management, professional, and related workers with pay protection benefits (91 percent) is similar to that of their private industry counterparts (88 percent). And while workers in both sectors had a mix of pay protection benefits, it was rare for state and local government workers to have only a short-term disability plan. Finally, similar to the situation in private industry, workers in state and local government often had a formal unpaid family leave plan (94 percent) while specific paid family leave plans were less common, at 16 percent (percentages not shown in table).

Table 3. Percentage of workers with access to paid sick leave and short-term disability insurance benefit combinations, State and local government workers, National Compensation Survey, March 2014

Characteristics	Paid sick leave or short-term disability insurance	Paid sick leave only	Short-term disability insurance only	Paid sick leave and short-term disability insurance	No paid sick leave or short-term disability insurance
All workers	90	67	1	22	10
Worker characteristics					
Occupation:					
Management, professional, and related	91	69	1	21	9
Professional and related	91	71	0	20	9
Teachers	89	70	0	18	11
Primary, secondary, and special education school teachers	96	77	0	19	4
Service	86	63	1	22	14
Sales and office	90	66	1	23	10
Office and administrative support	91	67	1	23	9

See footnotes at end of table.

Table 3. Percentage of workers with access to paid sick leave and short-term disability insurance benefit combinations, State and local government workers, National Compensation Survey, March 2014

Characteristics	Paid sick leave or short-term disability insurance	Paid sick leave only	Short-term disability insurance only	Paid sick leave and short-term disability insurance	No paid sick leave or short-term disability insurance
Natural resources, construction, and maintenance	95	67	1	27	5
Installation, maintenance, and repair	97	69	1	27	3
Production, transportation, and material moving	89	68	1	20	11
Full- or part-time status:					
Full time	99	74	1	24	1
Part time	44	32	3	9	56
Nonunion or union status:					
Nonunion	98	70	1	27	2
Union	84	65	1	18	16
Wage distribution:					
Lowest 25 percent	76	58	2	17	24
Lowest 10 percent	63	50	2	12	37
Second 25 percent	94	70	1	24	6
Third 25 percent	94	70	1	23	6
Highest 25 percent	97	72	0	24	3
Highest 10 percent	98	71	0	27	2
Establishment characteristics					
Industry:					
Service providing	90	67	1	22	10
Education and health services	90	70	1	20	10
Educational services	90	70	0	20	10
Elementary and secondary schools	91	71	0	19	9
Junior colleges, colleges, and universities	88	68	0	19	12
Health care and social assistance	90	66	2	23	10
Hospitals	93	70	1	22	7
Public administration	91	65	1	24	9
Establishment size:					
1–99 workers	80	61	2	18	20
1–49 workers	73	53	3	17	27
50–99 workers	90	72	0	18	10
100 or more workers	91	68	1	23	9
100–499 workers	88	69	1	19	12
500 workers	92	68	1	24	8

Note: Data indicate the percentage of workers with various combinations of benefits available to them.

Source: Special tabulations from the Bureau of Labor Statistics, National Compensation Survey.

Summary

Although debates about the availability of pay protection and parental leave benefits, including concerns about restrictions placed on the use of such benefits, are certain to continue, it is important to have impartial and complete data. This article presents information captured by the Bureau of Labor Statistics on a variety of pay protection plans; but it also identifies gaps in knowledge. In sum, some groups of workers have more widespread coverage than others; the mix of plans lays bare different features, including various waiting periods and some plans with only partial-pay provisions; the use of plans for family needs is not certain; and other restrictions are unknown.

SUGGESTED CITATION

William J. Wiatrowski, "Pay protection during temporary absences from work: what we know and what we don't know," *Monthly Labor Review,* U.S. Bureau of Labor Statistics, September 2015, https://doi.org/10.21916/mlr.2015.32.

NOTES

1 Jody Heymann, Hye Jin Rho, John Schmitt, and Alison Earle, *Contagion nation: a comparison of paid sick day policies in 22 countries* (Washington, DC: Center for Economic Policy and Research, May 2009), http://www.cepr.net/index.php/publications/reports/contagion-nation.

2 Separate from the data from the Bureau of Labor Statistics that are presented in the material which follows, the U.S. Department of Labor has considerable information on sick leave programs in the United States and other countries. Information is available at https://www.dol.gov/general/topic/benefits-leave/sickleave.

3 The article focuses exclusively on pay protection programs available for non-work-related injuries and illnesses. Work-related injuries and illnesses generally are covered by workers' compensation programs. In addition, the data presented are on employees; the survey does not cover self-employed individuals.

4 For more information on the history of compensation, see Richard E. Schumann, "Compensation from World War II through the Great Society," *Compensation and Working Conditions*, Fall 2001, pp. 23–27. A version of this article, posted in January 2003, is at https://www.bls.gov/opub/mlr/cwc/compensation-from-world-war-ii-through-the-great-society.pdf.

5 The Fair Labor Standards Act established minimum-wage overtime pay, and other employment standards, and identified worker groups that are covered by, and worker groups that are exempt from, those standards. The common terminology is that nonexempt workers are covered by the standards and exempt workers are not. More information on the Fair Labor Standards Act and covered and exempt workers is available at http://www.dol.gov/whd/flsa/index.htm.

6 The Occupational Wage Surveys provided wage and benefit data on selected occupations by geographical area and in specific industries; surveys were conducted from the 1940s through the 1990s, at which time they were replaced by the National Compensation Survey. An example of data from the Occupational Wage Surveys is found in John E. Buckley, "Variations in holidays, vacations, and area pay levels," *Monthly Labor Review*, February 1989, pp. 24–30, https://www.bls.gov/opub/mlr/1989/02/art3full.pdf. The EBS, originally the Level of Benefits Survey, began in 1980 and became part of the NCS in the 1990s. Details about, and current data from, the EBS are available in "National Compensation Survey—benefits," *Employee Benefits Survey* (U.S. Bureau of Labor Statistics), https://www.bls.gov/ncs/ebs/

7 For information on the variety of data available from the NCS, see *National Compensation Survey* (U.S. Bureau of Labor Statistics), https://www.bls.gov/ncs/.

8 The change in benefit definition is described in "Employer Costs for Employee Compensation historical listing (annual), 1986–2001" (U.S. Bureau of Labor Statistics), https://www.bls.gov/ncs/ect/sp/ecechist.pdf.

9 For additional definitions of employee benefit plans from the NCS, see "National Compensation Survey: glossary of employee benefit terms," *Employee Benefits Survey* (U.S. Bureau of Labor Statistics, August 8, 2014), https://www.bls.gov/ncs/ebs/glossary20132014.htm.

10 The New York plan also has "enhanced" higher maximum weekly benefits. For details about the plan, see "Disability benefits" (New York State Insurance Fund), https://ww3.nysif.com/.

11 The focus of the NCS and its predecessor surveys is to provide information on employer-provided benefits, including benefits provided by third parties (such as a union or government) but paid for at least in part by the employer. For a look at data on employer costs for short-term disability benefits, see Kristen Monaco, "Disability insurance plans: trends in employee access and employer cost," *Beyond the Numbers* (Bureau of Labor Statistics, February 2015), https://www.bls.gov/opub/btn/volume-4/disability-insurance-plans.htm.

12 For more information on the Hawaii requirement, see "About Temporary Disability Insurance" (State of Hawaii, Disability Compensation Division, 2015), http://labor.hawaii.gov/dcd/home/about-tdi/.

13 For more information on the Connecticut plan, see *Connecticut General Statute 31-57r—paid sick leave* (Connecticut Department of Labor, 2002–15), http://www.ctdol.state.ct.us/wgwkstnd/SickLeave.htm.

14 For information on available benefits from the Family and Medical Leave Act, including restrictions on the availability of benefits, see "Leave benefits: family and medical leave (U.S. Bureau of Labor Statistics), http://www.dol.gov/dol/topic/benefits-leave/fmla.htm.

15 The California State Disability Insurance program, funded entirely by employee contributions, includes provisions for paid family leave. See "Fact sheet: paid family leave (PFL)" (State of California, Employment Development Department), http://www.edd.ca.gov/pdf_pub_ctr/de8714cf.pdf.

RELATED CONTENT

Related Articles

What is a benefit plan? Clarifying the NCS definition as health and retirement benefits evolve, *Monthly Labor Review*, July 2011.

Leisure and illness leave: estimating benefits in combination, *Monthly Labor Review*, February 2009.

The National Compensation Survey: a wealth of benefits data, *Monthly Labor Review*, August 2004.

Incidence benefits measures in the National Compensation Survey, *Monthly Labor Review*, August 2004.

Related Subjects

Benefits | Leave benefits