

Making California's Paid Family Leave Work For *All* Caregivers

California Paid Family Leave (PFL) is a benefit that working families can tap into to address the unexpected and immediate short-term health needs of their loved ones. These needs can include nursing a partner back to health after surgery, accompanying an aging parent to medical appointments, or caring for a child with a chronic condition.

Most of caregiving happens among family members

The vast majority of caregiving (80%) happens within the family unit.¹ Family caregivers take on many roles — they coordinate legal, social, medical, and cultural aspects of their loved ones' health.² This work takes time and effort, and is important for effective care. A few days of time off from work here and there — if available — are often not enough.

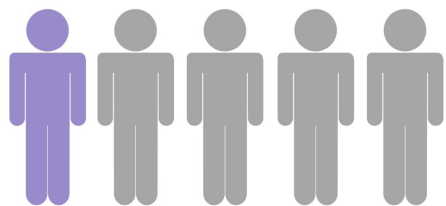
Family caregivers are diverse, and our healthcare needs are shifting

Caregivers can include adult children of any age caring for their parents, parents raising children with special needs, grandparents supporting grandchildren, and many others.³⁻⁴ As demographics shift toward an aging population and as we live longer lives with complex healthcare needs, California needs to prepare accordingly.⁵⁻⁸

Key Facts About California Paid Family Leave

- California's PFL has been available since 2004.
- It's a state-administered program.
- It's entirely funded by employees. Employees pay into the State Disability Insurance (SDI) payroll tax out of their paychecks.
- As of July 1, 2020, workers who pay into the SDI payroll tax will be able to take up to 8 weeks of leave with 60% or 70% of their wages. (Currently workers can take up to 6 weeks of leave)
- Workers can use program benefits to:
 - Bond with a newborn or adopted child
 - Care for a family member with a serious health condition (family members can include children, parents, parents-in-law, grandparents, grandchildren, siblings, spouses, and registered domestic partners)

California's PFL underserves family caregivers, low-income workers



1 in 5 eligible caregivers don't apply for PFL because they thought they didn't qualify

- Family caregivers aren't using PFL as often as new parents, and one big reason is that they don't know enough about the program.⁹⁻¹² Caregivers in low-wage positions and from immigrant communities are even less likely to know about PFL.¹⁰⁻¹²
- Caregivers also aren't using PFL due to a gap in job protection. Many caregivers are at risk of losing their job when they take time off work to care for their loved ones.^{10,12}
- California's PFL only provides 60% or 70% wage replacement, which isn't enough compensation for caregivers who make low or minimum wage to meet their needs.^{10,12} This forces Californians to choose between earning a paycheck and taking care of a loved one.

Caregiving has long-term impacts on family health and finances

Financial stress harms the health of caregivers, and it impacts the health of those they care for. Almost 40% of family caregivers experience a moderate to a high degree of financial strain from caregiving, putting caregivers — especially women, people of color, and people in low-wage jobs — at risk of being pushed into poverty.¹³⁻¹⁵

Financial sacrifices are more harmful to those who are more likely to take on caregiving roles. **That means women, people of color, and low-wage workers bear the greatest burden.**

Caregiving is expensive — an average of \$7,000 out-of-pocket per year — and caregivers may miss work.^{12,14} They often resort to making financial sacrifices, such as tapping into their savings, putting off paying bills, and cutting back spending on basic needs, including essentials like food and housing.¹⁶ Caregivers cut back on their working hours and even drop out of the workforce, further compromising their long-term economic security.¹⁷⁻¹⁹



Paid leave programs can reduce financial stress and support health

Paid leave programs that provide adequate compensation can reduce financial stress, and therefore, improve caregivers' well-being. For example, parents who received full pay during leave to care for their child with special health care needs reported positive effects on their emotional health, fewer financial problems, and very good effects on their child's physical and emotional health.¹⁶

We can protect health and equity with 3 adjustments to California's PFL

Our health is largely determined by our economic and social environment. Factors like social support and access to a fair-paying, stable, job have a deep effect on our well-being.²⁰⁻²² By establishing public policies that cultivate economic security and support families, we are also cultivating health.

These 3 adjustments to PFL would make it truly possible for every Californian to tap into a resource that can support their health and their loved one's health.

- 1 **Fund outreach and education.** Awareness-building of PFL as a resource for caregivers as well as targeted, community-based, and culturally-relevant education with community leaders can improve awareness and understanding about PFL among hard-to-reach communities.^{12,19}
- 2 **Ensure job protection.** Caregivers say they would be more likely to use PFL if it provided job protection. Workers, especially those who are low-income and from immigrant communities, would be less reluctant to use PFL if they knew they could return to their job without risk of retaliation from their employer.^{10,12}
- 3 **Provide 100% wage replacement.** Workers who make a minimum or low wage would benefit from full wage replacement rather than the current 60 or 70% rate.¹² Caregivers who are financially stressed would have greater access to PFL, without sacrificing basic needs.



Family caregivers play a vital role in their loved one's health

Family caregivers are trusted and reliable because the care they provide is not only comprehensive but persistent. For example, family companions who accompany older adults during physician visits continue to do so over time, and provide continuity of care, which is important for beneficial health outcomes.²³⁻²⁴

People who receive care from family are often comfortable with their loved ones and the caregiving is culturally-responsive, especially for immigrant communities. Both social support and culturally-responsive care are linked to positive health outcomes.^{22,25}

Ensuring that all working Californians have access to comprehensive paid family leave would increase economic stability and improve public health.

The California Work & Family Coalition and Human Impact Partners developed this fact sheet based on findings from a joint research project assessing how California Paid Family Leave can support all working family caregivers.

Read the full report, *Understanding Working & Caregiving: An Analysis of California Paid Family Leave* online at HumanImpact.org/capfl

For information about the report, contact Sukh, sukh@humanimpact.org

To learn about PFL, visit workfamilyca.org or contact info@workfamilyca.org

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