

Paid Sick Days Lead to Cost Savings for All

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One quarter of private sector workers cannot earn paid sick days to care for themselves and their families when they are ill.¹

When people do not have access to paid sick days, our health care and public support systems, employers and families pay the price.

- Workers without paid sick days are more than **1.3 times more likely to receive public assistance, including Supplemental Nutrition Assistance Program benefits, rental assistance and child care supports** – even after controlling for income and other relevant factors.²
- Working adults without paid sick days are more likely to incur high family medical expenses³ and to delay needed medical care for themselves and family members, potentially **leading to major health problems – and higher medical costs – down the line.**⁴
- People going to work while sick – known as “presenteeism” – reduces productivity and increases the risk of occupational injury and transmission of contagious illness. **Presenteeism is estimated to cost employers \$234 billion per year** (adjusted for inflation) – surpassing the cost of absenteeism due to illness.⁵
- Adults without paid sick days are **1.5 times more likely than adults with paid sick days to report going to work with a contagious illnesses**, such as the flu or a viral infection.⁶
- Nearly **1 in 4 workers report that they have lost a job or were threatened with job loss** for taking time off due to personal or family illness.⁷

JUST A FEW DAYS OF LOST PAY CAN COST A FAMILY WITHOUT PAID SICK DAYS:

- 1.7 days = 1 month of gas
- 2.7 days = 1 month of groceries
- 3.1 days = 1 month of utilities
- 3.3 days = 1 month of health care expenses
- 7.5 days = 1 month of rent

Source: Economic Policy Institute:
Work Sick or Lose Pay? (2017)

A national paid sick days law would result in significant savings to government programs; savings to employers from reduced presenteeism, contagion and

turnover; and greater economic security – and more income to spend – for workers and their families.

Cost Savings to Government Programs and Reduced Health Care Costs

- Workers without paid sick days are more likely to seek treatment at an emergency department. **If all workers had paid sick days, 1.3 million emergency room visits could be prevented each year in the United States, saving \$1.1 billion annually.**⁸
- More than half of these savings – **\$517 million** – would go to taxpayer-funded health insurance programs like Medicaid, Medicare and the State Children’s Health Insurance Program.⁹

Cost Savings to Employers

- Workers who have paid sick days need less time to recover from illnesses and spend fewer days in bed overall than workers without paid sick days.¹⁰
- Work injuries cost **more than \$170 billion annually**,¹¹ including **nearly \$1 billion each week** just for direct worker’s compensation costs.¹² Workers with paid sick days are **28 percent less likely to be injured on the job.**¹³ Connecticut’s paid sick days law led to a faster decline in occupational injuries and illnesses in jobs covered by the law compared to rates for those same occupations in New York and nationally.¹⁴
- Paid sick days laws **reduce job turnover by 20 to 30 percent** within two years after implementation.¹⁵ Companies typically pay 16 to 200 percent of an employee’s salary to replace that employee.¹⁶
- A year and a half after New York City’s strong paid sick days law took effect, **the vast majority of employers said the cost impact was minimal or non-existent and 86 percent expressed support for the law.**¹⁷

**PROVIDING PAID SICK DAYS
COULD SAVE EMPLOYERS UP
TO \$1.8 BILLION EACH YEAR
THROUGH FEWER ABSENCES
FROM REDUCED SPREAD OF
FLU-LIKE ILLNESSES ALONE**

— Journal of Occupational and
Environmental Medicine: *Potential
Economic Benefits of Paid Sick Leave
in Reducing Absenteeism Related to
the Spread of Influenza-Like Illness
(2017)*

Greater Economic Security for Workers and Families

- Workers with paid sick leave are **better able to afford basic health care needs**, including dental care, eyeglasses and prescription medication.¹⁸
- A study of older male workers found that having paid sick leave was associated with a **nearly 30 percent increase in retirement savings.**¹⁹

Thirteen states, including the District of Columbia, and 22 jurisdictions nationwide have or will soon have implemented paid sick days laws,²⁰ but having time to care for yourself or a loved one shouldn't depend on where you live or work. The federal Healthy Families Act would set a national paid sick days standard. It is estimated that **the Healthy Families Act would enable millions more additional workers to earn paid sick time, with the largest impacts in sectors like food service and personal care, expanding access to more than 90 percent of the private sector workforce.**²¹ Learn more at [PaidSickDays.org](https://www.paidsickdays.org).

¹ U.S. Bureau of Labor Statistics. (2020, September). *National Compensation Survey: Employee Benefits in the United States, March 2020* (Table 31). Retrieved 1 October 2020, from <https://www.bls.gov/ncs/ebs/benefits/2020/employee-benefits-in-the-united-states-march-2020.pdf>

² Stoddard-Dare, P., DeRigne, L., Quinn, L., & Mallett, C. (2018, February). Paid sick leave status in relation to government sponsored welfare utilization. *American Journal of Orthopsychiatry*, 88(5), 608-615. doi: 10.1037/ort0000318

³ Stoddard-Dare, P., DeRigne, L., Mallett, C., & Quinn, L. (2018, March). How does paid sick leave relate to health care affordability and poverty among US workers? *Social Work in Health Care*, 57(5), 376-392, DOI: 10.1080/00981389.2018.1447532

⁴ DeRigne, L., Stoddard-Dare, P., & Quinn, L. (2016, March). Workers Without Paid Sick Leave Less Likely to Take Time Off For Illness or Injury Compared to Those with Paid Sick Leave. *Health Affairs*, 35(3). Retrieved 7 October 2020, from <https://www.healthaffairs.org/doi/full/10.1377/hlthaff.2015.0965>

⁵ Stewart, W. F., Ricci, J. A., Chee, E., Morganstein, D. (2003, December). Lost Productive Work Time Costs from Health Conditions in the United States: Results from the American Productivity Audit. *Journal of Occupational and Environmental Medicine*, 45(12), 1,234-1,246. Retrieved 7 October 2020, from the National Partnership website: <http://www.nationalpartnership.org/research-library/work-family/psd/lost-productive-work-time-american-productivity-audit.pdf> (Unpublished calculation based on \$225.8 billion [in 2002 dollars] annually in lost productivity, 71 percent due to presenteeism). Inflation calculation for 2020 dollars based on calculation of \$160.32 billion in 2002 dollars using Bureau of Labor Statistics CPI Inflation Calculator available at <https://data.bls.gov/cgi-bin/cpicalc.pl>

⁶ Smith, T. W., & Kim, J. (2010, June). *Paid Sick Days: Attitudes and Experiences*. National Opinion Research Center at the University of Chicago Publication. Retrieved 7 October 2020, from <http://www.nationalpartnership.org/research-library/work-family/psd/paid-sick-days-attitudes-and-experiences.pdf>

⁷ Ibid.

⁸ Miller, K., Williams, C., & Yi, Y. (2011, November 14). *Paid Sick Days and Health: Cost Savings from Reduced Emergency Department Visits*. Retrieved 7 October 2020, from Institute for Women's Policy Research website: <http://www.iwpr.org/publications/pubs/paid-sick-days-and-health-cost-savings-from-reduced-emergency-department-visits>

⁹ Ibid.

¹⁰ Cook, W., Heller, J., Bhatia, R., & Farhang, L. (2009, September 3). *A Health Impact Assessment of the Healthy Families Act of 2009*, 26. Human Impact Partners and San Francisco Department of Occupational and Environmental Health Publication. Retrieved 7 October 2020, from http://go.nationalpartnership.org/site/DocServer/WF_PSD_HFA_HealthImpactAssessment_HIA_090611.pdf?docID=5101

¹¹ National Safety Council. (2018). *Work Injury Costs*. Retrieved 7 October 2020, from <https://injuryfacts.nsc.org/work/costs/work-injury-costs/>

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- ¹² U.S. Department of Labor Occupational Safety and Health Administration. (n.d.) *Business Case for Safety and Health*. Retrieved 3 March 2020, from <https://www.osha.gov/dcsp/products/topics/businesscase/costs.html>
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- ¹⁴ Hawkins, D., & Zhu, J. (2019, July 22). Decline in the rate of occupational injuries and illnesses following the implementation of a paid sick leave law in Connecticut. *American Journal of Industrial Medicine, 62*(10), 859-873. doi: 10.1002/ajim.23028
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- ¹⁶ Boushey, H., & Glynn, S. (2012, November 16). *There Are Significant Business Costs to Replacing Employees*. Center for American Progress Publication. Retrieved 7 October 2020, from <http://www.americanprogress.org/wp-content/uploads/2012/11/CostofTurnover.pdf>
- ¹⁷ Appelbaum, E. & Milkman, R. (2016, September). *No Big Deal: The Impact of New York City's Paid Sick Days Law on Employers*. Retrieved October 2020, from Center for Economic and Policy Research website: <https://cepr.net/report/no-big-deal-the-impact-of-new-york-city-s-paid-sick-days-law-on-employers/>
- ¹⁸ Stoddard-Dare, P., DeRigne, L., Mallett, C., & Quinn, L. (2018, March). How does paid sick leave relate to health care affordability and poverty among US workers? *Social Work in Health Care, 57*(5), 376-392, DOI: 10.1080/00981389.2018.1447532
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- ²⁰ National Partnership for Women & Families. (2020, April). *Current Paid Sick Days Laws*. Retrieved 1 October 2020, from <https://www.nationalpartnership.org/our-work/resources/economic-justice/paid-sick-days/current-paid-sick-days-laws.pdf>
- ²¹ Joint Economic Committee of the U.S. Congress. (2010, March). *Expanding Access to Paid Sick Leave: The Impact of the Healthy Families Act on America's Workers*. Retrieved 7 October 2020, from http://www.jec.senate.gov/public/_cache/files/abf8aca7-6b94-4152-b720-2d8d04b81ed6/sickleavereportfinal.pdf

The National Partnership for Women & Families is a nonprofit, nonpartisan advocacy group dedicated to promoting fairness in the workplace, reproductive health and rights, access to quality, affordable health care and policies that help all people meet the dual demands of work and family. More information is available at NationalPartnership.org.

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