

Paid Sick Leave Has a Cost, but So Does Not Offering It

By AUSTIN FRAKT

Maybe the person working near you, the one who dragged himself to work and is now coughing and sneezing, couldn't afford to stay home.

Each week about 1.5 million Americans without paid sick leave go to work despite feeling ill. At least half of employees of restaurants and hospitals — two settings where disease is easily spread — go to work when they have a cold or the flu, according to a recent poll.

To address that issue, Chipotle began offering paid sick leave to all its employees in the United States this year. The restaurant chain is hoping to reduce the spread of infectious disease, like the norovirus outbreaks traced to its restaurants in 2015 and 2016. Though many other industrialized countries already require employers to offer paid sick leave to all employees, the United States does not.

Paid sick leave is not free, of course. Economic theory suggests that its cost would be passed from employers to their employees in the form of lower wages or reductions in other

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benefits like vacation time. Yet employees and their co-workers may be better off with an incentive to take time off when sick.

A number of recent studies point to the benefits. A study by Philip Susser, now a medical student, and Nicolas R. Ziebarth, a Cornell economist, backs up Chipotle's theory that paid sick leave could reduce contagion's spread. Their study, published in the journal *Health Services Research*, estimated that 45 percent of the American work force does not have paid sick leave; that's about 50 million workers.

Low-income mothers are particularly likely to work while sick. Another study, by LeaAnne DeRigne of Florida Atlantic University and colleagues, explains why. It found that families with less ability to afford unpaid time off are more likely to lack paid sick leave. According to the study, published in *Health Affairs*, 65 percent of families with incomes below \$35,000 had no paid sick leave, while the same was true of only 25 percent of families with annual incomes above \$100,000.

Paid sick leave slows the spread of disease. Cities and states that require employers to offer paid sick leave — the District of Columbia, Seattle, New York City and Philadelphia, as

well as Connecticut, California, Massachusetts and Oregon — have fewer cases of seasonal flu than other comparable cities and states. Flu rates would fall 5 percent if paid sick leave were universal. According to one estimate, an additional seven million people contracted the H1N1 flu virus in 2009 because employees came to work while infected. The illnesses led to 1,500 additional deaths.

Paid sick leave has other benefits. Workers might use it for preventive care, forestalling later, more disruptive health problems. Workers lacking paid sick leave are more likely to delay needed medical care, a finding that holds for both insured and uninsured workers. In other words, though health insurance helps people pay for health care, it does nothing to help them afford to take time off to get it.

Sicker workers may be more prone to job-related injuries. One study found that even within industries in which accidents and injuries are relatively more likely — like forestry, mining and construction — workers with paid sick leave experienced fewer of them than workers without it. Another study found that employees who work while sick are likelier to have heart attacks than those who take time off.

Paid sick leave may also enhance productivity and reduce turnover. One study estimated that the lower productivity of sick workers costs employers as much as their medical care.

Children benefit from their parents' paid sick leave, too. Most directly, it helps workers afford to care for sick children. Additionally, the children of new mothers who return to work more rapidly, perhaps because they lack paid time off, are less likely to be breast-fed or to receive recommended medical checkups and immunizations.

Though a few cities and states mandate paid sick leave, there is no national requirement. Under the Family and Medical Leave Act, enacted in 1993, employers with more than 50 workers must offer 12 weeks of leave within a 12-month period, but it is unpaid. Because of a new Obama administration rule, an estimated 300,000 private sector employees working on government contracts will get paid sick leave starting on Jan. 1.

We tend to focus on health care coverage as the only way to reduce the cost of care to patients. But there are other costs we rarely consider, time taken from work among them. Even when insured, many workers in the United States face this cost.