



Fact Sheet: California's Family Leave and Disability Insurance Program

California's short-term disability insurance program began in 1946 and covers almost all workers in the state. The disability program expanded to include family leave in July 2004.

Family Leave

- Allows workers time off to bond with a newborn or newly placed adoptive or foster child. Birth mothers can take bonding leave in addition to pregnancy-related disability leave.
- Covers workers caring for a child, spouse, domestic partner, or parent with a serious health condition.
- Extends up to 6 weeks, with 1-week waiting period.
- 147,000 workers took family leave in 2005 – about half the number originally projected.

Disability Leave

- Covers workers when illness or disability prevents them from working. Pregnancy and childbirth-related disability have historically accounted for about 20% of claims.
- Extends up to 52 weeks, with 1-week waiting period.
- 503,000 workers took leave for disability in 2005, out of 13 million covered workers.

Benefits and Eligibility for Family and Disability Leave

- Provides 55% of pay, with a minimum benefit of \$50 and maximum of \$840 in 2006.
- A full-time worker earning \$8 per hour receives a weekly benefit of \$176. A full-time worker earning \$20 per hour receives a weekly benefit of \$440.
- The family leave program paid out \$329 million in 2005. It is projected to pay \$349 million in 2006 and \$354 million in 2007. Disability benefits are projected to be about \$3.5 billion in 2006.
- Workers must have earned at least \$300 over 12 months to be eligible. All employees that pay into the state disability fund are covered, regardless of company size.

Premiums

- Workers pay premiums calculated as a percentage of their pay, up to a cap of \$79,418 in 2006.
- Combined premiums for the disability and family leave programs *dropped* in 2006 to 0.8% from 1.08% in 2005. In 2005, workers paid 1% of wages for disability and 0.08% of wages for family leave. Starting in 2006, the premiums for the disability and family leave programs are calculated as a single rate.
- In 2006, a full-time worker earning \$8 per hour pays premiums of \$2.56 per week for the combined disability and family leave insurance programs. A worker earning \$20 per hour pays \$6.40 per week.
- Premiums cover both benefits and administration costs. Administration accounts for 5% of disbursements.

Family and Disability Leave Summary

	# of Workers Taking Leave		% of Covered Workers		Average Weekly Benefit Amount		Avg. Weeks per Claim	
	2005	2006*	2005	2006*	2005	2006*	2005	2006*
Family Leave	147,342	151,041	1.1%	1.2%	\$422.10	\$430.46	5.4	5.5
Total Disability and Family Leave	650,797	663,130	5%	5.1%	\$372.65	\$387.93	14.61	14.5

* Estimate

Source: California Employment Development Department, May 2006 Disability Insurance Fund Forecast

California Family Leave Benefit Use

Reason for leave	% of Total	Women	Men
Bond with a new child	86.8%	81%	19%
Care for sick family member	13.2%	67%	33%
Employees in company			
1-25	13.2%		
26-100	12.7%		
101-500	20%		
501-1,000	9.2%		
1,000+	44.9%		
Type of industry			
Health care and social assistance	19.6%		
Retail trade	11.9%		
Manufacturing	9.1%		
Professional, scientific & technical	8.4%		
Accommodation & food service	5.2%		
Construction	2.4%		
Agriculture, forestry, fishing	1.2%		

Source: California Employment Development Department

California Disability Leave Benefit Use

	% of Claims
Pregnancy related	20%
Women	66.6%
Men	33.4%
Earnings in 2000	
less than \$15,000	40.4%
\$15,000-\$19,999	12.1%
\$20,000-\$29,999	18.7%
\$30,000-\$39,999	12.1%
\$40,000-\$49,999	7%
\$50,000+	9.6%

Source: California Employment Development Department