



May 2021

Prevalence of Paid Sick Leave Among Wage Earners, 2017

Terceira A. Berdahl, PhD

Abstract

Access to paid sick leave is an employment benefit that can help families through health difficulties, while also potentially reducing the spread of airborne infections. This report uses data from the 2017 Medical Expenditure Panel Survey (MEPS), sponsored by the Agency for Healthcare Research and Quality (AHRQ, 2019), to estimate paid sick leave alone and in combination with paid vacation leave among wage earners in the United States across a range of socioeconomic characteristics including age, sex, race and ethnicity, poverty level, insurance coverage, occupation, and industry.

Suggested Citation

Berdahl, T. A. *Prevalence of Paid Sick Leave Among Wage Earners, 2017*. Research Findings #47. May 2021. Agency for Healthcare Research and Quality, Rockville, MD. https://meps.ahrq.gov/data_files/publications/rf47/rf47.pdf

Contact

Terceira A. Berdahl, Social Science Analyst, Division of Research and Modeling, Center for Financing, Access and Cost Trends, Agency for Healthcare Research and Quality, 5600 Fishers Lane, Mailstop 07N168D, Rockville, MD 20857

* * *

Center for Financing, Access and Cost Trends
Agency for Healthcare Research and Quality
5600 Fishers Lane, Mailstop 07W41A
Rockville, MD 20857
<http://www.meps.ahrq.gov>

Table of Contents

Introduction	1
Highlights	2
Findings.....	2
Data Source	4
Definitions.....	4
About MEPS-HC	7
References	8

Prevalence of Paid Sick Leave Among Wage Earners, 2017

Terceira A. Berdahl, PhD

Introduction

Access to paid sick leave is an employment benefit that can provide financial support to families during periods when health difficulties, which may lead to increases in out-of-pocket spending, might otherwise result in lost earnings. Recovery from health problems may be enhanced by staying home to rest and recover after experiencing illnesses and injuries, and there is evidence that paid sick leave reduces mortality (Kim, 2017). The COVID-19 pandemic also highlights the potential importance of paid sick leave in reducing the spread of airborne infection. To the extent that workers with paid sick leave are less likely to come to work when infected with the SARS-CoV-2 virus, the potential transmission at workplaces is reduced.

The United States does not have a national sick leave policy, and while many states have passed paid sick leave legislation in recent years, most states leave these decisions in the hands of employers (Kaiser Family Foundation, 2020). As a result, there is wide variation in paid sick leave across a range of socioeconomic characteristics and across job characteristics, including hourly wage, industry, and occupation. In particular, paid sick leave is an employment benefit that is not equally available across occupations or worker demographics. For example, it is less available to workers in lower-wage jobs and to those who are Black or Hispanic/Latino or have less education (DeSilver, 2020).

In 2020, emergency paid sick leave under the Families First Coronavirus Response Act provided the first nationwide paid sick leave support for workers (U.S. Congress, 2020). This policy, however, had important exclusions. For example, employers with fewer than 50 workers could be granted an exemption, and the mandate did not apply to employers with 500 or more workers. Under the 2021 American Rescue Plan, emergency paid sick leave was extended and expanded (U.S. Congress, 2021). The most recent legislation passed removes exemptions based on employer size (U.S. Congress, 2021). It is important to note that these extensions of paid sick leave are temporary and are set to expire in the fall of 2021.

This report examines the availability of paid sick leave using data from the 2017 Medical Expenditure Panel Survey (MEPS), sponsored by the Agency for Healthcare Research and Quality (AHRQ, 2019). The MEPS is a household survey of the civilian noninstitutionalized population, and the sample includes employed working-age adults aged 18–64. Employment questions in the survey include whether a current main job offers paid sick leave and whether a current main job offers paid vacation leave. Responses to these questions are used in this report as the main outcome variables. Paid sick leave is examined by itself and also in combination with paid vacation leave, because some employers offer only paid hours of leave that

employees can allocate between vacation and sick leave. The estimates in this report show the scope of paid leave access prior to the employer and legislative actions that occurred in response to the COVID-19 pandemic, by socioeconomic and job characteristics of the working non-elderly adult population in the United States.

Highlights

- Of all racial and ethnic groups, workers who were Hispanic/Latino had the lowest levels of paid sick leave (56.6 percent).
- Paid sick leave benefits were strongly associated with educational attainment. For example, only 30 percent of workers with less than a high school degree held jobs with paid sick leave benefits (compared to 88.5 percent for professional degree graduates).
- Lower-wage workers had lower rates of paid sick leave compared to higher-wage workers (24.4 percent compared to 74.4 percent).
- Paid sick leave rates varied substantially by industry and occupation; only 43.1 percent of service workers had access to paid sick leave compared to 87.6 percent of managers. Workers in leisure/hospitality (30.4 percent), natural resources (40.9 percent), and construction (42.9 percent) had lower rates of paid sick leave compared to other industries.
- Workers who lived in non-metro areas were less likely to have paid sick leave compared to their more urban counterparts (57.2 percent compared to 67.5 percent, respectively).

Findings

Access to Paid Sick Leave Alone and in Combination with Paid Vacation Leave by Socioeconomic Characteristics

Tables 1 and 2 present estimates of paid sick leave alone and paid sick leave in combination with paid vacation leave for adult workers age 18–64 across a wide range of socioeconomic characteristics. Overall, 66.2 percent of workers had paid sick leave at their current main job (table 1). When combined with vacation, 74.1 percent of workers had access to paid leave through their current main job. Including vacation increased the number of workers with access to leave in general. In many, but not all, cases, patterns observed for paid sick leave were similar to those observed when sick leave was combined with vacation leave. Rates of paid sick leave did not differ for men and women, but men were more likely to have paid sick leave in combination with vacation leave, compared to women (75.2 percent versus 73.0 percent, respectively). Across racial and ethnic groups, paid sick leave was highest for workers who were non-Hispanic/Latino Asian (73.2 percent) and lowest for workers who were Hispanic/Latino (56.6 percent). The prevalence of paid sick leave combined with vacation leave was lowest for workers who were Hispanic/Latino (66.4 percent). Workers who were non-Hispanic/Latino Asian were more likely than workers who were non-Hispanic/Latino White to have paid sick

leave; however, when vacation was included, this gap narrowed and was not statistically significant (table 1). Similarly, when considering paid sick leave, workers who were non-Hispanic/Latino Black were less likely than workers who were non-Hispanic/Latino White to have paid sick leave (65.4 percent versus 68.8 percent, respectively). After including vacation, the Black-White difference was no longer statistically significant. Older workers had more access to paid sick leave compared to younger workers aged 19–26.

Paid leave benefits were strongly associated with educational attainment (table 2). For example, only 30 percent of workers with less than a high school education held jobs with paid leave benefits (compared to 88.5 percent for professional degree graduates). Poverty followed a similar pattern. Workers in the lowest income families had the lowest access to paid sick leave (25.5 percent for below 100 percent of the federal poverty level), while workers in the highest income families had more access (78.3 percent). Most workers who had private health insurance benefits also had paid sick leave alone or in combination with paid vacation leave (73.4 percent and 81.2 percent, respectively). Paid leave rates were much lower for publicly insured workers (28.8 percent and 34.5 percent, respectively) and uninsured workers (28.3 percent and 39.8 percent, respectively). Low levels of paid leave among workers with public coverage suggest that any increase in medical expenditures due to the lack of paid leave may be borne at least in part by taxpayers.

Table 2 also shows that workers who lived in non-metro areas were less likely to have paid sick leave compared to their more urban counterparts (57.2 percent compared to 67.5 percent). Paid sick leave varied by region, with lower rates for workers who lived in the Midwest (62.3 percent) and South (63.4 percent) relative to those in the Northeast (71.1 percent) and West (70.7 percent). When including paid vacation leave, a higher percentage of workers had paid leave, and the only statistically significant regional difference occurred for workers in the South (72.1 percent) compared to the Northeast (76.1 percent).

Access to Paid Sick Leave Alone and in Combination with Paid Vacation Leave by Job Characteristics

Table 3 presents estimates of paid leave by industry. Consistent with prior literature (DeSilver, 2020), mining and manufacturing industries have higher rates of paid sick leave alone and in combination with paid vacation, relative to many other industries. For paid sick leave, 78.9 percent of mining workers and 67.3 percent of manufacturing workers had this benefit. Finance, public administration, and education/health/social service industry workers also had relatively high rates of paid sick leave (85.3 percent, 91.4 percent, and 78.1 percent, respectively). The lowest rates of paid sick leave benefits were found for leisure/hospitality workers (30.4 percent), natural resources workers (40.9 percent), and construction workers (42.9 percent). Combining paid sick leave with paid vacation leave resulted in higher rates of paid leave for all industries.

Table 4 presents estimates of paid leave across broad occupation categories and job characteristics. Consistent with prior research (DeSilver, 2020), findings show substantial variation across occupation type. Occupations with higher skill requirements, such as professional occupations, had higher rates of paid sick leave (81.2 percent) compared to lower-skilled occupations such as farming (35.4 percent) and service (43.1 percent). Managerial occupations had the highest levels of paid sick leave (87.6 percent). When combined with paid vacation leave, differences by occupation showed a similar pattern. Additionally, lower-wage workers had substantially lower rates of both types of paid leave (24.4 percent and 33.4 percent, respectively) relative to higher-wage workers (74.4 percent and 82.1 percent, respectively). These findings highlight inequities in employer-sponsored benefits experienced by workers in lower-wage jobs with few skill requirements. Table 4 also presents paid sick leave rates by firm size. Although recent legislative reforms address prior legislative gaps in coverage by firm size, it is useful to know how paid sick leave varies on this dimension (US Congress, 2021). Workers in mid-size firms with 50–499 employees were more likely than workers in small firms to have access to paid sick leave (77.3 percent and 54.5 percent, respectively). Workers in small firms (0–49) were much less likely to have paid sick leave (54.5 percent) compared to workers in large firms with more than 500 workers (83.9 percent). Workers with unions had higher rates of paid sick leave (83.1 percent) compared to workers without unions (64.0 percent).

Data Source

The estimates shown in this Research Findings report were drawn from analyses conducted by the MEPS staff from the MEPS Full-Year Consolidated HC-201 (2017) file. The public use files are available at https://meps.ahrq.gov/mepsweb/data_stats/download_data_files.jsp.

The analysis examined only the civilian noninstitutionalized population. The data used in this report predate the emergence of COVID-19 and, therefore, do not measure any changes in employment that may have occurred in response to the pandemic.

Definitions

Paid sick leave and paid vacation leave

Paid sick leave and paid vacation leave were measured with two survey items asking whether or not a worker's current main job offered paid sick leave or paid vacation leave benefits.

Industry and occupation

Industry and occupation were coded using two-digit Census occupation and industry codes for workers' current main jobs.

Hourly wage

Workers who were paid hourly wages that were less than 150 percent of the federal minimum wage were categorized as lower-wage workers (relative to workers who were paid more than 150 percent of the federal minimum wage).

Age

Age was categorized based on the person's age at the end of the calendar year (or the last time a person was observed, for those leaving the MEPS sample during the year due to reasons including death, institutionalization, or becoming an active-duty member of the military).

Race-ethnicity

Race and ethnicity were defined for respondents whose single reported race was White, Black, or Asian, and for respondents of Hispanic/Latino ethnicity (any race). Results were not shown separately for respondents with multiple races or for other racial-ethnic groups, although all groups were included in our estimates for the total population.

Gender

Gender was captured with a binary variable with two categories, women and men.

Education

Education was captured with five categories: less than a high school degree, high school degree, some college, college degree, graduate and professional degree graduate.

Region

Region includes the four major Census regions: Northeast, Midwest, South, and West.

Metropolitan statistical area

Residence in a standard metropolitan statistical area (MSA) is coded into two categories: resides in an MSA and does not reside in an MSA.

Insurance Coverage

Insurance status was summarized with three mutually exclusive categories: any private insurance coverage, public insurance coverage only, and uninsured.

Poverty

Five income groups were defined based on total family income as a percentage of the federal poverty level: under 100 percent of the federal poverty level, 2) 100–124 percent of the federal poverty level, 3) 125–199 percent of the federal poverty

level, 4) 200–399 percent of the federal poverty level, and 5) 400 percent of the federal poverty level and higher. Family income was constructed by summing all sources of income across all family members. Next, total family income value was divided by the appropriate poverty threshold, based on family size and composition, as well as state of residence.

Union

Workers indicated whether or not their current main job was unionized.

Number of employees

Workers indicated the number of employees at the establishment where they were currently employed.

About MEPS-HC

The Medical Expenditure Panel Survey-Household Component (MEPS-HC) collects nationally representative data on healthcare use, expenditures, sources of payment, and insurance coverage for the U.S. civilian noninstitutionalized population. The MEPS-HC is cosponsored by the Agency for Healthcare Research and Quality (AHRQ) and the National Center for Health Statistics (NCHS). More information about MEPS-HC can be found on the MEPS website at <https://meps.ahrq.gov>.

References

- Agency for Healthcare Research and Quality. (2019). MEPS HC-201: 2017 full year consolidated data file. Retrieved April 7, 2020, from https://meps.ahrq.gov/mepsweb/data_stats/download_data_files_detail.jsp?cboPufNumber=HC-201
- DeSilver, D. (2020, March 12). *As coronavirus spreads, which U.S. workers have paid sick leave – and which don't?* Pew Research Center. <https://www.pewresearch.org/fact-tank/2020/03/12/as-coronavirus-spreads-which-u-s-workers-have-paid-sick-leave-and-which-dont>
- Kaiser Family Foundation. (2020, December 14). Paid family and sick leave in the U.S. <https://www.kff.org/womens-health-policy/fact-sheet/paid-family-leave-and-sick-days-in-the-u-s>
- Kim, D. (2017). Paid sick leave and risks of all-cause and cause-specific mortality among adult workers in the USA. *International Journal of Environmental Research and Public Health*, 14(10), 1247.
- U.S. Congress. Families First Coronavirus Response Act, Public Law 116–127. March 2020. <https://www.govinfo.gov/content/pkg/PLAW-116publ127/pdf/PLAW-116publ127.pdf>
- U.S. Congress. The American Rescue Plan Act of 2021, H. R. 1319. March 2021. <https://www.congress.gov/117/bills/hr1319/BILLS-117hr1319enr.pdf>

Table 1: Paid Sick Leave (PSL) and PSL or Paid Vacation Leave (PVL), for U.S. Wage Earners, by Socioeconomic Characteristics (2017)

	PSL		PSL or PVL	
	%	SE	%	SE
All wage earners	66.2%	0.7%	74.1%	0.6%
Gender				
Men	66.2%	0.8%	75.2%	0.7%
Women	66.2%	0.9%	73.0%*	0.8%
Race				
Non-Hispanic/Latino White (reference group)	68.8%	0.9%	76.4%	0.8%
Non-Hispanic/Latino Black	65.4%*	1.2%	73.8%	1.2%
Non-Hispanic/Latino Asian	73.2%*	1.9%	77.0%	1.9%
Hispanic/Latino	56.6%**	1.4%	66.4%**	1.2%
Age Category				
19–26 (reference group)	45.4%	1.6%	52.2%	1.6%
27–34	71.1%**	1.2%	77.9%**	1.1%
35–44	72.4%**	1.1%	79.6%**	0.9%
45–54	74.4%**	1.1%	84.2%**	0.9%
55–64	71.5%**	1.3%	81.0%**	1.2%

Notes: Medical Expenditure Panel Survey, n = 11,338; wage earners are workers who are not self-employed.

* p < .05, ** p < .01, difference between estimate and reference category is statistically significant.

SE = standard error

Table 2: Paid Sick Leave (PSL) and PSL or Paid Vacation Leave (PVL), for U.S. Wage Earners, by Socioeconomic Characteristics (2017)

	PSL		PSL or PVL	
	%	SE	%	SE
All wage earners	66.2%	0.7%	74.1%	0.6%
Education				
< HS (reference group)	30.0%	1.7%	42.4%	1.8%
HS	54.7%**	1.1%	67.2%**	1.1%
Some college	64.4%**	1.2%	72.5%**	1.1%
College grad	81.8%**	1.0%	85.5%**	0.9%
Professional grad	88.5%**	1.0%	91.1%**	0.9%
% of federal poverty level				
Below 100% (reference group)	25.5%	2.0%	33.2%	2.1%
100% to less than 125%	34.1%*	2.9%	44.3%*	3.1%
125% to less than 200%	47.0%**	1.6%	57.6%**	1.5%
200% to less than 400%	62.2%**	1.0%	72.2%**	0.9%
400% and above	78.3%**	0.8%	84.3%**	0.7%
Insurance coverage				
Any private (reference group)	73.4%	0.7%	81.2%	0.6%
Public only	28.8%**	1.6%	34.5%**	1.7%
Uninsured	28.3%**	2.0%	39.8%**	2.1%
Region				
Northeast (reference group)	71.1%	1.5%	76.1%	1.4%
Midwest	62.3%**	1.5%	74.3%	1.0%
South	63.4%**	1.1%	72.1%*	1.1%
West	70.7%	1.2%	75.7%	1.0%
MSA				
Non-metro	57.2%	2.0%	69.8%	1.8%
Metro	67.5%**	0.7%	74.7%**	0.6%

Notes: Medical Expenditure Panel Survey, n=11,338; wage earners are workers who are not self-employed.

* p < .05, ** p < .01, difference between estimate and reference category is statistically significant.

SE = standard error, HS = high school, MSA = metropolitan statistical area

**Table 3: Paid Sick Leave (PSL) and PSL or Paid Vacation Leave (PVL),
for U.S. Wage Earners, by Industry (2017)**

	PSL		PSL or PVL	
	%	SE	%	SE
All wage earners	66.2%	0.7%	74.1%	0.6%
Industry				
Natural resources	40.9%**	7.6%	56.8%**	7.6%
Mining	78.9%	7.1%	88.9%	5.8%
Construction	42.9%**	2.4%	53.5%**	2.5%
Manufacturing	67.3%**	1.8%	87.4%**	1.2%
Wholesale retail trade	56.6%**	1.8%	66.7%**	1.8%
Transportation/utilities	68.3%**	2.3%	79.2%**	1.8%
Information	78.4%**	3.1%	82.1%**	2.9%
Finance	85.3%**	1.7%	88.1%*	1.5%
Professional/business services	66.5%**	1.8%	73.3%**	1.6%
Education/health/social services	78.1%**	1.0%	81.5%**	1.0%
Leisure hospitality	30.4%**	1.8%	40.5%**	1.9%
Other service	53.7%**	2.9%	60.9%**	2.8%
Public administration (reference group)	91.4%	1.3%	92.1%	1.2%

Notes: Medical Expenditure Panel Survey, n = 11,338; wage earners are workers who are not self-employed.

* p < .05, ** p < .01, difference between estimate and reference category is statistically significant.

SE = standard error

Table 4: Paid Sick Leave (PSL) and PSL or Paid Vacation Leave (PVL), for U.S. Wage Earners, by Occupation and Job Characteristics (2017)

	PSL		PSL or PVL	
	%	SE	%	SE
All wage earners	66.2%	0.7%	74.1%	0.6%
Occupation				
Manager (reference group)	87.6%	1.0%	91.8%	0.8%
Professional	81.2%**	1.0%	84.5%**	1.0%
Service	43.1%**	1.4%	51.3%**	1.4%
Sales	55.0%**	2.3%	63.4%**	2.1%
Administrative	69.8%**	1.5%	76.5%**	1.3%
Farm	35.4%**	7.2%	47.7%**	7.7%
Construction	47.8%**	2.1%	62.4%**	2.1%
Production	54.8%**	1.7%	73.2%**	1.5%
Hourly wages				
Lower wage (reference group)	24.4%	1.1%	33.4%	1.4%
Higher wage	74.4%**	0.6%	82.1%**	0.5%
Number of employees				
0-49 (reference group)	54.5%	1.0%	62.4%	1.0%
50-499	77.3%**	1.0%	85.7%**	0.7%
500+	83.9%**	1.2%	89.9%**	0.9%
Union				
Non-union	64.0%	0.7%	72.0%	0.6%
Union	83.1%**	1.3%	89.9%**	1.0%

Notes: Medical Expenditure Panel Survey, n = 11,338; wage earners are workers who are not self-employed.

* p < .05, ** p < .01, difference between estimate and reference category is statistically significant.

SE = standard error