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Out Sick without Pay

Missed Wages and Worker Absences during the COVID-19 Pandemic

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Many Americans live paycheck to paycheck, but COVID-19 infections and related caregiving obligations are causing many workers to miss out on wages.¹ The United States is one of the few countries in the Organisation for Economic Co-operation and Development that does not have national paid sick leave or paid family and medical leave providing full or partial pay for time off from work.² As COVID-19 reinfections become more likely,³ a lack of paid sick leave and paid family and medical leave policies increasingly contributes to economic hardship, food insufficiency, and housing insecurity among workers and their families.

In this brief, we use the Current Population Survey (CPS) to examine self-reported absences from work to address illness or injury, child care, and other family or personal obligations, including family caregiving. We describe patterns in worker absences during the first two years of the COVID-19 pandemic by reason for absence, sociodemographic characteristics, and whether individual workers received pay while missing work. We then compare these data to the two years prior to the start of pandemic to estimate the additional amount of missed wages among workers who were absent without pay during the COVID-19 pandemic. We find the following:

- From March 2020 through February 2022, workers reported a 50 percent increase in the number of absences from illness, child care needs, and family or personal obligations compared to the previous two years, March 2018 through February 2020.

- The weekly unpaid absence rate among all workers increased 60 percent, from 0.46 percent during March 2018 through February 2020 to 0.74 percent during March 2020 through February 2022.
- Less than half of all absences for illness, child care, and family or personal obligations (42 percent) were paid during the first two years of the COVID-19 pandemic, a rate that remained unchanged from the prior two years. The majority of absences during the COVID-19 pandemic (81 percent) were for a worker's illness.
- Child care absences were the least likely to be paid during the COVID-19 pandemic. From March 2020 through February 2022, approximately 24 percent of child care absences were paid, compared with 34 percent of absences for family or personal obligations and 45 percent of absences for a worker's illness.
- Hispanic/Latinx workers, Black workers, multiracial workers, women, households with annual incomes under \$100,000, households with children, and self-employed workers saw the largest increases in unpaid absences during the first two years of the pandemic compared with the previous two years.
 - » Workers in households with less than \$25,000 in annual income had the highest unpaid absence rate among all groups analyzed and were more than three times as likely to be absent from work without pay than those with household incomes of \$100,000 or more.
 - » Self-employed workers were nearly twice as likely to be absent from work without pay as those working for an employer.
 - » Two-thirds (66 percent) of Hispanic/Latinx workers and 57 percent of Black workers did not receive pay while absent from work because of illness, a child care need, or a family or personal obligation.
- During the COVID-19 pandemic, women were 42 percent more likely than men to be absent from work without pay, primarily from more absences for child care and personal and family obligations. Eighty-two percent of the absences for child care were taken by women, of which 24 percent were paid. Similarly, women reported 65 percent of the absences for personal and family obligations, of which 34 percent were paid.
- In a typical week between March 2020 and February 2022, workers who missed a week of work because of illness, child care, or other family or personal obligations missed out on an average of \$815 in wages.
- Assuming an average of five days of leave, workers missed out on roughly \$28 billion more in wages between March 2020 and February 2022 than the previous two years from absences because of illness, child care, and family or personal obligations.⁴

Our findings suggest the COVID-19 pandemic has taken a toll on workers and their families through an unprecedented increase in health and caregiving needs, forcing millions of workers to be absent without pay. Missed wages from unpaid leave have affected populations already at greater risk of severe COVID-19 infection and of economic and material hardship, compounding existing

economic, racial, and gender disparities. Workplace safety standards and public health policies, combined with comprehensive paid-leave policies that cover all workers, could help reduce the spread of COVID-19 while protecting workers and families from missed wages because of medical and caregiving needs.

Background

The COVID-19 pandemic has vastly affected working adults and their families. At the start of the pandemic, the economy shed millions of jobs, and claims for unemployment reached unprecedented levels—topping out at over 6 million in the last week of March 2020—as the country faced rising numbers of COVID-19 cases, hospitalizations, and deaths.⁵ As the economy recovers and adds jobs, many workers face high exposure to COVID-19 through crowded indoor workplaces, transit, housing, and transmission from children in schools. In addition to the health and mortality consequences of COVID-19, an increased number of workers have taken absences from work. Workers continue to face new and greater needs for taking leave, including time to address their own illness, quarantine, obtain vaccinations, care for someone who was sick or quarantining, care for children whose schools and day cares closed, or care for family members who are aged or disabled whose services and facilities closed, in addition to other existing needs for leave.

As workers have increased need to take leave from work during the pandemic, many lack access to paid time off that would allow them to attend to these medical and caregiving needs. The United States does not have universally available, federal paid sick leave or paid family and medical leave policies in place. Instead, workers rely on a patchwork of programs and benefits available from employers and federal, state, and local government programs that do not cover all workers or all reasons for needing leave.

Typically in the US, paid leave refers to the coverage of short-term absences for one's own medical condition or that of a loved one. Paid family and medical leave programs refer to the coverage for longer-term absences for one's own medical condition or that of a loved one. Paid sick leave and paid family and medical leave provide full or partial wage replacement while a worker is out on leave for a qualifying reason. They may be accompanied by rights and job protections, such as the right to return to their job after leave, maintenance of employer-sponsored health insurance, and provisions to protect workers against retaliation for work absences. Before the pandemic, no government program ensured paid time off for to care for children whose schools and day cares closed.

In response to the pandemic, the federal government enacted the Families First Coronavirus Response Act (FFCRA), which established emergency paid sick leave and paid family and medical leave for COVID-19-related reasons. Initially available from April to December 2020, FFCRA required employers to provide paid leave to covered employees and provide refundable tax credits to cover the cost of leave and health insurance continuation up to a capped amount. However, FFCRA excluded people who worked for employers with more than 500 employees and provided exemptions for those with fewer than 50 employees and certain types of employees.⁶ FFCRA was subsequently modified

and extended twice through December 2021, and the employer mandate was removed, making coverage voluntary. As a result, millions of workers were not covered by FFCRA, and once extended, the voluntary nature of the credit may have further lessened participation in the program.

Many workers who were not covered by FFCRA were also not covered by state and local policies and programs. Some workers do not live in a state or locality offering paid leave or requiring employers to provide it. Where state or local policies exist, many workers are not covered because of eligibility rules, including requirements related to job tenure, hours worked, firm size, and other criteria.

Data from the Department of Labor show that 79 percent of civilian workers have access to paid sick leave (Beach and Walsh 2021). However, workers who most need paychecks to avoid food and housing insecurity are least likely to have paid sick leave. Just 35 percent of workers in the bottom decile of wages had paid sick leave, relative to 95 percent in the top decile.⁷ Just 48 percent of part-time workers have paid sick leave, relative to 87 percent of full-time workers. Because of structural inequities, Black, Hispanic/Latinx, Native American, and immigrant workers are more likely to hold these lower-income, part-time jobs. Growing numbers of people with nonstandard work agreements, such as “gig” work and independent contracting, are likely to lack paid sick leave and paid family and medical leave, as well as health insurance and other benefits (Karpman, Loprest, and Hahn 2022). In December 2020, more than a third of workers earning less than 200 percent of the federal poverty level reported nonstandard work as their main source of income.

Paid family and medical leave coverage is lower than paid sick leave and is highly skewed. Although approximately 69 percent of workers have access to paid family and medical leave according to the Urban Institute’s Well-Being and Basic Needs Survey fielded in December 2021, just 32 percent of workers with income at or below the federal poverty level did (Boyens, Smalligan, and Karpman 2022). Hispanic/Latinx and Black workers are less likely to have access to paid leave than white workers. In addition, workers who lack paid family and medical leave are more likely to experience material and financial hardships, including food insecurity and unmet needs for medical care because of cost, among others. Meanwhile, low-income workers and women are more likely to miss work because of caregiving (Ranji, Frederiksen, and Salganicoff 2021). As a result, many workers are left with no access to paid leave benefits and no choice but to be absent from work without pay.

Approach

To better understand patterns in worker absences, who received paid leave while absent, and the impact of unpaid absences on wages during the COVID-19 pandemic, we examine data from the CPS on self-reported absences from work. We compare data from the two years before the start of the COVID-19 pandemic, from March 2018 through February 2020, to the first two years of the pandemic, from March 2020 through February 2022. Our analysis focuses on workers who report being absent because of one of the following three reasons: (1) an individual’s illness, injury, or medical condition; (2) child care needs;⁸ and (3) other family or personal obligations, which includes family

caregiving.⁹ We focus on these reasons for worker absences because they were considered eligible reasons for receiving wage replacement from at least one source of paid leave benefits during the period of our study. The potential sources of paid leave benefits during the study period for workers who met coverage and eligibility requirements include the following:

- FFCRA emergency paid leave program and subsequent extensions
- State paid family and medical leave programs, sometimes also referred to as temporary disability insurance or temporary caregiver insurance
- State or local paid sick leave mandates
- Employer-provided paid sick leave, paid time off (vacation), short-term disability insurance, and other paid family and medical leave benefits

In the following sections, we examine patterns in paid and unpaid worker absences using data from the monthly CPS from the University of Minnesota's Integrated Public Use Microdata Series, or IPUMS (Flood et al. 2021). Each month respondents are asked if they are employed, if they were absent from their job in the week before the interview, why they were absent from their job, and if they were paid during their absence. These questions form the basis for the majority of our findings. We weight the results using the CPS-provided weight. Given that respondents are only asked about absences in the week before the interview rather than in the whole month, our results do not reflect the total number of absences in a given month or include information on the actual length of absences taken. For instance, someone who missed work for only the first week of the month but is interviewed in the third week would not be recorded as taking an absence.

For our missed wages analysis, we also use the monthly CPS but limit our sample to respondents only in the outgoing rotation group. In each month, the outgoing rotation group constitutes about one-quarter of the full sample, and respondents in the group are asked more details about their earnings. Workers whose primary source of income is self-employment are not included in the outgoing rotation group, so our analysis of missed wages excludes those workers. We focus our missed wage analysis on the weekly wage variable provided by IPUMS and use the outgoing rotation group-provided weight when analyzing weekly wages. Details on the specific survey questions and methods used can be found in the methodology section.

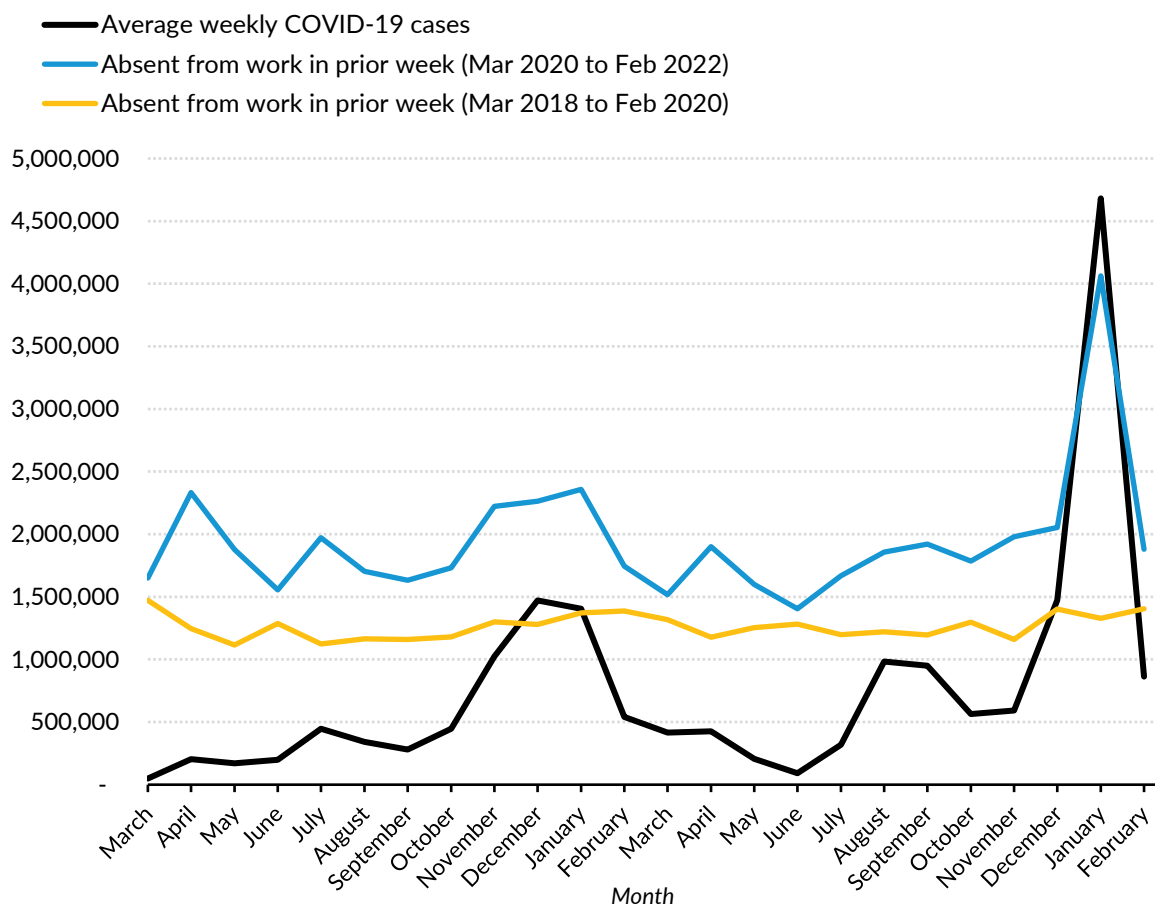
Findings

How Much Excess Missed Work Occurred during the First Two Years of the COVID-19 Pandemic?

Figure 1 shows the number of employed adults who reported being absent from work in the previous week because of a person's illness, child care needs, and other family or personal obligations during the COVID-19 pandemic study period of March 2020 through February 2022, compared with the preceding two years, March 2018 through February 2020. A total of 46.7 million absences were reported from March 2020 to February 2022 because of illness, child care needs, and other family or

personal obligations, compared with 30.3 million from March 2018 to February 2020. Because the CPS only asks about absences in the previous week for a given month, this does not equal the total number of absences over the period; however, it does indicate that absences were roughly 50 percent higher during the COVID-19 pandemic study period than in the previous two years. The data also show that absences reported in the previous week followed trends in COVID-19 cases. Reported absences peaked during the COVID-19 pandemic period at just over 4 million in January 2022, coinciding with a wave of COVID-19 infections because of the Omicron variant. In January 2022, data from the Centers for Disease Control and Prevention indicated an average of approximately 4.7 million weekly cases recorded. In that month alone, three times as many (2.7 million) employed adults reported being absent from work in the prior week than in January 2020.

FIGURE 1
Number of Reported Employed Adults Absent from Work in the Prior Week Because of Illness, Child Care, or Other Family or Personal Obligations



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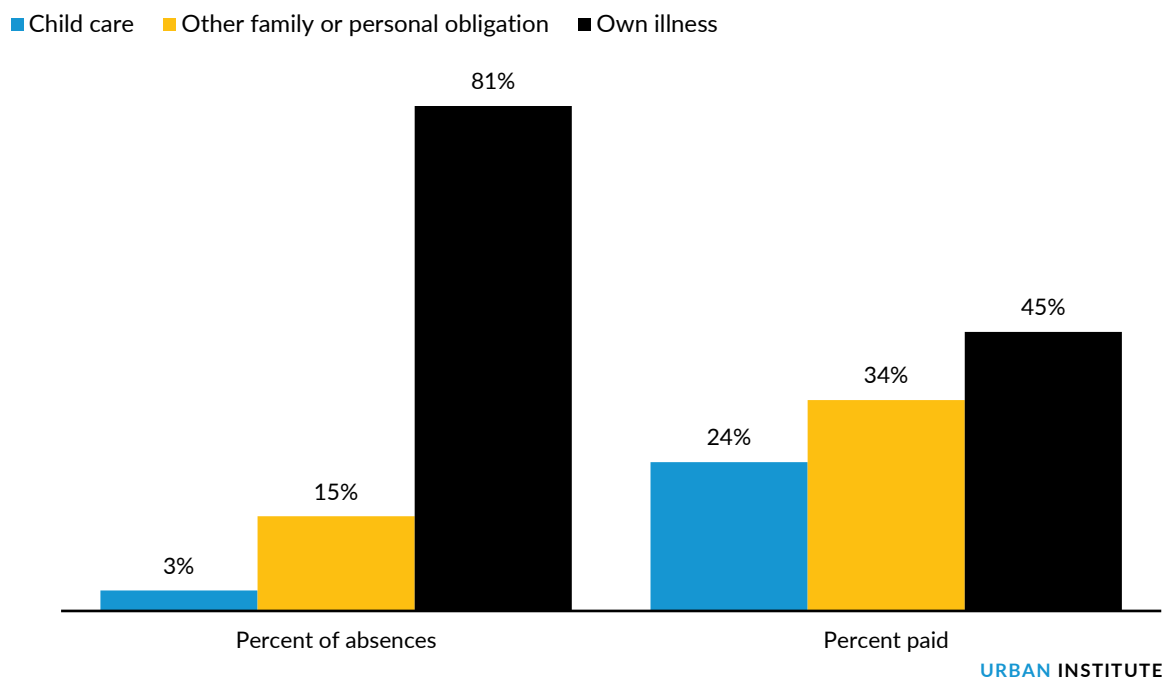
Source: Authors' calculations from the Current Population Survey, January 2018 through February 2022.

Notes: Average weekly COVID-19 cases are based on authors' calculations using daily cases. See Centers for Disease Control and Prevention, "COVID Data Tracker: Daily Cases," last updated July, 4, 2022, https://covid.cdc.gov/covid-data-tracker/#trends_dailycases.

During the COVID-19 pandemic study period, a large majority of absences occurred because of a worker's illness (figure 2). From March 2020 through February 2022, 81 percent of absences were taken to address a worker's illness, injury, or medical condition; 16 percent to address a family or personal obligation, including care of a family member; and 3.3 percent to address child care.

Less than half (42 percent) of all absences during COVID-19 were paid. Less than half (45 percent) of absences for a worker's illness were paid, only a third (34 percent) of leaves for family or personal obligations were paid, and under a quarter (24 percent) of absences for child care were paid.

FIGURE 2
Percent of Total Worker Absences and Paid Worker Absences
By reason, March 2020 through February 2022



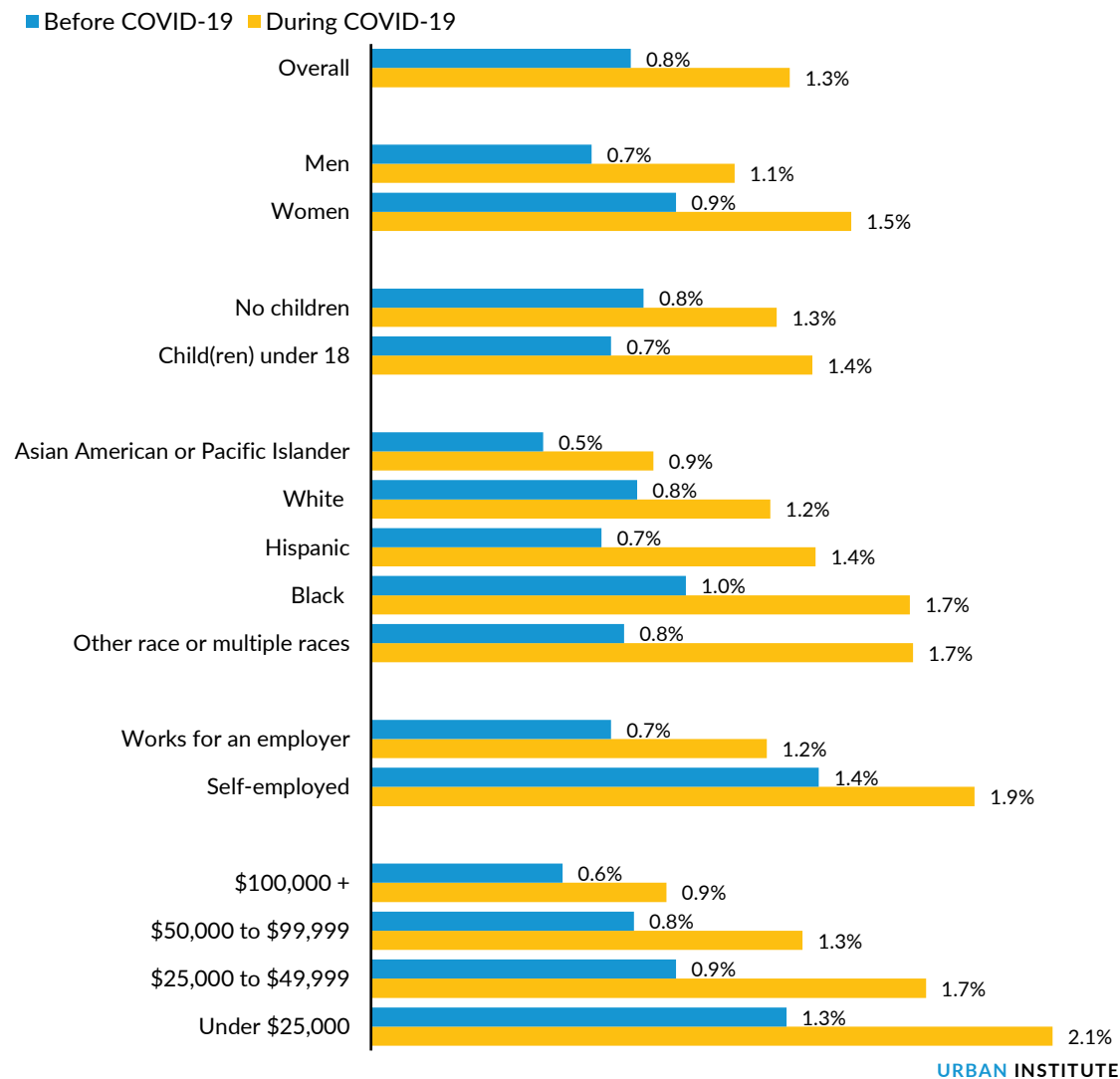
Source: Authors' calculations from the Current Population Survey, March 2020 through February 2022.

Disparities in Worker Absences and Paid Leave during the COVID-19 Pandemic

Before and during the COVID-19 pandemic study period, the need to take leave to address illness, a child care need, or another family or personal obligation disproportionately affected people living in low-income households, households with children, self-employed workers, Black workers, Hispanic/Latinx workers, multiracial workers, and women. As shown in figure 3, a clear relationship exists between household income and missed work. During the first two years of the pandemic, employed adults in households with annual incomes under \$25,000 were 2.3 times more likely to absent—with or without pay—than those in households with \$100,000 in annual income. Large disparities also existed during the pandemic for people who were self-employed, who were 52 percent

more likely to be absent than people working for an employer. Black and multiracial people were a third more likely to be absent relative to white people. Hispanic/Latinx people were 11 percent more likely to be absent than non-Hispanic white people. Women were 32 percent more likely than men to be absent, and people with children were 9 percent more likely than people without children to be absent during the pandemic.

FIGURE 3
Percent of Reported Employed Adults Absent in the Prior Week
Before and during the COVID-19 pandemic, by selected characteristics



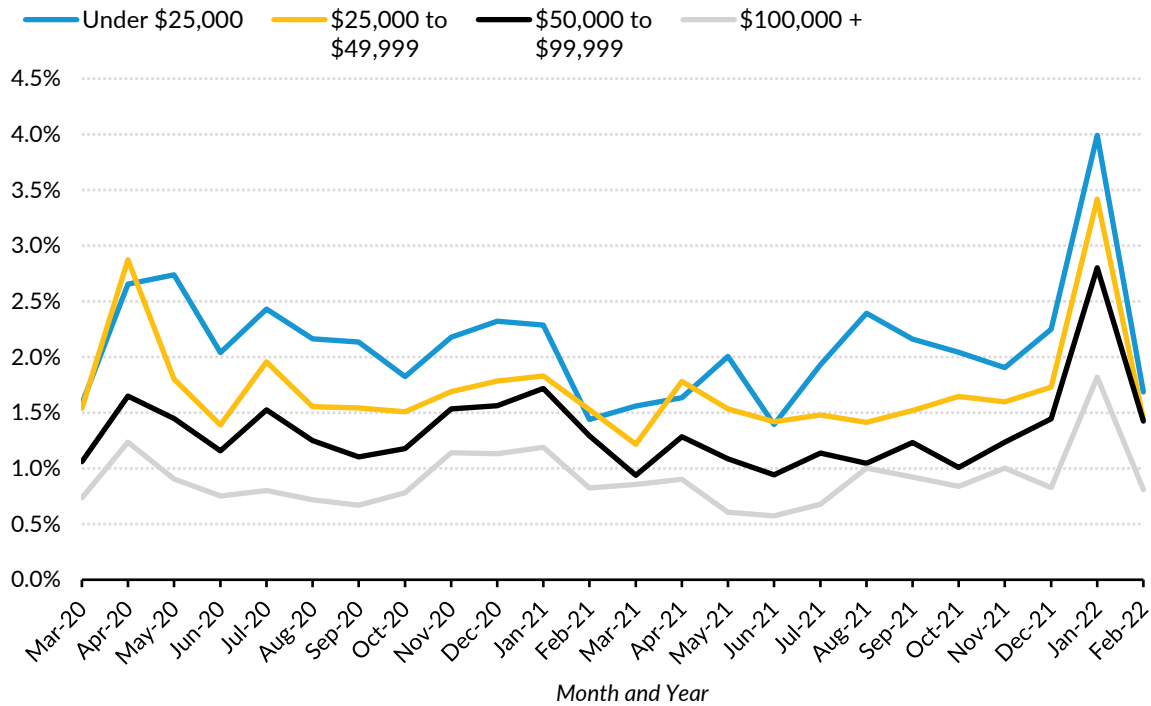
Source: Authors' calculations from the Current Population Survey. The pre-COVID-19 period includes March 2018 through February 2020, and the COVID-19 period includes March 2020 through February 2022.

Notes: This figure shows the percentage of workers who reported being absent from work in the prior week because of illness, child care, or other family or personal obligation. Workers with multiple jobs are assigned self-employed status based on the job at which they work the most hours.

As shown in figure 4, throughout the COVID-19 pandemic study period of March 2020 through February 2022, workers in households with incomes under \$100,000 bore a disproportionate share of absences. During surges, they also missed work first and most often.

FIGURE 4
Percent of Reported Employed Adults Absent in the Prior Week Because of Illness, Child Care, or Other Family or Personal Obligation

By family income, March 2020 through February 2022



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Source: Authors' calculations from the Current Population Survey, March 2020 through February 2022

As shown in figure 5 below, overall, the percentage of absences that were paid, 42 percent, did not change between the pre-COVID-19 and COVID-19 periods in this study. However, the percentage of absences that were paid did vary between groups and between the two periods. Workers who were Black, Hispanic/Latinx, women, in households with children, and self-employed saw a decrease in the percentage of absences that were paid during the COVID-19 pandemic, as did workers with household incomes between \$25,000 and \$99,999. Men, Asian Americans and Pacific Islanders, individuals of multiple or other races not identified in the study, and those in the bottom and top income groups saw the percentage of absences that were paid increase.

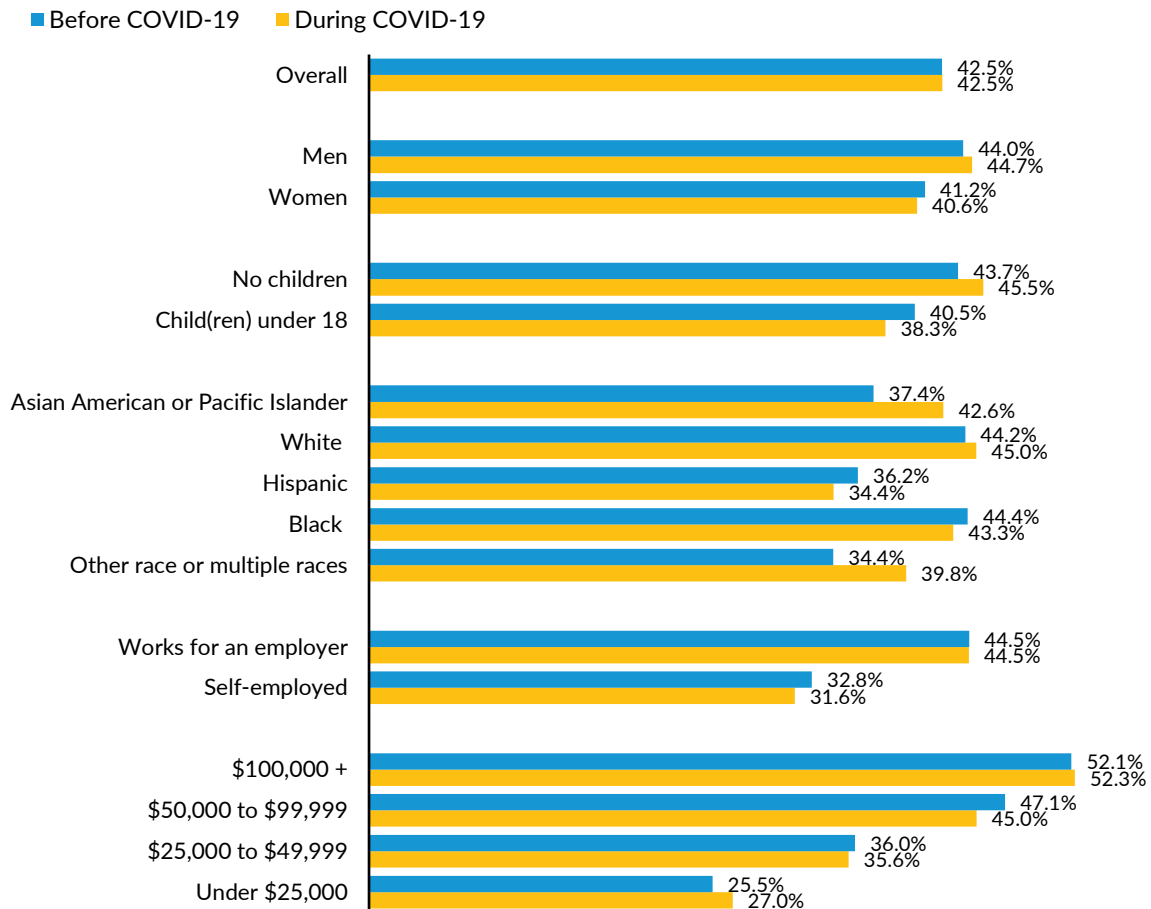
The percentage of absences paid before and during the COVID-19 pandemic were lowest for lower-wage workers. Approximately 73 percent of absences among workers with household incomes of \$25,000 or less were not paid. Workers who were self-employed, Hispanic/Latinx and in

households with children were among those least likely to receive paid leave. Workers in households with incomes between \$25,000 and \$100,000 saw a decrease in the percentage of absences paid during the COVID-19 pandemic, while those with household incomes under \$25,000 at the top saw a slight increase.

FIGURE 5

Percent of Paid Worker Absences

Before and during the COVID-19 pandemic, by selected characteristics



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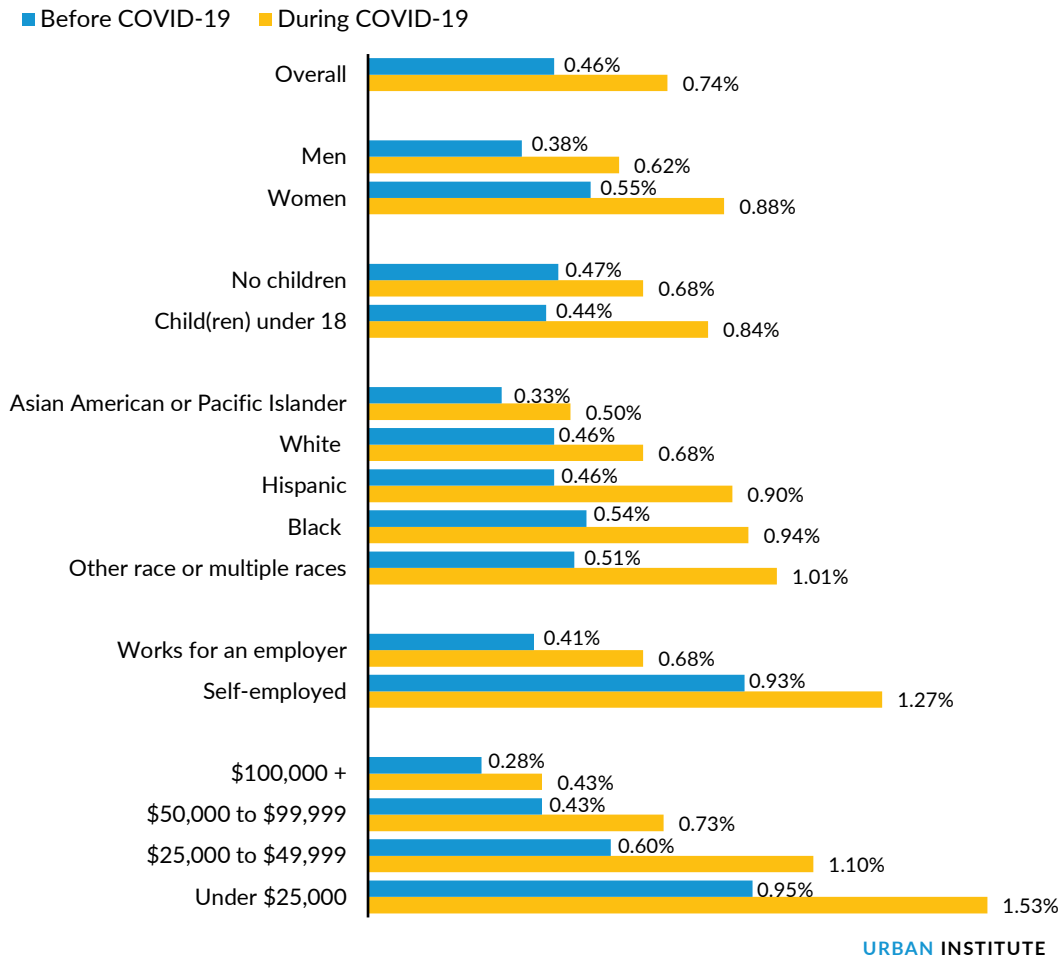
Source: Authors' calculations from the Current Population Survey. Pre-COVID-19 data is from March 2018 through February 2020, COVID-19 data is from March 2020 through February 2022.

Notes: This figure shows the percentage of absences from work where the individual reported receiving pay while absent because of illness, child care, or other family or personal obligations. Workers with multiple jobs are assigned self-employed status based on the job at which they work the most hours.

As shown in figure 6 below, the weekly unpaid absence rate was highest for the lowest wage workers, the self-employed, Black, Hispanic/Latinx, multiracial workers, women, and households without children. During the first two years of the pandemic, workers in households with less than

\$25,000 in annual income were more than three times as likely to be absent from work without pay as workers in households with incomes over \$100,000 from March 2020 through February 2022. Self-employed workers were nearly twice as likely to be absent from work without pay as those working for an employer during the COVID-19 pandemic. Women were 42 percent more likely to be absent from work without pay than men.

FIGURE 6
Percent of Reported Employed Adults Absent without Pay in the Prior Week
Before and during the COVID-19 pandemic, by selected characteristics



Source: Authors' calculations from the Current Population Survey, March 2020 through February 2022.

Notes: This figure shows the percentage of workers absent from work without pay because of illness, child care, or other family or personal obligation. Workers with multiple jobs are assigned self-employed status based on the job at which they work the most hours.

The weekly unpaid absence rate among all workers increased 60 percent, from 0.46 percent during the period of March 2018 to February 2020 to 0.74 percent during the period of March 2020 to February 2022. Workers who are Hispanic/Latinx, multiracial, and other races saw their likelihood

of being absent without pay nearly double. Black people saw a 74 percent increase in unpaid absences during the COVID-19 pandemic. Households with children also saw their unpaid absence rate nearly double and went from being less likely to experience an unpaid absence than households without children to being more likely to have an unpaid absence. Workers with household incomes between \$25,000 and \$49,999 saw their unpaid absence rate increase 83 percent.

Differences in reasons for being absent drove disparities between men and women and contributed to disparities by race and ethnicity. In total, women reported 32 percent more absences than men from March 2020 through February 2022. Although men and women both experienced an increase in absences from illness, women experienced a larger number of absences because of family and personal obligations and child care needs. Approximately 82 percent of absences related to child care during the pandemic were taken by women, of which only 24 percent were paid. Women also took 65 percent of absences for other family or personal obligations, including family caregiving, of which only 34 percent were paid. Black and Hispanic/Latinx workers were also more likely to be absent because of a child care need or family or personal obligation than other workers.

Estimating Missed Wages Because of the COVID-19 Pandemic

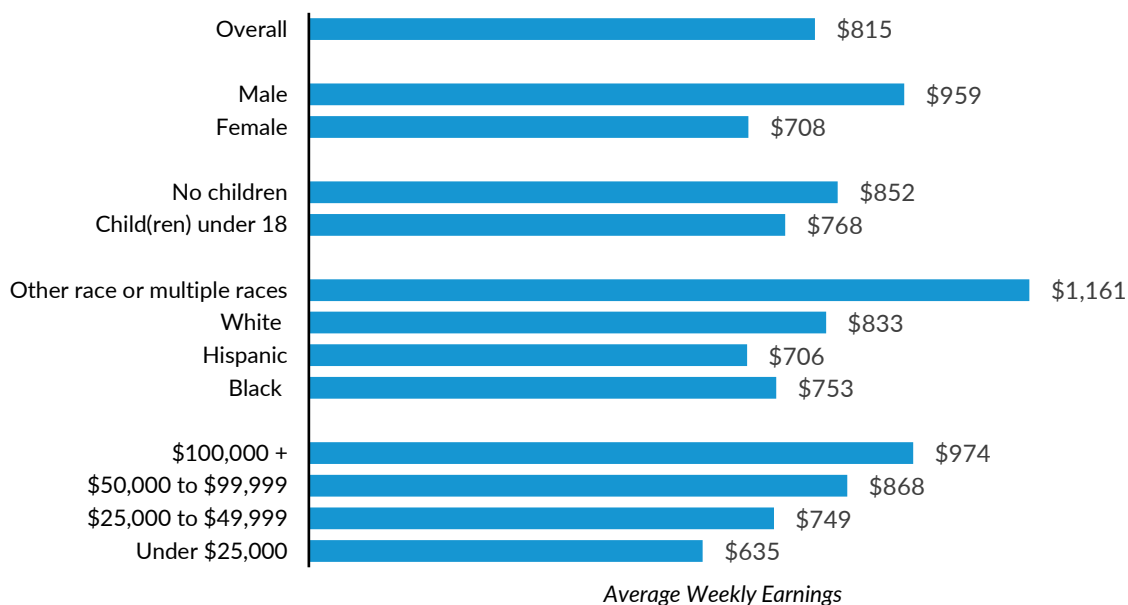
To understand the economic impact from unpaid leave because of the COVID-19 pandemic, we used the CPS to estimate missed wages for workers who reported being absent from work without pay in the prior week for illness, child care, or other family or personal obligation. We estimated average weekly wages in the two years preceding the COVID-19 pandemic, March 2018 through February 2020, and two years during the COVID-19 pandemic, March 2020 through February 2022, for workers who reported an unpaid absence. As shown in figure 7, in a typical week during the COVID-19 pandemic, an employed individual who missed a full week of work from illness, child care, or other family or personal obligation missed out on an average of \$815 in wages. Because of the smaller sample size of the outgoing rotation group, we combined the “American Asian and Pacific Islander” group and the “other race or multiple race” group.

The CPS does not include information on the length of leave taken by each worker or capture multiple spells of absence in a given month, somewhat limiting our analysis of aggregate missed wages. However, it is a reasonable assumption that the average spell of missed work for COVID-19-related reasons is five days, given that the median time from first PCR test to negative culture is five days (interquartile range is three to nine days), and the median time from symptoms or PCR positive result to a negative test is eight days (interquartile range is five to ten days;).¹⁰ In addition, the Centers for Disease Control and Prevention now recommends that people quarantine for five days if they develop symptoms.¹¹ Therefore, if we assume that workers who reported being absent from work without pay during the COVID-19 pandemic were on leave for an average of five days, total missed wages because of excess absences over the period of March 2020 through February 2022 compared with the prior two year average (March 2018 through February 2020) would total approximately \$28 billion.¹²

FIGURE 7

Average Weekly Wage for Workers Absent without Pay

March 2020 through February 2022



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Source: Authors' calculations from the Current Population Survey, March 2020 through February 2022.

Notes: Because the smaller sample size of the outgoing rotation group, we combined the Asian American and Pacific Islanders and other or multiple race and ethnicity groups into one.

Discussion

During the first two years of the COVID-19 pandemic, worker absences for illness, child care, or other family or personal obligations increased 50 percent over the previous two years. Workers received paid leave for just 42 percent of these absences, leading the weekly unpaid absence rate to increase by 60 percent, from 0.46 percent in the two years prior to the start of the pandemic to 0.74 percent from March 2020 to February 2022. Workers who were low income, self-employed, Black, Hispanic/Latinx, women, and living in households with children were more likely to miss work and less likely to receive paid leave. Women bore a disproportionate share of absences for child care and family and personal obligations, which were less likely to be paid, driving disparities by gender. These findings suggest that the continuing COVID-19 pandemic and lack of universal, paid sick leave and paid family and medical leave policies during the pandemic are compounding existing disparities in economic hardship for workers and families, with repercussions for public health. In 2022, most federal policies to reduce economic hardship during the pandemic have expired, but COVID-19 continues to cause elevated absences and economic hardship.

The impact of excess absences and lack of paid sick leave and paid family and medical leave has been overshadowed by the broader context of a recovering economy and rising employment. In January 2022, the labor force participation rate reached 62.2 percent, a new high at that point in the

pandemic.¹³ At the same time, however, the US experienced an unprecedented spike in the number of COVID-19 infections and worker absences, in addition to rising inflation and increased economic hardship.¹⁴ Rising employment levels distracted from the acute and long-term health and mortality impacts of COVID-19 on low- and middle-income workers; the economic impacts from the lack of paid sick leave and paid family and medical leave; and disruptions in health care, services, and the supply chain. Policies that consider the inequitable burden of COVID-19 illness and associated economic hardship can support the US population in living with the virus over the longer term.

Exacerbating Disparities for Workers and Families

The burden of missed work because of COVID-19 infections and caregiving was concentrated in populations most vulnerable to economic hardship, including people who are low income, self-employed, Black, Hispanic/Latinx, and women. Historical and modern-day policies like slavery, redlining, school segregation, and a low federal minimum wage have shaped a large and growing racial wealth gap that leaves households vulnerable to economic hardship because of shocks such as missed work.¹⁵ Black and Hispanic/Latinx families were more likely to report food insufficiency and risk of eviction before and during the COVID-19 pandemic. Women, already disproportionately represented in low-wage jobs and disproportionately affected by inadequate support for child care, were also more likely to miss work because of COVID-19 caregiving (Bateman and Ross 2020).

Avoiding Worker Exclusions

Self-employment and “gig work” is increasing in the US, and many workers who do not meet legal definitions are misclassified as independent contractors who are considered self-employed (Rhinehart et al. 2021). Our findings indicate that self-employed workers have been more likely to miss work because of COVID-19 than people who work for an employer, and less than one third of self-employed workers had paid sick leave when they missed work. Ensuring that workers are correctly classified and that paid sick leave policies account for self-employed workers is increasingly important amid a rise in self-employment and increased work absences during the COVID-19 pandemic.

Public Health

Our findings on disparities in work absences by income, race, ethnicity, and gender are aligned with work showing disparities in COVID-19 illness, hospitalizations, and deaths. Prior work has found that low-income workers got COVID-19 infections first and most frequently, consistent with the elevated risk of exposure documented since the early months of the pandemic.¹⁶ Essential workers have high exposure to COVID-19 through shared air in crowded indoor workplaces and do not have the same personal protective equipment as health care workers (Pichler, Wen, and Ziebarth 2020). Public health policies that reduce the burden of COVID-19 infections among low-income workers, such as vaccine and booster mandates, data-driven mask mandates, workplace safety standards would reduce the overall burden of COVID-19 cases, hospitalizations, long COVID, and deaths and disparities, in addition to reducing disparities in missed work and economic hardship. Controlling COVID-19 infections in schools would reduce work absences for caregivers, most of whom are not paid when

they miss work. Mask mandates are associated with reduced COVID-19 transmission in schools (Donovan et al. 2021).

Paid sick leave reduces onward transmission of COVID-19, preventing workers from being forced to choose between staying home and foregoing pay or going to work and potentially exposing others (Susser and Ziebarth 2016). Lack of paid sick leave is associated with an increased spread of COVID-19 and other infectious diseases such as influenza (Pichler, Wen, and Ziebarth 2020).

In July 2022, rates of vaccination and boosting in the US remain far lower than in other high-income countries, with 32 percent of the population not vaccinated and less than half of people who are eligible receiving booster doses.¹⁷ Prior analyses indicate that having paid sick leave is associated with increased influenza vaccination rates among workers and their children, as well as increased health care provider visits when workers contract influenza (Zhai 2018).

Labor Supply and Supply Chain

Although worker shortages are often cited as contributing to supply chain problems, high rates of worker absences also compound the problem.¹⁸ When workers report to work sick because they lack paid sick leave and cannot afford to take time off, or fear retaliation or the loss of their job, they contribute to the spread of COVID-19, further hampering economic recovery. Conversely, access to paid sick leave has been shown to reduce the spread of COVID-19 by allowing workers to stay home when they are sick and thereby reducing disruptions to businesses and the economy (Pichler, Wen, and Ziebarth 2020).

Worker absences also contributed to service and education disruptions throughout the pandemic, from health care to emergency services, teaching, and bus driving. Health care worker shortages were especially problematic during the peak of the Omicron surge, when hospital-care need increased. State and local governments turned to the National Guard and high school students to supplement staffing.¹⁹

Our analysis shows that absences were higher among women and that caring for children whose day cares and schools were closed and other family caregiving played a significant role. We found women with school-aged children saw significant reductions in their labor force participation rate, with even larger reductions for Black and Hispanic/Latinx women with school-aged children. Without paid sick leave and paid family and medical leave policies that include child care related to the pandemic, many working parents, and especially women, were forced to choose between work and taking care of their families. Absence of tools like paid leave may have accelerated women's exit from the workforce (Montes, Smith, and Leigh 2021).

Improving Paid Sick Leave and Paid Family and Medical Leave Policies to Include Populations Most Vulnerable to Economic Hardship

Low-income workers, self-employed workers, and workers of color are less likely to have paid sick leave and have long been vulnerable to economic hardship when they miss work because of illness. The COVID-19 pandemic has increased the number of people made vulnerable and who miss work. The lack of paid sick leave also contributes to onward spread of COVID-19 concentrated in these populations and affecting the pandemic, services, and the economy for everyone (Pichler, Wen, and Ziebarth 2020). Comprehensive paid sick leave policies that cover all workers, especially those who most need paid sick leave to avoid food insufficiency and housing insecurity, is needed to support workers as the COVID-19 pandemic continues.

Existing paid sick leave and paid family and medical leave policies often fall short of covering all workers including those most at risk of COVID-19 and economic hardship. Many state and local paid sick leave and paid family and medical leave policies do not cover part-time and independent contractor workers because of job tenure and work-hour requirements. At the federal level, FFCRA excluded large swaths of the workforce by exempting the largest and smallest firms, including many healthcare workers who were needed to assist during the pandemic. Broad coverage and eligibility requirements are needed to expand access.

Simply ensuring workers are covered by paid sick leave and paid family and medical leave policies, however, may not be enough to guarantee take-up of benefits. For lower-wage workers with little or no savings, it is important that benefits also replace a high percentage of earnings to support usage. Job protections are also needed. Evidence shows that workers sometimes report to work sick even when they have paid sick leave because of concern about retaliation, including job loss (Brown, Radha, and Klerman 2020). Pairing benefits with job protections that ensure workers can take paid sick leave and paid family and medical leave without retaliation is key to expanding take-up.

Although uncertainty exists with the ongoing COVID-19 pandemic, recent government projections have estimated that the US could see as many as 100 million cases this fall.²⁰ Establishing permanent paid sick leave and paid family and medical leave at the federal level could allow the US to respond to future waves of COVID-19 and other public health emergencies more quickly, as seen in states with existing paid family and medical leave programs (Boyens 2020). Permanent policies could also be designed with triggers that expand reasons for leave or duration of leave for certain purposes in response to public health emergencies, such as the need for child care leave, a reason not covered by most existing laws.

Limitations

More work is needed to understand and quantify the broader macroeconomic implications of worker absences and missed wages, including impacts on services, supply chains, government spending, and gross domestic product. Because the CPS does not capture information on the length of leaves taken by workers, whether multiple leaves were taken in a month, or if workers received full or partial pay

while absent, this study does not capture the full picture of workers' need for paid sick leave or paid family and medical leave, or how the length of leave varies by reason for being absent. This in turn limited our analysis of the aggregate amount of wages lost because of unpaid absences. In addition, surveys show that many workers report not taking leave when they were sick because they could not afford to or felt they would be fired or retaliated against (Brown et al. 2020). As a result, our analysis excludes leave that was needed but not taken because of cost considerations, which especially impacts lower-wage workers.

Conclusion

Our analyses demonstrate that the COVID-19 pandemic is causing millions of additional worker absences, most of which are not paid. These unpaid absences disproportionately affect workers and families already at greatest risk of experiencing economic hardship, compounding disparities in income and health by race, ethnicity, income, and gender. In addition to risks of health and economic hardship for workers, elevated worker absences during the continuing pandemic affect the broader economy through disruptions to services, health care, and the supply chain.

Excess COVID absences can be reduced with workplace safety standards and public health policies, such as vaccine with booster mandates, data-driven mask policies, and testing policies and programs. In addition, universal paid sick leave policies could mitigate wage losses for individuals and families while helping to reduce the spread of COVID-19. Permanent, national paid family and medical leave would support leave for extended absences to care for those with long COVID or other serious medical conditions exacerbated by the pandemic and facilitate a quicker policy response to future public health emergencies. However, existing policies fail to cover many workers who are most at risk of COVID-19 and economic hardships resulting from a temporary loss of wages. Universal paid sick and paid family and medical leave policies that reach the lowest wage workers, workers of color, the self-employed, and those with part-time or non-standard hours could help absorb the economic shock of missed work and wages for individual households, with benefits for public health and the broader economy.

Methodology

Our data comes from the CPS. The CPS is a monthly survey of over 65,000 households conducted by the Census Bureau. We accessed the data via the University of Minnesota's Integrated Public Use Microdata Series (IPUMS). We extracted monthly data for every month from March 2018 through February 2022, including demographic variables and work-related variables.

For our results on patterns of missed work, we focus the group of respondents who answer no to the question, "(The week before last/last week), did (name/you) do ANY work for (pay/either pay or profit)?" After being asked that question, respondents who say yes are asked, "The week before last/last week, (in addition to the business) (name/you) have a job either full or part time? Include any job from which (name/you) (was/were) temporarily absent." People who answer yes to this question

are then asked, “What was the main reason (you/he/she) (was/were) absent from work (the week before last/last week)?”

The responses to this question serve as the basis for our analysis. We selected people who answered either “own illness/injury/medical problems,” “child care problems,” or “other family/personal obligation” in our data as potentially paid leave-eligible absences. These three reasons make up our figures on absences. Finally, the CPS asks people who report being absent whether or not they were paid during their absence: “(Are/Is) (you/he/she) being paid by (your/his/her) employer for any of the time off (the week before last/last week)?”

Although the CPS is a monthly survey, the questions ask about one week in the month, known as the reference week. Percentages of workers missing work provide an estimate for a typical week in a given month.

IPUMS combines the responses to this question and the previous question to create a combined variable that identifies reason for absence and pay status. We use this variable to identify those missing work for a potentially paid-leave eligible reason and not being paid.

For our missed wages analysis, we used the variables in the outgoing rotation group. The outgoing rotation group is a subset of the full monthly CPS. According to IPUMS:

Households in the CPS are interviewed for four months, not interviewed for eight months, and then interviewed again for four more months. Households that are interviewed for the fourth month or eighth month (that is, the households that are about to rotate out of interviews for eight months or indefinitely) are asked additional labor questions. The universe of these questions, in addition to being month-in-sample four or eight, includes only civilians age 15 and older who are currently employed as a wage or salaried worker (that is, not self-employed).

The focus of our analysis is the average weekly earnings variable, which is constructed by IPUMS. IPUMS defines this variable as follows:

EARNWEEK reports how much the respondent usually earned per week at their current job, before deductions. Interviewers asked directly about total weekly earnings and also collected information about the usual number of hours worked per week and the hourly rate of pay at the current job. The figure given in EARNWEEK is the higher of the values derived from these two sources: 1) the respondent's answer to the question, “How much do you usually earn per week at this job before deductions?” or 2) for workers paid by the hour (and coded as “2” in PAIDHOUR), the reported number of hours the respondent usually worked at the job, multiplied by the hourly wage rate given in HOURWAGE.

EARNWEEK is top coded at \$2,885. This means that our estimate of the average weekly wage may understate the true average. We adjust weekly earnings for inflation using the Consumer Price Index earnings to the February 2022 Consumer Price Index level.

Notes

- ¹ From April 27 to May 9, 2022, more than 60 percent reported difficulty paying usual household expenses in the previous week in the nationally representative Household Pulse Survey. <https://www.census.gov/programs-surveys/household-pulse-survey/data.html>.
- ² Alina Selyukh, "Paycheck-To-Paycheck Nation: Why Even Americans with Higher Income Struggle With Bills," *NPR*, December 16, 2020, <https://www.npr.org/2020/12/16/941292021/paycheck-to-paycheck-nation-how-life-in-america-adds-up>.
- ³ Apoorva Mandavilli, "How Often Can I Be Reinfected with Coronavirus?" *New York Times*, May 16, 2022, <https://www.nytimes.com/2022/05/16/health/covid-reinfection.html>.
- ⁴ This is a calculation. First, we multiplied the average weekly wage of workers who reported missing a week of work by the number of workers who reported missing a week of work without being paid. We summed up this number for the pre-COVID period and the COVID period. We then subtracted the pre-COVID period from the COVID period to get the difference. We then multiplied this difference by 4.33. We did this to account for the fact that each CPS only covers one week out of a month. This is a rough way of estimating the total impact. Note that the average wage calculation excludes people whose main job is self-employment, while the number of excess absences includes the self-employed. Additionally, the average wage comes from the outgoing rotation group, which is a subsample of the full CPS, while the number missing work uses the full CPS sample.
- ⁵ "Initial Claims [ICSA]," Federal Reserve Bank of St. Louis, US Employment and Training Administration, last updated July 14, 2022, <https://fred.stlouisfed.org/series/ICSA>.
- ⁶ Steven Findlay, "Congress Left Big Gaps in the Paid Sick Days and Paid Leave Provisions of the Coronavirus Emergency Legislation," *Health Affairs Blog*, April 29, 2020, <https://www.healthaffairs.org/doi/10.1377/forefront.20200424.223002/full/>.
- ⁷ "Percentage of Civilian Workers with Access to Paid Leave by Wage Category," US Bureau of Labor Statistics, accessed July 18, 2022, <https://www.bls.gov/charts/employee-benefits/percent-access-paid-leave-by-wage.htm>.
- ⁸ The question in the CPS lists "child care problems" as one of the reasons a worker can give for being absent. We choose to refer to this reason as "child care needs" for purposes of this brief.
- ⁹ Absences because of family or personal obligations includes leave taken to care for a family member with a serious medical condition; however, it could include other reasons as well, some of which would not be eligible for paid leave. However, these are a portion of an already small percentage of reported absences.
- ¹⁰ "Duration of Shedding of Culturable Virus in SARS-CoV-2 Omicron (BA.1) Infection," Correspondence. *New England Journal of Medicine*. June 29, 2022, <https://doi.org/10.1056/NEJMc2202092>.
- ¹¹ "Quarantine and Isolation," Centers for Disease Control and Prevention, last updated March 30, 2022, <https://www.cdc.gov/coronavirus/2019-ncov/your-health/quarantine-isolation.html>.
- ¹² This is a calculation. First, we multiplied the average weekly wage of workers who reported missing a week of work by the number of workers who reported missing a week of work without being paid. We summed up this number for the pre-COVID period and the COVID period. We then subtracted the pre-COVID period from the COVID period to get the difference. We then multiplied this difference by 4.33. We did this to account for the fact that each CPS only covers one week out of a month. This is a rough way of estimating the total impact. Note that the average wage calculation excludes people whose main job is self-employment, while the number of excess absences includes the self-employed. Additionally, the average wage comes from the outgoing rotation group, which is a subsample of the full CPS, while the number missing work uses the full CPS sample.
- ¹³ "The Employment Situation – January 2022," Bureau of Labor Statistics, February 4, 2022, https://www.bls.gov/news.release/archives/empst_02042022.pdf.
- ¹⁴ "COVID Data Tracker: Daily Cases," Centers for Disease Control and Prevention, last updated July 4, 2022, https://covid.cdc.gov/covid-data-tracker/#trends_dailycases.
- ¹⁵ "Nine Charts about Wealth Inequality in America (Updated)," Urban Institute, October 2017, <https://apps.urban.org/features/wealth-inequality-charts/>.

- ¹⁶ Julia Raifman, Alexandra Skinner, and Aaron Sojourner, “The Unequal Toll of COVID-19 on Workers,” *Working Economics* (blog), Economic Policy Institute, February 7, 2022, <https://www.epi.org/blog/the-unequal-toll-of-covid-19-on-workers/>.
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- ¹⁷ “COVID Data Tracker: COVID-19 Vaccinations in the United States,” Centers for Disease Control and Prevention, last updated July 4, 2022, https://covid.cdc.gov/covid-data-tracker/#vaccinations_vacc-people-additional-dose-totalpop.
- ¹⁸ Harriet Torry, “Omicron Wave Drives Surge of Workers Calling In Sick, Working Through Illness,” *Wall Street Journal*, January 23, 2022, <https://www.wsj.com/articles/omicron-wave-drives-surge-of-workers-calling-in-sick-working-through-illness-11642933802>.
- ¹⁹ “Military Medical Units Support Civilian Hospitals Strained by COVID-19 Surge,” Military Health System, February 14, 2022, <https://health.mil/news/articles/2022/02/14/military-medical-units-support-civilian-hospitals-strained-by-covid-19-surge>.
- ²⁰ Yasmeen Abutaleb and Joel Achenbach, “Coronavirus Wave This Fall Could Infect 100 Million, Administration Warns,” *Washington Post*, May 6, 2022, <https://www.washingtonpost.com/health/2022/05/06/fall-winter-coronavirus-wave/>.

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