

# Immediate Changes in Access to Care after Implementing Mandatory Paid Sick Leave in Minnesota

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## Context

- Paid sick leave allows an employee to take paid time off from work in order to recover from an illness, care for dependents who are ill, or attend health care appointments for themselves or their dependents.
- The State of Minnesota does not require employers to offer paid sick leave, but in July 1st, 2017 its two major cities, Minneapolis and Saint Paul, implemented ordinances enforcing paid sick leave requirements for most types of employers.
- The purpose of this study was to investigate the immediate effect of these paid sick leave ordinances on access to healthcare in Minnesota.

## Study Design

### Data

This study used data from the 2017 Minnesota Health Access Survey. This survey was collected between June and October 2017; before and after the mandates were implemented (July 1st, 2017).

### Methods

We used a difference-in-differences approach on a set of access outcomes: having a usual source of care; having confidence in getting care when needed; forgoing routine, dental, mental health or specialist care; forgoing prescription drugs; having had a doctor's visit; and having received care at an emergency department.

- Treatment group: Nonelderly adults who worked in the cities of Minneapolis or Saint Paul.
- Control group: Nonelderly adults who worked in Greater MN.
- Pre period: before July 1st, 2017.
- Post period: after August 15th, 2017 (it takes 240 hours of work to accumulate 8 hours of paid sick leave).

## Principal Findings

- These ordinances had an important reach as three of every ten employed, nonelderly adults in Minnesota worked in the cities of Minneapolis or Saint Paul in 2017 (28.9%).
- Prior to the implementation of these ordinances, 70.6% reported having paid sick leave and this increased by almost 5 percentage points (to 75.5%) in the post period, although this benefit did not uniformly increase for every sub-group.
- Even though employed, young adults reported lower rates of having paid sick leave; 27 percentage points below those aged 26-45. Different educational levels are also associated with access to this benefit; college graduates reporting better access.
- Finally, employed adults with private health insurance, another benefit associated with employment, are more likely to have paid sick leave at work.

### Percent Reporting Having Paid Sick Leave at Work

	Pre (before July 1, 2017)	Post (after Aug 15, 2017)
<b>Age</b>		
18-25	47.8	54.9
26-45	74.9	82.0
46-64	73.8	74.5
<b>Education</b>		
High school diploma or no diploma	58.6	58.2
Some college	68.3	74.4
College or graduate degree	78.3	88.0
<b>Urbanicity</b>		
Urban	71.4	78.2
Rural	70.0	70.0
<b>Type of health insurance coverage</b>		
Private coverage	77.4	82.3
Public coverage	56.3	55.1
Uninsured	37.0	30.6

## Principal Findings Cont'd

Our results suggest that the mandates were associated with a reduction in forgone mental health services. We estimate that employed nonelderly adults who worked in the cities of Minneapolis and Saint Paul had a reduction in forgone mental health services that was 4.6 percentage points higher than that of the control group ( $p < 0.01$ ), after controlling for covariates.

### Effect of Having Paid Sick Leave on Access

Outcome	Estimate
Confidence in getting care	-0.0131
Forgoing care: prescription medications	0.0277
Forgoing care: dental care	-0.0164
Forgoing care: routine care	0.0367
Forgoing care: mental care	-0.0462 ( $p < 0.01$ )
Forgoing care: specialist care	0.0018
Primary care	0.0089
Emergency Room care	0.0241

## Discussion

These results provide evidence that paid sick leave supports better access outcomes. Even after only 3 months of implementation of the mandates in Minnesota, we found that these mandates are associated with a significant reduction in forgone mental health services.

Finding no immediate effect in other types of services or access indicators could mean that people are more responsive to these health needs. In contrast, the opportunity cost of losing hours of work to attend a mental health appointment may have been too high (in comparison to the perceived benefits), which may cause a pent-up demand for these services.

Enacting mandatory sick leave policies could lead to improved access to healthcare, especially among services that are usually perceived as non-essential and are relegated and postponed.