States are Leading the Way with Social Insurance Programs for Paid Family and Medical Leave

Paid Family and Medical Leave programs have been successfully implemented in a number of states

1942 – Rhode Island is the first state to adopt a Temporary Disability Insurance (TDI; also known as paid medical leave) program in the US. RI used a social insurance model with an exclusive state fund.

1946 – California enacts a new TDI program – a social insurance program with limited opt-outs.

1948 – New Jersey becomes the next state to enact a TDI program – a social insurance program with limited opt-outs.

1949 – New York becomes the fourth state to enact a TDI program. New York’s program involves much greater participation by highly regulated private TDI providers, complemented by a state fund as an alternative to private coverage.

1969 – Hawaii enacts an employer mandate for TDI.

2002 – California becomes the first state to develop a Paid Family Leave (PFL) program. This program was layered on top of the state’s existing TDI program.

2008 – New Jersey layers a PFL program on top of the state’s existing TDI program.

2013 – Rhode Island adds a PFL program to the state’s existing TDI program.

2016 – New York state enacts legislation developing a PFL program, built on the state’s existing TDI program (implemented 2018).

2017 – The District of Columbia enacts the nation’s first combined paid family and medical leave program – a social insurance model with an exclusive state fund. (to be fully implemented in 2020).

2017 – Washington State follows the same year with a social insurance program with limited opt-outs for employers (to be fully implemented in 2020).

2018 – Massachusetts enacts a combined paid family and medical leave program as a social insurance model with limited opt-outs for employers (to be implemented 2021).

2019 – Connecticut enacts a combined paid family and medical leave program as a social insurance model with limited opt-outs for employers (to be fully implemented in 2022).

Most states have chosen a social insurance model for paid leave

Social insurance programs pool resources broadly to protect workers and businesses from high financial burdens when someone needs time off to provide or receive care.

Rhode Island and the District of Columbia use an exclusive state fund to spread risk across the entire state’s workforce.

CA, NJ, WA, MA, and CT all primarily use a social insurance model, but allow some employers to self-insure or purchase private coverage if it is more generous than the state program.

New York uses a social insurance model with a robust and highly-regulated market for private coverage options and a competitive state fund as an alternative to private coverage.