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## **Paid Family Leave Market Research**

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**About Andrew Chang & Company, LLC:**

The professionals at Andrew Chang & Company work with our clients to achieve tangible results by combining our best-in-class research and analyses with unique insights into public policy, business and government strategy and operations. Using advanced economic, statistical and business administration techniques, we provide strategy and operations consulting to Fortune 1000 firms and provide policy, economic, fiscal and operations consulting to public sector agencies and nonprofit organizations to improve operations.

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## **Executive Summary**

In 2004, California became the first state in the nation to implement a Paid Family Leave (PFL) program. Administered by the California Employment Development Department (EDD) and funded entirely through employee State Disability Insurance (SDI) premiums, California's PFL program provides partial wage replacement for working individuals who take time from work to bond with a new child or care for a sick family member. Up to six weeks of benefits are available during a 12-month period. Program participants can utilize the benefit for up to six weeks with partial wage replacement. PFL is available to nearly all private sector workers if they paid into SDI during the eligibility period and suffer a wage loss from taking leave. A number of public sector employees who do not pay into SDI are not eligible for PFL.

EDD's administration of PFL is generally well regarded in available literature and data, and the PFL program has grown at a Compounded Annual Growth Rate (CAGR) of 4.6% between FY 2004-05 and FY 2013-14, exceeding Civilian Labor Force growth rate by a factor of 6 and California's population growth rate by a factor of 7 during that same time period.

Through its first 10 years, EDD approved 1.8 million PFL claims for \$4.6 billion in benefit payments with 90% of claims for bonding and 10% for caring.<sup>1</sup> Despite its successes, some question whether PFL is accessible to all those who could benefit from the program.

Beginning in Fiscal Year 2014-2015, the EDD was provided funding authority by the State legislature to increase the awareness of the PFL program in California, and conduct an extensive public education and outreach effort to ensure qualifying Californians who could benefit from the program are aware of its availability.

Our firm, Andrew Chang & Company, LLC, was retained through a competitive bidding process to conduct market research to assess awareness levels and to identify the motivating factors behind an individual's choice to use the PFL program or not. The research findings are

intended to provide a foundation for EDD's outreach and education efforts. With that in mind, our firm employed a combination of qualitative and quantitative research methods with a focus on the following questions:

- Who are the potential users of PFL and what are the key PFL market segments?
- What are the most significant reasons why potential users choose to use or not use PFL?
- Are there any significant barriers or enablers to use PFL?
- What are the most effective channels to communicate with potential PFL users?
- What are the most appropriate forms of communication? Should communications focus on high-level awareness or more in-depth program details?
- What are the key messages?
- Are there any additional considerations to make PFL more accessible for hard to reach communities and cultures, including Armenian, Chinese, Filipino, Latino, Punjabi, Vietnamese and Lesbian-Gay-Bisexual-Transgender-Queer-Questioning (LGBTQ)?

**The assessment was conducted in five phases over a four month period:**

**Phase I: Project Kick-Off**

In collaboration with EDD the project was kicked-off on March 3, 2015.

**Phase II: Literature and Data Review**

In this second phase, we reviewed existing literature regarding PFL usage and assessed available data, including previous surveys and previously unpublished EDD data.

The literature and data review identified:

- That while statewide awareness of the program appears to be decreasing, use has increased in most segments.
- The availability of paid leave has increased the propensity for both mothers and fathers to take leave, especially in disadvantaged communities.
- Use of PFL has increased the likelihood of mothers returning to work after child birth.
- The data is mixed on whether the leave leads to other improved economic or developmental benefits, with some showing significant benefits and other studies showing no statistical significance.
- PFL use is increasing, particularly among biological fathers and caregivers.
- The portion and per capita rate of bonding claims in California is significantly higher than with comparable programs in Rhode Island and New Jersey. However, the use of care benefits appears to lag behind Rhode Island. This is likely due to a combination of demographics and the focus of marketing efforts.

#### Bonding Claims Data:

- Over two thirds of bonding claims were made by biological mothers, less than one third by fathers.
- Biological fathers' use is increasing quickly and has nearly doubled since 2007.
- Use for both groups appears higher in the Bay Area and lower in Southern California.
- For both genders, nearly all claimants were between 21 and 40, although fathers trended a bit older.
- Female claimants tended to be lower income, although higher income than California's average working mother.
- Fathers who use PFL tended to be moderate to higher income.
- 84% of biological mothers that used disability leave also used PFL, although usage rates appear heavily influenced by income.

- Biological fathers appeared to use PFL at lower rates and are even more income sensitive.
- Adoptive and foster parents appeared to use PFL at very low rates, although data is extremely limited.
- Mothers typically used nearly all six weeks of time available to them.
- Men used about two thirds of the six weeks of leave time available to them.
- The availability and knowledge of integrated employer-leave appears to increase usage.

#### Care Claims Data:

- Care covered a larger range of relationships, although nearly all fell into one of three categories: children caring for parents (1/3); spouses caring for spouses (1/3); or parents caring for children (1/4).
- Claims covered a wide range of age and incomes groups.
- Similar to bonding, about 2/3 of care claims were women and 1/3 were men. Both increased at similar rates.
- Similar to bonding, usage appeared higher in the Bay Area and lower in Southern California.
- The diagnoses most frequently resulting in care claims were cancer and birth defects.
- Both genders used about two thirds of the six weeks of leave time available to them.

### **Phase III: Key Informant/Stakeholder Interviews**

In this phase, we conducted approximately 40 key informant/stakeholder interviews to identify potential issues pertaining to key user segments, capture varying perspectives and theories behind usage and/or non-usage of the program, help establish a set of premises for

this study, and to help deepen the research team's understanding of the PFL program. The input was used to develop the hypotheses for the research that appear on page 10 of this summary.

#### **Phase IV: Market Field Research**

Multiple methodologies were employed to gather market information to inform the overall assessment, including interviews, focus groups, online surveys and administered surveys.

EDD:

- Directed that the market studies reflect the demographic diversity of the state.
- Specified cultural and linguistic populations of particular importance to EDD.
- Requested that the research probe into linguistic and cultural issues that may impact PFL use in California's Armenian, Chinese, Filipino, Latino, Punjabi, Vietnamese and Lesbian-Gay-Bisexual-Transgender-Queer-Questioning (LGBTQ) communities which top EDD's PFL user data.

The PFL market was then segmented by user groups that appear to have different uses of PFL; different characteristics; different communication channels for PFL messaging; different messaging needs; and possible issues pertaining to the application processes. These segments include:

- Bonding—biological mothers, biological fathers and adoptive/foster parents.
- Family Caregivers—we speculate that care could effectively be segmented between acute and chronic conditions; however, this exceeded the scope of this project.

Based on our review of the literature, data and key informant/stakeholder interviews, three levels of issues were identified that impact the decision making process to file a PFL claim from the perspective of a claimant or a potential claimant. Though it is a simplification and there may be a combination of factors that ultimately impact the ability and choice to use PFL, we believe



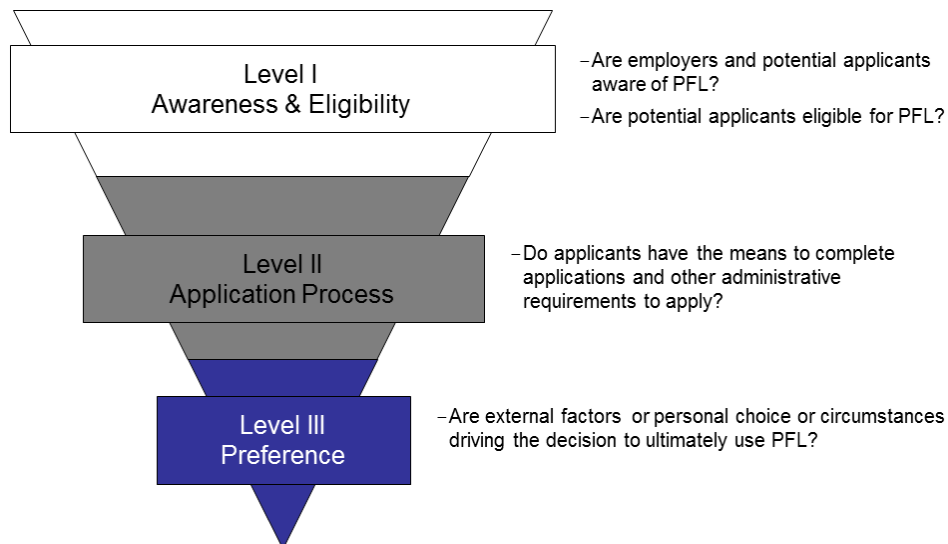
that the three-level model comprehensively accounts for all factors that could influence an individual's ability and decision to apply for PFL.

This model captured the array of hypotheses about what impacts PFL awareness, comprehension and usage. Specific details in the model can vary between individuals and between market segments, and the model is general enough that new specific factors could be added, or eliminated from it, if they emerged during the course of the market research. This model is an integral part of the methodology and was used to guide discussions in interviews, online surveys, administered surveys and focus groups.

As shown in Figure Ex. 1, our model consists of three levels:

- Level I – Awareness and Eligibility
- Level II – Application Process
- Level III – Preferences

Figure Ex.1  
Factors Influencing PFL Use



## **Phase V: Analysis of Information and Development of Final Report**

The findings and recommendations address each of the three levels of factors influencing PFL use as described in Figure Ex.1, among each potential user group. Those user groups are divided into general, applying to all potential users; segment-specific, applying to users of specific types of PFL; and target populations, applying to key target populations that have been deemed to be of particular interest by EDD.

In summary, the market research identified general trends that exist in each level of factors influencing PFL use. Findings include:

- Level I – Awareness and Eligibility
  - Awareness is generally low across most populations, including basic knowledge and understanding/comprehension of the program, and eligibility.
  - Most potential users have difficulty ascertaining eligibility.
- Level II – Application Process
  - Most populations report challenges with the application process, with the exception of biological mothers.
- Level III – Preferences
  - Job protection and wage replacement rate are consistently cited by participants as important considerations that are weighed against current financial obligations which may lead to reasons why they may have not considered using the PFL program, if they were aware and eligible to apply for benefits.
  - Other reasons individuals may choose not to use PFL vary across specific user and population groups.

As this market research was based on the theories and hypotheses of identified key informants/stakeholders, the table on the following page, Table Ex. 1, compares each premise to the actual finding.

Table Ex. 1  
Hypotheses vs. Research Findings

Hypotheses	Actual Research Findings
Low program awareness by the public	<p>General Program awareness is limited and varies amongst segments. Though general awareness has decreased, usage of the PFL program has increased surpassing the State's population growth by a factor of seven.</p> <p>Awareness of PFL bonding benefits appears to be higher than PFL care benefits. Misinformation and confusion about the eligibility requirements and the application process are significant barriers to usage of the program.</p> <p>In addition, potential PFL bonding-users often stated that better knowledge of the intermittent use of PFL integrated with employer leave could provide more flexibility in their ability to use the program.</p>
Employer resistance	<p>Employer survey results do not indicate great resistance. Most (80%) of respondents indicate that they allow employees to use vacation/sick leave to augment PFL.</p> <p>Most all claimant and potential claimant participants indicated that they expect to hear this information from their employer. However, many cite misinformation or miscommunication that can be attributed to the employer. A large majority of human resource (HR) professionals responded that they are in need of further education and clarification of the program to properly advise their employees. It is the lack of information or misunderstanding that could be the cause of perceived resistance.</p>
Difficult application process, particularly for non-English speakers	At all levels, across groups and segments, the application process (both online and on paper) was cited as a barrier to PFL usage.
Lack of job protection	<p>This concern is a factor that contributes to the decision to use or not use PFL. However, once potential users of PFL learned of the job protections provided by FMLA/CFRA, this concern was often placated.</p> <p>Human Resources professionals cited that this was the main concern expressed by their employees when determining whether or not to take time off for bonding or caring purposes, but concerns were often alleviated upon explanation of job protections provided by FMLA/CFRA.</p>
Wage replacement rate	This is cited as a concern across all segments and a factor that is weighted against current financial obligations and other available options (other family member's availability for assistance) for bonding and care (if any) when a decision is made to use or not use PFL.
Duration of benefits	This issue or concern was not identified as a contributing factor in the decision to use or not use PFL. In most cases, outside of mothers bonding with new born children, the full six weeks is not utilized.
Cultural barriers, including issues pertaining to family structure, gender roles and views on government assistance programs	<p>This varies amongst groups, though many of the groups shared the same attitudes about gender roles and "government assistance programs." Many believed PFL was a form of public assistance rather than an insurance program they had paid into, thus deterring them from using PFL.</p> <p>Each cultural group identified issues with current informational materials about Paid Family Leave with regard to tone, proper translation of information, and specific cultural representation.</p>

Based on market research findings, the following are recommendations that could be considered to improve outreach and education efforts, and may lead to increased usage:

- Enhance and clarify the information on the EDD website and associated printed materials by providing more concise, targeted information, with a clear description of the insurance aspects, eligibility, and the available job protection through the integration of benefits provided through FMLA/CFRA. In addition, information should include options of intermittent leave and the integration of employer leave.
- Develop communication channels through partners to reach the broad pool of potential users. Potential partners include human resource professional and employer associations. 78% of HR professionals expressed that PFL training would be beneficial.
- Develop channels through partners to reach segment-specific user groups. Potential partners include social workers, medical providers, caregiver associations, and adoptive and foster agencies. Many indicated that they would like additional PFL information to better serve their communities.
- Develop communication channels through partners and tailor programs to address targeted, hard to reach communities. Potential partners include culturally and community based organizations. The program materials should address the specific needs and cultural identifiers of a particular target group.

Additional findings and recommendations specific to user segments and population groups are detailed throughout the body of this report.

In summary, data indicate awareness has decreased, but usage has increased. The market research results show there are means and opportunity to improve access and utilization of the PFL program simply through enhanced education and marketing efforts. There are numerous supportive channels that can be cost-effectively leveraged to reach the user groups and

populations that are most likely to benefit from PFL. Moreover, we find that there are key messages that can be used to address and clarify concerns about PFL to these key market segments.

## 1. Introduction

In 2004, California became the first state in the nation to implement a Paid Family Leave (PFL) program. California's PFL program provides wage replacement for parents to take time from work to bond with a new child or for working individuals to take time from work to care for a sick family member. Program participants can utilize the benefit for up to six weeks after completing a one week waiting period and receive approximately 55% wage replacement up to a cap of \$1,104 per week. Participants are able to take time off either consecutively or intermittently. Eligible workers are able to re-apply to the program every 12 months, as needed.

The program is entirely funded by premiums paid through the State Disability Insurance (SDI) program administered by the California Employment Development Department (EDD). All workers who suffer a loss of income and have paid into SDI during the eligibility period are able to participate in the PFL program. Virtually all private sector employees are eligible, except for a portion of those who are self-employed and a small number of workers that do not work for normal wages. A number of public sector employees are excluded from PFL. These employees do not pay into SDI and include public school teachers and other employees, federal employees and some county and state employees, as well as employees of religious nonprofit organizations.

EDD's administration of PFL is generally well regarded in the literature and credited for rapidly deploying an expansive program over a short implementation period. Since the program's inception, EDD has provided PFL benefits to more than 1.8 million Californians. Moreover, the program has grown at a Compounded Annual Growth Rate (CAGR) of 4.6% between FY 2004-05 and FY 2013-14, exceeding Civilian Labor Force growth rate by a factor of six and California's population growth rate by a factor of seven during that same time period.

Despite its successes, some question whether PFL is accessible to all those who could benefit from the program. Stakeholders point out that the number of fathers claiming bonding leave is significantly lower than mothers. They further point out that even though one in six Americans reportedly provide care to elderly or disabled family members, the numbers claiming PFL benefits for providing care appear to be comparably low with just 26 thousand claims among California's 15.7 million workers in 2013. PFL stakeholders hypothesized an array of issues that may hinder PFL use, including but not limited to the following:

- Low program awareness by the public;
- Employer resistance;
- Difficult application process, particularly for non-English speakers;
- Lack of job protection;
- Wage replacement rate;
- Duration of benefits; and
- Cultural barriers, including issues pertaining to family structure, gender roles and views on government assistance programs.

Though a fair body of academic and policy literature exists pertaining to California's PFL program, there has not yet been a market study conducted to develop an actionable PFL marketing plan. Inasmuch, Andrew Chang & Company, LLC was retained through a competitive bidding process to conduct market research to help build a foundation for EDD's outreach effort and ensure outreach and education activities addressed identified customer information needs.

Andrew Change & Company, LLC employed a qualitative research approach with a focus on the following questions:

- Who are the potential users of PFL and what are the key PFL market segments?



- What are the most significant reasons why potential users choose to use or not use PFL?
- Are there any significant barriers or enablers to use PFL?
- What are the most effective channels to communicate with potential PFL users?
- What are the most appropriate forms of communication? Should communications focus on high-level awareness or more in-depth program details?
- What are the key messages?
- Are there any additional considerations to make PFL more accessible for hard to reach communities and cultures, including Armenian, Chinese, Filipino, Latino, Punjabi, Vietnamese and Lesbian-Gay-Bisexual-Transgender-Queer-Questioning (LGBTQ)?

The remainder of this report is divided into seven additional sections. The next section, Section 2, describes our approach to conducting this market assessment. Section 3 reviews and summarizes the current literature regarding California's PFL program. Section 4 summarizes data regarding PFL usage. Section 5 describes the market segmentation. Section 6 identifies the model used to address three levels of factors influencing PFL use. Section 7 reviews the market research findings, and Section 8 provides an overall conclusion. An appendix has also been provided that contains technical documents relating to this study.

## 2. Approach

As summarized in Figure 2.1, our assessment was conducted in five phases over a four month period.

### Phase I

We kicked off the project with EDD on March 3, 2015. During the kick-off session we confirmed our understanding of the engagement scope and key objectives. We also reviewed the proposed workplan and established the reporting structure and process for the duration of the engagement.

Figure 2.1  
Workplan Overview

	Phase I Project Kickoff	Phase II Data & Literature Review	Phase III Key Informant Interviews	Phase IV Market Field Research	Phase V Project Finalization & Documentation
<b>Dates:</b>	▪ 03/03	▪ 03/04 – 04/06	▪ 04/07 – 05/04	▪ 03/16 – 07/09	▪ 06/04 – 07/13
<b>Goals:</b>	<ul style="list-style-type: none"> <li>▪ Confirm understanding of the situation, schedule, roles and responsibilities</li> <li>▪ Establish communications and reporting protocols</li> </ul>	<ul style="list-style-type: none"> <li>▪ Develop thorough understanding of current literature and existing knowledge</li> <li>▪ Identify gaps in current literature and existing knowledge</li> <li>▪ Refine market research questions</li> </ul>	<ul style="list-style-type: none"> <li>▪ Deepen understanding pertaining to specific segments and/or key issues</li> <li>▪ Identify key potential barriers to PFL use</li> </ul>	<ul style="list-style-type: none"> <li>▪ Deepen understanding pertaining to specific segments and/or key issues</li> <li>▪ Establish relationships with key population and segment liaisons</li> <li>▪ Validate hypotheses with key market segments</li> </ul>	<ul style="list-style-type: none"> <li>▪ Analyze data and research</li> <li>▪ Compile findings and recommendations report</li> <li>▪ Conduct executive briefing for identified stakeholders</li> </ul>
<b>Key Activities:</b>	<ul style="list-style-type: none"> <li>▪ Conduct background research of publicly available data and literature</li> <li>▪ Compile kick-off deck</li> <li>▪ Compile inventory of requested department documents and data</li> <li>▪ Revise workplan based on meeting with Project Manager and broader project team, if necessary</li> </ul>	<ul style="list-style-type: none"> <li>▪ Review and summarize literature</li> <li>▪ Perform preliminary data analysis with available data</li> <li>▪ Identify key research questions and refine as necessary</li> </ul>	<ul style="list-style-type: none"> <li>▪ Work with EDD Project Manager, identify key informants to interview</li> <li>▪ Develop interview guides and background packets</li> <li>▪ Schedule and conduct interviews</li> <li>▪ Summarize findings</li> <li>▪ Develop PFL utilization framework</li> <li>▪ Identify key market segments</li> </ul>	<ul style="list-style-type: none"> <li>▪ Work with EDD Project Manager, develop market field research plan for each identified population and segments</li> <li>▪ Establish working agreement with CBOs</li> <li>▪ Conduct market field research</li> </ul>	<ul style="list-style-type: none"> <li>▪ Clean and analyze market field research data</li> <li>▪ Review with EDD Project Manager and select key informants</li> <li>▪ Conduct facilitated workshop to discuss findings and develop recommendations</li> <li>▪ Compile final report</li> <li>▪ Conduct executive briefing</li> </ul>
<b>Outputs:</b>	<ul style="list-style-type: none"> <li>▪ Kick-off material</li> <li>▪ Inventory of requested documents and data</li> <li>▪ Revised workplan, as necessary</li> </ul>	<ul style="list-style-type: none"> <li>▪ Literature review</li> <li>▪ Data analysis</li> <li>▪ Draft key research questions</li> </ul>	<ul style="list-style-type: none"> <li>▪ Interview plan</li> <li>▪ Interview guides</li> <li>▪ Notes from interviews</li> <li>▪ Summary of findings</li> <li>▪ PFL utilization framework</li> <li>▪ Description of key market segments</li> </ul>	<ul style="list-style-type: none"> <li>▪ Findings from focus groups</li> <li>▪ Survey instrument</li> <li>▪ Survey database</li> <li>▪ Descriptive summary of survey data</li> </ul>	<ul style="list-style-type: none"> <li>▪ Final report</li> <li>▪ Executive briefing</li> </ul>

## **Phase II**

In Phase II, we reviewed the existing literature regarding PFL usage and assessed the available data. It should be noted that EDD provided us with previously unpublished data regarding PFL usage to help us better understand PFL usage and to inform our project engagement.

## **Phase III**

During Phase III, we conducted approximately 40 key informant/stakeholder interviews. Insights from these interviews were used to deepen our understanding of the PFL program, identify potential issues pertaining to key user segments and to capture speculations and beliefs behind usage and non-usage of the program. These interviews were critical to providing the framework for the focus groups, surveys and administered surveys.

## **Phase IV**

Phase IV focused on market field research. We employed multiple methodologies to gather market information to inform our assessment:

- Key Informant/Stakeholder Interviews – We relied heavily on the experience and expertise of key informants/stakeholders to develop our initial understanding of PFL users. In total we interviewed approximately 40 key informants/stakeholders representing PFL program administrators, policy advocates, health care professionals, social workers, business community representatives, members of select cultural communities and PFL users. We obtained our initial list of key informants/stakeholders to interview from EDD. This list was augmented with other informants/stakeholders as we gained a stronger understanding of our information needs. A partial list of key informants/stakeholders interviewed is included in the appendix of this report.

- Focus Groups – We conducted 14 focus groups located throughout the state in the course of this market assessment. Eight focus groups were focused on PFL user segments. Six focus groups were focused on cultural populations segments. We worked through a number of Community-Based Organizations (CBOs) that served the identified populations and that were located in targeted geographic areas to secure focus group participants meeting the specified characteristics. Those participating in PFL user segments were provided \$50 gift cards. Those participating in PFL cultural population segments were provided \$100 gift cards. Details of the focus group segments, including date location, group description and focus group instruments are included in the appendix of this report.
- Online Surveys – Our assessment was supported by online surveys of human resources professionals, social workers and family care providers. Each survey was conducted with the support of a nonprofit organization. Though we are grateful for their help on administering the survey, it should be noted that their participation does not imply endorsement or concurrence with any of our findings or recommendations:
  - Human Resources: Our background research indicated that the human resources (HR) departments are the most likely to be responsible for PFL in a work environment. Though many smaller organizations do not maintain a dedicated HR department, we believed that a survey of HR professionals could provide insight into practices, issues and perceptions of the business community, particularly for large organizations. Inasmuch, we worked with California Society of Human Resources Management (CalSHRM) to conduct an online survey of their membership.
  - Social Workers: We conducted a survey of social workers because our research demonstrated that social workers are uniquely situated in their role of providing

counseling to many, if not all, key PFL user segments including care, child birth, adoption and foster care. We worked through the National Association of Social Workers (NASW), California Chapter to administer an online survey to their membership.

- Family Caregivers: We administered a survey of family care providers through the Family Caregiver Alliance (FCA). Caregivers were deemed particularly difficult to reach due to the highly personal and stressful nature of their care providing situations and limitations on time. Because FCA is a well-established and trusted provider of support to the care community, we believed that it could effectively help us reach potential and actual PFL users.

We note that because we administered these surveys to targeted user communities through particular organizations these surveys cannot be considered randomly sampled and may have biases in regards to respondent sampling. We have attempted to characterize the potential biases for each survey in the detailed survey reports located in the Appendix of this report. Despite this limitation, the information obtained through the surveys can provide key insights but the responses must be considered with the biases in mind. For example, we believe that care providers who are likely respond to our survey are generally more informed and connected to support organizations than the average care provider. Inasmuch, the responses to questions pertaining to awareness of PFL should be perceived to likely be an overestimate of actual PFL awareness in the general caregiver community.

- Administered Surveys: We also conducted administered surveys for particular user groups either to augment our research on those groups, or as a means to reach groups that are difficult to access. This included the caregiver, Latino and Punjabi communities. We were unable to arrange a focus group of caregivers under the

constraints of this engagement. We were able to supplement our focus group for the Punjabi community and our Spanish-language focus groups by also conducting administered surveys of leaders in the Punjabi and Latino communities. We orally administered surveys via telephone to members of the identified communities. We obtained contact information from cultural brokers who met our profiles. The administered survey instruments are included in the appendix of this report.

## **Phase V**

Phase V focused on finalizing our analysis, developing recommendations and compiling our final report. In addition to the final written report, we will also provide an oral briefing to the EDD project team and key stakeholders.

### 3. Literature Review

To help inform our approach, we conducted a thorough literature review of current research pertaining to California's PFL program, as well as other family leave programs around the globe. This review provided insight into the knowledge and awareness of California's PFL program, its usage and perception, as well as the collective impacts it and other programs have had to date.

Appelbaum and Milkman have provided the most continuous coverage of PFL awareness in California, documenting the awareness of the program in 2004,<sup>1</sup> 2011<sup>2</sup> and 2013.<sup>3</sup> The most recent research done regarding awareness, however, was completed by the California Field Poll in 2015 and found that only 36% of voters were currently aware of the PFL program.<sup>4</sup> This is a noteworthy decrease from the reported 42.7% awareness in 2011<sup>5</sup> and the 48.6% awareness reported in 2009-10.<sup>6</sup> In 2013, Appelbaum and Milkman found that populations with the most need for PFL benefits, i.e. low-wage workers, young workers, immigrants and disadvantaged minorities, are less likely to be aware of the program and that the "long-standing pattern" of inequality in access has remained largely intact.<sup>7</sup> This finding was also raised by the United States Department of Labor, which reported that individuals who were unaware of the program were most likely to have the greatest potential need for paid family leave, i.e. younger respondents, non-Whites and those with less education or household income.<sup>8</sup> For those who

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<sup>1</sup> Appelbaum, E. & Milkman, R. (2004) Paid Family Leave in California: New Research Findings. University of California Press.

<sup>2</sup> Appelbaum, E. & Milkman, R. (2011) Leaves That Pay: Employer and Worker Experiences with Paid Family Leave in California. Center for Economic and Policy Research.

<sup>3</sup> Appelbaum, E. & Milkman, R. (2013) Unfinished Business: Paid Family Leave in California and the Future of U.S. Work-Family Policy. ILR Press.

<sup>4</sup> DiCamillo, M. & Field, M. (2015) The California Field Poll. California Center for Research on Women and Families.

<sup>5</sup> Appelbaum (2011).

<sup>6</sup> Bartel, A. PhD, et. al. (2014) California's Paid Family Leave Law: Lessons from the First Decade. United States Department of Labor.

<sup>7</sup> Appelbaum (2013).

<sup>8</sup> Bartel (2014).

were aware and had used PFL, the top two sources of information identified were their employer (38%) followed by their family, friends or coworkers (29%).<sup>9</sup>

Despite the decreased awareness, PFL has seen increased usage rates from multiple user segments including lower socioeconomic groups. Holistically, several studies have shown that PFL has increased leave taking in particular for parents bonding with a new child:

- Rossin-Slater found in 2011 that PFL has more than doubled the overall use of maternity leave from three to six or seven weeks and found that less advantaged groups saw a particularly large growth in usage.<sup>10</sup>
- Goodman's study in 2012 supported these findings with evidence that there was a significant association between PFL and time spent caring for children among mothers, especially for women with less than a college education whether a spouse was present or not.<sup>11</sup>
- Most recently, Baum and Ruhm found that PFL has increased leave taking amongst mothers by two to three additional weeks and fathers by just under one additional week.<sup>12</sup>

These increases were reflected in EDD's ten-year assessment of PFL:

- The number of claims had increased by 43.4% in that time.
- PFL claims filed by males saw an astonishing 400% increase.<sup>13</sup>

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<sup>9</sup> Neighbours, A. (2014) Disability Insurance Branch: Customer Satisfaction Survey. Employment Development Department.

<sup>10</sup> Rossin-Slater, M., et. al. (2011) The Effects of California's Paid Family Leave Program on Mothers' Leave-Taking and Subsequent Labor Market Outcomes. Institute for the Study of Labor.

<sup>11</sup> Goodman, J. M. (2012) Did California's Paid Family Leave law affect mothers' time spent on work and childcare? PAA Final Submission.

<sup>12</sup> Baum, C. L. & Ruhm, C. J. (2013) The Effects of Paid Family Leave in California on Labor Market Outcomes. National Bureau of Economic Research.

<sup>13</sup> Employment Development Department (2014) Paid Family Leave: Ten Years of Assisting Californians in Need.



The California Field Poll also found that women, non-white voters, those under 50 and parents are most likely to take advantage of PFL.<sup>14</sup>

In total, PFL approved 1.8 million claims for \$4.6 billion in benefit payments with 90% of claims for bonding and ten percent for caring through its first ten years.<sup>15</sup>

Surveyed PFL users reported in 2014 that it was somewhat or very easy to file their claims (90%); 84% rated EDD's efforts to process their claims as excellent or good.<sup>16</sup> The program also seems to have fairly broad support – 84.9% of Appelbaum and Milkman's 2004 survey respondents favored a paid leave program.<sup>17</sup> Nationally, family leave programs have received more support from the business community than expected. In a 2013 Small Business Majority Opinion Poll in New York, 86% of entrepreneurs supported the federal Family and Medical Leave Act and 59% of small business owners supported publicly administered family and medical leave programs.<sup>18</sup>

Some argue this support for the program is due to the positive effect leave has on the claimants and the labor market. Several studies including Pronzato,<sup>19</sup> Baum<sup>20</sup> and Byker<sup>21</sup> have found that paid family leave laws lead to mothers being more likely return to work after taking leave. The U.S. Department of Labor concluded that most studies suggest parental leave rights yield positive effects on labor market outcomes.<sup>22</sup> Additionally, paid leave gives mothers the opportunity to remain at home with a child at a lower cost<sup>23</sup> and to provide time for vital resting

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<sup>14</sup> DiCamillo (2015).

<sup>15</sup> Employment Development Department (2014).

<sup>16</sup> Neighbours (2014).

<sup>17</sup> Appelbaum (2004).

<sup>18</sup> Small Business Majority (2013) Opinion Poll: New York Small Businesses Support Family Medical Leave.

<sup>19</sup> Pronzato, C.D. (2008) Return to Work After Childbirth: Does Parental Leave Matter in Europe? ISER University of Essex.

<sup>20</sup> Baum (2013).

<sup>21</sup> Byker, T. (2014) The Role of Paid Parental Leave in Reducing Women's Career Interruptions: Evidence from Paid Leave Laws in California and New Jersey. University of Michigan.

<sup>22</sup> Bartel (2014).

<sup>23</sup> Pronzato (2008).

for the mother and bonding with the child, which can be instrumental in the child's cognitive as well as social and emotional development.<sup>24</sup> We should note there is not a consensus on the benefits, as other research finds that expanded leave programs have little effect on a variety of outcomes for the child or parent, including school performance, parental earnings, completed fertility and marriage or divorce.<sup>25</sup>

Our literature review yielded few studies on the effect PFL has had on family caregivers. While there are several studies on family caregivers and the challenges they face, our review was unable to identify research specific to the relationship between PFL and family caregivers. This could be due to the low usage rates for family caregiving that has existed since the implementation of PFL.

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<sup>24</sup> Zigler, E. et. al. (2011) Time Off With Baby: The Case for Paid Care Leave. Zero To Three.

<sup>25</sup> Dahl, G.B. et. al. (2013) What is the Case for Paid Maternity Leave? The National Bureau of Economic Research.

## 4. Data Analysis

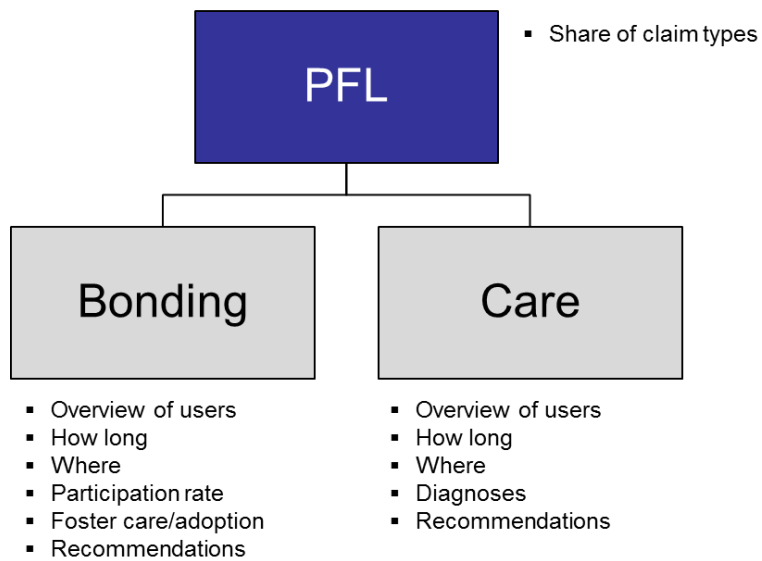
As a part of our initial assessment, we analyzed available data to gain insight into PFL usage and trends. Data was obtained from the California Office of Statewide Health Planning and Development (OSHPD), California Department of Finance, U.S. Bureau of the Census and other public sources as noted in our citations. In addition, our analysis also included previously published and unpublished data provided by EDD. Though we believe that these are the best sources of data regarding EDD programs, healthcare in California and general California demographics, there are some limitations, including imperfect alignment between data sets in regards to time and geography and limitations in EDD data prior to SDI Online. We have accounted for these limitations to the extent possible. We believe that the findings are sufficiently reliable to draw the inferences and conclusions made in this report. We are grateful to EDD staff for providing extensive internal data and IPUMS-USA, University of Minnesota for making detailed, customizable Census data available online.<sup>26</sup>

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<sup>26</sup> Ruggles, S., et al (2010) Integrated Public Use Microdata Series: Version 5.0 [Machine-readable database]. Minneapolis: University of Minnesota, [www.ipums.org](http://www.ipums.org).

Our data review is divided into three sections as illustrated in Figure 4.1. The PFL Overview section provides insights into the PFL program as a whole and provides high-level comparisons regarding usage to similar programs in other states. The PFL Bonding and Care sections analyze usage trends by claimant groups.

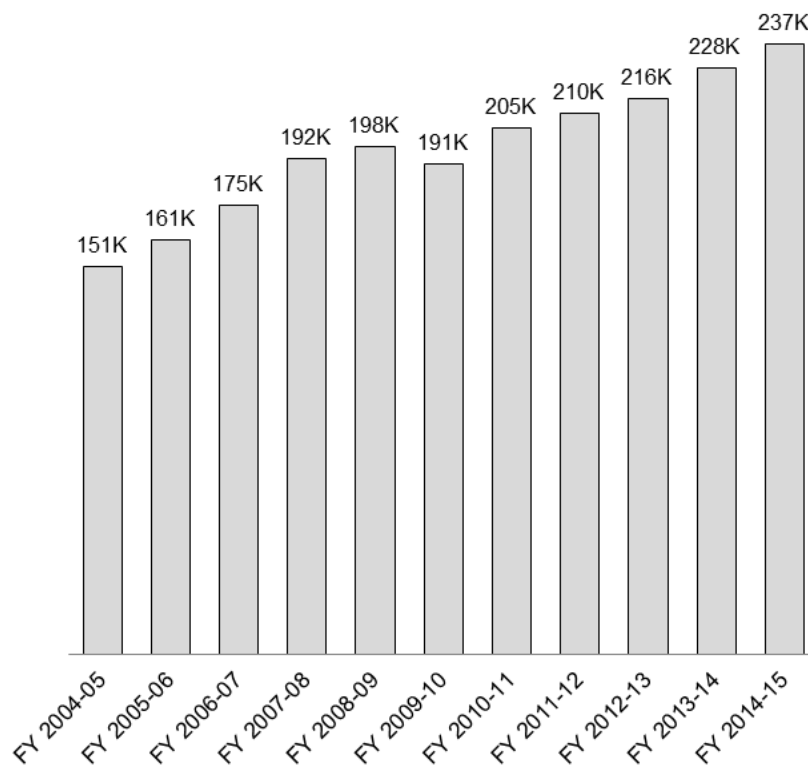
Figure 4.1  
Data Review Organization



## PFL Overview

Between FY 2004-05 and FY 2014-15, almost 2.2 million Californians claimed PFL benefits to bond with a new child or take care of a family member. PFL total claims have increased from approximately 151,000 claims in FY 2004-05 to almost 237,000 claims in FY 2014-15, as shown in Figure 4.2.

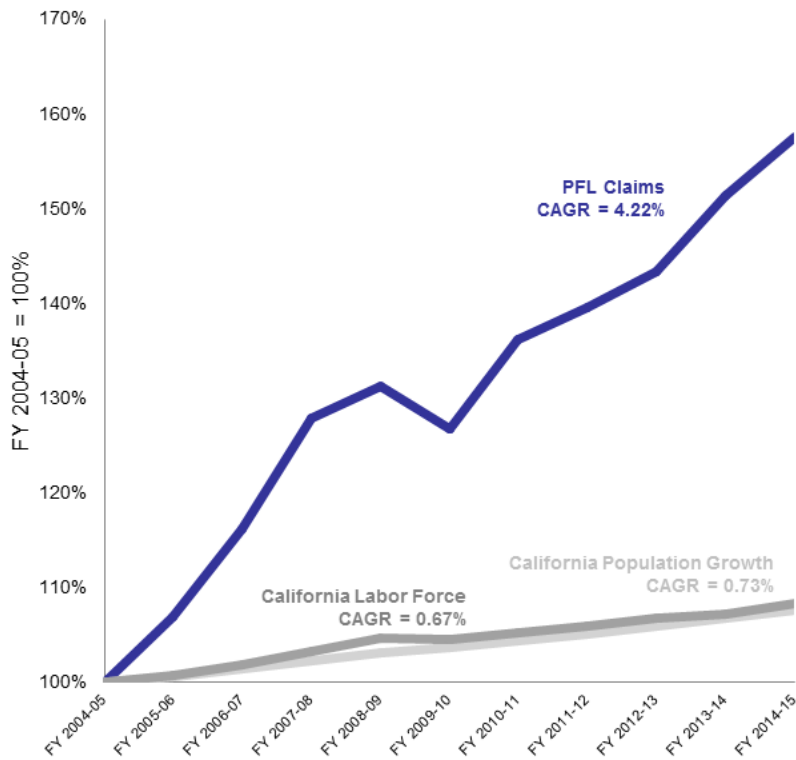
Figure 4.2  
PFL Claims (2004-2015)



Source: EDD

PFL has grown at a CAGR of 4.2% in that time period, as shown in Figure 4.3. The PFL claims growth rate is six-fold higher than California’s overall population growth rate and almost seven times greater than California’s civilian labor force growth rate during the same period.

Figure 4.3  
PFL Claims (2004-2014)



Source: EDD and Department of Finance

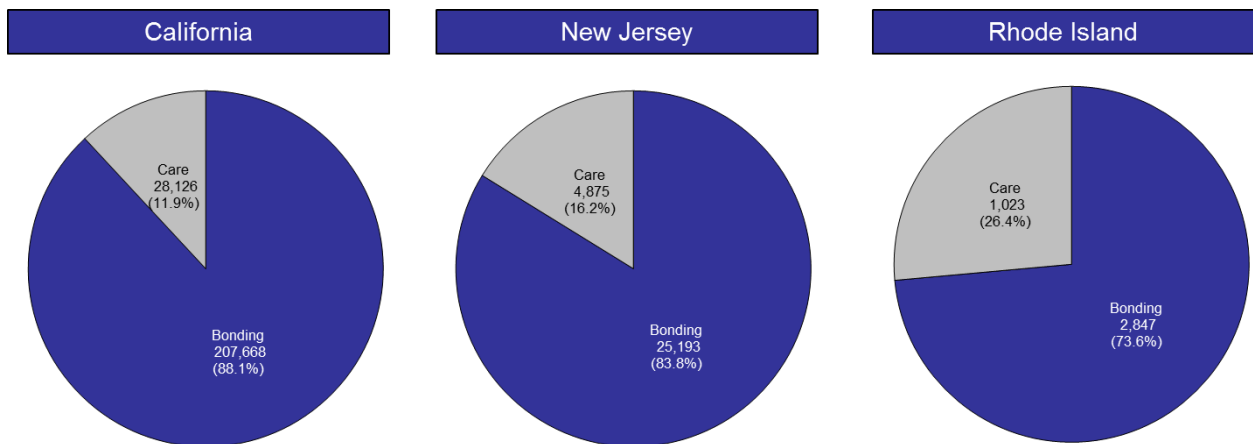
Despite its rapid growth, many stakeholders believe that PFL continues to be underutilized in California. They point out that bonding claims for fathers are still significantly lower than bonding claims for mothers and that very few PFL claims are made for foster care and adoption. Stakeholders also point out that even though one in six Americans reportedly provide care to elderly or disabled family members, the numbers claiming PFL benefits for providing care appear to be comparably low with just 26 thousand claims among California’s 15.7 million workers in 2013.

It is difficult to definitively denote the “optimal” amount of PFL participation as there are many factors that may influence use of the program, including availability of wrap around benefits, such as compensated time off, permissive uses of vacation or sick time, eligibility and length of leave taken. However, comparisons to similar programs in other states may provide some limited insight into California’s PFL program.

PFL-like programs currently exist in both New Jersey and Rhode Island. Though Washington has recently passed legislation, its program had not been implemented at the time of the writing of this report. Though eligibility standards are similar across these states, New Jersey and Rhode Island have higher levels of wage replacement than California. New Jersey’s wage replacement rate is two-thirds of normal wage for up to six weeks, capped at \$604 per week, while Rhode Island is three-fifths of normal wage for up to four weeks, capped at \$795 per week. Moreover, Rhode Island has incorporated job protection as a feature of its program. The differing wage replacement structures and the job protection may significantly impact utilization and should be considered when comparing California to these states.

As shown in Figure 4.4, California's PFL program is significantly larger than its counterpart programs in New Jersey and Rhode Island. In 2014, the most recent year for which there is comparable data, California processed approximately 236,000 claims, compared to New Jersey and Rhode Island which processed 30,000 claims and 4,000 claims respectively. In California, bonding claims make up 88.1% of total PFL claims with care claims making up the remainder of claims. In New Jersey 83.8% of claims in 2014 was for bonding, while in Rhode Island 73.6% was for bonding.

Figure 4.4  
PFL State Comparisons

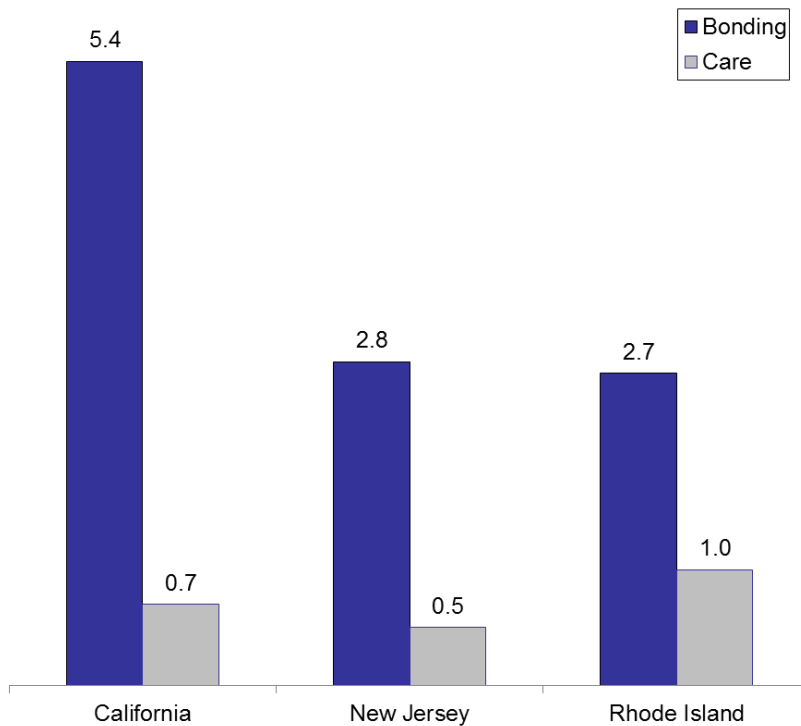


Source: 2014 EDD, 2014 New Jersey Department of Labor and  
2014 Rhode Island Department of Labor and Training



On a program wide basis, California’s overall utilization is 6.1 claims per 1,000 residents, higher than both Rhode Island (3.7) and New Jersey (3.1). As can be seen in Figure 4.5, California’s overall higher PFL utilization is driven in large part by its bonding claims, which is nearly double that of both Rhode Island and New Jersey. California’s higher usage of bonding claims appears to only partially be driven by differences in demographics. Though California has the highest rate of working women of child bearing age, with 46.2 per 1,000 residents, New Jersey and Rhode Island are only marginally lower with 43.5 per 1,000 residents and 42.2 per 1,000 residents respectively.<sup>27</sup>

Figure 4.5  
Claims per 1,000 Residents



*Source: 2014 EDD, 2014 New Jersey Department of Labor, 2014 Rhode Island Department of Labor and Training and 2013 U.S. Bureau of the Census*

<sup>27</sup> United States Census (2013) American Fact Finder.

Despite its comparably high rate of bonding claims, California's care utilization rate lies between New Jersey and Rhode Island. California's care utilization rate may be lower than Rhode Island in part because of the differences in state demographics. California has a relatively young population with 12.5% of the population over 65 years of age, compared to Rhode Island with 15.5% of the population over 65 years of age, New Jersey with 14.4% and the national average of 14.1%.<sup>28</sup>

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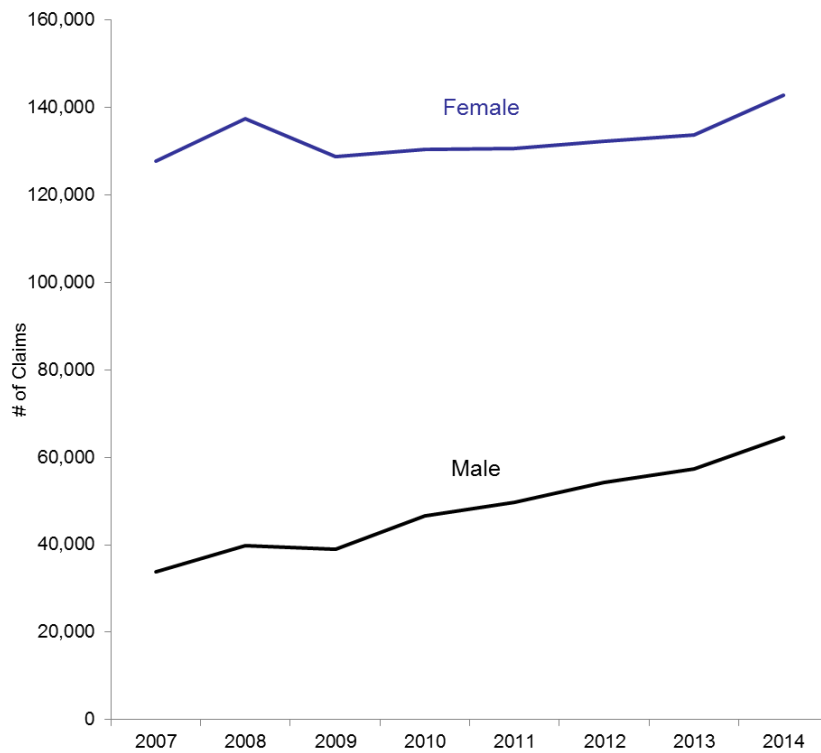
<sup>28</sup> United States Census (2013) American Fact Finder.

## PFL Bonding

Bonding accounts for 88% of all PFL claims and 99% of all bonding claims are made by biological parents. Biological mothers comprise the largest user segment of bonding claims and overall PFL claims. Though growth in this segment has remained stagnant over recent years, these claims account for over two-thirds of all PFL claims today, as shown in Figure 4.6.

Conversely, claims made by biological fathers are the fastest growing segment of PFL user groups; claims made by biological fathers have nearly doubled since 2007 and today accounts for approximately 27% of all PFL claims.

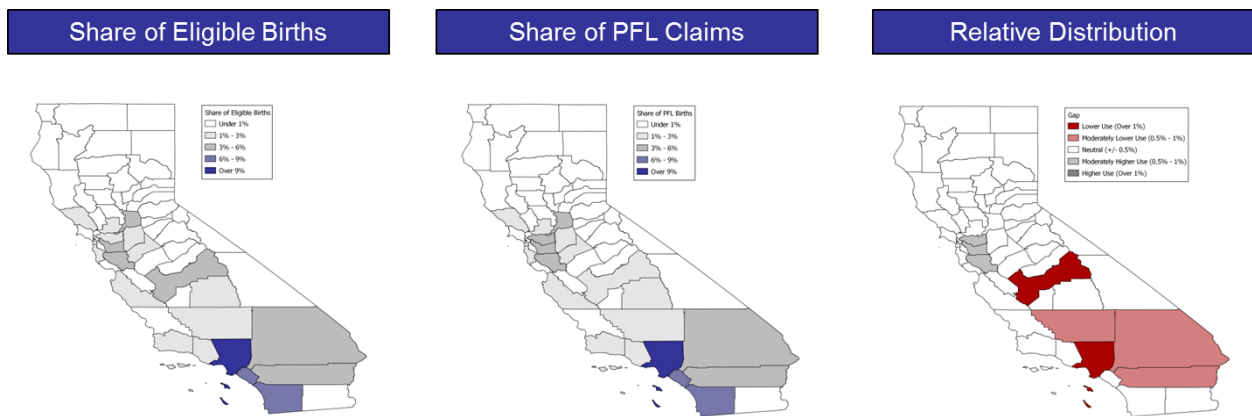
Figure 4.6  
Bonding Claims by Year and Gender



Source: 2007 - 2014 EDD Data

Geographically, biological mothers claiming PFL benefits are focused in densely populated counties, especially those in coastal Southern California and the San Francisco Bay Area, as shown in Figure 4.7. These compare to the areas that constituted the highest percentage of PFL eligible births. The distribution is generally similar although some substantial gaps emerge, which are detailed in the third map. San Francisco Bay Area, especially the East and South Bay has slightly higher PFL usage than the rest of the state. Los Angeles and Fresno County have the lowest rate of use, with inland Southern California also having low use. This correlates with awareness levels found by Appelbaum.<sup>29</sup>

Figure 4.7  
Geographic Distribution of Biological Mothers

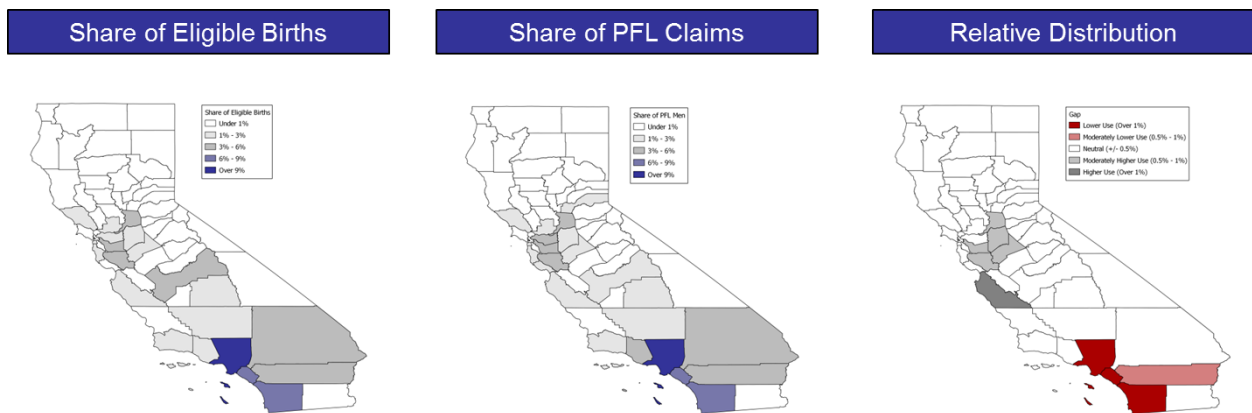


Source: 2013 EDD Data, 2013 Census Data, 2013 CA Dept. of Finance Data

<sup>29</sup> Appelbaum (2011).

We assumed the distribution of eligible births for biological fathers is consistent to that of biological mothers, as shown in Figure 4.8. Though there are some limitations to this assumption due to the fact that biological fathers may not necessarily reside in the same counties as biological mothers, neither EDD nor the US Bureau of the Census collects data necessary to make a more direct comparison. Even with this limitation, we believe that the assumption is reasonable to make conclusions to determine PFL utilization for geographical areas of biological fathers.

Figure 4.8  
Geographic Distribution of Biological Fathers

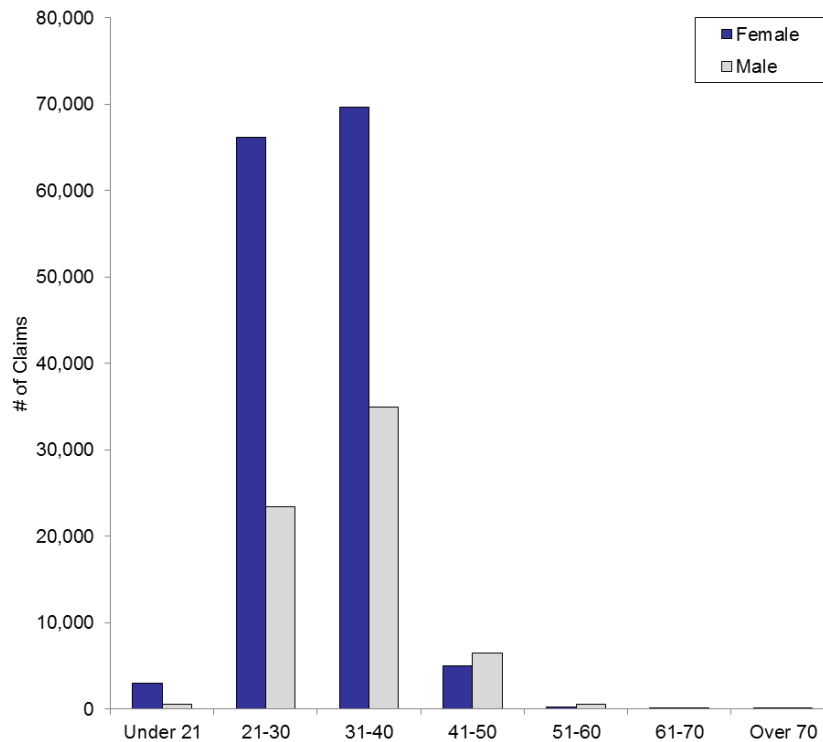


Source: 2013 EDD Data, 2013 U.S. Bureau of the Census, 2013 CA Dept. of Finance Data

Utilization gaps for biological fathers are similar to those for biological mothers. East/South Bay Area along with Monterey County and the northern San Joaquin Valley have slightly higher PFL usage than the rest of the state. Biological fathers in Southern California, specifically Los Angeles, Orange and San Diego Counties have the lowest rate of PFL utilization.

The age distribution of PFL biological mothers and fathers are exhibited in Figure 4.9. Virtually all bonding claims occur from both biological mothers and biological fathers between 21 and 40 years of age, though fathers tend to be slightly older than mothers.

Figure 4.9  
Age and Gender Distribution of Bonding Claims



Source: 2014 EDD Data

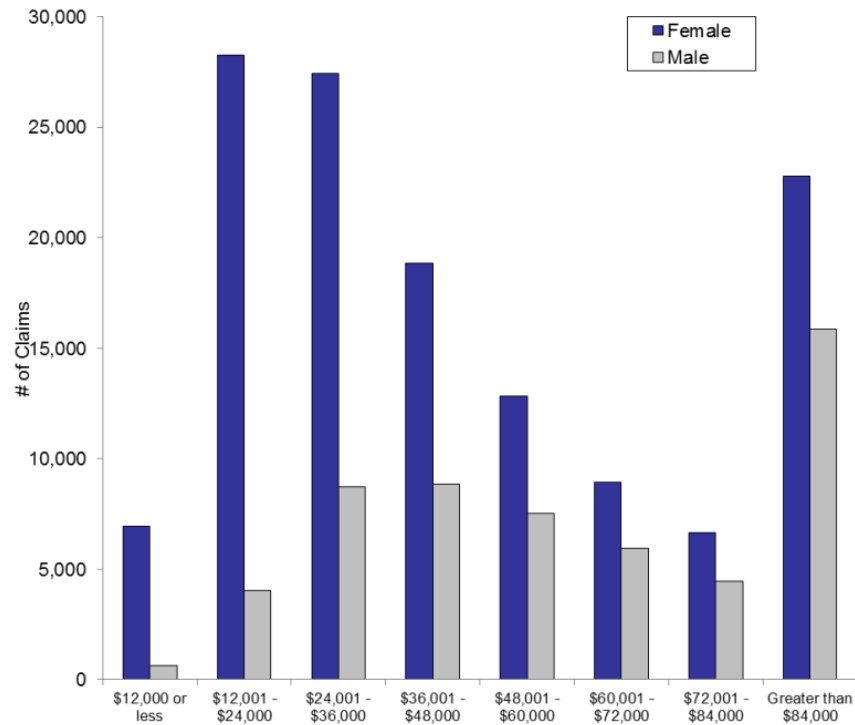
The average age of PFL biological mothers at the time of giving birth is comparable to the statewide average of 29.8 years. However, there is a tighter distribution for PFL biological mothers. Statewide, 87% of birth mothers are between the age of 21 and 40, while 94% of PFL biological mothers are between the age of 21 and 40.<sup>30</sup> This difference is partially attributed to the working status requirement of PFL. The general population is presumed to have a higher proportion of younger, non-working mothers who are not eligible for PFL. Despite this distinction, it does not appear that age impacts use of PFL significantly. Though DiCamillo found

<sup>30</sup> United States Census (2013) American Fact Finder.

relatively low awareness rates in those between 18 and 29 years of age, the data indicates that a large numbers of bonding claims are among parents between 21 and 30 despite the low awareness.<sup>31</sup>

EDD data indicates that female bonding claimants tend to be from lower income groups, with 47% earning under \$36,000 as shown in Figure 4.10. This is consistent with findings from existing literature. Conversely, men tend to be from higher income groups, with 60% earning over \$36,000.

Figure 4.10  
Income Distribution of Bonding Claims

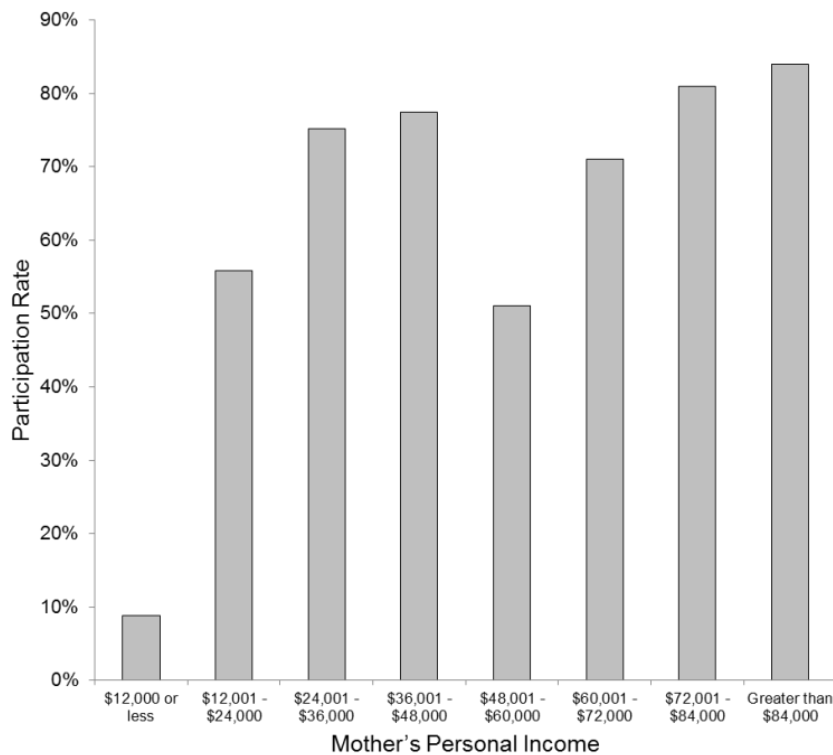


Source: 2014 EDD Data

<sup>31</sup> DiCamillo (2015).

These large numbers of lower income female claims occur despite lower rates of participation from lower income groups as shown in Figure 4.11. Women who earn over \$24,000 appear to use PFL bonding benefits at high rates, while women who earn less than \$24,000 are much less likely to use it. This correlates with the share of women DiCamillo found would likely use PFL<sup>32</sup> and with awareness rates found by Appelbaum<sup>33</sup> and Bartel.<sup>34</sup>

Figure 4.11  
Biological Mothers Participation Rate by Income



Source: 2013 EDD Data and 2013 Census Data

One anomaly emerges among middle-income women. A “dip” in usage occurs in the \$48,000 - \$60,000 group. This result is reoccurring for the entire period for which data was obtained and is not a one year anomaly. We explored numerous explanations, including homeownership rates, mortgage costs, the total number of children, worker class, receipt of

<sup>32</sup> DiCamillo (2015).

<sup>33</sup> Appelbaum (2011).

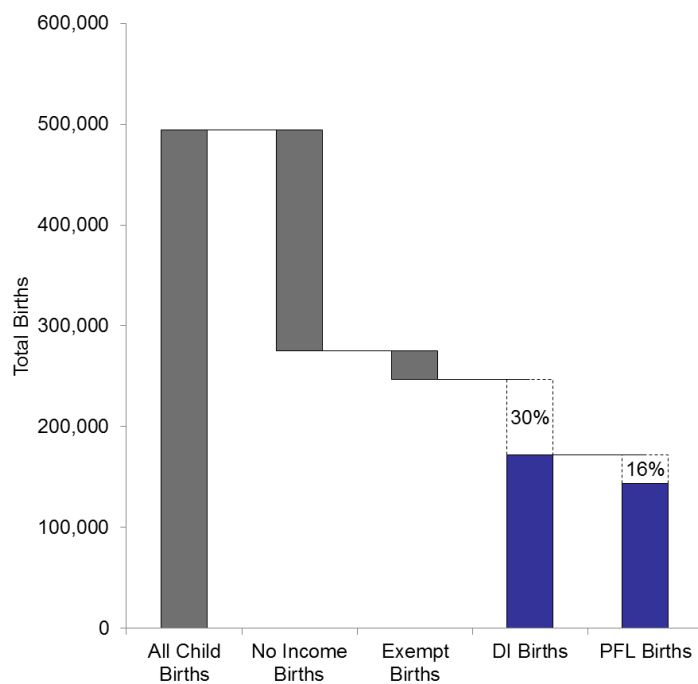
<sup>34</sup> Bartel (2014).



government subsidies and marriage rates as well as education. Of these, only frequency of college degree appears to potentially correlate with this dip. There is a large jump in college graduates in the group of potential claimants who earn \$48,000 - \$60,000 and have particularly low rate of PFL usage. Though we were unable to identify a definitive cause of the dip through the data analysis, the finding may indicate that this group has lower usage rates due to student loans, issues of career trajectory or other factors not yet considered.

We estimate that 70% of eligible mothers use DI and 84% of mothers that use DI use PFL, based on the methodology displayed in Figure 4.12. Most non-participation is accounted for by disqualifying factors, primarily the lack of salary/wage income (defined as under \$1,000). Exempt births include public sector workers with Non-Industrial Disability Insurance covered births and estimates of births to religious and federal and school district employees. Other exempt classifications are typically not compensated with a wage and as such are included in the category “No Income Births”.

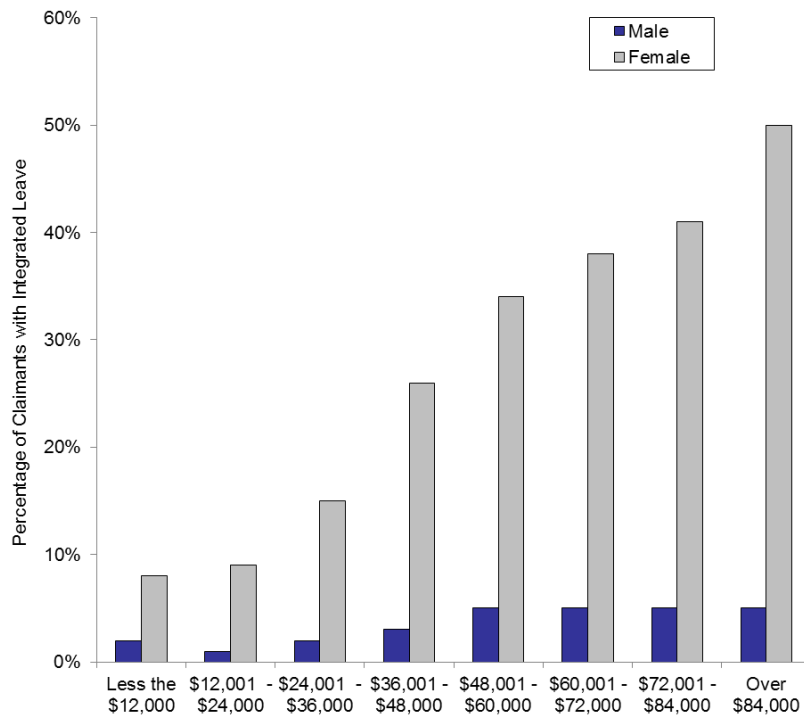
Figure 4.12  
Participation Rate Methodology



This methodology likely slightly understates the usage rate because it does not account for the fact that a portion of local government employees are not covered by SDI and does not account for mothers that are currently working but did not work during the base period. While this does not likely have a significant impact statewide, it may be more impactful in specific localities where local government employees are not covered.

Higher income mothers appear more likely to have additional leave benefits provided by their employer for bonding with new children, as shown in Figure 4.13. There is a strong correlation between income and use of integrated leave benefits, meaning when an employer allows the employee to take earned leave benefits to supplement PFL to avoid losing income for the period of leave. Very few men at any income level use integrated leave.

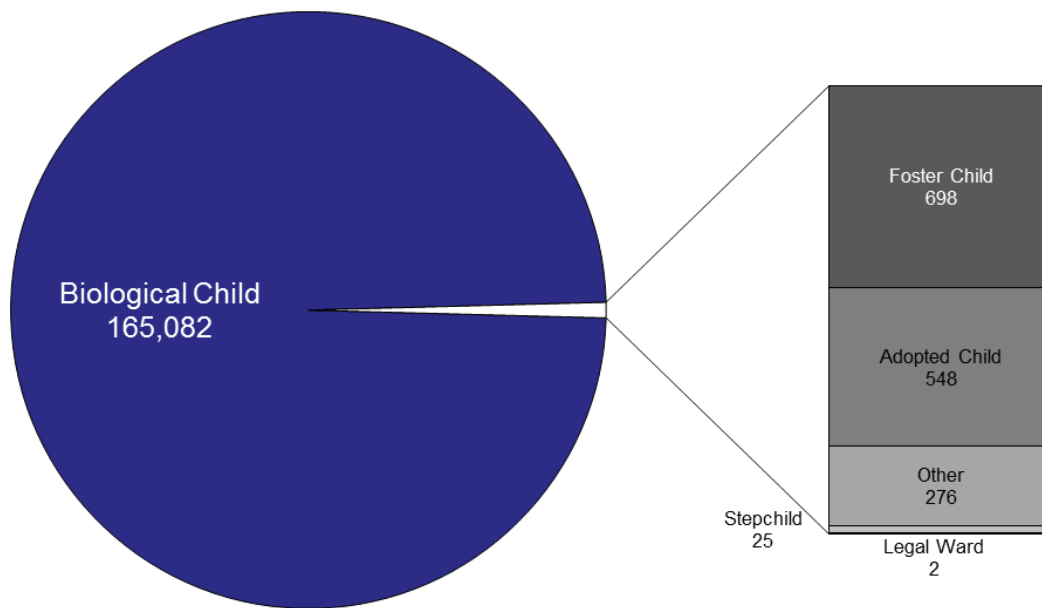
Figure 4.13  
Use of Integrated Leave Benefits by Income



Source: 2013 EDD Data and 2013 U.S. Bureau of the Census Data

While PFL bonding benefits are available to parents with a wide range of relationships to a new child, 99% of bonding claims are made by biological parents. Less than one percent of claims are to parents with other relationships. It appears that these families use PFL at very low rates, especially adoptive and foster parents as shown in Figure 4.14. Approximately 6,000 to 8,000 children are adopted in California annually, yet only 548 PFL bonding claims made in 2014 were for adoption. Participation rates by foster parents appear even lower. Approximately 32,000 to 36,000 children enter foster care in California annually,<sup>35</sup> yet as low as two percent may result in PFL claims annually.

Figure 4.14  
Bonding Claim Relationships

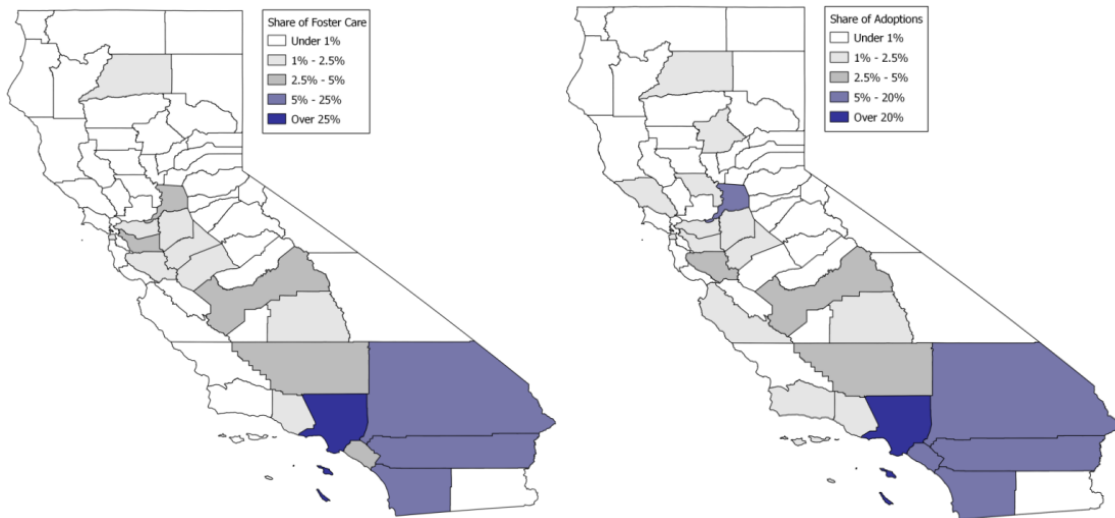


Source: 2014 EDD Data

<sup>35</sup> AECF 2008-2012 Data (<http://www.datacenter.aecf.org>).

As shown in Figure 4.15, foster care placement and adoptions are concentrated in Southern California. Los Angeles had over 33% of the state’s foster care placements in 2013. San Bernardino, Orange, Riverside and San Diego combine for an additional 25%. For adoption, Los Angeles had nearly 25% of the state’s adoptions between 2000 and 2009. San Bernardino, Orange, Riverside and San Diego combine for an additional 28%. Sacramento also had nearly six percent.

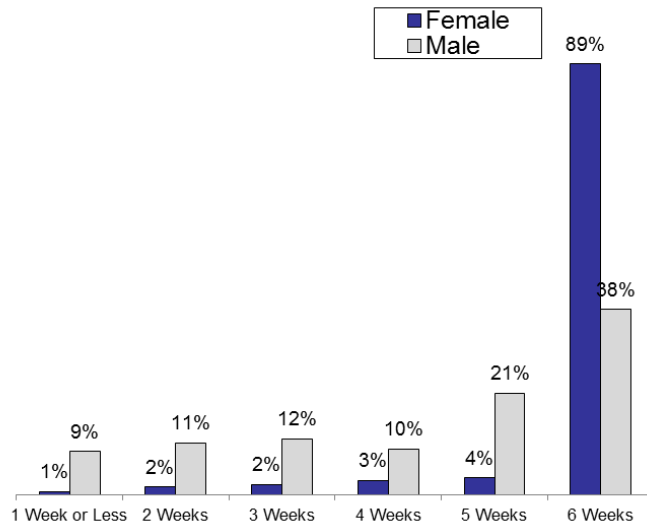
Figure 4.15  
Foster Care and Adoption Distribution



Source: 2013 Kidsdata.org Data and 2000-2009 Kidsdata.org Data

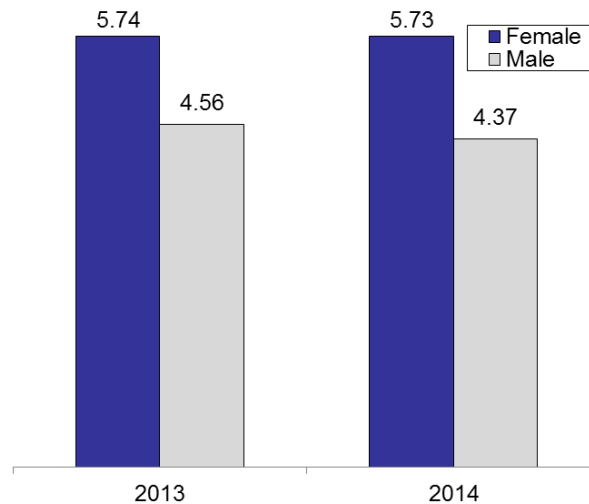
As shown in Figures 4.16 and 4.17, biological mothers almost always use the full six weeks available to them. On average, women use all but 1.3 days of bonding leave they are eligible for under PFL and 89% of mothers use the full six weeks. Men take a shorter leave, but still use three-fourths of the eligible duration, on average and nearly 60% take five or more weeks out of the six weeks available.

Figure 4.16  
Share of Bonding Claimants by Duration



Source: 2014 EDD Data

Figure 4.17  
Average Duration of PFL Bonding Leave (Weeks Claimed)



Source: 2013-14 EDD Data

## *Bonding Summary*

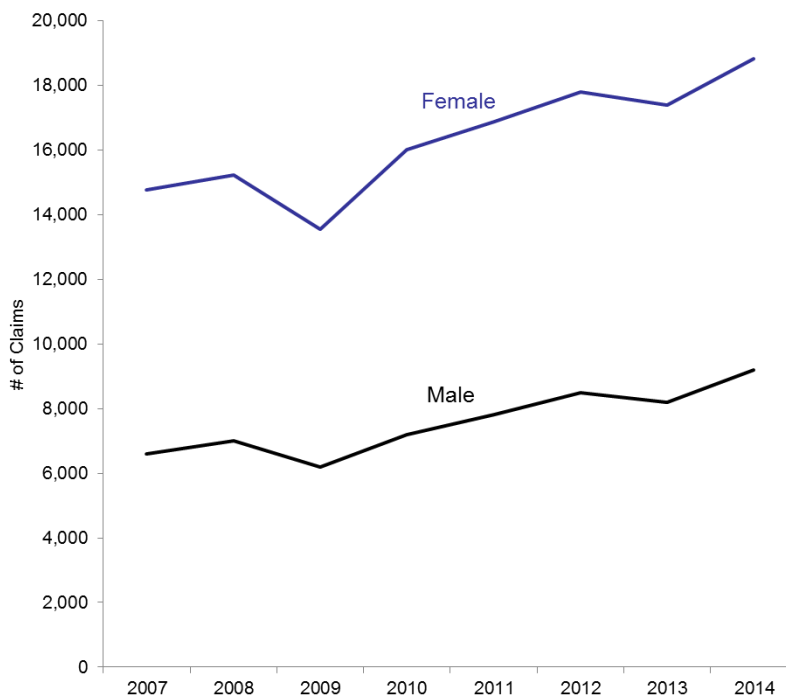
- Biological mothers use PFL for bonding at very high rates across most income groups and use virtually all of the leave available to them. However, the lowest wage groups use benefits at a significantly lower rate. Use is lowest in Southern California and Central Valley counties with high poverty, especially Los Angeles and Fresno and highest in more affluent Bay Area counties.
- Biological fathers use bonding PFL at lower rates and for slightly shorter periods. However, the rate is increasing rapidly. Fathers appear to be even more income sensitive than mothers. Use is lowest in Southern California.
- Non-biological parents, especially foster parents, appear to use PFL benefits at extremely low rates.
- Integrated leave may be a substantial factor in the decision to use PFL benefits, suggesting the wage replacement rate may be a weighted factor in participation rate.

## PFL Care

PFL, as used for caregiving, allows individuals with seriously ill family members to take leave to provide care for them in a wide variety of ways. While it represents only 12% of all PFL claims, care claims have increased by 33% since 2007.

As shown in Figure 4.18, men consistently account for about one-third of total claims, with both genders increasing at similar rates. This appears similar to FMLA usage for care-related events. This portion is driven by spousal care claims, which are approximately evenly divided between the genders. For non-spousal claims, men account for less than one quarter of claims.

Figure 4.18  
Care Claims by Year



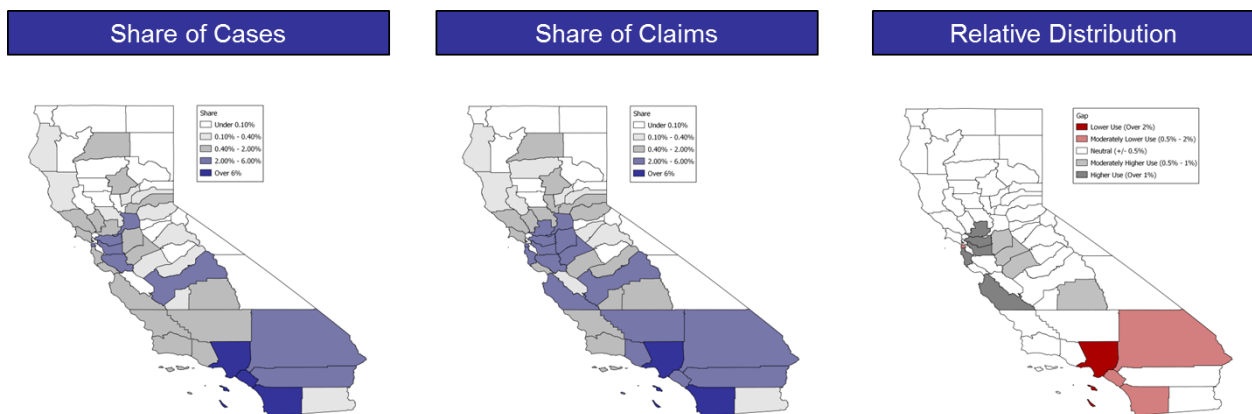
Source: 2007 - 2014 EDD Data

DiCamillo finds that awareness is modestly higher among women, but that women are much more likely to say that they are very likely to use PFL, suggesting the difference in utilization is likely more related to choice, culture or workplace factors rather than awareness. DiCamillo also

finds that awareness of PFL has dropped since 2011 for both genders even though usage as a whole has increased during that time period. The increased usage rate suggests that higher levels of general awareness in and of itself may not significantly impact PFL utilization for care benefits.<sup>36</sup>

Figure 4.19 exhibits the share of cases of key PFL claimed diagnoses by county. PFL care claims are less utilized in Southern California, especially Los Angeles, Orange, Riverside and San Diego counties. This correlates with awareness levels found by Appelbaum.<sup>37</sup> San Francisco appears to have a large gap, but high neighboring usage suggests it may be the result of hospital choice. This is because OSHPD data is focused on the location of the hospital, not the home of the patient. In geographically compact counties, like those in the Bay Area, a significant number of patients may be treated in a county other than the one in which they live. This is particularly likely in San Francisco, which has several major medical centers including specialty centers that tend to treat a more geographically dispersed patient mix.

Figure 4.19  
Share of Caregivers



Source: 2013 EDD Data and 2013 OSHPD Data

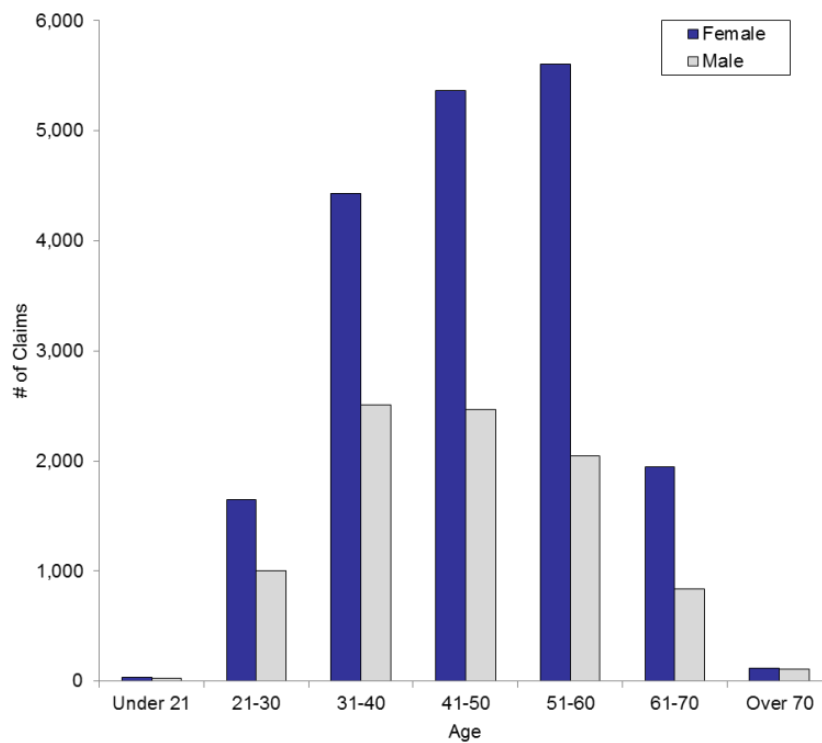
<sup>36</sup> DiCamillo (2015).

<sup>37</sup> Appelbaum (2011).



As shown in Figure 4.20, the largest share of care claims consists of those who are between 31 and 60 years of age. However, the distribution by age is less focused than for bonding claims. The broader age distribution is consistent with the common age groups typically covered by the relationships that are eligible for PFL. The falloff after age 70 may result because a large portion of caregivers are of retirement age and thus ineligible for PFL.

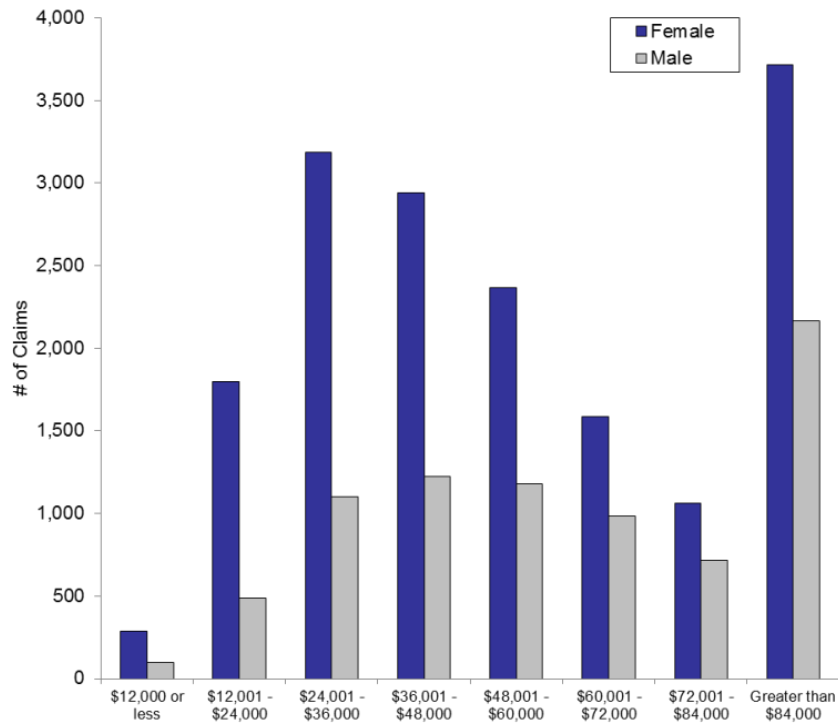
Figure 4.20  
Age Distribution of Care Claims



Source: 2014 EDD Data

Care claims occur across a wider range of incomes but by-in-large skew towards higher income brackets than bonding, as shown in Figure 4.21. This is consistent with the distribution among age groups, as older residents tend to have higher incomes.

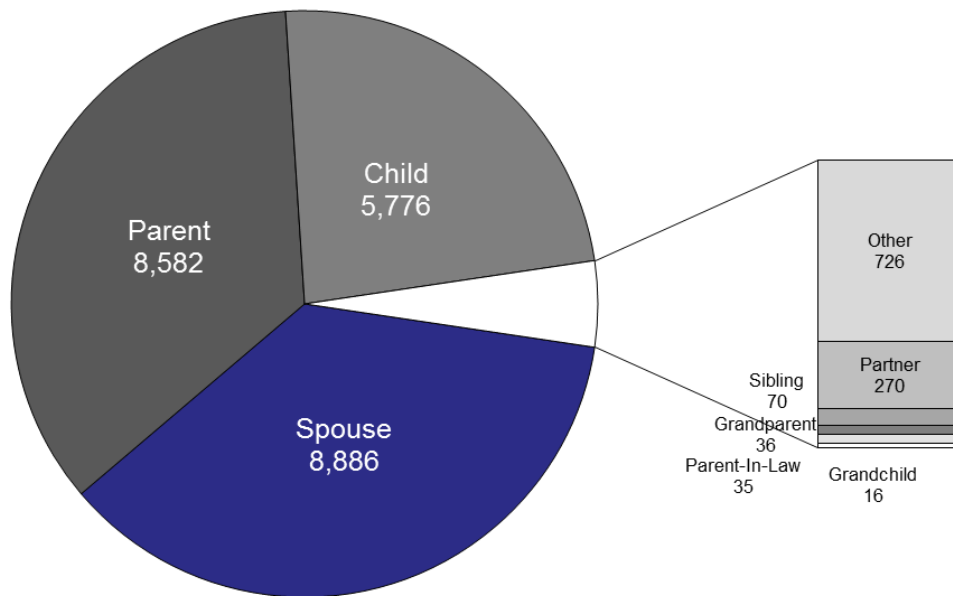
Figure 4.21  
Care Claims by Income



Source: 2014 EDD Data

In 2014, new legislation expanded the relationship categories covered by PFL. The 2014 data set includes six months of this expanded eligibility to include caring for grandparents, grandchildren, siblings and parents-in-law. During this period, it was very infrequently used by these expanded groups as shown in Figure 4.22. This may be due to a number of factors, including the newness of this eligibility, awareness, interest, and/or job protection.

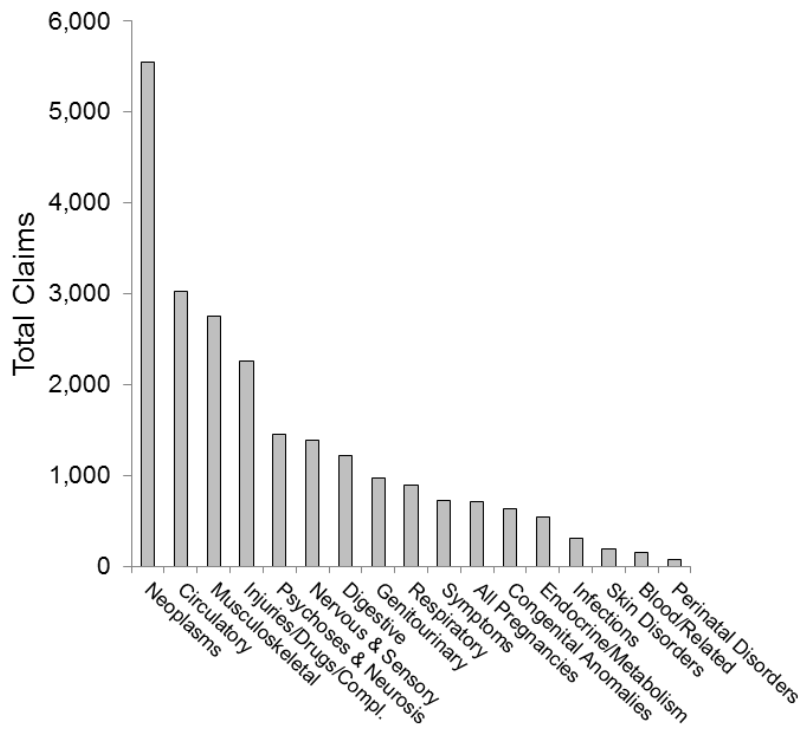
Figure 4.22  
Care Claim Relationships



Source: 2014 EDD Data

As exhibited in Figure 4.23, the number of PFL claims varies significantly across diagnosis groups, which have very different levels of severity. The largest shares of claims are for neoplasms (24%), circulatory (13%), musculoskeletal (12%) and injuries/drugs/complications (10%).

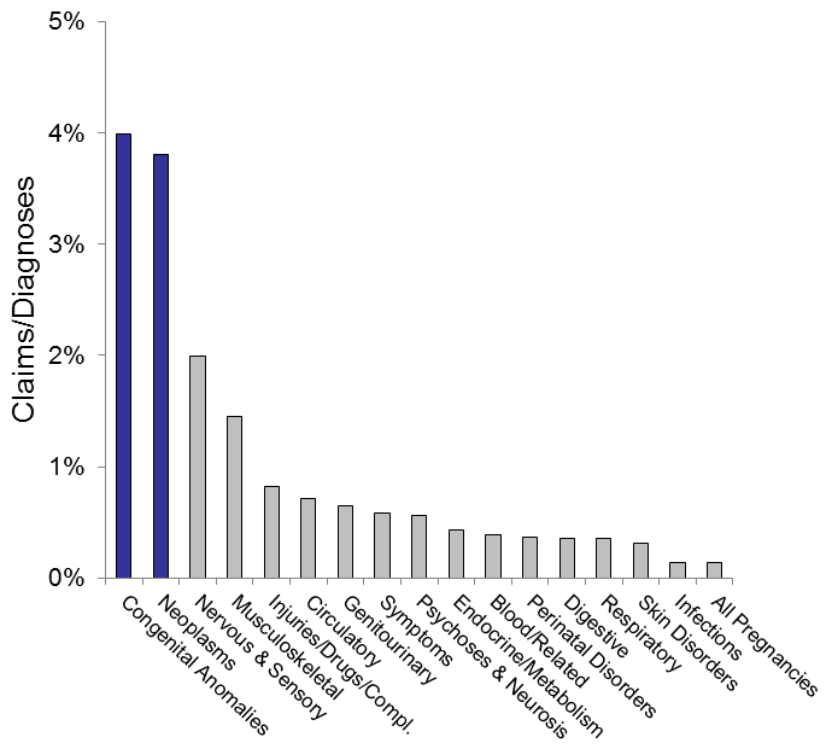
Figure 4.23  
PFL Care Claims by Diagnosis



Source: 2013 EDD Data

PFL care claims occur most frequently, relative to the frequency of the diagnoses for birth defects (congenital anomalies) and cancer (neoplasms) as shown in Figure 4.24. Cancer is an extremely frequent diagnosis, but its rate of coinciding with a care claim is extremely high. Birth defects also, while relatively uncommon, have an extremely high rate of coinciding with a care claim. This may be because there is a higher need or because awareness of the program and familiarity with its application process are higher in this group of parents that relatively recently gave birth to the child and were generally eligible for PFL bonding benefits.

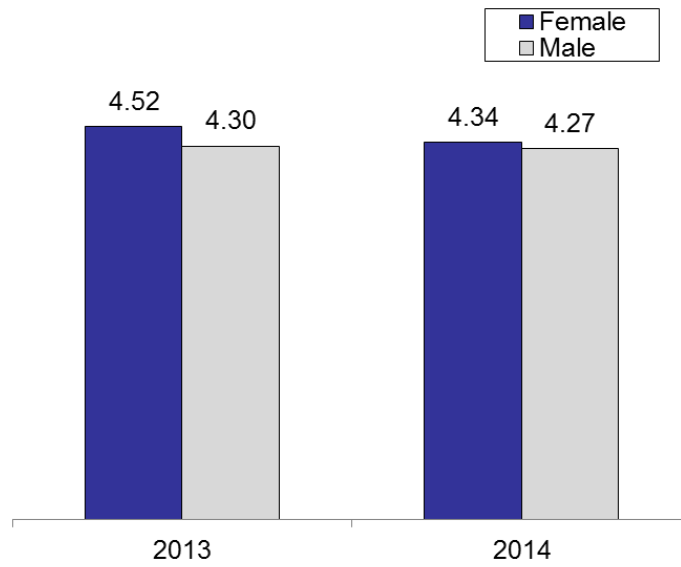
Figure 4.24  
PFL Claims as a Share of Diagnoses



Source: 2013 EDD Data & 2013 OSHPD Data

As shown in Figure 4.25, care claimants use a lower portion of available PFL benefits than bonding claimants. Despite that, care claimants do use the large majority of their benefits. Both genders on average use over four weeks of leave, about 70% of the six weeks leave for which they are eligible.

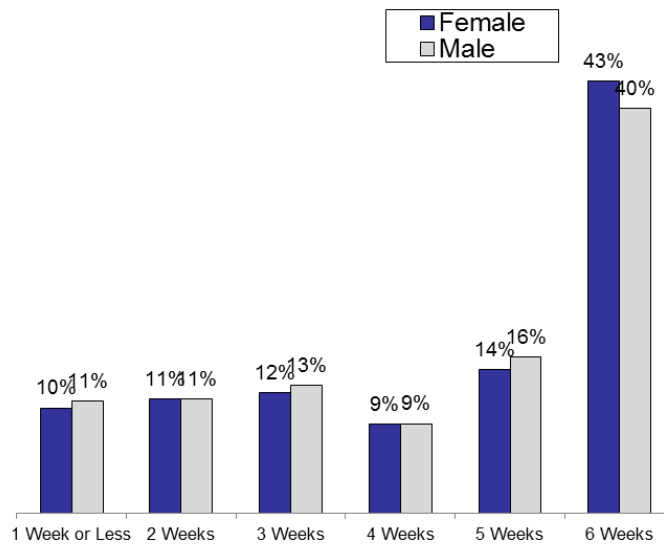
Figure 4.25  
Average Duration of PFL Care Leave



Source: 2013-14 EDD Data

The largest share use PFL for the full six weeks, while the remaining portion is spread relatively evenly over other leave lengths as shown in Figure 4.26. Over 40% of claimants use the full six weeks of care leave available. Only 22% use leave for less than two weeks. By contrast, 40% of FMLA applicants use leave for less than two weeks. It appears Californians are less likely to choose to use PFL for relatively short claims, perhaps choosing other paid leave options and/or not viewing the short leave as worth the effort.

Figure 4.26  
Share of Care Claimants by Duration



Source: 2014 EDD Data

## *Care Summary*

Generally, less is known about the individuals who use PFL to care for a seriously ill family member. Limited data is available because the care provider who uses PFL is not as closely linked to the care recipient in medical or government data sources as is the case for biological mothers. This leads to challenges in identifying what portion of diagnoses would likely be eligible for PFL funded caretaking or what portion of caretakers are covered by SDI. Bearing those caveats in mind, we were able to identify a number of important trends in PFL care use.

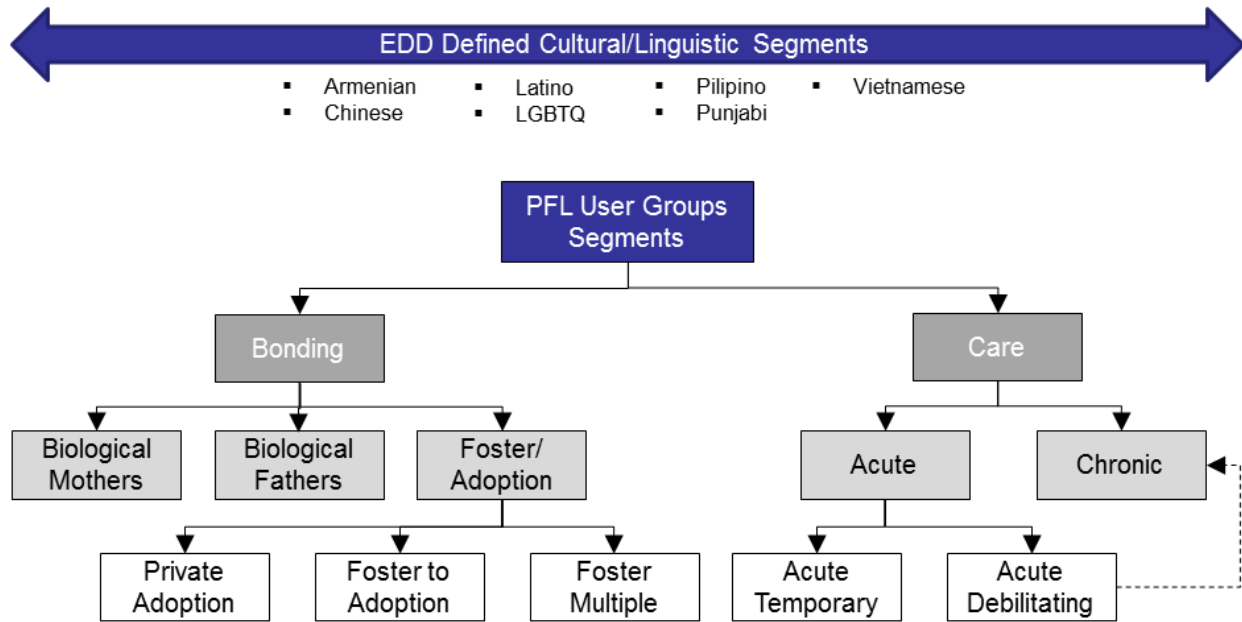
- Low use counties are primarily in Southern California, especially Los Angeles, as well as San Francisco. High use counties are primarily in the Bay Area (aside from San Francisco).
- Relationships that are likely to use PFL care benefits are primarily spouses, children caring for parents and parents caring for children. Recently expanded eligibility has resulted in little use thus far.
- Women use PFL benefits approximately twice as frequently as men and both are growing at similar rates. The wide range of relationships included has led to a wide range of age and income groups participating.
- Diagnoses associated with frequent PFL usage include Cancer (Neoplasms), Circulatory, Musculoskeletal and injuries/complications/drugs. PFL leave appears to be most closely associated with relatively uncommon, high intensity diagnoses and the long duration suggests it is rarely used for shorter term issues.



## 5. PFL Market Segmentation

Based on discussions with EDD, a review of the literature and key informant/stakeholder interviews, we segmented the PFL market in two manners as shown in Figure 5.1.

Figure 5.1  
PFL Market Segmentation



### EDD Defined Cultural/Linguistic Segments

EDD directed that the market study reflect the demographic diversity of the state. EDD specified cultural and linguistic populations that are particularly important to EDD to meet that goal. Specifically, EDD requested that we probe into linguistic and cultural issues that may impact PFL use in California's Armenian, Chinese, Filipino, Latino, Punjabi, Vietnamese and LGBTQ communities.

We also segmented the PFL market by user groups as detailed in Figure 5.1. Based on our research these user groups appear to have different uses of PFL; different characteristics;

different communication channels for PFL messaging; different messaging needs; and they could have different issues pertaining to the application processes.

### **Bonding User Segment**

For the purposes of our evaluation, we segmented the bonding user group into three lower level segments: Biological Mothers, Biological Fathers and Foster/Adoptive Parents.

**Biological Mothers:** This user group consists of biological birth mothers who are eligible to use PFL for bonding. This group is currently the largest segment of PFL users comprising about 60% of all PFL claims in 2014. The number of claims from biological mothers has remained virtually stagnant since 2007. It is generally believed that this user group is, as a whole, more aware of PFL benefits, eligibility requirements and the application process than other user groups. Moreover, the application process is comparatively easy for them. Other factors such as lack of job protection and the wage replacement rate were hypothesized to be the most significant considerations for some in this user group when we began our study.

**Biological Fathers:** This user group consists of those biological fathers who are eligible to use PFL for bonding. In 2014, this group represented approximately 28% of all PFL claims. This is the quickest growing PFL user segment, nearly doubling its previous total in 2007. Awareness of the program, wage replacement rate, lack of job protection, employer reluctance to allow use of PFL, and gender and cultural issues pertaining to bonding were hypothesized to be potential issues when we began our study.

**Foster/Adoption:** This user group is comprised of individuals who are both foster and adoptive parents. As many who seek to become adoptive parents start as foster parents, both are combined into a single user group. Currently, this user group represents less than one percent of total PFL user claims, totaling 1,200 claims in 2014. It is difficult to estimate the total number of those eligible in this population due to the limited available data of foster and adoptive parents. Usage appears low, though, since approximately 32,000 – 36,000 foster

children are placed every year and approximately 6,000 – 8,000 children are adopted every year in California. As we began our study, awareness of the program was perceived to be a significant barrier to PFL use.

Though it is beyond the scope of this particular study, we would like to note for future research that the Foster/Adoption user segment appears to be segmented into three lower tier segments. The first subgroup consists of those who seek private adoption. This group is generally perceived to have greater financial means.

The second subgroup consists of those who pursue foster care as a means to adopt. In general it is believed that this group provides foster care to only a limited number of foster children and usually provides foster care to only one child at a time. It is believed that this group would probably tend to use PFL consecutively (rather than intermittently).

The third subgroup consists of those who provide foster care to multiple foster children within a specified time period. This group does not plan to necessarily adopt and generally only plan to provide temporary care. It is believed that this group would tend to use PFL intermittently (rather than consecutively). It is also believed that this group may have less financial means than other subgroups in the Foster/Adoption subgroup.

### **Care User Segment**

The number of PFL care claims has grown by 31% since 2007, but still accounts for only 12% of current PFL claims. Due to the difficulty of obtaining information from care providers, we assessed the care market as a whole. However, we should note that based on key informant/stakeholder interviews we speculate that the care segment can be divided into acute and chronic condition subgroups.

**Chronic:** This group consists of those who are eligible for PFL and provide care to a family member who has a chronic, long-term injury or illness, such as Alzheimer's or mental illness.

This group deals with care on a long term and sustained basis. We speculate that this subgroup is more likely to seek out assistance and solutions. We further speculate that most of the caregivers in our online survey and administered survey fall into the chronic subgroup.

Acute: This group consists of those who are eligible for PFL and provide care to a family member who has an acute, short-term injury or illness, such as a broken bone, heart attack or a stroke. We speculate that this group is generally immersed into the caregiver roll suddenly and unexpectedly. This group may or may not be adequately prepared to assume the role of a care provider.

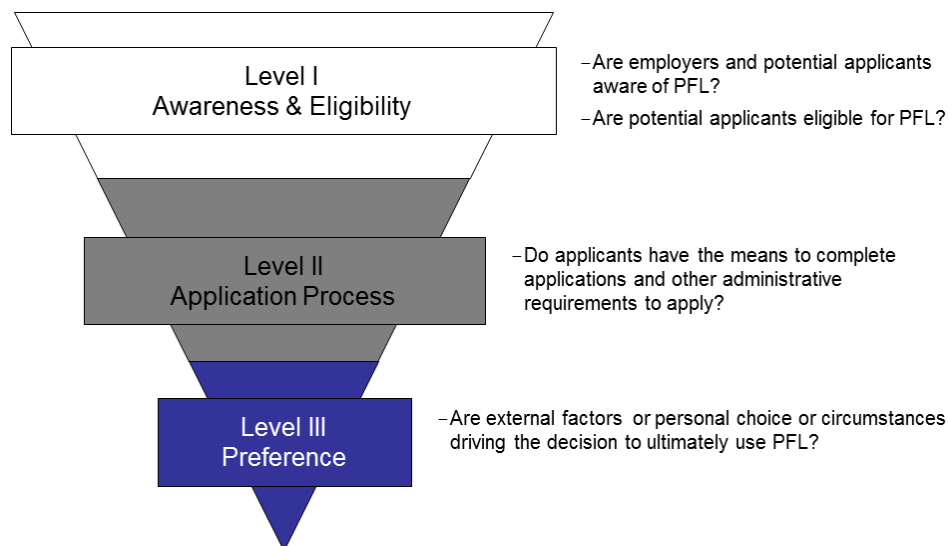
We speculate that the acute subgroup can further be segmented to those who provide care for those with a temporary condition but who can make a relatively complete recovery. Because this is largely a temporary condition, there may be no incentive for caregivers in this category to seek longer term assistance or solutions. Those caregivers who may support family members with permanent effects of an acute ailment may transition into the chronic subgroup.

## 6. Hypothesized Factors Influencing PFL Use (pre-market research)

Based on our review of the literature and our key informant/stakeholder interviews we identified three levels of issues that impact whether or not a potential PFL claimant will use PFL. Though it is a simplification and there may be a combination of factors that ultimately impact the ability and choice to use PFL, we believe that the model comprehensively accounts for all factors that could influence an individual's ability and decision to apply for PFL. This model is an open model so specific details can vary between individuals and between market segments. In addition, the general categories are open enough that new specific factors could be added to or removed from the model if they emerged during the course of our market research. This model is an integral part of our methodology and is used to guide discussions in our interviews, online surveys, administered surveys and focus groups.

As shown in Figure 6.1, our model consists of three levels: Level I - Awareness and Eligibility, Level II - Application Process and Level III - Preference.

Figure 6.1  
Factors Influencing PFL Use



## **Level I - Awareness & Eligibility**

Level I pertains to meaningful awareness of the PFL program and program eligibility. We have made the distinction of *meaningful* awareness because during the course of our research we found that there was confusion about the program. Even among many who had significant exposure to PFL, there was an uneven understanding of the program. Many had misconceptions about program benefits, eligibility, the application process and interaction with other complementary programs, such as the Family Medical Leave Act (FMLA). In fact, in some instances those who stated that they were aware of PFL had actually confused the program with FMLA. Inasmuch, simple awareness of the program may not accurately reflect significant enough knowledge of the program to proactively apply to the program.

In addition to being aware of the program in a meaningful way, individuals cannot apply to the program unless they are eligible. Though we are omitting some detail from this discussion, individuals are eligible for PFL if they meet the following requirements:

- **Qualified SDI Withholdings:** Individuals must have worked and earned at least \$300 subject to SDI deductions during a qualifying period.
- **Qualifying Event:** Individuals must claim a qualifying event in order to apply to PFL. This may include the birth, fostering or adoption of a new child or providing care for a qualifying family member who can certify a qualifying condition.
- **Wage Loss:** Lastly, because PFL is a wage replacement program, individuals would have taken time off of work and lost income as a direct result of bonding or providing care.

## **Level II - Application Process**

Level II pertains to the actual PFL application process. Barriers to completing a valid application form could include a lack of access to internet, inability to pay for a medical

certification if required, misunderstanding or confusion about completing application forms and inability to comprehend the application as a result of language barriers.

### **Level III - Preference**

Level III pertains to factors that may be driven by personal circumstances that may affect the decision to use or not use PFL. The key Level III issues mentioned in our literature review and key informant/stakeholder interviews included the following:

- Job security: PFL does not guarantee job security for applicants. Inasmuch, those participating in PFL may not be protected from job loss as a result of participating. In addition, even if they did not suffer loss, key informants/stakeholders indicated that there was a fear by potential PFL applicants that they may not have the same promotional opportunities as a result of participating in PFL.
- Personal finances: PFL provides a 55% wage replacement rate. Key informants/stakeholders indicated that the reduced wages make it difficult for some claimants to participate in PFL, particularly those claimants from low income households. In addition, because PFL requires a one week waiting period, individuals would go one week with 100% wage loss prior to receiving PFL benefits.
- Six week benefit period: Some informants/stakeholders believed that the week limited time period may impact some potential applicants' decisions to engage in PFL. They speculated that the six week benefit period may be insufficient to justify the burden of applying to the program.
- Cultural issues: Some informants/stakeholders stated that there may be cultural issues pertaining to the use of PFL. This could involve the use of government programs, family structures and gender roles pertaining to bonding and care.
- Personal circumstances: This refers to a wide range of situations that could prevent an individual from choosing to use PFL that has nothing to do with PFL itself but is

more a result of an individual's situation. For example, an individual may not provide care simply because another care provider in the family is in a much better position to give care.



## 7. Findings & Recommendations

### General Findings

In this section, we discuss findings that apply generally to all potential PFL claimants. This section is organized into three areas:

- Level I – Awareness & Eligibility;
- Level II – Application Process; and
- Level III – Preference.

These levels are discussed in detail in Section 6 of this report, Hypothesized Factors Influencing PFL Use (pre-market research). While some findings could impact multiple levels, this structure helps to assure that all factors that may impact PFL utilization are identified and addressed. Clear and specific trends emerge in regards to awareness and are discussed in this section. Because there are some distinctions among the different user group and population segments, points that pertain to these specific groups are discussed in the segment-specific sections.

#### *Level I – Awareness & Eligibility*

- General awareness of PFL is limited across most user groups and population segments. Those who were aware of PFL became aware through either their employer or through word of mouth. Awareness of PFL bonding benefits appears to be higher than care benefits. This is consistent with the current literature.<sup>38</sup>
- Most who have heard of PFL had limited knowledge of PFL program details and had limited knowledge or misunderstanding of PFL eligibility requirements, benefits and/or application process. In addition, many believed that PFL was a form of public assistance rather than an insurance program; this may deter utilization by those who

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<sup>38</sup> Neighbours, (2014).

view public assistance negatively. Also, focus group participants often confused PFL with FMLA/CFRA; this was particularly important because many assumed that PFL offered job protection.

- The most important factor related to awareness is understanding eligibility. Understanding that they are eligible provides potential users with the incentive to move forward with the application process, even if difficulty in the application process or pushback from employers or others occurs. As a new mother put it, after saying her employer told her PFL did not apply, “If I knew I was eligible. . . I would have told my employer.” Employers report a similar opinion, with 63% of HR professionals citing misconceptions about eligibility as the greatest cause for confusion among their employees.
- Focus group participants generally expected to hear about programs such as PFL from their employers, EDD and from health care providers.
- Focus group participants often reported that they obtained limited to no information about PFL from their employers. Most focus group participants do not recall being provided the EDD PFL brochure either upon on-boarding or when there was a specific need. Some participants reported becoming aware of PFL by their employer through the general employer required notification posters, such as those provided by Intuit or the Chamber of Commerce.
- Focus group participants often reported obtaining limited or wrong information about PFL from their employers or through word of mouth. Though employers and word of mouth were cited as leading sources of information about PFL by those who had heard of PFL, employers and word of mouth were often also cited as sources of misinformation, particularly in regards to eligibility requirements and benefits. As a father who did not use PFL mentioned, “. . . I agree that employers and HR people

should get better training on this stuff. I am a manager at [super market chain] and they didn't train us on this, I know a little about it, but we were never trained and that would be much better." Or as the HR survey revealed, 78% of HR professionals expressed that additional PFL training would be beneficial.

- Our research indicates that large businesses are more likely to have HR professionals and/or departments and to be more knowledgeable about PFL. Small businesses may be less likely to have HR professionals and/or departments and be less knowledgeable about PFL. Though the literature indicates that small businesses may be generally supportive of leave programs, key informants/stakeholders and focus group participants have indicated that small businesses may have more difficulty accommodating employee leaves.
- Focus group participants across lower income user groups and hard to reach population segments reported relying on community based organizations (CBOs) to obtain information about and counseling for issues pertaining to health care, child care and personal finances. Women, Infants, and Children (WIC), Black Infant Health and local Family Resource Centers were most frequently mentioned. Though we interviewed a number of key informants/stakeholders who were highly knowledgeable about PFL, we found that many other CBOs that we worked with to identify participants for the focus groups were aware of PFL but only at a very high level. These organizations specifically asked for additional information regarding PFL so that they could better serve their communities.
- Focus group participants across most user group and population segments reported that they were capable and often used the internet and social media to conduct research and ask questions on issues pertaining to health care, child care and personal finances. As a woman who used PFL recalled, "I'm an internet junkie so I

figured out how much I was going to get paid before I started. It's all on the website.”

Moreover, particular segments, such as care providers who appear to be time constrained during the normal business hours, seem to rely heavily on internet to conduct research. However, our research indicates that very few focus group participants used the internet or social media to obtain information about PFL. As a father that did not use PFL complained, “The website is confusing and doesn't answer any of my questions.” Additionally, professional social workers reported preferring third party websites over the EDD site because they were much more intuitive and easy to navigate and explained key issues in more accessible language.

- In general, the overwhelming majority of focus group participants obtained little to no information about PFL through social workers. However, our research indicates that social workers as a whole touch or are near virtually all PFL user segments at or near the time that they are most likely to use PFL.
- As a whole, our research into the EDD specified populations demonstrated that there are unique cultural and linguistic features of each community that may impact the best means to communicate information about PFL to those communities and PFL usage by those communities. These differences will be discussed in the sections pertaining to each population segment. However, a number of similarities generally crossed each population group:
  - Population focus group participants had limited knowledge about PFL and every population group felt that PFL was not widely known in their communities.
  - Every population focus group said that PFL provided clear benefits to members of their communities.
  - EDD's translated PFL brochure used unconventional language or was flawed at times, making it difficult to understand. For example, the Filipino focus group

noted that the translation in the EDD PFL brochure was “archaic” and that most in their community would have an easier time reading the English version. The Vietnamese focus group noted that the translated heading of the PFL brochure read, “Get money to stay home.” They added that this seemed to resemble some of the seedy advertisements that had infiltrated their community rather than a government program. Additionally, the Punjabi focus group noted that the Punjabi translated brochure is only relevant to the ethnically Indian Punjabi-speakers and that ethnically Pakistani Punjabi-speakers utilize a different script that is not comparable.

- Virtually all community groups indicated that images are an important feature of EDD’s PFL brochure. However, most groups did not think that the pamphlet’s images were particularly relevant to their population. Multiple community groups indicated that the pictures did not “include them.” The Punjabi community noted that having an individual wearing a turban would make the flyer more appealing. The LGBTQ community noted that the pictures of the two females on the cover and the two males in the center of the brochure were ambiguous and could both have represented either marriage/partner relationships or parent/child relationships.
- Every focus group indicated that utilizing cultural brokers who were familiar with the cultural and linguistic needs of their communities was the best means of communicating PFL to their respective communities. Many organizations that we worked with indicated that they would be willing to provide EDD with some limited assistance to help reach their communities.

## *Level II – Application Process*

- The application process for biological mothers appears to be highly streamlined and effective. EDD has effectively leveraged the DI application process, which most biological mothers utilize, to streamline the PFL application process. Focus group participants who were biological mothers and who did use PFL reported no significant issues with the application process.
- Most other user groups report that the application utilizes non-standard language and is “jargony.” Key informants/stakeholders that we interviewed added that there are difficulties determining the correct dates, particularly for using PFL intermittently.
- Key informants/stakeholders interviewed reported that the online application process is not user friendly and is not to the standard of typical online tools. They in particular referenced the online process for making a care-related claim. They specifically noted that the online registration was not available 24 hours per day.
- Both key informants/stakeholders and focus group participants reported that the call center responsiveness was not to the standard of typical commercial call centers. Wait times were reported to be long. Some reported that EDD terminates calls at 5:00 PM. In addition, key informants/stakeholders pointed out that because potential PFL claimants are generally working from 9:00 AM to 5:00 PM, they cannot conveniently call EDD during standard hours.

## *Level III – Preference*

- Job protection, knowing that a job will be waiting upon return from leave, is a very common concern. A focus group participant stated, “We cannot go one week without pay, because we are living week to week, day to day. It is not worth the risk to use PFL if you might get fired and then it could take you three weeks to find a job and if you have to pay rent every month, you can’t survive three weeks without a job.” In

some cases this concern may be well-founded. Parents recounted stories about either losing jobs from taking leave, being told they would lose their job if they took leave and being fearful of asking for time off. As a father put it, “But also the employer doesn’t have to let you come back and that is a serious problem. Maybe the state should protect these people like they protect mothers on disability.”

- Both low income workers and higher income workers cited wage replacement rate as a key limitation in regards to using PFL. This is especially pronounced in lower income potential users, who use PFL at significantly lower rates. Low income workers stated that it was difficult to make ends meet with partial wages. As a father put it, “Wage replacement is the biggest barrier for poor people like us. We’re barely getting by as it is.” Additionally, another focus group participant noted that because of the partial wage replacement rate, it was not possible for both her and her husband to take PFL at the same time.

Higher income workers also stated that it was difficult to make ends meet with partial wages; however, some higher income workers reported that their employers had company programs and/or policies in place, such as use of vacation time and sick time that could provide better alternatives to PFL or could be used in conjunction with PFL. Our survey of HR professionals indicates that 82% of businesses that responded to our survey (typically larger businesses) had policies in place that supplement PFL’s 55% wage replacement rate.

- Written information about PFL in itself may not provide enough case specific information for an individual to determine whether s/he will use it. For many people, determining whether to use PFL or not can be complicated, requiring very case specific information regarding the PFL program overall, eligibility requirements, benefits amount and type and application process. We were able to identify very

good collateral material and websites developed by third parties regarding PFL, such as those created by the Legal Aid Society Employment Law Center. However, even these are not always sufficient to stand by themselves to answer all necessary questions. Almost all users of PFL or individuals who assist in the application process that we spoke with stated that they needed to discuss case-specific circumstances in addition to receiving printed or online information; bonding for biological mothers was the only exception. These discussions resemble counseling sessions in which there is a back and forth conversation and are typically reported to last about 15 to 20 minutes. These conversations typically include a thorough discussion of eligibility, benefits and specific issues relevant to individual situations.

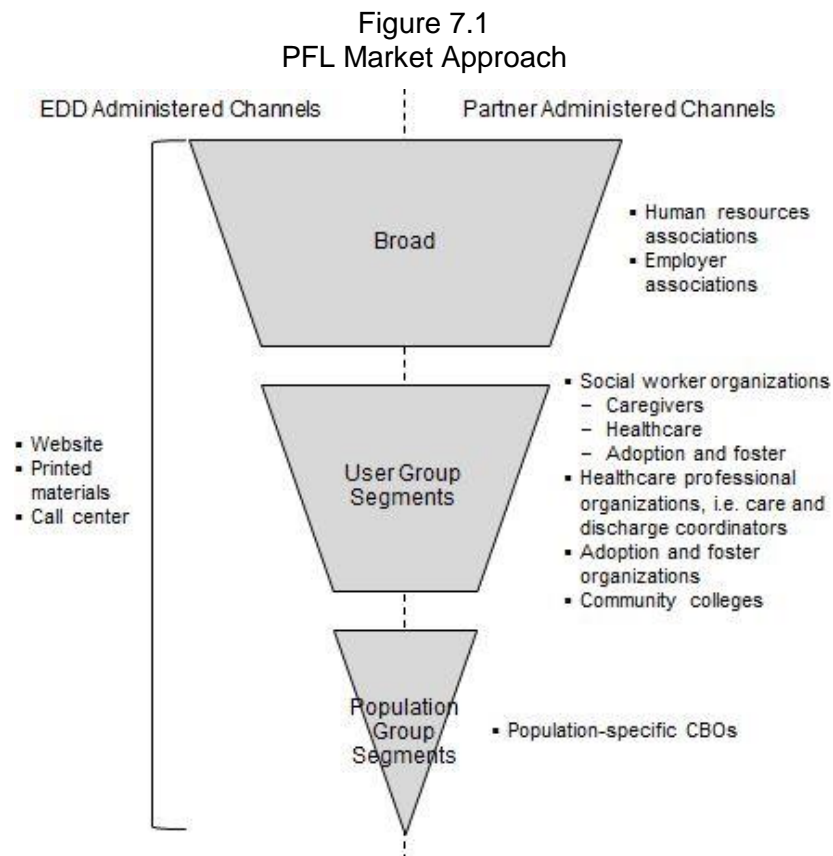
- Employees are often reluctant to speak with their employers about PFL. As a mother said, “With my old employer, I was too scared to even ask.” Though some focus group participants have stated that their employers directly discouraged PFL use, other focus group participants mentioned that their reluctance to speak with their employers was self-directed and when they approached their employers they were in fact supportive.



## General Recommendations

Though there can be significant differences between the different user groups and populations segments, there are a number of common findings as discussed in the prior section. In this section, we discuss recommendations that apply generally to all potential PFL claimants. User group and population segment specific recommendations are contained in sections following.

As shown in Figure 7.1, we recommend that EDD deploy a multi-prong approach to increase PFL utilization.



- The first prong of our approach aims to broadly provide more enabling information to potential PFL users.
- The second prong aims to target each group by working through segment-specific channels.

- The third prong is to target the hardest to reach communities by working through linguistic and cultural brokers to more effectively deliver enabling information to key population segments that are of particular interest to EDD.

These approaches are complementary of each other and are not mutually exclusive. It should be noted that each approach is cross-cutting and impacts all levels. We have segmented our recommendations into the three levels to ensure that our approach does not inadvertently miss any key factors.

### ***EDD Administered Channels***

#### *Level I – Awareness & Eligibility*

- Improve General PFL Collateral Material and Website: EDD’s general PFL collateral material and website should be improved to better enable potential PFL users to work with their employers to make PFL claims. Focus group participants were mixed in their reviews of the current collateral material. Some indicated that the information provided by EDD adequately presented the necessary information to make decisions in regards to PFL usage. However, others indicated that the information was “jargony” and difficult to understand. Moreover, some stated that the EDD material was vague in regards to eligibility, benefits and job protection.

In addition, though the current literature does not indicate that the internet is a significant channel for obtaining PFL information among current PFL claimants, our focus groups found that potential claimants regularly turn to the internet to conduct research on issues that involve health care, child care or personal finances. Many commented that EDD’s PFL website was difficult to locate unless specifically looking for PFL. Moreover, they noted that the website was “jargony.” Additionally, they

noted that it did not provide clear, definitive information about eligibility or benefits available.

Collateral material and EDD's internet presence should provide a high-level overview of benefits, but also more detailed information to help understand eligibility requirements. Frequently, potential users cited doubts about eligibility as reasons for not pursuing PFL.

- Caregivers sometimes believe that PFL is only for new parents.
- New fathers sometimes believe that PFL is only for new mothers.
- Some foster parents believed that it was only available for adoptive parents.
- It should be noted that the focus group revealed that employees would be more inclined to engage their employers if they had certainty about their PFL eligibility, even if they believed that their employers were wrong about eligibility requirements and benefits or would not be supportive of PFL use.

In addition, our focus groups and key informants/stakeholders repeatedly emphasized the importance of understanding the distinction between PFL and other programs, such as FMLA/CFRA. As one stakeholder said, "It is irresponsible to talk about PFL without talking about FMLA." While FMLA/CFRA may not be programs administered by EDD's DI Branch, it is critical that a basic explanation of job protection is prominently included in PFL's general literature. Stating that PFL does not provide job protection without simultaneously explaining that protection may be available from FMLA/CFRA will stop many potential users from considering using PFL, even if job protection may be available to them.

- Social Media: A limited number of focus group participants revealed that they had participated in Facebook discussion groups regarding PFL. Though traditional

internet web pages in themselves do not necessarily provide the interactive communications to help individuals determine whether their particular situations warrant the use of PFL, social media, such as Facebook discussion groups, can allow for interactive communications and discussions. The Department of Motor Vehicles (DMV) has developed protocols to monitor and respond to issues and questions that have arisen in social media about DMV programs. The DMV's program could serve as a model for EDD.

### *Level II – Application Process*

- Information regarding the application process should be modified to eliminate “jargony” terminology. In addition, EDD should enhance its instructions and application to the extent possible in regards to determining eligible dates and using PFL intermittently.
- EDD should review its online application process, particularly for making a care claim. Also EDD should further explore means of making the SDI online registration available 24 hours per day to match online standards.
- EDD should consider expanding call center hours or shifting call center resources and hours to accommodate users' work schedules. We note that by enabling employers and social workers to better answer questions regarding PFL by implementing recommendations, EDD call center volumes may be reduced, mitigating the need for additional resources.

### *Level III – Preference*

- Though we noted that wage replacement rate is a key issue that may limit PFL use, we believe that making recommendations regarding this issue is out of the scope of this engagement.

- Though we noted that job protection is a key issue that may limit PFL use, we believe that making recommendations regarding this issue is out of the scope of this engagement.

### ***Partner Administered Channels: Broad Based***

#### *Levels I-III – Recommendations apply to all levels*

- Develop Channels to Support PFL Broadly Across All Major User Groups and the General Population Segments: The Broad Based and Segment-Specific Approaches are geared towards rapidly providing general information to the public as a whole through select, but broad based, information channels. This approach relies on developing leveraged channels to enable organizations or other platforms that are in position to provide information to multiple individuals who may likely be in need of PFL.
  - Employers: The literature and our market research indicate that employers continue to be a major channel for information about PFL. Moreover, our focus groups indicate that employees expect to hear about PFL from their employers and are where they would go in the event that they required leave from work for care or bonding.

Though it is more difficult to communicate with small businesses, we believe that there are channels that can be leveraged to efficiently and cost-effectively work with large businesses. In California, the top ten percent of largest businesses in the state employ approximately 75% of all workers.<sup>39</sup> Inasmuch, reaching the largest employers would cover a significant portion of the employee base. Large businesses tend to have dedicated HR departments and professionals as well.

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<sup>39</sup> EDD, 2013

We believe that working through HR professional organizations to reach HR professionals would be an effective means to reach both employers and employees. HR professionals are in position to have interactive discussions with potential PFL applicants. Moreover, this would also have the benefit of reducing employer misconceptions of the PFL program.

The outreach to HR professionals should be in the form of training and should focus on helping them to address employee questions regarding PFL use. Our survey of HR professional organizations indicates that providing training to members through webinars and annual meetings would be most effective. In addition, EDD should consider providing dedicated call center services to prioritize HR professionals' calls and questions regarding PFL.

***Partner Administered Channels: Segment-specific***

*Levels I-III – Recommendations apply to all levels*

Potential users from each segment interact with specific individuals in the course of their qualifying event, creating useful communication channels. They include prenatal and delivery medical providers for biological parents; adoption and foster care agencies for adoptive and foster parents; medical providers and caregiver support organizations for caregivers. These channels allow for messaging that is targeted for each segment.

- **Social Workers:** Our market research indicates that social workers provide services to virtually all PFL user segments at or near the time that they are most likely to use PFL. This includes: bonding biological mothers; biological fathers; foster parents; adoptive parents; and both acute and chronic care providers. We believe that working through various social worker professional organizations could be used to

enhance knowledge about PFL to all key user group segments. Moreover, social workers are in position to have interactive discussions with potential PFL applicants. Similar to HR professionals, the outreach to social workers should be in the form of training and should focus on helping them to address questions regarding PFL use. Our survey of social worker organizations indicates that providing training to members through webinars and annual meetings would be most effective. In addition, EDD should consider providing dedicated call center services to prioritize social workers calls and questions regarding PFL.

- In addition, there are a number of secondary organizations focused on care, foster care, adoption and parents that could be utilized for targeted outreach. Specific strategies are discussed within segment recommendations and a listing of potential partner organizations is provided in the appendix of this report.

### ***Partner Administered Channels: Targeted Approach***

The Targeted Approach is aimed at providing information to key target populations that have been deemed of particular interest by EDD. These may include, but are not limited to:

- Armenian;
- Chinese (both Mandarin and Cantonese);
- Filipino;
- Latino;
- Punjabi;
- Vietnamese; and
- LGBTQ.

Our research into the EDD specified populations demonstrates that there are unique cultural and linguistic features of each community that may impact the best means to communicate

information about PFL. Moreover, every focus group indicated that utilizing cultural brokers who are familiar with the cultural and linguistic needs of their communities is the best means of communicating PFL to their respective communities. We believe that EDD should engage cultural brokers to meet the cultural and linguistic needs of hard to reach communities.

Based on our experience in state government, we believe that it is extremely difficult to obtain, develop and retain individuals with sufficient cultural and linguistic competence to effectively deal with each targeted community. During the course of our research, we identified a contracting approach that appears to effectively deal with the outreach needs of the California Public Utilities Commission (CPUC) in hard to reach communities that factor cultural and linguistic competence. However, if it is preferred, EDD could attempt to develop a similar program internally. The CPUC's purpose was to retain an agency "to create, operate, and manage a program which provides outreach, education and complaint resolution assistance to consumers who do not speak, write or read English fluently." The Telecommunications Education and Assistance in Multiple-languages (TEAM) program includes a contractor who subcontracts with a statewide network of community based organizations (CBOs) who provide outreach and education to different, hard to reach communities in a culturally and linguistically competent manner. More information about this approach can be found in the appendix.

#### *Level I – Awareness & Eligibility*

- Develop collateral material in a manner that is culturally and linguistically competent.

#### *Level II – Application Process*

- Provide assistance in the application process to targeted communities in a manner that is both culturally and linguistically competent. Leveraging the use of cultural brokers would enable EDD to efficiently provide service within communities where they have pre-existing, trusting relationships.



### *Level III – Preference*

- Provide information that is culturally and linguistically competent that addresses specific concerns or challenges in each community. Leveraging the use of cultural brokers would enable EDD to efficiently provide service within communities where they have pre-existing, trusting relationships.

## **User Group Segments**

This section documents our findings and recommendations for user group segments. As discussed in Section 5, the key user segments are broken down into two predominant groups – bonding and care. Bonding is further broken down into the following:

- Biological mothers;
- Biological fathers; and
- Adoption & foster parents.

Though these segmented groups can be further broken down, this study is limited by time and resources. It is our opinion that analyzing these user group segments is sufficient to provide insight to EDD about how the general population in California utilizes its program.

### ***Biological Mothers***

#### ***Overview***

The biological mothers section focuses on mothers who have conceived and given birth to a child and are eligible to take PFL to bond with the child. The process by which biological mothers become aware of PFL and apply to PFL is unique. Eligible biological mothers are generally already interacting with EDD as they make a disability claim at some point in their pregnancy and/or after birth. At the point in which their DI is about to expire, they are notified by EDD that they have the option of filing a PFL claim. Because the birth related DI claim has already been verified, the biological mother only needs to complete a very basic form to make a PFL claim. This can be done online as well. Most stakeholders believe that this process works well.

Biological mothers are far and away the largest segment, currently accounting for over 60% of PFL claims; however, the segment is growing very slowly. Biological mothers are typically

between the ages of 21 and 40 and tend to be lower income. Higher rates of use correlate highly with income. Mothers earning over \$24k use PFL 78% of the time, except for a dip in usage occurs in the \$48k - \$60k income range. 90% of PFL biological mother claimants prefer English and ten percent prefer Spanish but not English. Usage appears to be lowest in inland Southern California and Fresno.

## Methodology

Table 6.1 summarizes our means of gathering information about biological mothers. We relied heavily on key informant/stakeholders interviews to gather initial information about biological mothers. We also conducted six focus groups to validate our interviews and refine our understanding of this user group.

Table 6.1  
Approach to Gathering Data – Biological Mothers

Method	Details	Comments
Key Informant Interviews	Conducted seven key informant/stakeholder interviews	<ul style="list-style-type: none"> <li>Selected for expertise and/or in-depth involvement with user group</li> </ul>
Focus Groups	Pasadena (May 21) Income: Under \$24k Did not use PFL English	<ul style="list-style-type: none"> <li>Location selected for especially low rate of PFL use and high rate of Spanish speakers</li> <li>Low income selected to better understand income sensitivity</li> </ul>
	Pasadena (May 21) Income: Under \$24k Used PFL English	<ul style="list-style-type: none"> <li>Location selected for large concentration of PFL use</li> <li>Low income selected to better understand income sensitivity</li> </ul>
	Fresno (May 26) Income: Under \$24k Did not use PFL English	<ul style="list-style-type: none"> <li>Location selected for especially low rate of PFL use</li> <li>Low income selected to better understand income sensitivity</li> </ul>
	Pasadena (June 4) Income: Under \$24k Did not use PFL Spanish	<ul style="list-style-type: none"> <li>Location selected for especially low rate of PFL use and high rate of Spanish speakers</li> <li>Low income selected to better understand income sensitivity</li> </ul>
	Sacramento (June 17) Income: \$48k-\$60k Did not use PFL English	<ul style="list-style-type: none"> <li>Location selected for high rate of mothers in the income group</li> <li>Income group selected to understand usage rate</li> </ul>
	Redding (June 18) Income: Under \$24k Did not use PFL English	<ul style="list-style-type: none"> <li>Location selected for geographic diversity requested by EDD</li> <li>Low income selected to better understand income sensitivity</li> </ul>

## *Findings*

### *Level I – Awareness & Eligibility*

- Biological mothers use the program at very high rates and awareness appears to be relatively high according to available survey data<sup>40,41</sup> and our focus groups.
- Though there is relatively higher levels of awareness for biological mothers who wish to take time off to bond, low income women, in particular, often expressed uncertainty about eligibility. This may partially be the result of the fact that lower income workers may be less stable in their employment than higher income workers and because some seemingly received wrong information about the program.

### *Level II – Application Process*

- Biological mothers report few challenges with the PFL application process. EDD has developed a streamlined process for applying for PFL for mothers who are already using DI for pregnancy leave. This is supported by survey data that mothers report the process being easy.<sup>42</sup> In some cases they reported challenges with inputting the correct start dates. However, for biological mothers, this generally appears to be an issue with DI benefits rather than PFL benefits.

### *Level III – Preference*

- Job protection, knowing that a job will be waiting upon return from leave, is also a very common concern. In some cases this concern may be well-founded. Focus group participants from this group recounted stories about being told they would lose their job if they took leave and in some case losing their job after taking leave. Once again, job protection seems to disproportionately impact low income workers more

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<sup>40</sup> Appelbaum (2004).

<sup>41</sup> DiCamillo (2015).

<sup>42</sup> Neighbours (2014).

than higher income workers. This may be because higher income workers have less commoditized types of jobs and are more difficult to replace than lower income workers.

- Wage replacement rate a key concern regarding PFL usage. This is especially pronounced in lower income women, who use PFL at significantly lower rates but appears to be an issue at higher levels as well. In one focus group, the women reported that their biggest concern in using PFL was, “Money, money, money.” In addition, the importance of wage replacement rate clearly plays out in the level of income sensitivity across the group.
- Family income also plays a role. As one mother described it, “There is no way I could have financially taken the wage cut if we were living off of my paycheck alone. My husband makes more money, so we were able to get by.”
- Biological mothers do not report any cultural or family pressures to not use PFL. In virtually all cases, it appears that friends and family strongly encourage women to take leave to be with their new child. In most cases it appears that employers are supportive as well.

## ***Recommendations***

### ***Level I – Awareness & Eligibility***

- While awareness of PFL is generally high within this group, they may benefit from targeted outreach. This could include CBOs that specifically deal with helping new mothers, social media discussion groups for mothers to be and new mothers and healthcare staff that may speak with mothers to be and new mothers, such as nurses and lactation consultants. It should be noted that interviews with key informants/stakeholders indicate that generally doctors are a less viable channel

than medical support professionals, such as hospital social workers, care coordinators and discharge coordinators.

### *Level II – Application Process*

- The existing streamlined application process poses little challenge for biological mothers. While they would likely benefit from General Recommendations, such as reducing the amount of jargon, the potential for increased use as a result of improving the application process seems only marginal at best.

### *Level III – Preference*

- Though we noted that wage replacement rate is a key issue that may limit PFL use, we believe that making recommendations regarding this issue is out of the scope of this engagement.
- Though we noted that job protection is a key issue that may limit PFL use, we believe that making recommendations regarding this issue is out of the scope of this engagement.

## **Biological Fathers**

### **Overview**

The biological fathers section focuses on individuals who are the biological fathers of children under the age of 12 months. Biological fathers are the second largest segment, currently accounting for 27% of PFL claims. The segment is growing quickly, having nearly doubled since 2007. Biological fathers are typically between the ages of 21 and 40 and come from a wider range of incomes compared to biological mothers. PFL use correlates highly with income for this segment, fathers with higher education and income levels are more likely to utilize PFL.<sup>43</sup> Usage appears to be lowest in Southern California.

### **Methodology**

Method	Details	Comments
Key Informant Interviews	Conducted six key informant/stakeholder interviews	<ul style="list-style-type: none"><li>Selected for expertise and/or in-depth involvement with user group</li></ul>
Focus Groups	Pasadena (June 4) Income: Under \$24k Did not use PFL Spanish	<ul style="list-style-type: none"><li>Location selected for especially low rate of PFL use and high rate of Spanish speakers</li><li>Low income selected to better understand income sensitivity</li><li>Spanish speakers selected to better understand the degree to which language barriers impact PFL usage</li></ul>
	Redding (June 18) Income: Under \$24k Did not use PFL English	<ul style="list-style-type: none"><li>Location selected for geographic diversity requested by EDD</li><li>Low income selected to better understand income sensitivity</li></ul>

<sup>43</sup> Han, W., et. al. (2009) Parental Leave Policies and Parents' Employment and Leave-Taking. Journal of policy analysis and management.



## *Findings*

### *Level I – Awareness & Eligibility*

- Biological fathers use PFL at significantly lower rates than mothers. They also have lower awareness of the program. This lower awareness was apparent in our focus groups and in surveys.<sup>44,45</sup> Men appeared less likely to know about the program at all or to have discussed it with their employers. While biological mothers' greatest challenge with awareness is related to understanding their eligibility, in many cases biological fathers are simply unaware of the program.
- When biological fathers were aware of PFL, they typically became aware through their employers or word of mouth from friends or family.
- They reported that the internet is the primary channel through which they would seek additional information.
- Additionally, they repeatedly expressed concern that their employer would not provide them accurate information about the program.

### *Level II – Application Process*

- Biological fathers report significant challenges with completing the application process. In one of our focus groups, the wife of a potential PFL user reported that her husband was unable to use PFL because of the difficulties with the application, "My husband and I tried to apply for PFL for him, but it was so confusing that we finally just gave up, and he didn't apply for PFL." This is similar to all segments, other than biological mothers, who have a streamlined process when they are already in EDD's system from having made use of pregnancy disability benefits. While they

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<sup>44</sup> Appelbaum (2004).

<sup>45</sup> DiCamillo (2015).

consistently reported that the application was a challenge, they were typically not able to describe specific issues or areas that could be improved.

### *Level III – Preference*

- Prior to conducting our focus groups, interviews with key informants/stakeholders had suggested that fathers may feel pressure from their families or communities to not take leave and may consider spending time away from work with their child ‘unmanly’ or ‘women’s work’. Generally speaking, however, this did not prove to be the case. Men reported feeling comfortable and supported in taking leave if their financial situation allowed for it.
- It appears difficult for many families to get by if both parents drop to 55% wage replacement. Because mothers generally need to take leave because of their physical limitations after pregnancy, fathers often feel the need to continue working because they do not believe their family can cope with both earners dropping to 55% of their normal incomes. While marketing will not likely affect this choice, they may benefit from learning about other options for taking leave, such as intermittent leave or taking leave after the mother has returned to work, which could have the added benefit of saving the family money on child care.
- Biological fathers expressed that they would like to have time to bond with new children. Though awareness was low in our biological fathers focus group, many participants stated that they would have taken leave had they known about the program.
- However, they were very focused on maintaining financial stability and were sensitive to the wage replacement rate. As one participant said, “Over here you both have to work. Nothing stops. The rent doesn’t wait for you.”

- Job protection was another important factor that may impact PFL utilization by biological fathers. As one father said, “The employer doesn’t have to let you come back, and that is a serious problem.” Or another put it, “You might get fired and then it could take you three weeks to find a job and if you have to pay rent every month, you can’t survive three weeks without a job.”
- Many fathers appear to have an understanding of their employer’s business needs. They repeatedly expressed that they understood how covering for them would put their employer in a difficult position. As one father described it, “An employer will always think about ‘how can they cover your shift’ if you have to leave. We have to be realistic, that will be the first thoughts of the employers. They need to cover the shift and they cannot afford to pay overtime.”

## ***Recommendations***

### *Level I – Awareness & Eligibility*

- Though the participation rate has grown quickly for biological fathers, there may be room for continued growth by increasing awareness of PFL among this segment. However, biological fathers are a more challenging group to reach than mothers as they do not have as frequent or predictable of interactions due to their partner’s pregnancy. Employers remain the primary channel from which men report seeking information about leave and similar programs. Inasmuch, materials provided through business and human resources organizations should note the father bonding program prominently.
- Aside from efforts that focus on better informing employers and improving information available on the internet, the most discussed avenue for informing biological fathers is through their partners. When mothers receive information from medical professionals, government or nonprofit support providers, friends, family and

other channels, it would be beneficial if it included information on benefits available to the father and encouraged them to share the information with them. This strategy was similarly identified as a best practice for reaching healthy young men, or ‘young invincibles,’ to encourage health insurance enrollment under the Affordable Care Act.

### *Level II – Application Process*

- The application process appears to be a significant barrier for biological fathers. This segment would benefit from improvements to the overall application process as described in the General Recommendations section of this report.
- To further maximize access to fathers, EDD could provide a streamlined application process in which the mother’s application form included an optional supplemental section for initiating the father’s enrollment, or simply including a check box to send an application form for the father. A similar strategy to streamline application processes was recently used by the California Department of Health Care Services to reach Medi-Cal eligibles and initiate “express lane enrollment” based on consumers’ Cal-Fresh enrollment.

### *Level III – Preference*

- Though we noted that wage replacement rate is a key issue that may limit PFL use, we believe that making recommendations regarding this issue is out of the scope of this engagement.
- Though we noted that job protection is a key issue that may limit PFL use, we believe that making recommendations regarding this issue is out of the scope of this engagement.

## ***Adoptive and Foster Parents***

### ***Overview***

Approximately 6,000 to 8,000 children are adopted in California every year and 32,000 to 36,000 children enter foster care. While many of the parents who take in these children may be eligible for PFL to bond with a new child, very few take advantage of the program. In 2014, claims for PFL from foster parents totaled 698 and adoptive parents totaled only 548. In addition to the low usage rates, very little research has been done regarding the foster and adoptive parents. While there are several studies surrounding foster and adoptive children and data regarding their development, very little information is made public regarding the parents themselves. This makes any analysis of foster and adoptive parents difficult as the topic literature is not as developed as family caregivers or biological parents eligible for PFL.

### ***Methodology***

Method	Details	Comments
Key Informant Interviews	Conducted eight interviews with leaders in various adoption and foster agencies	<ul style="list-style-type: none"><li>Participants were selected based on their proximity to an area with high levels of adoption and/or foster and their role within the organization</li></ul>

### ***Findings***

#### ***Level I – Awareness & Eligibility***

- Key informants/stakeholders believe that PFL would be a valuable benefit for adoptive and foster parents and that the program is currently underutilized by that user group segment.
- There is some but limited general awareness regarding PFL.
- There is extensive misinformation circulating among adoptive and foster parents. Several foster parents stated that they believed that they were not eligible for PFL.

Several adoptive parents believed that they could not use PFL until the adoption process had been completed, which can take up to two years.

- Although becoming an adoptive and/or foster parent is highly regulated and there is extensive contact with adoptive and/or foster parents throughout the adoption and foster care term, very little information about PFL has been passed through these channels. These channels include contact with social workers and mandatory classes for adoptive and foster parents.
- Adoptive and foster parents use social media, such as Facebook discussion groups, to obtain information and support. Very little information about PFL is passed through discussion groups for adoptive and foster parents.

#### *Level II – Application Process*

- Some informants stated that the EDD website was confusing and that EDD information about use of PFL for adoption and foster care was either not easily accessible or not available. Difficulty obtaining information for adoption and foster care and confusion may significantly discouraged parents from using PFL according to informants.

#### *Level III – Preference*

- Job protection appears to be a significant issue among this user group.
- Informants reported that the 55% wage replacement rate may be a significant barrier for some foster parents who may be single income and/or lower income earners.
- Foster parents who foster multiple children are likely to use PFL intermittently. Foster parents who are seeking to adopt and adoptive parents are more likely to use PFL continuously.

## *Recommendations*

### *Level I – Awareness & Eligibility*

- EDD should leverage existing channels specific to adoptive and foster parents to communicate information about PFL. This includes the California Community Colleges that administers training for all foster parents in the state through their Foster and Kinship Care Education Program, CBOs that focus on assisting foster and adoptive care families and social media focused on foster and adoptive care families.
- Information packets should be developed to address the specific need of foster and adoptive parents as it applies to PFL. This should include specific information about eligibility qualifying events and instructions on using PFL intermittently.

### *Level II – Application Process*

- The adoptive and foster care segment would benefit from improvements to the overall application process as described in the General Recommendations section of this report.

### *Level III – Preference*

- Though we noted that wage replacement rate is a key issue that may limit PFL use, we believe that making recommendations regarding this issue is out of the scope of this engagement.
- Though we noted that job protection is a key issue that may limit PFL use, we believe that making recommendations regarding this issue is out of the scope of this engagement.

## Caregivers

### Overview

Since the beginning of California's Paid Family Leave program, family caregivers have consistently been the minority of claimants, accounting for only ten percent of total claims.<sup>46</sup> Some stakeholders believe this usage rate is particularly low and not representative of all eligible family caregivers in California. AARP Public Policy Institute found in 2006 that there were an estimated four million family caregivers in the state with their care representing a total economic value of \$45 billion.<sup>47</sup> Additionally, a national survey conducted in 2009 found that roughly 28.5% of respondents reported being caregivers – a rate that had not changed since 2004, suggesting the number of caregivers is unlikely to have decreased in recent years.<sup>48</sup>

Research also pointed out the severe strain many caregivers undergo while providing care for an ill family member. Caregiving has been found to be particularly time-intensive, averaging 20.4 hours per week, with 73% of caregivers reported to be working at the start of providing care.<sup>49</sup> Roughly seven out of ten caregivers stated that the act of providing care had various adverse effects on their career, the highest reported effect being shortening hours or taking time off, followed by taking an extended leave of absence.<sup>50</sup> After 12 months of caregiving, the percentage of caregivers still working dropped from 73% to 57%.<sup>51</sup> This research, while indicative of the challenges caregiving presents to workers, could also imply that there are as many as 2.3 million caregivers in California who are working and therefore may be eligible for

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<sup>46</sup> Employment Development Department (2014).

<sup>47</sup> AARP Public Policy Institute (2005) Valuing the Invaluable: A New Look at State Estimates of the Economic Value of Family Caregiving (Data Update).

<sup>48</sup> Evercare (2008) Hispanic Family Caregiving in the U.S.: Findings From a National Study. National Alliance for Caregiving.

<sup>49</sup> National Alliance for Caregiving (2009).

<sup>50</sup> National Alliance for Caregiving (2009).

<sup>51</sup> National Alliance for Caregiving (2009).



PFL in any given year and less than one percent of those (18,000 claims per year on average) use PFL.

Knowledge of the benefits PFL provides for family caregivers is also lower than the already reported low awareness rates of the program in general. Of those who were aware of PFL, 79% knew the program applied to care for immediate family members and only 39% knew the program applied to care for extended family members. These low awareness and usage rates highlight the importance of identifying effective channels through which to communicate the details and eligibility of PFL to caregivers when dealing with a qualifying life event as well as understanding unique barriers that may prevent them from using PFL.

## Methodology

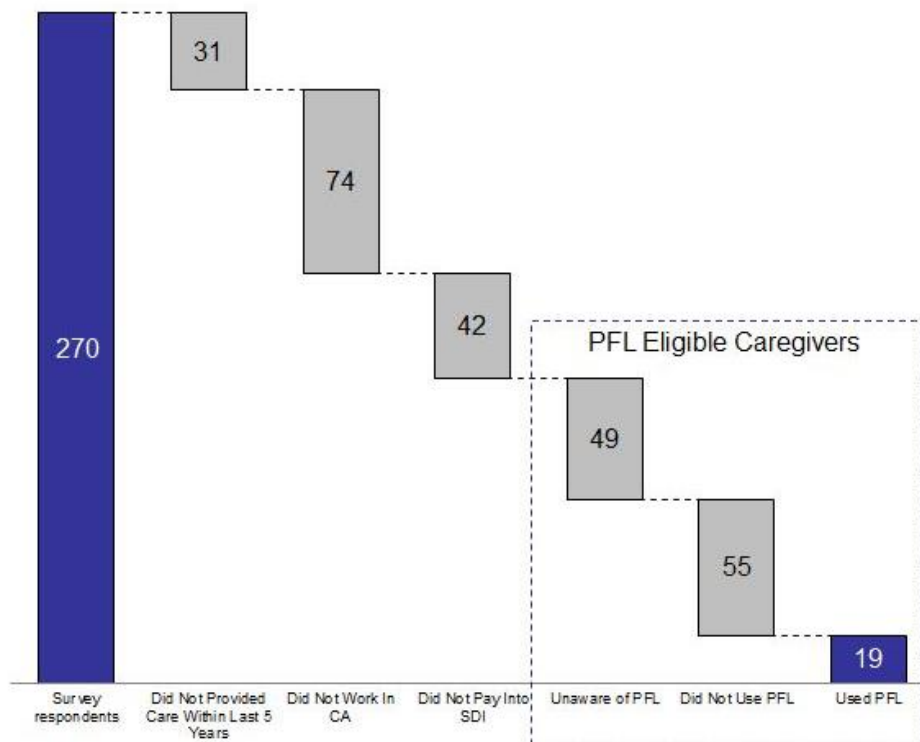
Method	Details	Comments
Key Informant Interviews	Conducted five key informant/stakeholder interviews	<ul style="list-style-type: none"> <li>Selected for expertise and/or in-depth involvement with user group</li> </ul>
Focus Groups	San Francisco (June 16) Social Workers Family Caregivers Alliance	<ul style="list-style-type: none"> <li>Location selected as San Francisco is the caregiver resource center that coordinates (CRCs) with other CRCs around the state</li> <li>Organization worked largely with middle class family caregivers, a segment that is considered to be underrepresented in the overall care claims</li> </ul>
Online Survey	Administered through FCA's membership list Posted June 1 and closed June 19	<ul style="list-style-type: none"> <li>An online survey was deemed to be the most effective method to access family caregivers due to their inconsistent schedules and the larger potential sample size</li> <li>Participants were largely middle income family caregivers who from around the state</li> </ul>
Administered Survey	Administered as follow up to willing respondents of the online survey	<ul style="list-style-type: none"> <li>Online survey respondents were asked if they would be interested in participating in additional research</li> <li>Those who indicated interested were given a prescreening questionnaire to ascertain availability and to confirm information provided in the survey</li> <li>Administered survey respondents were selected based on their availability</li> </ul>

## Findings

### Level I – Awareness & Eligibility

- It appears that many caregivers are not eligible for PFL. Approximately 45% of our survey respondents were eligible for PFL as determined by whether or not they: 1) provided care in the last five years; 2) worked in California prior to providing care; and 3) paid into SDI (see Figure 7.2 below).
- While awareness could be increased, it appears higher than in most other groups. 60% of eligible survey respondents were unaware of the program although 74% of those aware still did not utilize it. This finding could indicate that there is both a significant knowledge gap in the family caregiver population and that there are barriers preventing use for those that are aware.

Figure 7.2  
Summary of Survey Respondents



- When asked where they went for information or advice regarding the resources available to them as a family caregiver, survey respondents identified nonprofits and health care providers as the top two sources for information. While the selection bias of the survey respondents as members of FCA could potentially influence their answers, these findings were also reported in the social worker focus group as well as cultural focus groups, key informant/stakeholder interviews and administered surveys.
- All administered survey respondents consistently reported that PFL was never a part of the discussion or knowledge base in family caregiver support groups or in the other sources of information they utilized. Additionally, 70% of respondents to the NASW survey that worked with family caregivers reported to rarely or never discuss PFL with their clients.

#### *Level II – Application Process*

- The application process was cited as a top challenge in our survey of caregivers. Key informant/stakeholder interviews highlighted the often burdensome task of submitting all required paperwork for PFL care claims. Workers must submit forms with their information as well as a consent form from the care recipient and a doctor's note with a diagnosis. This process can be made increasingly difficult in cases where the care recipient and their doctor are out of state and the claimant must coordinate getting all paperwork completed between these three individuals. While none of the administered survey respondents had to deal with that particular example, some did have to move their family member from out of state to California and reported that process alone was arduous. Other key informants/stakeholders and focus group participants also reported that some doctors charge a fee for filling out the necessary paperwork, which can become a particular burden to lower income individuals.

### *Level III – Preference*

- Caregivers reported a strong dissociation with the term caregiver as they do not identify with that term. As one administered survey respondent described, “It’s like using the word babysitter for mother.” This lack of respect for the family caregivers’ identity prevents many from even considering the program.
- Many caregivers reported to refrain from using leave or paid time off for as long as possible in fear that they would need the time at a later date for a more serious diagnosis or condition. Administered survey respondents reported a sense of denial as well that prevented leave use, in that family caregivers would not admit the potential severity of the situation.
- Caregivers cited finances and job protection as their most significant concerns when considering taking leave. Additionally, there was a much higher reported concern in this instance of employer pressure to not take leave. However, almost half of those who selected employer pressure as a concern identified it as only a minor concern.
- Key informants/stakeholders as well as administered survey respondents also reported the cultural expectation that providing care was their responsibility may prevent them from attempting to take leave to provide care. In the instance where individuals were unable to keep up with work, they reported to quit rather than seek out additional options. This is reported to be due to the lack of support for family caregivers currently and the cultural pressure to provide care for their family member.
- Caregivers often reported a level of thankfulness they were able to care for their family member, despite the physical, emotional and financial strain the experience had on them. They reported that PFL would be beneficial as providing care is a task

many family caregivers do not say no to and having any form of financial support can make a significant difference.

### ***Recommendations***

#### ***Level I – Awareness & Eligibility***

Respondents from all groups, i.e. key informant/stakeholder interviews, social workers, online survey and administered survey, cited the need for more awareness and education.

Recommendations included:

- Conducting training seminars at support groups and nonprofit organizations for caregivers, where similar professional training seminars are held often.
- Requiring doctors and/or hospital staff to supply information upon a diagnosis that could lead to the need for care.
- Training hospital staff to recognize when a patient begins to come to appointments with a family caregiver so that hospital staff can be aware and provide the necessary information to the family member.
- Partnering with various organizations that work with family caregivers, dementia, Alzheimer's or other organizations that work with diagnoses that are likely to need a caregiver so that organizations can post information or a link online.

#### ***Level II – Application Process***

- Due to the low PFL awareness and usage rates, few respondents had suggestions or experience regarding the application process. However, one key theme that was mentioned in some capacity by key informants/stakeholders, focus group participants and administered survey respondents was the need for personalized consultations. This need was made especially clear due to the traumatic experience many

caregivers are enduring at the moment information regarding PFL should be made clear to them.

### *Level III – Preferences*

- Implement messaging that highlights the positive aspects of providing care and is respectful of the caregivers' identity. Key informants/stakeholders and administered survey participants also highlighted the importance of respecting the self-identity of family caregivers and create a marketing message that focused on spending quality time with an ill family member rather than recovery of wages for providing care. Similarly, cultural leaders in various focus groups stated that current marketing materials seemed sad and discouraged use and suggested that the messaging be changed to encourage use.
- Though we noted that wage replacement rate is a key issue that may limit PFL use, we believe that making recommendations regarding this issue is out of the scope of this engagement.
- Though we noted that job protection is a key issue that may limit PFL use, we believe that making recommendations regarding this issue is out of the scope of this engagement.

## Cultural & Linguistic Population Segments

### *Armenian Population Segment*

#### *Overview*

This population segment is composed of Armenian immigrants and descendants of Armenian immigrants who are currently located in California. Our focus group occurred in Glendale, which has the largest population of Armenians outside of Armenia.<sup>52</sup>

#### *Methodology*

Method	Details	Comments
Key Informant Interviews	Conducted four key informant/stakeholder interviews	<ul style="list-style-type: none"><li>Selected for expertise and/or in-depth involvement with user group</li></ul>
Focus Groups	Glendale (June 9) Income: Various Armenian	<ul style="list-style-type: none"><li>Bilingual cultural brokers from the Armenian community</li></ul>

#### *Findings*

##### *Level I – Awareness & Eligibility*

- The general Armenian public is reportedly unaware of PFL. The focus group stated in consensus that it was unaware of PFL marketing materials or literature targeting the Armenian community.
- Many Armenians are reported to be self-employed. Because most of these businesses are generally small businesses, most do not have dedicated personnel who are fully knowledgeable about HR issues.
- While the group identified some potential cultural barriers to using PFL (listed in Level III), participants stated the largest barrier was simply a lack of general awareness about PFL.

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<sup>52</sup> 2011-13 Census Data, Non-English Speakers defined as respondents that selected No English or Speaks English Not Well.



- Participants noted that there were a number of existing channels that could be leveraged to provide PFL information to the Armenian community, including social media, which is reportedly used widely; community organizations, which participants stated were a significant piece of the Armenian community; churches, including Western Diocese, Catholic and Evangelical branches; Armenian TV channels and private schools. The Armenian community is characterized as tightly knit and participants believed that information about PFL would flow readily through the various channels.

### *Level II – Application Process*

- Focus group participants collectively agreed that the EDD PFL brochure and application was easy to read and provided relevant information. However, they noted that the EDD brochure was “uninviting.”

### *Level III – Preference*

- Focus group participants identified several cultural barriers that could limit PFL adoption by the Armenian community. Participants explained that the Armenian culture is a very private and proud culture that does not talk about their problems in their personal life. This may prevent people from seeking a replacement wage through PFL as it would be admitting that they are experiencing financial duress. They also noted that EDD has a particularly negative stigma attached to it, as it is seen as the government agency associated with disability and unemployment, which would prevent some from ever going to an EDD office or having any public contact with the department.
- Other stigmas mentioned were the gender stigma that a man should remain at work to provide for his wife and child rather than taking time off to spend with them.

However, participants noted that this stigma may be a generational issue and that this issue was not relevant to many younger Armenians.

## *Recommendations*

### *Level I – Awareness & Eligibility*

The lack of awareness was the most often mentioned issue preventing PFL use. To this end, there are several channels that EDD could pursue to increase awareness and education:

- Partner with various Armenian community-based organizations and nonprofits to share information regarding PFL for broad-based distribution.
- Establish a social media presence with web materials that can be easily shared with partnered organizations.

### *Level II – Application Process*

- There are no clear recommendations or areas in need of improvement in Level II from the Armenian participants. This segment would benefit from improvements to the overall application process as described in the General Recommendations section of this report.

### *Level III – Preference*

- Cultural stigmas, such as hesitance to admit the need for a replacement wage, a negative perception of EDD and the belief that husbands should not take time off of work are the biggest factors of concern for the Armenian community. Emphasizing the confidential nature of the PFL application is critical to adoption by the Armenian community.

**Chinese Population Segment**

**Overview**

This segment focuses on Chinese immigrants and descendants of Chinese immigrants who speak either Cantonese or Mandarin and are currently located in California. We went to San Francisco to find focus group participants to represent this population because San Francisco is one of three locations in California that have high concentrations of Chinese-speakers<sup>53</sup>.

**Methodology**

Method	Details	Comments
Key Informant Interviews	Conducted six key informant/stakeholder interviews	<ul style="list-style-type: none"> <li>Selected for expertise and/or in-depth involvement with user group</li> </ul>
Focus Groups	San Francisco (June 15) Income: Various Chinese	<ul style="list-style-type: none"> <li>Bilingual cultural brokers from the Chinese community</li> </ul>

**Findings**

*Level I – Awareness & Eligibility*

- Our research indicates that awareness is typically low in this population. Additionally, those who are aware of PFL often do not know significant details about the program or the information may not be entirely accurate. PFL is often confused with FMLA and Disability.
- Focus group participants report that the Chinese community will be more apt to think of using PFL primarily for bonding, because a new child is a happy event and thus people are much more likely to talk about it and increase awareness.
- Awareness of PFL use for care is lower than awareness of PFL use for bonding in the Chinese community. Increasing awareness will not be amplified via word of

<sup>53</sup> 2011-13 Census Data, Non-English Speakers defined as respondents that selected No English or Speaks English Not Well.

mouth the way it will for PFL use for bonding, because illness is culturally viewed as a negative and private topic.

- Focus group participants note that employees go to their employers for information on things like PFL and employers go to their Certified Public Accountants (CPAs). Employers and employees are interested and open to workshops or trainings on PFL, but they believe that these trainings would best be provided by an organization that is trusted in the Chinese community.
- Focus group participants note that there are no Asians or Pacific Islanders in the pictures on EDD's PFL pamphlet. Focus group participants also report that the pamphlet is overwhelming because there is too much text on the page. Participants would prefer a "road map" of the eligibility requirements along with some of the benefits highlights and then the opportunity to talk to someone for clarification as needed.
- Participants noted that some members of the Chinese community do not feel comfortable going online to find information. Focus group participants also note that Mandarin is not listed among the languages of EDD's PFL support phone lines.

### *Level II – Application Process*

- Focus group participants did report that it would be nice to have the PFL application forms in Mandarin and Cantonese, but that this would not be necessary, as the portion of the Chinese community that is not totally comfortable with English can always get a friend, neighbor, child, etc. to translate for them and walk them through the form.

### *Level III – Preference*

- Focus group participants report that culturally, members of the Chinese community are loyal and in tune to the needs of their employers. As such, they are hesitant to take time off of work because they know this will negatively affect their employer.
- Participants report that there is a stigma against taking time off work in the Chinese community.
- Focus group participants also note that the Chinese community tends to be entrepreneurial; as such they start up small businesses where FMLA does not apply. This makes concerns about job security more serious.
- Because taxes on the wage replacement rate are not taken out automatically, members of the focus group indicated some discomfort regarding extra tax liabilities that may not be foreseen. They would prefer to have taxes removed from each check, rather than have to pay the entire lump sum of taxes at the end of the tax cycle.
- The privacy of medical records and information was of concern to the focus group. Participants note that people may choose not to use PFL because they do not want others knowing about their family member's medical condition, or seeing their medical records. Our participants report that, culturally, health is considered a highly private topic.
- With respect to all of the barriers to PFL use that are particular to the Chinese community, focus group participants report that generations whose families have been in the United States longer are less likely to be impacted by those barriers than recent immigrants. As such, recent immigrants are less likely to use PFL.

## *Recommendations*

### *Level I – Awareness & Eligibility*

- To increase awareness within the Chinese community, EDD should consider plugging information about PFL into Chinese media channels, particularly newspapers and television stations. In addition to written and visual information about PFL, it seems important for EDD to conduct in-person or over the phone outreach to the Chinese community as well.
- Focus group participants suggested that EDD partner with a small business or nonprofit agency that is trusted within the Chinese community and conduct trilingual (incorporating Mandarin, Cantonese and English) PFL training workshops. These workshops should be done for the employers and CPAs of small companies, as well as the employers and Human Resources departments of large companies.
- EDD's current pamphlet could be improved by reducing the amount of information. Some of the unnecessary text could be replaced by a decision tree or "road map" that walks individuals through the eligibility requirements and gives them a fairly accurate idea of whether or not they will qualify for PFL. The fact that PFL can be used to take leave to care for a sick family member should be particularly emphasized on EDD's PFL pamphlet. The pamphlet should also be offered in Mandarin and there should be a picture of an Asian or Pacific Islander included on the PFL pamphlet.

### *Level II – Application Process*

- It would be helpful to have the application materials in Cantonese and Mandarin, but this is not critical, as members of the Chinese community that may not be totally confident in their English seem to have little trouble locating someone to help them complete English-only forms.

### *Level III – Preference*

- As previously mentioned, training workshops for supervisors, CPAs and HR professionals, are an efficient and effective means to reach much of the employed Chinese community.
- Brochures should be very clear that the illness/condition and medical records will be kept confidential. Specifically, the following sentence should be removed: “Notify your employer of the reason for taking leave,” as it implies that claimants have to divulge the nature of their claim to their employer and this may dissuade individuals from using PFL.

## ***Filipino Population Segment***

### ***Overview***

The Filipino community was targeted by EDD as a specific cultural and linguistic community to focus on for our research. Our focus group was conducted in San Francisco as the Bay Area has one of the largest populations of Tagalog speakers in California.<sup>54</sup>

### ***Methodology***

Method	Details	Comments
Key Informant Interviews	Conducted five key informant/stakeholder interviews	<ul style="list-style-type: none"><li>Selected for expertise and/or in-depth involvement with user group</li></ul>
Focus Groups	San Francisco (June 26) Income: Various Filipino	<ul style="list-style-type: none"><li>Bilingual cultural brokers from the Filipino community</li></ul>

### ***Findings***

#### ***Level I – Awareness & Eligibility***

- Based on our focus group, Filipinos in general are unaware of PFL.
- When asked where they would expect to learn about PFL, focus group participants stated that they would expect to hear from their employer. However, they continued to elaborate that Filipinos can also be very insular and turn to family for information. They also listed schools, hospitals, social media, churches, CBOs, local city or county agencies, CalWorks and Filipino media, TV shows in particular.
- Focus group participants stated EDD’s translated brochure was “archaic” and utilized terms and expressions that are not commonly used. One participant replied “It would be a lot easier for us to read it in English.”

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<sup>54</sup> 2011-13 Census Data, Non-English Speakers defined as respondents that selected No English or Speaks English Not Well.



### *Level II – Application Process*

- When asked if language barriers would present a barrier, respondents replied that Filipinos who were not fully conversant in English would not hesitate to ask questions of their peers or bring other family members to help or to translate the forms.

### *Level III – Preference*

- Job protection and the wage replacement rate were cited as potential barriers to PFL use. Respondents stated that 55% would be insufficient for many people and that it would be highly unlikely for both parents to apply for PFL for bonding, as a dual-pay cut would be difficult. Respondents also listed a hesitancy to take unprotected time off due to the struggling economy and the risk of losing their jobs.
- Focus group participants noted that there was an identified gender bias regarding use of PFL as women are generally the care providers.

## ***Recommendations***

### *Level I – Awareness & Eligibility*

The lack of awareness was the most often mentioned issue preventing PFL use. To this end, there are several avenues EDD should explore in order to increase awareness and education:

- Partner with Filipino CBOs as well as Filipino media outlets (including newspapers and TV) to share information regarding PFL for broad-based distribution.
- Establish a social media presence with web materials that can be easily shared with partnered organizations.

### *Level II – Application Process*

- EDD should consider creating tailored Filipino brochure featuring Filipinos in various images.

### *Level III – Preference*

- Though we noted that wage replacement rate is a key issue that may limit PFL use, we believe that making recommendations regarding this issue is out of the scope of this engagement.
- Though we noted that job protection is a key issue that may limit PFL use, we believe that making recommendations regarding this issue is out of the scope of this engagement.

## **Latino Population Segment**

### **Overview**

The culturally Latino market segmentation includes all individuals who self-identify as Latino or Latina. As such, this segment encompasses several distinct identities that can affect PFL usage within the context of the other factors unique to the Latino community. Identities may include male, female, LGBTQ, low, middle, or high income, age, naturalized citizen, citizen by birth, undocumented, fluency in English, or Spanish or both and different countries of origin.

### **Methodology**

Method	Details	Comments
Key Informant Interviews	Conducted 13 key informant/stakeholder interviews	<ul style="list-style-type: none"><li>Selected for expertise and/or in-depth involvement with user group</li></ul>
Focus Groups	Pasadena (June 4) Income: Under \$24K Did not use PFL Mothers Fathers Latinos (Spanish-Speakers)	<ul style="list-style-type: none"><li>Location selected for especially low rate of PFL use and high rate of Spanish-speakers</li><li>Low income selected to better understand income sensitivity</li><li>Spanish-speakers selected to better understand the degree to which language barriers impact PFL usage</li></ul>
Administered Surveys	Conducted five administered surveys with cultural brokers	<ul style="list-style-type: none"><li>Cultural brokers selected for their experience with various California Latino communities</li></ul>

### **Findings**

#### **Level I – Awareness & Eligibility**

- Awareness in this community is generally very low. The highest level of awareness occurs in biological mothers. Focus group participants that have heard about PFL report having gone primarily to hospitals, friends, employers and Human Resources Departments to find out about PFL.

- Cultural brokers report that word of mouth is the strongest means of disseminating information through the Latino community. That said, cultural brokers note that using nonprofit and grassroots organizations and Spanish-speaking radio and television, such as Univision, are excellent channels to “reach the masses,” so that they will then pass on the information via word of mouth. Churches are another avenue for disseminating information about PFL that cultural brokers bring up. However, they caveat this channel by noting that it may not be as useful now as it traditionally has been for reaching the entire Latino community. Outreach done through churches will be effective primarily only for reaching the older generations and may be less inclusive of recent immigrant populations (excluding young, recent immigrants).
- For all subpopulations of the Latino community, there is a preference for being able to talk to someone in person, over navigating a website. Cultural brokers also report that the community generally prefers phone calls over navigating a website, but that the ideal method of information dissemination is via in-person explanation/consultation.
- Awareness of PFL’s specific eligibility requirements is particularly low. One cultural broker noted that “making people aware they are eligible is tremendously important.” Even biological mothers in this community report not using PFL because they did not realize they were eligible. That being said, misconceptions about eligibility are more common among biological fathers, who, when they have heard of PFL, often believe it is only for biological mothers. It is more common still, for both men and women to be unaware that people with sick family members are eligible for the program so that they can provide care. Cultural brokers report that there is a cultural stigma against putting elder members of the community into “homes” thus the potential for use of the care side of PFL within the Latino community is quite high.

- Awareness of the specific benefits PFL provides is low. According to focus group respondents, conflating PFL, FMLA and disability leave is common as well. Cultural brokers and focus group participants report that there is confusion around whether or not PFL includes job protection, what exactly the wage replacement rate will amount to and where the money used as wage replacement comes from. This was noted to be a crucial issue, as there are cultural stigmas in the Latino community against taking ‘handouts.’ Unless it is made clear that PFL is not a handout, the common assumption is that it is.
- According to cultural brokers and focus group participants, EDD’s PFL pamphlet is not ideally suited to illicit the best results from the Latino community. Firstly, neither the Spanish, nor the English versions of the pamphlet are a sixth grade reading level. Secondly, the Latino community includes a Mayan population, part of which is not proficient in English or Spanish. As such, self-explanatory pictures on the PFL pamphlet would be helpful.

### *Level II – Application Process*

- The application process provides a barrier, though it is not as significant a barrier as lack of awareness is. This may be partly due to the fact that many people do not even get to the application process since awareness is so low. One cultural broker noted that the application process is “arduous and confusing and multifaceted.” Some will rather use their vacation time because the process is “too much of a hassle.” This opinion was reiterated by several other cultural brokers and focus group participants.
- Several cultural brokers and focus group participants note that there is a common misperception that the PFL application can only be completed online. They also point out that part of the Latino community relies on limited internet access, making online

- applications problematic. Based on focus group participant and cultural broker responses there seems to be a preference within the community to seek out information in-person, rather than navigate a webpage.
- Although the majority of the Latino population can speak, read and write in English, it is not their first language for many. Inasmuch, some are not comfortable having to fill out important documents in English, such as the PFL application. This becomes a compounded barrier for the undocumented portion of the Latino population. As this portion of the population is already scared to fill out any forms that might expose them as undocumented. If they are depending on someone else or a crosswalk to explain what information goes where on an application that they cannot read because it is in English, they will be faced with added uncertainty, which may be enough to dissuade them from using PFL.
  - Because applicants list health and financial information in the PFL application, many in this segment would rather not apply for the program as health and financial information are culturally considered very private. For non-native English speakers this is particularly problematic as many would not want their child or neighbor to be translating the application for them.
  - Cultural brokers report that a linguistic crosswalk is not ideal and can add complexity. Furthermore, cultural brokers find that the crosswalk is generally unnecessary because typically someone in the Latino community that feels the need to have help on the application because of a lack of confidence in his or her English skills would have an English-speaking friend or family member help them with the application.
  - Generally, cultural brokers indicate that members of the Latino community would feel more secure in having someone talk them through the application in Spanish rather

than trying to read the guide for completing the claim form. However, it would be preferable if the application were offered in Spanish.

### *Level III – Preference*

- The Latino community seems to be particularly sensitive to the wage replacement rate and fears (whether real or perceived) over job security. Like the general public, Latinos are increasingly more sensitive to the wage replacement rate as their socioeconomic status gets lower. Men also tend to be more sensitive to the wage replacement rate than women. Overall, sensitivity to the wage replacement rate seems to be higher than average in this community. Similar trends can be seen within this community in terms of fears over job security. Fears over job security are partially due to a lack of awareness of the way PFL interacts with FMLA, once respondents are aware they are also covered by the job protection of FMLA, fears about job security are often, but not always, placated.
- People in the Latino community generally do not feel comfortable talking with their bosses. Cultural brokers note the common ideas that community members want to avoid “making waves at work,” and that “asking for something at work” is seen as “a last resort.” To compound this issue, focus group participants note that employers will at times actively try to convince employees not to take PFL. The fears surrounding job protection are a more significant barrier for the portions of the community that are more recent immigrants to the United States.
- Latino culture tends to place high value on working. As such the idea that PFL is a ‘handout’ can give it a negative connotation which can dissuade potential users from even looking further into the program.
- Additionally bonding with a child or caring for a sick family member may be considered to be women’s work in several of the countries Latino immigrants come

from. As such this becomes a barrier which discourages Latino men from using PFL. This barrier is more or less significant depending on other factors, particularly age and the immigration wave of the individual or the individual's family. This barrier is most significant for young, male, recent immigrants, followed closely by recent immigrants of older generations and older generations who are less recent immigrants. This barrier is least significant for young, males whose family has been in the United States for several generations.

- Another barrier is the close-knit and interdependent nature of the Latino community. Generally speaking the community is accustomed to looking to their community network for help and support rather than to government programs. Furthermore, because their community and family ties are strong, there is always a family member or someone in the community who can help take care of a young child or sick family member and by relying on them instead of PFL, potential PFL claimants can continue to receive their full salary.

## ***Recommendations***

### *Level I – Awareness & Eligibility*

- There are multiple channels through which to raise awareness levels in the Latino community, including Spanish-speaking churches, radio stations and television stations, like Univision and Telemundo. In addition, there are a number of Latino grassroots organizations that EDD should reach out to for assistance to disseminate information about PFL.
- EDD should focus their message on clearly articulating eligibility requirements and providing a broad outline of the benefits that are included in PFL as opposed to FMLA and how FMLA related to PFL.



- EDD should improve its written material in both English and Spanish. Additionally, the presentation of information on EDD's website should be simplified and the language itself should be simplified to a sixth grade reading level.

### *Level II – Application Process*

- To reduce the impact of barriers related to the application process, EDD should emphasize the option to mail in the application in addition to the online option. Also, the application should be produced in a fully Spanish version.
- Cultural brokers noted that it is very important that all application materials be provided in Spanish. In addition, EDD used “self-explanatory pictures” wherever possible, as there is a large population of Mayan Latino immigrants who may neither speak English nor Spanish with fluency. Cultural brokers also report that communication through images would also be very beneficial to the portion of the population that is not completely literate.

### *Level III – Preference*

- In order to reduce the perception that PFL is a ‘handout’ EDD should include information in pamphlets and other materials that clearly states that the money a claimant receives each month is money that the claimant had previously paid into the system.
- The use of intermittent leave should be emphasized as an option, particularly for individuals who are concerned about the reduced wage replacement rate, as intermittent leave could allow for individuals to keep their weekly income a little higher.

## ***Punjabi Population Segment***

### ***Overview***

The culturally Punjabi population segment includes all individuals who self-identify as Punjabi. As such, this segment encompasses several distinct identities that can affect PFL usage within the context of the other factors unique to the Punjabi community.

### ***Methodology***

Method	Details	Comments
Key Informant Interviews	Conducted eight key informant/stakeholder interviews	<ul style="list-style-type: none"><li>Selected for expertise and/or in-depth involvement with user group</li></ul>
Administered Surveys	Conducted 5 administered surveys with cultural brokers in various California Punjabi communities	<ul style="list-style-type: none"><li>Cultural brokers selected for their experience with various California Punjabi communities</li></ul>
Focus Groups	Fremont (July 9) Income: Various Culturally and Linguistically Punjabi	<ul style="list-style-type: none"><li>Participants were bilingual cultural brokers for the Punjabi community in California</li></ul>

### ***Findings***

#### ***Level I – Awareness & Eligibility***

- Our research indicates that awareness in this community is generally very low. Not only is there a lack of awareness of specific eligibility requirements and benefits, but there is also a lack of even general knowledge of PFL. Cultural brokers and focus group participants report that the Punjabi community is very insular and will generally not accept an outside program, particularly a government program, until someone within the community has “vouched for” that program.
- Cultural brokers and focus group participants report that they expect to find information about PFL through the following key sources:

- Employers and Human Resources departments;
  - Punjabi specific media, particularly radio and newspapers;
  - Friends and family;
  - Community base organizations; and
  - Gurdwaras (Sikh Temples)
- Focus group participants indicated that it was exceptionally important for PFL material to be provided in Punjabi, as this builds trust and respect for the program within the Punjabi community. Participants pointed out that it is very difficult to translate from English to Punjab, but that they were impressed with EDD's effort. Focus group participants added that including images of Punjabi would increase the effectiveness of the brochure within their community.
  - Focus group participants indicated that there are two large communities of Punjabi: one from India and the other from Pakistan. Though they share a common spoken language, the written language is not compatible. EDD's pamphlet is written in the Indian Punjabi script and would not be useful to those Pakistani Punjabis.

### *Level II – Application Process*

- The application process does not appear to be a significant barrier to this segment. Although, cultural brokers report, it would be nice to have the application and other forms in Punjabi, this is not necessary because the majority of the Punjabi community is either bilingual or can get help from someone who is.

### *Level III – Preference*

- The Punjabi community seems to be no more or less impacted by concerns about the wage replacement rate than average and these concerns increase as the household income level decreases.

- Job security is a concern for people in the Punjabi community, particularly for those who are in the country on a work visa. This concern does not decrease very much, even with an increased income. Because employer must sign-off on processing their immigration paperwork, some may take advantage of those who are in the US on visas, such as the H-1. Employers sometimes use employees' immigration status as leverage to sway employees not to take leave or to work extra hours. Focus group participants pointed out that experiencing this kind of pressure from an employer is likely not unique to the Punjabi community.
- Focus group participants reported that the culture is very hierarchical and patriarchal and employers are held with esteem. As such, Punjabi employees are reluctant to question and/or advocate for their own rights.
- The Punjabi community in California has become very insular. As such, utilizing a cultural broker is critical to communicating with the community in general.
- The Punjabi community is particularly tied to its elderly. Inasmuch, using PFL for care may be of particular interest to the community.

### ***Recommendations***

#### ***Level I – Awareness & Eligibility***

- A Gurdwara is a Sikh Temple. These temples are both places of worship and community centers for the Punjabi community. Gurdwaras are a natural place to provide information on programs such as PFL to the Punjabi community. However, focus group participants noted that it is critical to utilize a recognized cultural broker to communicate.
- Participants added that the Punjabi community listens to Punjabi radio and reads Punjabi newspapers frequently. Participants also noted that although the Punjabi newspapers are more popular among older rather than younger generations, the

younger generations will still hear about what they might have missed in the newspaper or radio that day, as those are prime topics of conversation among friends and family members.

### *Level II – Application Process*

- Because awareness is so low in the Punjabi community, we do not have sufficient data to make recommendations for how better to reach the Punjabi population within the context of the application process. Cultural brokers mention that it would be nice to have the application in Punjabi, but they also say that the vast majority of the community is either bilingual or can get help from someone who is.

### *Level III – Preference*

- In order to overcome the culturally informed barriers that the Punjabi community faces, EDD should make sure to promote PFL through members of the community who can ‘vouch’ for the program.
- As with all communities, one of the easiest and most effective ways to decrease fears over job security is to include information about FMLA and how it relates to PFL in presentations, public service announcements, pamphlets and so on.
- Providing training sessions to employers, HR professionals and community based organizations in which employee empowerment is emphasized will likely help inform the business and Punjabi communities generally of workers’ rights.
- In these workshops and sessions, it is also very important to let employers and those who will come in contact with employees know that PFL can be taken intermittently, as this is usually a compromise that works better for both the employer and the employee. If the employer is more supportive of PFL, Punjabi employees are much more likely to feel comfortable taking PFL.

- Developing material focusing on care and various uses of care may be of particular interest to the Punjabi communities.

# Vietnamese Population Segment

## Overview

The culturally Vietnamese market segmentation includes all individuals who self-identify as Vietnamese. As such, this segment encompasses several distinct identities that can affect PFL usage within the context of the other factors unique to the Vietnamese community. Identities such as: male, female, LGBTQ, low, middle, or high income, age, naturalized citizen, citizen by birth, fluency in English, Vietnamese or both.

## Methodology

Method	Details	Comments
Key Informant Interviews	Conducted four key informant/stakeholder interviews	▪ Selected for expertise and/or in-depth involvement with user group
Focus Groups	San Jose (June 25) Income: Various Vietnamese	▪ Cultural brokers selected for their experience with various California Vietnamese communities

## Findings

### Level I – Awareness & Eligibility

- Our research indicates that general awareness of PFL is quite low in the Vietnamese community. Awareness of PFL eligibility requirements, benefits and the relationship between FMLA and PFL is lower still. Focus group participants indicate that community members expect to hear about PFL and programs like it from the following key sources:
  - Employers/HR departments;
  - Friends and family;
  - Vietnamese media, particularly radio and newspaper; and

- Community base organizations.
- Language competency is of particular importance to the Vietnamese community. Materials should be produced in Vietnamese. Participants note that the Vietnamese translations of the EDD PFL pamphlet are misleading. According to participants “Paid Family Leave” has been translated as the equivalent of “get money to stay home” in the Vietnamese version of the EDD PFL brochure. Several reported that the pamphlet reminds them of the schemes to “get easy money” that one might see on television. This, participants point out, can lead to suspicion of the program.
- Participants also report that it is most important to include information about PFL’s benefits in the pamphlet.

#### *Level II – Application Process*

- Although lack of awareness is probably a more prevalent barrier to PFL use within the Vietnamese community, the application process also poses a significant challenge as well. Focus group participants note that having the application in Vietnamese is very important. Participants report that members of the Vietnamese community will generally look to the younger generations for help when they cannot complete a form due to language barriers. Participants also report that many members of the Vietnamese community may feel apprehension over having to speak English at a government office. This apprehension can be strong enough, participants report, to dissuade individuals from pursuing a program application because of their worry that there will not be anyone available to speak to them in Vietnamese.
- The use of a cultural broker also appears to be important. It should be noted that the County of Santa Clara is currently developing a means to leverage cultural brokers to more effectively provide social services to its Vietnamese community.



### *Level III – Preference*

- Job protection is a critical factor influencing PFL use. Focus group respondents report that it often does not matter whether the employer actually has malicious intent or not, employees from the Vietnamese community will be afraid to even ask their boss about taking time off because they worry that it will negatively impact their job.
- Focus group participants indicate that earning trust is important to the Vietnamese community and that this is ideally done through devoting personal time.

### *Recommendations*

#### *Level I – Awareness & Eligibility*

- Participants believe that EDD would most successfully reach the Vietnamese population by working with Vietnamese community based organizations to offer workshops or presentations about PFL at community centers and community events. Participants note that it is highly important that presenters be bilingual community members.
- Vietnamese rely on print media to communicate events and programs through the community. EDD's outreach plan should have a print media component.
- EDD should update their language specific brochures. The brochures should be tested with members of the community.

#### *Level II – Application Process*

- EDD should consider providing the PFL application fully in Vietnamese to help combat issues related to the language barrier, which was noted as a significant issue by focus group participants.

### *Level III – Preference*

- Training employers to know about PFL and talk about it with their employees can help improve rates of usage within the Vietnamese community. Focus group participants report that if the message that PFL is beneficial comes from their employer, then they are much more likely to believe that it is safe for them to take PFL and thus much more likely to participate in the program. Additionally, making sure that FMLA is discussed whenever PFL is discussed is important, as this shows employees that (for most) their job is protected by law. Lastly, it is important to emphasize that the PFL wage replacement comes from the claimant's insurance deductions, as opposed to the government or the claimant's employer.
- Focus group participants also report that if PFL is emphasized as the employee's right in the PFL Pamphlet and other means of outreach, this will increase the likelihood that community members will take advantage of the program. Participants specifically note that, "this makes people feel more comfortable, so they don't feel like their boss is doing them a favor."

## ***LGBTQ Population Segment***

### ***Overview***

This segment focuses on the Lesbian-Gay-Bisexual-Transgender-Queer-Questioning (LGBTQ) population. This broad population is unique because of its evolving levels of legal and societal acceptance and because of its cross cutting nature. LGBTQ encompasses each of the market segments as well each of the ethnic population groups that we have researched.

We have a limited understanding of usage levels for the population because LGBTQ status is not reported and proxies such as language preference or surname do not apply. While the relationship of Registered Domestic Partner often applies to LGBTQ individuals, since in 2013 California has recognized LGBTQ marriages so many are now recognized as Spouses. Additionally, data on the number of LGBTQ individuals in the population is often limited because of challenges involved in surveying a population that is often not comfortable revealing itself.

### ***Methodology***

Method	Details	Comments
Key Informant Interviews	Conducted four key informant/stakeholder interviews	<ul style="list-style-type: none"><li>Selected for expertise and/or in-depth involvement with user group</li></ul>
Focus Groups	Sacramento (June 22) Income: Various LGBTQ	<ul style="list-style-type: none"><li>Individuals in the focus group were selected for their expertise as cultural brokers for the LGBTQ population</li></ul>

### ***Findings***

#### ***Level I – Awareness & Eligibility***

- Awareness is typically very low in this population even though they may have need for both care and bonding components of PFL.

- Focus group participants note that the channels they expect to find information about PFL through are employers, HR professionals, friends and family, LGBTQ centers, gender health centers or clinics and online. Online channels are important for the LGBTQ population because parts of the population feel uncomfortable talking to people they have never met before about their personal relationships, particularly when this reveals that they are part of the LGBTQ community.
- LGBTQ individuals who are not “out” may be less inclined to apply to PFL due to fear of being “outed.” It should be noted that there are many LGBTQ individuals who are out in their personal lives, but not out in their professional lives.
- Focus group participants noted that EDD’s PFL brochure is not linguistically or culturally competent. The images should clearly and unambiguously portray a LGBTQ community member or members. Moreover, the pamphlet should include elements to reinforce that LGBTQ’s eligibility and rights to use PFL.
- Focus group participants noted that LGBTQ community members disproportionately work at smaller organizations that do not have dedicated human resources personnel to help them become aware of PFL or answer their questions concerning PFL.
- Focus group participants also noted that eligibility poses a particularly significant barrier. This is in part due to the fact that many LGBTQ individuals are not married or in registered domestic partnerships, so they may not be eligible for bonding and care claims. Focus group participants report that even those (LGBTQ individuals) who are eligible for this program, are apt to assume that they may not be eligible.
- On the second page, in the Paid Family Leave Benefits application, the last sentence reads: “**Note:** Registered domestic partners must meet requirements and register with the California Secretary of State to be eligible for benefits.” Focus group

participants noted that this appears to imply that LGBTQ individuals will be subjected to more strenuous requirements and standards in order to use PFL than heterosexual individuals will.

### *Level II – Application Process*

- There should be at least a third gender option that is inclusive and culturally sensitive. The use of ‘other’ and ‘unknown’ were specifically identified as offensive.
- Participants were openly upset by the implications of paragraph two on page two of the application pertaining to disclosure HIV/AIDS diagnosis. While the participants understood the purpose of the language, they pointed out that the statement is worded in a way which does not explain the purpose.
- Participants report that paragraph three of page two of the application packet implies that their information is not completely confidential. This may cause individuals to choose not to complete the application process.

### *Level III – Preference*

- The LGBTQ population as a whole is highly sensitive to fears over job security. The population is also sensitive to the wage replacement rate.

## ***Recommendations***

### *Level I – Awareness & Eligibility*

- Awareness can certainly be increased by coordinating with LGBTQ organizations and centers to inform their memberships about PFL.
- All PFL marketing should be designed to demonstrate that LGBTQ individuals are welcome in the program, so that no matter what population is being spoken to the LGBTQ individuals (who may or may not be ‘out’) within that population can see that

- they will not be discriminated against and know how the PFL eligibility applies in the context of the relationships they may have.
- A variety of changes to the literature would help communicate with LGBTQ individuals.
    - Adding at least one image that is clearly an LGBTQ couple, ideally a couple with a child would clearly demonstrate that the program includes LGBTQ individuals. The couple should be clearly of similar ages and look sufficiently different so they cannot be confused for two relatives.
    - The pamphlet should explicitly state that EDD does not discriminate on the basis of race, color, religion, creed, sex, sexual orientation, gender identity, national origin, ancestry, disability or other protected status. While mainstream populations may find this perfunctory, as the LGBTQ population considers this an important statement of acceptance.
    - One specific wording issue was noted. On the second page, in the Paid Family Leave Benefits for California Workers section, the last sentence reads: “**Note:** Registered domestic partners must meet requirements and register with the California Secretary of State to be eligible for benefits.” This note implies that there are *additional* requirements that registered domestic partners must comply with.

### *Level II – Application Process*

- The application process should be edited to be more inclusive of the LGBTQ population, particularly the data gathering sections. Focus group participants report that when forms are made to be inclusive this makes LGBTQ individuals much more likely to continue with the application process, because this is a strong indicator to members of this community that the program will not be discriminatory. This is not

always enough to convince individuals that they will be safe from discrimination and retribution, but as focus group participants reported, “it is better than nothing.” The following, are specific sections of PFL’s sample application packet that are not best suited to the LGBTQ population.

- Demographic data should be collected on an attachment sheet and should be optional, much like some universities collect demographic data. Additionally, there should be a short explanation as to why EDD wants this demographic data (i.e. to better understand and serve the potential PFL population).
- If gender data is to be collected, three gender options should be listed.

### *Level III – Preference*

- EDD should emphasize the confidentiality of the information contained in a PFL claim, most importantly, that the relationship between the claimant and the child or person needing care is confidential. This confidentiality meaningfully reduces the likelihood that an LGBTQ person (who is not currently out at work) will be outed by applying for PFL.

## 8. Conclusion

Over the past 11 years, EDD developed a first in the nation leave program that has enabled over two million Californians to bond with their new children or to take care of ill family members. The benefits of the program are clear as noted in existing literature and others are, once again, following California's lead. New Jersey, Rhode Island and Washington have already adopted variations of California's PFL program and there is discussion at the federal level to develop a program nationally.

As the program is entering its second decade of operations, EDD is seeking to better ensure that all qualifying Californians who could benefit from the program are aware of its availability.

In summary, the market research identified general trends that exist in each level of factors influencing PFL use. Findings include:

- PFL clearly benefits those who use the program.
- There are means to improve access and utilization through education and marketing efforts.
- There are numerous channels that can be cost-effectively utilized to reach the user groups and populations that are most likely to benefit from PFL.
- There are key messages that can be used to address concerns about PFL use to these key market segments.
- Though usage is up, awareness is generally low across most populations, including basic knowledge and understanding/comprehension of the program, and eligibility.
- Most potential users have difficulty ascertaining eligibility due to the confusion between PFL and FMLA, and the minimal information available in existing literature about how the programs can be coordinated.



- Most populations report challenges with the application process both on paper and online, with the exception of biological mothers.
- Both low and high income participants cite job protection and the partial wage replacement rate as important considerations that are weighed against current financial obligations which may lead to reasons why they may not have considered using the PFL program, if they were aware of the program and eligible to apply for benefits.
- Other reasons individuals may choose not to use PFL vary across specific user and population groups

It is our hope that the findings and recommendations contained in this report help EDD as it moves forward to provide PFL benefits to qualified Californians as it begins its second decade of operations.

For additional details please review the Paid Family Leave (PFL) Market Research APPENDIX:  
[http://edd.ca.gov/Disability/pdf/PFL\\_Market\\_Research\\_APPENDIX.pdf](http://edd.ca.gov/Disability/pdf/PFL_Market_Research_APPENDIX.pdf)