

## Fairer Maternity Leave for NICU Babies Project Plan:

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**Context:** 'No-regret' recommendation from the Neosphere Conference (Stanford University) in October 2024

### Workstreams:

1. Form a core team and assign roles and meeting schedule up to Neosphere 2025 Conference
2. Understand policy recommendations (timing, funding mechanism, scope etc)
3. Outreach to FACs at each NICU for a letter of support
4. Start Change.org petition to show widespread support for initiative
5. Create a website with basic information and links to key organizations or Change.org petition
6. Identify influencers / celebrities who could support this initiative
7. Identify media / journalists to explain petition and policy advocacy
8. Identify key officials at the State who could champion this policy:
  - a. State Legislature
  - b. State Health
  - c. Executive Level

Here's a draft of the brief for the Governor of California on a fairer maternity policy for mothers with children in the NICU:

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# Policy Brief: Fairer Maternity Leave for Mothers with NICU Babies in California

## Issue Summary:

California's current maternity leave policies do not adequately account for mothers whose newborns require extended stays in the Neonatal Intensive Care Unit (NICU). Standard maternity leave begins at birth, leaving many mothers to exhaust their leave before their child is healthy enough to come home. This places financial, emotional, and physical stress on families, disproportionately impacting mothers of premature or medically fragile infants. A more equitable policy would extend or pause maternity leave during NICU stays, ensuring parents can care for their newborns without additional hardship.

## Proposed Policy Solution:

- Extend or pause maternity leave for mothers with newborns in the NICU for the duration of the hospital stay, up to an additional 12 weeks.
- Ensure job protection and continued wage replacement through California's Paid Family Leave (PFL) and State Disability Insurance (SDI).
- Provide automatic eligibility for an extended benefit for mothers whose infants require hospitalization beyond standard postpartum recovery time.
- Establish state-supported insurance mechanisms to offset employer costs and minimize business disruptions.

## Estimated Impact:

- In California, approximately **48,000-54,000 babies** (11-13% of births) require NICU care annually.
- Around **17,500-22,500** mothers could benefit directly from this policy each year, particularly those whose infants have prolonged NICU stays (over two weeks).
- This would especially aid low- and middle-income families, who are less likely to have employer-sponsored extended leave options.

## Projected Costs:

- **State Paid Family Leave (PFL) Costs:** If the policy extends state-supported PFL benefits for an additional **6-12 weeks per affected mother**, estimated annual costs could range from **\$90-\$250 million**, assuming an average weekly benefit payout of \$900 (70% wage replacement up to the cap).
- **Insurance Costs to California:** If funded via SDI payroll contributions, minor adjustments (0.05-0.1% increase) may be needed in SDI contributions to sustain the expansion.
- **Business Costs:** Employers may experience short-term productivity challenges but benefit from reduced turnover and improved employee retention.

## Key Benefits:

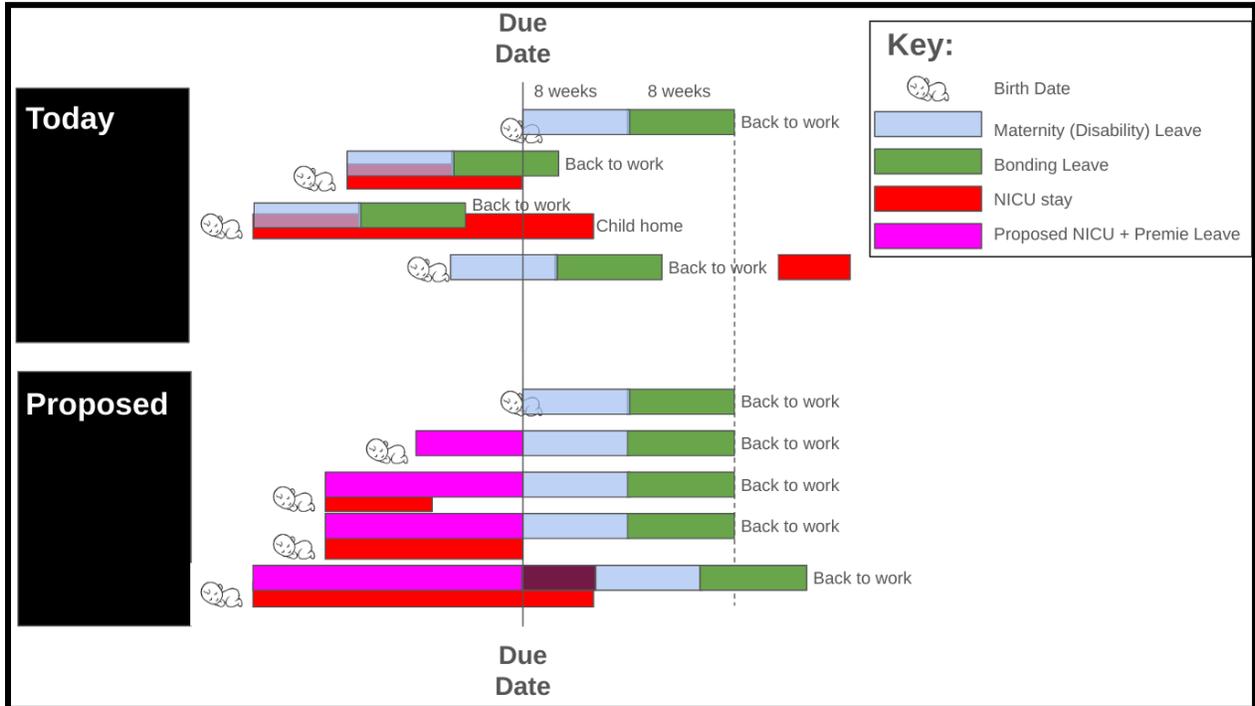
- **Equity & Fairness:** Ensures that mothers with NICU babies receive equal maternity leave benefits, preventing early return to work due to exhaustion of leave.
- **Health & Economic Stability:** Reduces maternal stress, improving health outcomes for both mothers and infants, while preventing financial hardship.
- **Workforce Impact:** Retains female workforce participation, reducing long-term economic disadvantages for working mothers.
- **Long-Term Savings:** Potential reduction in long-term healthcare costs associated with premature birth complications, which cost the U.S. over **\$26 billion annually**.

**Conclusion & Recommendation:**

Implementing a fairer maternity leave policy for NICU mothers aligns with California's leadership in progressive family policies. Given the manageable cost implications and significant societal benefits, the state should explore legislative action or an executive order to extend leave protections for affected families.

## Appendices

### Cost Calculation Details & Operational Framework



The cost estimate for the proposed NICU maternity policy is based on several factors:

#### 1. Number of Births & NICU Cases in California

- California records approximately **400,000-420,000 births per year**.
- Roughly **11-13% of newborns require NICU care**, meaning **48,000-54,000 infants** per year.
- Approximately 10-12% of these NICU admissions are for very low birth weight infants (VLBW: 1,500 gram or less) and 28-30% are for low birth weight (LBW: 1,501-2,500 gram).
- Not all NICU stays are prolonged, so we estimate that **35-45% (17,500-22,500)** of these cases involve stays longer than **2 weeks** (qualifying for extended maternity benefits). Median NICU stays for VLBW and LBW are 60 days and 20 days, respectively, while median NICU stay for newborns more than 2,500 gram is 7 days.

#### 2. Current State Support for Maternity Leave

- Under California's **State Disability Insurance (SDI)** and **Paid Family Leave (PFL)** programs:
  - Birth mothers receive **4 weeks before birth + 6 to 8 weeks post-birth** (disability leave).
  - They then qualify for **8 weeks of Paid Family Leave (PFL)** for bonding.
- Fathers and non-birth parents can take up to **8 weeks of bonding leave** under PFL.

#### 3. New Policy Structure & Costing pause or extend leave for mothers with NICU babies

- The extension could range from **6 to 12 additional weeks**, depending on NICU stay duration.
  - The **current weekly benefit** under SDI/PFL is **70% of wages (up to a cap of ~\$1,620/week)**, with most recipients getting **~\$900/week**.
  - Assuming 15,000-20,000 affected mothers need an average of **6-12 additional weeks of paid leave**, the cost estimate is:
4. **Low Estimate (6-week extension per mother)**  
 17,500 mothers × 6 weeks × 900 dollars/week = \$94.5M
- High Estimate (12-week extension per mother)**  
 22,500 mothers × 12 weeks × 900 dollars/week = \$243M
- Thus, the **annual estimated cost ranges from \$90 million to \$250 million.**
5. **Funding Mechanism & Payroll Impact**
- California’s Paid Family Leave is funded through a **0.9% payroll tax** on wages (SDI contributions).
  - A modest increase of **0.05% to 0.1% in SDI contributions** could cover this policy, ensuring minimal impact on employers or state funds.

## Operational Framework: When Does Maternity Leave Start?

To ensure fairness, this policy could establish **two key principles**:

1. **Maternity Leave Begins Based on Due Date, Not Birth Date**
  - Currently, maternity leave starts at the **actual birth date**, meaning mothers of premature babies lose weeks of leave while their infant remains hospitalized.
  - Instead, the **proposed policy would align paid maternity leave with the due date**, ensuring mothers do not lose leave if their baby is born prematurely.
2. **NICU-Based Extension for Prolonged Hospitalization**
  - If a baby remains hospitalized beyond **the standard recovery period (6-8 weeks postpartum)**, the **mother's paid leave would pause** until the baby is discharged.
  - Alternatively, an **automatic extension (6-12 weeks based on NICU stay duration)** would provide additional paid leave.

### Example Scenarios:

Scenario	Current Policy	Proposed Reform
<b>A) Baby Born at 40 Weeks (Full-Term)</b>	Standard 6-8 weeks Maternity Disability Leave + 8 weeks Bonding Leave	No change
<b>B) Baby Born at 35 Weeks (5 Weeks Premature with 1 week in NICU)</b>	6-8 week Maternity Disability and 8 weeks Bonding Leave starts at <b>birth</b> , leaving Birth	Maternity and Bonding Leave starts at <b>Due Date</b> . Means that even if child is

	Mother potentially up to 5 weeks less time at home if child is premature or in NICU	discharged from NICU before Due Date, Birth Mother has <b>5 Weeks paid leave support</b> , especially if child requires additional care at home before Due Date.
<b>C) Baby Born at 27 Weeks (13 Weeks Premature with 8 Weeks in NICU)</b>	6-8 week Maternity Disability Leave starts at <b>birth</b> and is already exhausted before baby is home from NICU. Only 8 weeks Bonding Leave remaining for a potentially sick and recovering baby.	<b>Additional 13 Week paid leave</b> for premature birth before <b>Due Date</b> . Means 6-8 week Maternity Disability Leave and 8 Week Bonding Leave at Due Date when child is home.
<b>D) Baby Born at 27 Weeks but Medical Complications so 16 Weeks in NICU (13 Weeks Premature with 16 Weeks in NICU so 3 weeks after Due Date)</b>	6-8 week Maternity Disability Leave and 8 week Bonding Leave starts at <b>birth</b> and is already exhausted before baby is home from NICU. So of 16 weeks Maternity + Bonding leave, 16 weeks in NICU, meaning no more leave with a potentially ill child on day of discharge home.	<b>Additional 16 week paid leave</b> for NICU stay and Premature duration before <b>NICU Discharge Date (16 Weeks)</b> . Means 6-8 week Maternity Disability Leave and 8 Week Bonding Leave at <b>NICU Discharge Date</b> (i.e. after Due Date) when child is home and family can support a potentially more ill child.

This ensures **no mother loses bonding time with their child due to premature birth or medical complications.**

## International, State and Corporate examples of this policy

Several countries and regions have implemented policies that provide extended maternity or parental leave for parents with newborns requiring Neonatal Intensive Care Unit (NICU) stays. Here's an overview:

### International Examples:

- **United Kingdom: The Neonatal Care (Leave and Pay) Act 2023**, set to be enforced from April 6, 2025, grants parents up to **12 weeks of additional paid leave** if their

newborn requires neonatal care for more than seven continuous days within the first 28 days of life. This leave is supplementary to existing parental leave entitlements<sup>1</sup>.

- **Canada:** The **Parents of Critically Ill Children** benefit offers up to **35 weeks of additional benefits** for parents whose babies are born preterm or are critically ill, necessitating ongoing parental care or support<sup>2</sup>.
- **New Zealand:** The government provides a **preterm baby payment**, allowing parents of babies born before 36 weeks gestation to access additional leave payments, with the duration depending on the gestational age at birth, up to a maximum of 13 weeks<sup>3</sup>.
- **Croatia and Finland:** These countries allow for **extensions of maternity leave** in cases of premature births or when newborns are unwell, ensuring parents have the necessary time to care for their infants.<sup>4</sup>

### United States Context:

While the U.S. lacks a federal mandate for paid parental leave, several states have instituted their own programs. However, specific provisions for extended leave due to NICU stays are not uniformly addressed<sup>5</sup>:

- **California:** Offers up to **8 weeks of Paid Family Leave (PFL)** for bonding with a new child. Nonetheless, current policies may not adequately support parents of preterm infants requiring extended hospitalization, leading to potential gaps in coverage.
- **Other States:** States like **New Jersey, Rhode Island, New York, and Washington** have implemented paid family leave programs. While these programs provide paid leave for new parents, they may not have specific provisions addressing extended NICU stays.

### Corporate Initiatives:

Some companies have proactively introduced NICU leave policies to support employees<sup>6</sup>:

- **Sony:** Offers up to **26 weeks of NICU leave** for employees, acknowledging the unique challenges faced by parents with newborns in intensive care<sup>7</sup>.
- **Deloitte:** Plans to provide **26 weeks of fully paid parental leave** for both new mothers and fathers starting next year, including provisions for those with newborns needing neonatal care<sup>8</sup>.

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<sup>1</sup> <https://neu.org.uk/latest/library/support-parents-babies-neonatal-care>

<sup>2</sup> <https://pursuit.unimelb.edu.au/articles/parents-of-premature-babies-are-being-left-behind>

<sup>3</sup> <https://pursuit.unimelb.edu.au/articles/parents-of-premature-babies-are-being-left-behind>

<sup>4</sup> <https://www.unleash.ai/compensation-and-benefits/five-companies-offering-paid-neonatal-leave/>

<sup>5</sup> <https://www.houstonchronicle.com/politics/texas/article/teachers-parental-leave-pay-20179767.php>

<sup>6</sup> <https://absencesoft.com/resources/the-competitive-edge-of-compassion-how-nicu-leave-can-transform-our-leave-program/>

<sup>7</sup> <https://absencesoft.com/resources/the-competitive-edge-of-compassion-how-nicu-leave-can-transform-our-leave-program/>

<sup>8</sup> <https://www.thetimes.com/business-money/companies/article/deloitte-to-offer-equal-parental-leave-kjtq7tbbt?region=global>

These examples highlight a growing recognition of the need for extended parental leave policies to support families during critical times, particularly when newborns require specialized medical attention.