THE IMPACT OF PAID-LEAVE:
EVIDENCE FROM TEMPORARY DISABILITY INSURANCE
IN RHODE ISLAND

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ABSTRACT

Temporary disability insurance (TDI) provides income benefits to workers recovering from short-term injuries or other health conditions (including pregnancy). Despite widespread interest in paid leave programs such as TDI, there is little causal evidence on whether TDI has positive impacts on economic security, health or the well-being of children and dependent family members. This paper exploits income eligibility thresholds to provide regression-discontinuity estimates of the effects of TDI. We use comprehensive administrative data to estimate impacts of threshold crossing on a wide range of outcomes for participants, including measures of labor market activity, social safety net participation and health outcomes. We find that threshold crossing causes additional subsequent TDI use. We find no significant impacts on any other measure of family health, well-being or economic security for TDI taken due to mental injury, physical injury or pregnancy and postpartum recovery.