

**Statement for the Record Submitted to  
U.S. House of Representatives Ways & Means Committee  
“In Their Own Words: Paid Leave, Child Care, and an Economy That Failed Women”  
April 21, 2021  
On behalf of  
Susan Neely, President and CEO  
The American Council of Life Insurers**

Mr. Chairman and Members of the Committee, on behalf of the American Council of Life Insurers (ACLI), we thank you for the opportunity to submit for the record our views on the urgency around paid family and medical leave solutions in our country.

Personal testimonies of the hardship caused by the need for childcare and the lack of access to paid leave are all too familiar. Each of us can probably think of someone in our lives who has their own story about the stress and burden they have carried as they attempt to take time off from work, arrange childcare, or budget for caregiving expenses. We thank today's participants for speaking out on behalf of the thousands of American families they represent.

The COVID-19 pandemic has highlighted the gaps in the national framework for wage replacement, particularly for women. Nearly 40% of women had some sort of life event during the pandemic that impacted them financially. The pain of a lost paycheck for families is profound and immediate, and it also holds long-term financial consequences. On average, women lose over \$300,000 in wages, social security benefits, and retirement plan benefits over a lifetime because they took time off from work to provide care to a family member. The financial impact because of caregiving decisions today can compound the stress and detriment of women later on in life as they reach retirement age.

There is a void in our country when it comes to paid family and medical leave, and the time to make changes to the way our country values and supports caregivers is now. Whether it's childbirth, adoption, a family health crisis, or a worker's own health crisis, workers shouldn't have to choose between their paycheck and their loved ones. ACLI agrees that our country needs a meaningful solution, a permanent solution, and an accessible and affordable solution for paid family and medical leave.

**American Council of Life Insurers | 101 Constitution Ave, NW, Suite 700 | Washington, DC 20001-2133**

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The American Council of Life Insurers (ACLI) is the leading trade association driving public policy and advocacy on behalf of the life insurance industry. 90 million American families rely on the life insurance industry for financial protection and retirement security. ACLI's member companies are dedicated to protecting consumers' financial wellbeing through life insurance, annuities, retirement plans, long-term care insurance, disability income insurance, reinsurance, and dental, vision and other supplemental benefits. ACLI's 280 member companies represent 95 percent of industry assets in the United States.

Through my role as CEO of ACLI, I know that America's life insurance companies are actively engaged in supporting families with paid family and medical leave. Currently, over 40 percent (62.7 million) of all civilian workers are provided paid medical leave under their employers' short-term disability plan and half of civilian workers in a union have access to short-term disability benefits. Short-term disability plans provide paid leave when employees are unable to work due to a medical condition and increasingly paid family leave benefits are being added to employees' benefit choices.

In addition to paid leave claims management, ACLI members also help employers and their workers navigate their paid leave experience with return to work programs, absence management tracking and coordination, and assuring compliance with existing leave requirements at the federal, state and local level. Disability income (DI) insurance carriers pay over \$20 billion in paid leave claims per year, and the average processing time for a claim is 13.5 days.

Importantly, we know the individuals and families who hold these benefits appreciate and value them. We believe we can do more to put paid family and medical leave benefits in the hands of more American families as they seek to take time off from work to care for their own medical needs or those of an ailing loved one, or to welcome a new child into their home.

We're listening very closely to the voices featured in this hearing today. They demonstrate two critical points: the caregiving needs in this country are widespread, and American families are disproportionately impacted based on their gender, race, employment status and socio-economic status.

All families deserve the certainty of knowing they can take time off from work to care for their family without then facing an economic hardship. The need for action is clear, and an historic opportunity exists for the public and private sector to work together on this issue. America's life insurance companies stand ready to meet the moment as the nation works collectively toward comprehensive answers that enable Americans to achieve financial security throughout their life.