

ADVANCING INFANT HEALTH THROUGH FINANCIAL SECURITY: CONNECTING THE DOTS BETWEEN PAID LEAVE AND CHILD TAX CREDITS



INDIANA
COMMUNITY ACTION
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AGENDA

▶	Introduction	01
▶	Policy Introduction & Overview	02
▶	Play a game	03
▶	Dicussion	04

▶	Benefits and Impact	05
▶	Incremental Steps	06
▶	Conclusion	06

Paid Family Medical Leave & Child Tax Credit

INTRODUCTION

01

What is it?

02

What's happening nationally?

03

What's happening in Indiana?



PAID FAMILY MEDICAL LEAVE

What is it?

- Paid family medical leave (PFML) is a program designed to help people take paid time off work for family or medical reasons.
- 16 States have or will have a statewide PFML policy.

How does it work?

- Statewide Paid Leave Insurance Plan
- Self-sustaining
- Employers do not have to manage it
- 1% or less of employee wages

Reasons to take PFML

- Care for your own health condition
- Care for a family member with a health condition
- Bonding with your child (birth or adoption)
- Military families for medical or deployment purposes



PFML MODELS



Models of Payment:

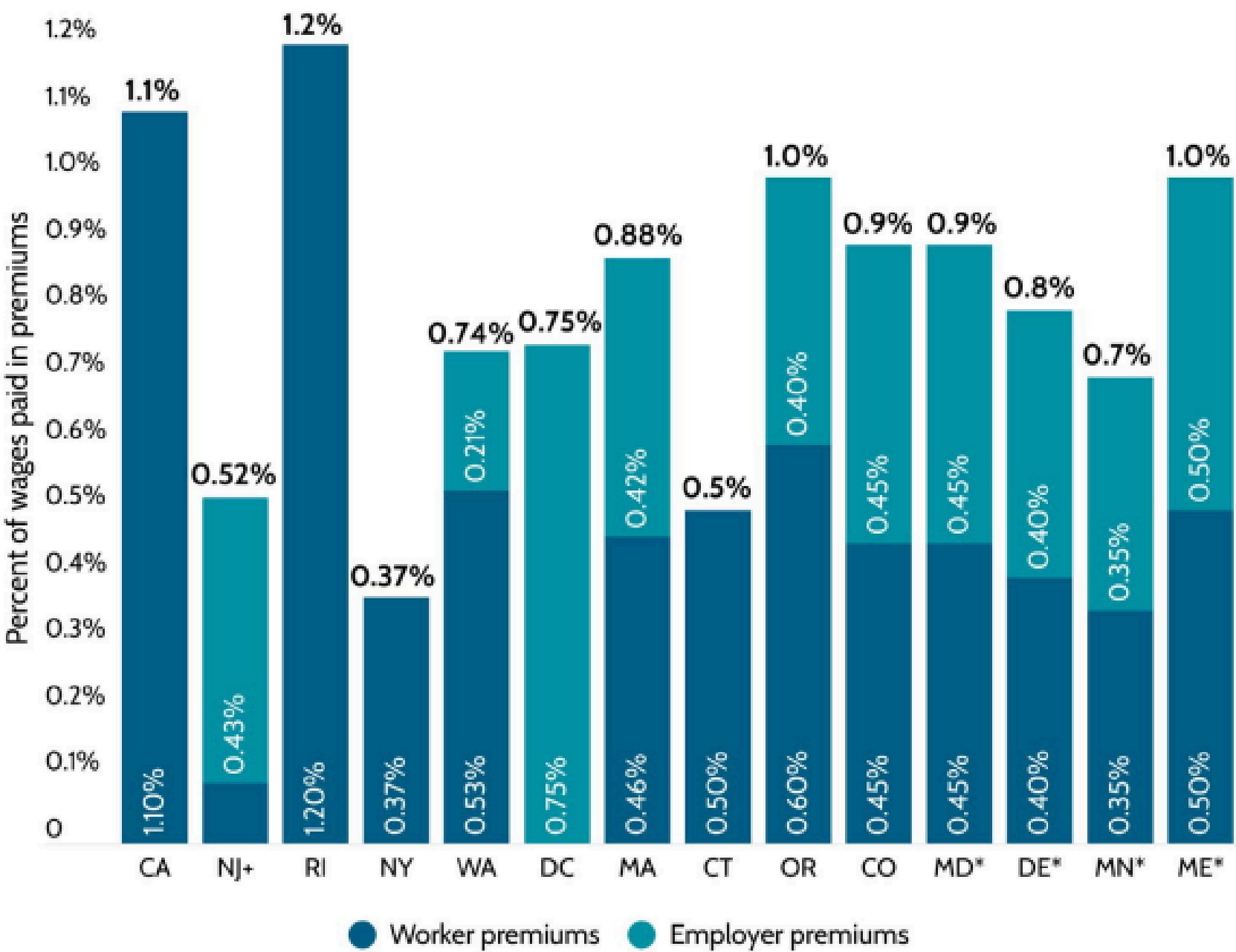
- 100% Employer covered
- 100% Employee covered
- Partially covered by both employees and employers
- Additional Considerations:
- Percentage of pay given varies
- Wage base threshold
- Tax incentives for businesses

Premium Split by Leave Type

State	Family Leave	Medical Leave
California	Workers	
Colorado	Both	
Connecticut	Workers	
Delaware	Both	
District of Columbia	Employers	
Maine	Both	
Maryland	Both	
Massachusetts	Workers	Both
Minnesota	Both	
New Jersey	Workers	Both
New York	Workers	Both
Oregon	Both	
Rhode Island	Workers	
Washington	Workers	Both

PFML PREMIUM RATES

2024 Premium Rates for Workers and Employers



+ Employer premium varies by employer size; cited rate reflects midpoint of range

* Indicates the state has not yet begun collecting premiums.

Note: States are listed in order of implementation.



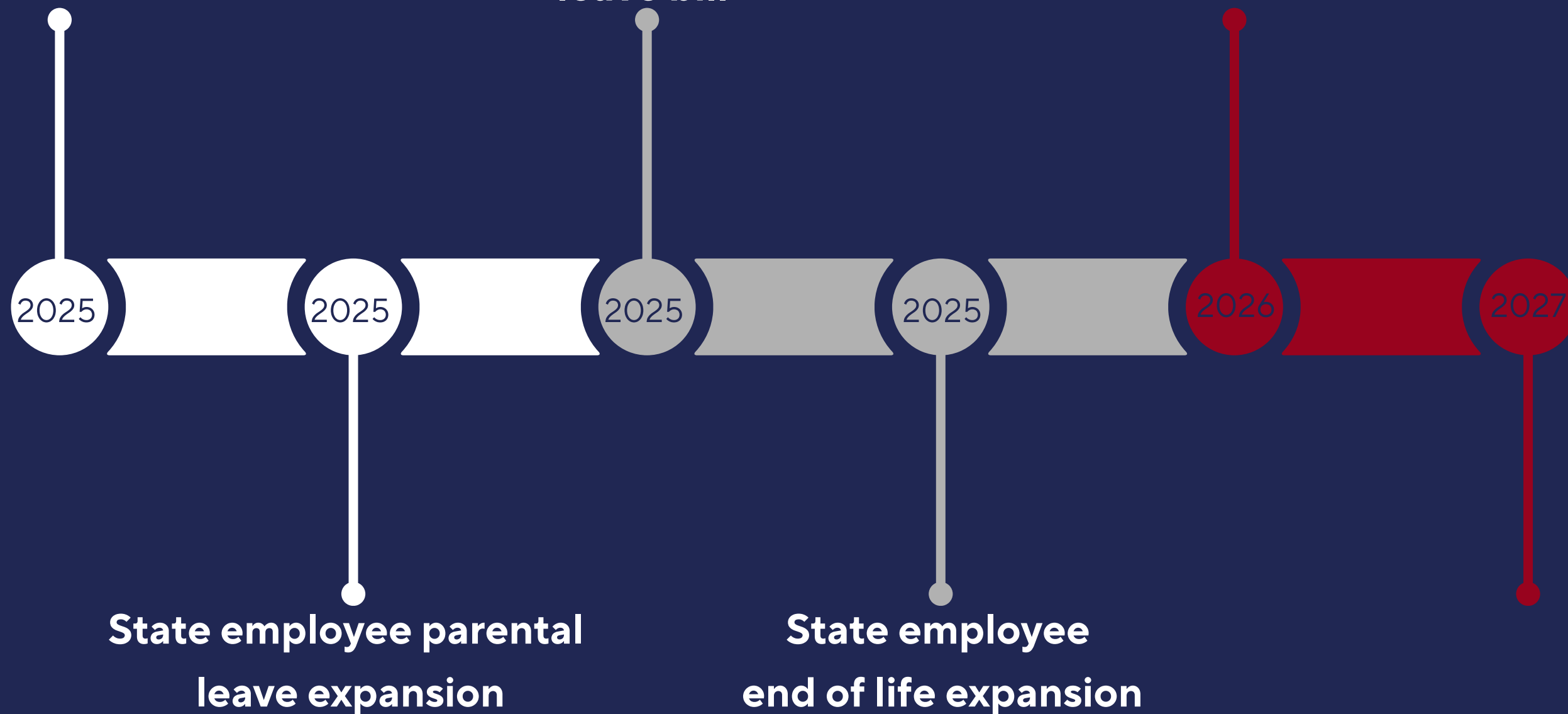
PFML IN INDIANA



**Bipartisan paid leave
& child tax credit bills**

**Teacher paid parental
leave bill**

What's Next!!!



CHILD TAX CREDIT

A child tax credit (CTC) is a tax benefit at either the state or federal level that is designed to help relieve some costs on parents of raising children.

Credits can be refundable or non-refundable.

CTCs are evidence-based tools to reduce child poverty, increase health outcomes for parents and baby.

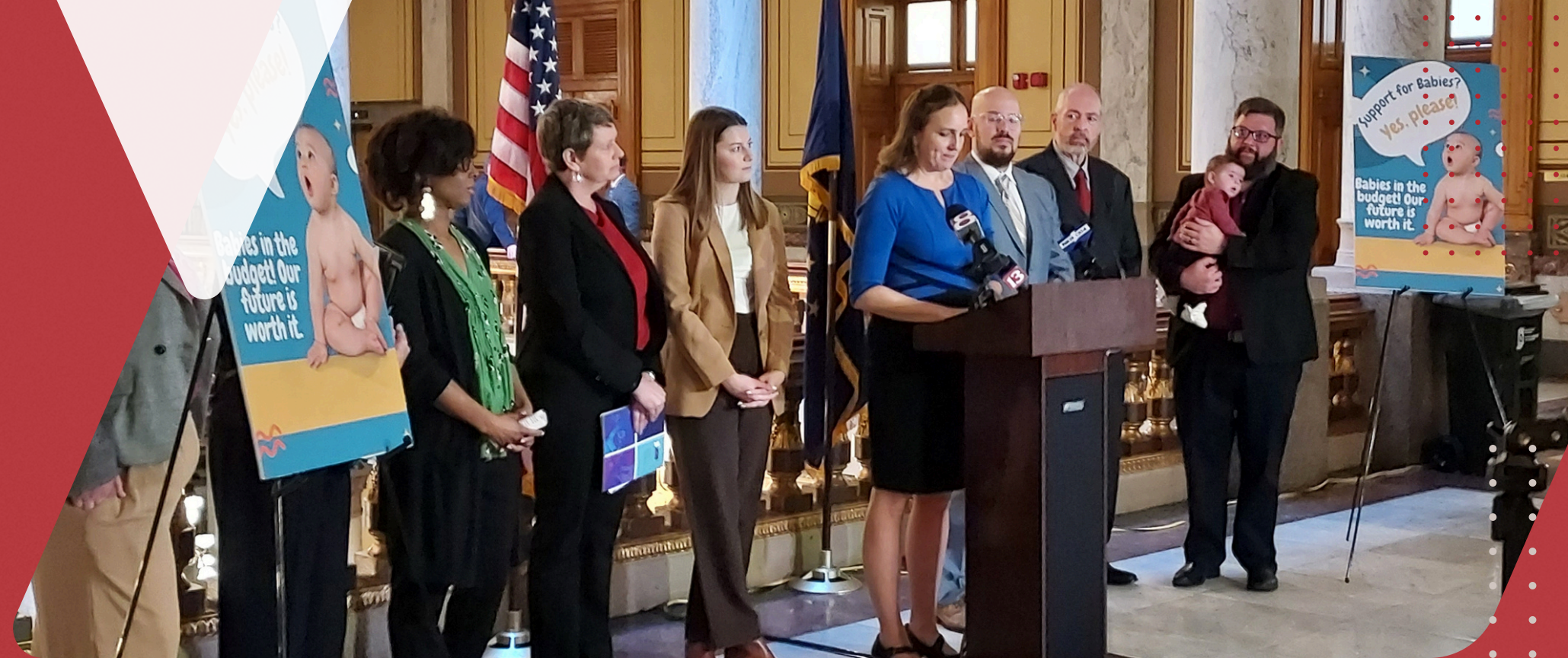


CHILD TAX CREDIT IN THE U.S.

- ▶ **History of Bipartisan Federal CTC**
- ▶ **16 states now have a Child Tax Credit, and they're not all blue states!**
- ▶ **Recent increase to Federal CTC**
– but many families are left out



CHILD TAX CREDIT IN INDIANA



**2025 Session:
Babies in the
Budget**

**Roadblock:
Budget
Shortfall**

**Next
Steps?**

Game Time!!!!



What surprised you most about the game?

Do you have a new or different perspective about these policies after playing this game?

What additional thoughts or reflections do you have?

Is there something you want to learn more about as a result of playing this game?



WHAT ABOUT FMLA?

- it only applies to employers with at least fifty employees and workers (U.S. Department of Labor, 2018).
- A significant share of eligible workers cannot afford to take an extended time off work without pay;
- in Indiana, only 36% of adult workers are estimated to be both eligible for and able to afford to take FMLA ([Diversitykidsdata.org](https://diversitykidsdata.org), 2024).

WHY PFML?



- 1 in 5 Americans is a family caregiver,
- 40 % of whom spend more than 20 hours a week on caregiving
- More than 60% of caregiver work a paid job
- 42 % said they quit their job or cut back on their hours because of their caregiving responsibilities
- family caregivers provide \$600 billion in unpaid labor each year caring for loved ones (AARP)
- An estimated 23% of civilian workers in Indiana receiving paid family leave from their employers (U.S. Census Bureau, 2022)
- For eligible employers, the federal tax credit offsets 12.5 percent to 25 percent of the cost of wages paid to employees on PFML, depending on the generosity of the benefit.

PFML & CHILD TAX CREDIT ADDRESSES KEY ISSUES IN INDIANA



Families

PFML improves infant and maternal health outcomes, increases male caregiving, reduces likelihood of domestic violence, decreases the cost of elder care, reduces chronic stress and mental health issues, and lowers the lifetime gender wage gap.



Economy/Businesses

PFML increases worker recruitment and retention, decreases turnover cost, increases productivity, enable small businesses to compete for talent increase, and creates financial stability.



Health

PFML lowers rates of untreated health issues, reduces chronic stress and mental health conditions, and improves population health.

PFML & CHILD TAX CREDIT INCREMENTAL STEPS



Expand State Employee Leave

Gov. Braun expanded
state employee PFML
- End of Life added
- Elder Care



Educate Poliy Makers and the Public

-Meet with policy makers
-Grow our coalition: Businesses,
Men, & Caregiving



Small Victories

-Re-Introduce Teachers
Paid Leave Bill 2026



Goal!!!

A statewide PFML and
Child Tax Credit 2027

KEEP IN TOUCH TO GET INVOLVED!



Survey

Website

www.institute.incap.org



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SCAN ME

