

Maximize THAT MATERNITY LEAVE

The weeks after Baby is born should be spent easing into motherhood, not stressing about mortgage payments. We'll help you whip your finances into shape with plenty of time to spare.

BY BLAIRE BRIODY



LET'S START WITH THE BAD NEWS: The United States lags way behind the rest of the world in the standard amount of maternity leave compensation; we're one of only four countries (and the *only* industrialized country) that don't give new moms the right to paid leave following the birth of their baby. A paltry 16 percent of private U.S. companies provide moms with time off at full pay. Eliminating one salary—combined with the costs of a newborn—can spell monetary trouble for many households, especially since women are the primary or sole breadwinner in 4 out of 10 families. But regardless of where you work or what your situation is, a combination of savvy planning and advocating for your rights can optimize your benefits and prepare you financially for your leave. From boosting your savings to adjusting your health insurance, follow these six new-parent to-dos for total money security during this all important time.



1 UNDERSTAND YOUR COMPANY'S FAMILY-LEAVE POLICY.

» Under the Family and Medical Leave Act (FMLA) established in 1993, employers must allow new parents—daddies included—to take up to 12 weeks of unpaid leave in a one-year period after a child's birth. The catch? You'll need to have worked at your company for a year or longer, logged at least 1,250 hours during the 12 months prior to your leave and work for a company made up of 50 or more employees (unfortunately, that eliminates about 41 percent of the workforce). Some states have maternity leave or pregnancy-related mandates even for smaller companies, so check what yours provides at nolo.com. Sixty-three percent of businesses offer partial salary, either through the company or a short-term disability program, according to the Families and Work Institute, down from 65 percent in 2005. Since most maternity leave is at partial pay or unpaid, you'll likely have to cobble together funds from savings, short-term disability and stockpiling your paid time-off (PTO). Under FMLA, companies aren't legally required to let you break up your 12 weeks, though many allow it, adds Lisa Guerin, a lawyer and co-author of *The Essential Guide to Family and Medical Leave*. So if you *had* to return to work for a project, your partner could take over baby duty for a while.

2 SUPPLEMENT WITH OTHER PTO.

» If your company doesn't require you to apply your unused vacation and sick days to FMLA leave, you can use them to extend your furlough. The big but: Doing this puts moms and dads in a tough position if they need to take time off later on, says Anna Steffeny, founder of parental leave planning site leavelogic.com. If your company allows it, Steffeny recommends saving three

PTO days for post-leave emergencies, especially if there will be several months left in the fiscal year upon your return. If you can't, be sure to have a backup child care plan in place, or talk to your supervisor in advance. In addition to (or in lieu of) maternity leave pay, you might qualify for partial pay disability leave during your pregnancy and while recovering from childbirth. Nearly 40 percent of employers offer this kind of PTO as part of their job benefits package, and five states have their own government-run programs. Private companies usually pay between 50 and 100 percent of your salary for up to six weeks following a standard pregnancy, and eight or more if you had a C-section or other complications; your benefit could be less if you're new to the company. State-run plans typically cover half to two-thirds of your salary for 4 to 12 weeks. But often, you're required to opt in to your state or company's short-term disability program (and pay premiums) before you become pregnant. Now's the time to inquire with HR about where you stand.

cover your work while you're gone—whether it's by training an assistant, hiring someone through a staffing agency or delegating to co-workers. "It's technically the manager's responsibility to come up with a plan, but this shows a collaborative approach to problem solving," Katepoo says. She's seen women add two to four weeks of paid leave to their policies by negotiating. You're in the best position to bargain if you've been with the company for at least a year and have a trusted relationship with your supervisor, Katepoo says, but regardless, you owe it to yourself to haggle.

When it's time to ask, phrase it as a question of feasibility rather than a demand for more money and time off. (Try something along the lines of: "Is it possible to consider adjusting the structure of my maternity leave?") Once you've talked everything out, determine whether you should be the one to approach your company's higher-ups or if your supervisor will speak on your behalf.

Your company's parental leave policy is just the baseline.

3 NEGOTIATE FOR MORE.

» "Many women see their company's parental leave policy and think that's it, but it's better to view it as a baseline," says Pat Katepoo, author of *Max Your Maternity Leave* and founder of workoptions.com. Schedule a meeting with your direct supervisor during your first or second trimester (earlier is better). She may not be the ultimate decision maker, but you'll need her support. Approach the convo in the same way you'd ask for a raise: Know what you're legally entitled to and what you want in addition to it. Bring a list of your recent work contributions and include a detailed outline of your ideal maternity leave plan—say, X weeks of half-pay plus Y weeks of part-time work for higher partial pay. Your proposal should include how you'll

4 START SAVING.

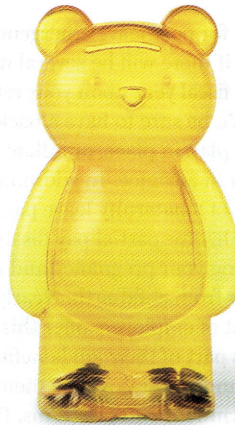
» Your mission here: Pad your backup fund for the daily expenses of a bambino, your living expenses during maternity leave and child care costs when you return to work. Yes, it's a big chunk of change, especially considering you should still be contributing to your retirement accounts during your bump months. An automated tracking tool like mint.com can help you get a view of your financial landscape so you know how much to set aside.

While you're pregnant, Kimberly Palmer, author of *The Economy of You*, recommends aiming to live on only your partner's salary—that way you'll have three-fourths (i.e., nine months' pay) of your annual after-tax income socked away before you take leave. If you're single, try saving in the ballpark of 50 percent of your annual income.

Eighty-six online shopping, forgo mani-pedis for a few months, stretch out the time between haircuts and invite pals to your place for dinner instead of going to a restaurant. Steffeney advises paring down further by nixing or delaying anything that counts as a “want” and not an “essential,” from home repairs and upgrades to moving and other big expenditures. Since a newborn is expected to cost \$11,000 during the first year, according to the Department of Agriculture, you’ll ideally want that much in savings on top of what you’ve set aside for your living expenses during your leave. Don’t panic if you don’t get there; stashing even \$5,000 will help.

5 UPDATE YOUR INSURANCE PLANS.

» The cost of adding a child onto a plan varies. Ask your insurance provider early on how much your premium will rise; then weigh the cost differential between adding your newborn to your plan or your partner’s, versus having the entire family on one plan. If you have a choice of insurance plans, either through your employer or the Affordable Care Act, consider switching to another option during an open enrollment period. Many providers will cover the first month of a child’s life, but you need to get the paperwork in order before D-day. Submit everything immediately after Baby arrives, along with his or her name and Social Security Number. If you wait a week or



MANY PROVIDERS WILL COVER BABY'S HEALTH INSURANCE FOR THE FIRST MONTH OF LIFE.

longer, you risk having to pay some of your cutie’s not-so-cute medical bills out of pocket.

You may also need to pay a share of your premium from personal funds during maternity leave, Guerin notes. Though the monthly fees on your pay stubs will stay the same (companies must continue your insurance for 12 weeks at the same contribution as before you went on leave), if you’re not receiving a salary during your time off, you won’t have a paycheck from which your employer can withhold this amount. Ask an HR rep about your company’s protocol.

Additionally, if you decide not to return to work after maternity leave, your employer can require you to reimburse the money it paid out on your health insurance during your leave, Guerin says. This does not apply, however, if you’re unable to return for reasons beyond your

control, including complications from childbirth or if your bitty gets sick and requires your care.

6 WEAVE IN TELECOMMUTING OR WORK RE-ENTRY—CAREFULLY.

» You may choose to take as much time off as you can afford, then slowly ease back by working part time or telecommuting—*slowly* being the key word. “While you’re still pregnant, it’s easy to think that you can manage it all, but a lot of women get into trouble by attempting to do too much too soon,” Palmer says.

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"You don't want to add to your stress by diving into work before you're ready." Try taking at least two complete months off work, then reassess how you feel. By that point, you'll have a better idea of how you're dealing with the challenges of sleep deprivation and breastfeeding. Even if you're in a high-level position or you were unable to find a replacement, you don't have to pull a Marissa Mayer and fast-track your return. "Give yourself at least a few weeks to be totally off the grid," Palmer says. Katepoo recommends doing this by establishing ground rules before you go on maternity leave: Define with your co-workers or supervisor the specific situations or emergencies that merit reaching out to you, then ask to be contacted only through email so you can respond on your own time; only in a true work emergency should they call you.

Draft a contract or proposal detailing what you've decided to prevent any ambiguity. "The boundaries can blur

very quickly in these types of arrangements," Steffeney says. "Originally, you may set out to work three days a week, but something urgent comes up and you end up working four or five." Agree on how you'll be paid if you're planning to answer emails or work part time. If it's a one-time email about an emergency, let it go, says Katepoo, but keep track of your hours, and if it becomes a pattern, address it early on and ask for compensation or an extension of your paid maternity time. Alternatively, you can establish a set amount of time away from the office with little to no contact, then schedule a conference call to check in on any projects and negotiate new terms if necessary. Finally, enlist an assistant or someone else at work to back you up if you start to feel more involved than you'd planned to be.

It seems like a lot to consider, but by prepping one step at a time, you'll feel ready before you know it. One thing's for sure: When Baby's here, your life will feel even richer.

ADVOCATE FOR BETTER BENEFITS!

Unhappy with your company's policies? Speak up! Your supervisors may come around after learning how a policy change would improve the company's bottom line (not just yours), says Lisa Guerin, co-author of *The Essential Guide to Family and Medical Leave*, setting the stage for better benefits for future pregnant employees. Write a letter to the CEO explaining how better parental leave benefits help retain employees, which saves on company training and hiring costs. The National Partnership for Women and Families (nationalpartnership.org) has good fact sheets to bolster your argument. A case study might also help: Google saw a 50 percent reduction in its female attrition rate after increasing its paid maternity leave from three to five months, and other companies have seen similar spikes. Remember: You're not alone in the fight. Organizations such as the Families and Work Institute (familiesandwork.org), the Center for Worklife Law (worklifelaw.org) and MomsRising (momsrising.org) also provide resources and can help you lobby for change.

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* Mallot J, Costa D, Balda M, Sola M. Prophylaxis of striae gravidarum with a topical formulation: a double blind study. *International Journal of Cosmetic Science*. 1991;13(51-57).