

We Count on Home Care

Joint Employment

The Department has received questions from stakeholders regarding how the Final Rule may impact consumer-directed, Medicaid-funded programs. The Final Rule modified the "third party employment" regulation to prohibit third party employers of domestic service employees—i.e., employers other than the individuals receiving services or their families or households—from claiming the companionship services exemption from minimum wage and overtime or the live-in domestic service employee exemption from overtime. This regulatory change will require each public entity or private agency that administers or participates in a consumer-directed, Medicaid-funded home care program to evaluate whether it may be a joint employer under the Fair Labor Standards Act (FLSA).

In response to these questions, we have created a new Administrator's Interpretation and an updated fact sheet to help potential joint employers determine their obligations under the Fair Labor Standards Act. The guidance also includes seven detailed hypothetical examples with analyses, based on actual consumer-directed programs.

Fact Sheet #79E: Joint Employment in Domestic Service Employment Under the Fair Labor Standards Act (FLSA)

No. 2014-02

Freedom of Information Act | Privacy & Security Statement | Disclaimers | Important Web Site Notices | Plug-ins Used by DOL

U.S. Department of Labor | Frances Perkins Building, 200 Constitution Ave., NW, Washington, DC 20210 www.dol.gov | Telephone: 1-866-4-USWAGE (1-866-487-9243) | TTY | Contact Us