



Proposed Department of Labor rule intended to help Caregivers earn more will actually reduce Take-Home pay

The Department of Labor (DOL) is about to enact a rule that will do the exact opposite of what it is meant to – instead of helping home care workers earn more, in reality it will cause them to earn less. The DOL has proposed a change to the Companionship Services Exemption, which, under the Fair Labor Standards Act, states that minimum wage and overtime pay are **not** required for non-skilled companionship workers.

The home care industry explains that this issue is **not** about minimum wage, but rather about overtime pay. With the already high cost of home care today, paying overtime is simply not a reality for seniors who will be forced to make the tough decision to reduce their care hours or sacrifice continuity of care by receiving home care from multiple caregivers in order to comply with a 40 hour work week per caregiver. Additionally, caregivers' schedules and earnings will be negatively affected as a result.

Most in-home care recipients require a minimum of 12 hours of care per day, so if a caregiver has been working regularly with a client 12 hours per day for five days a week (60 hours), they will find their workload cut by clients to 12 hours per day for just three days a week (36 hours) to avoid paying overtime. Then, in order to meet just 40 hours in a single week, that caregiver will need to find another client who only needs a single day of four hours of care to work 40 hours.

As a result, caregivers will end up with less work and/or having to work with multiple clients and multiple home care companies, which will cause them to have to balance their schedules, leading to more drive time and greater fuel costs.

“The problem we see is that home care companies and seniors will simply not be able to absorb the overtime costs. In states that do not have the companion exemption, caregivers are limited to 40 hours, which is significantly less time than they are used to working,” explains Jim Mark, president of the Private Care Association (PCA), the voice of the private duty home care industry since 1977.

If the proposed rule change takes effect, clients would either have to pay more for the same care they are used to receiving; receive less care; require more caregivers to cover the same shifts, which causes inconsistency of care; or end up in a facility.

###

Contact on behalf of Private Care Association

Amy Ferguson 504-343-7536 or amy@fergusonfreelance.com

Meri Monsour 504-484-3442 or meri@hmadvertising.com

Since 1977, the Private Care Association (PCA) has been the voice of private duty home care. PCA's membership is made up of home care registries that refer self-employed caregivers to provide assistance with activities of daily living such as bathing, dressing, lifting/transferring, continence care, feeding/meal preparation, companion care, homemaker services and nursing services in the client's home. The PCA has an involved government relations program that actively presents its position to public policymakers at the state and federal levels. As the national voice for home care registries, the PCA continues to expand its membership and develop a greater capability to promote the interests of the private duty home care industry, advocating the consumer-directed model of care, and consumer choice. www.PrivateCare.org