



July 28, 2025

Donald M. Harrison, III
Acting Administrator
Wage and Hour Division
United States Department of Labor
200 Constitution Avenue, NW
Washington, DC 20210

Dear Acting Administrator Harrison,

We, the undersigned organizations, write to express our strong support for the U.S. Department of Labor's (DOL) recently proposed rule to restore the longstanding companionship exemption under the Fair Labor Standards Act (FLSA) for third-party employers in the home care industry. We are also strongly supportive of the recently issued Field Assistance Bulletin, which stays enforcement of the 2013 changes to the FLSA exemptions and will remain in effect until the proposed rule is finalized.

This proposal is a critical step toward rebuilding a stable, sustainable, and person-centered system of care that allows older adults and individuals with disabilities to remain at home. It reestablishes flexibility in how home care is delivered while continuing to protect the rights of workers. In doing so, it acknowledges the unique nature of companionship services: non-medical assistance that supports independence, preserves dignity, and avoids institutionalization.

The proposed rule appropriately reverses a policy that, since 2013, has disrupted continuity of care, made it harder for Americans to age at home, increased caregiver turnover, and driven up costs for providers operating under fixed Medicaid and VA reimbursement rates. The also rule resulted in State agencies limiting the hours that workers could provide care, closing programs, and otherwise restricting access to HCBS. Further, States have sought to avoid being designated a "third party employer" under the 2013 revisions and have therefore removed important oversight mechanisms, such as scheduling oversight, quality management, training requirements, and other important initiatives to promote health and quality of care. As a result, the current rule has worsened health, safety, and quality of care; discouraged live-in care; fragmented the workforce; and left families with fewer reliable options.

By reinstating the exemption for third-party employers, the Department's proposal will:

- Allow caregivers to provide consistent, extended support without arbitrary hour caps;
- Improve care continuity, especially for clients with dementia, individuals with shared-living arrangements, and those with round-the-clock needs;
- Reduce staffing disruptions caused by compliance-mandated shift changes;
- Restore stability to a sector heavily reliant on flexible scheduling;
- Improve health, safety, and quality of care initiatives from State governments;
- Support family caregivers, particularly in self-directed and Medicaid-funded programs;
- and



- Empower caregivers with greater control over their schedules and assignments.

Importantly, this proposal supports, not harms, caregivers. Many caregivers value the flexibility the exemption allows, especially those who accept live-in or extended-hour assignments that offer higher pay over fewer days or include housing. A 2020 report from the U.S. Government Accountability Office ([GAO-21-72](#)) found no clear evidence that the 2013 rule increased wages for workers. In fact, some caregivers experienced reduced earnings as agencies limited hours to avoid overtime costs. Additionally, a [2019 HHS analysis](#) confirmed that the rule resulted in a marked decrease in workers' take home pay as multiple states capped the number of hours that a Medicaid home care aide could work per week.

Before the rule, a caregiver could work more than 40 hours per week for a single agency and client, fostering stable employment and consistent care. After the exemption was eliminated, due to state prohibitions on paying overtime, that same caregiver often had to split time between multiple agencies and travel between clients just to maintain income, disrupting continuity for both worker and client. Restoring the exemption will help preserve those stable, full-time roles and strengthen long-term caregiver-client relationships.

At a time of severe workforce shortages across the home care sector, we should be doing everything we can to support and retain dedicated caregivers, not limiting their hours or undermining their ability to work for a single agency. The proposed rule supports this goal by removing unnecessary restrictions and allowing caregivers to work as much as they are willing and able to.

The proposed rule is also consistent with longstanding precedent and the original intent of the FLSA. It reflects the lessons learned over the past decade, lessons that have been reinforced by both provider experience and government analysis.

We urge the Department to finalize this proposed rule without delay and restore a commonsense policy that supports both the home care workforce and the millions of Americans who depend on them.

Respectfully submitted,

[Home Care Association of America](#)
[International Franchise Association](#)
[National Alliance for Care at Home](#)