How to comply with new overtime rules



Harry Nelson was quoted in an article published by Behavioral Healthcare Executive titled "How to comply with new overtime rules".

On December 1, new rules for calculating overtime issued by the U.S. Department of Labor (DOL) go into effect. Behavioral healthcare organizations could see unexpectedly higher overtime costs or even potential fines if they do not comply.

The key element of new DOL rules—and one that is likely to be particularly significant for behavioral healthcare organizations—is a much higher salary threshold that defines which employees are eligible to be paid for overtime. A higher salary benchmark means more workers will fall under the nonexempt status, meaning they are eligible for overtime pay.

"There is probably going to be a pretty high rate of noncompliance [among behavioral healthcare organizations] with people continuing to work long shifts without getting paid overtime and exposing facilities to penalties," says Harry Nelson, managing partner with Nelson Hardiman LLP, a healthcare law firm based in Los Angeles.

Complying with the new rules

If they do not adjust to the new regulations, providers could find themselves subjected to Department of Labor investigations and the related attorney's fees and fines that go with any violations, Nelson tells Behavioral Healthcare.

Providers must rethink staffing "to avoid substantially higher personnel costs" caused by a larger amount of overtime under the new regulations, he says. Smaller organizations that rely on a team of just a few people who often work longer shifts to provide clinical coverage might have to make service adjustments. Larger organizations generally have more staffing options and therefore more flexibility when it comes to personnel management and staffing shifts.

FULL ARTICLE

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