



November 2, 1993

FMLA-13

Dear *Name**,

This is in response to your inquiry regarding certain provisions of the Family and Medical Leave Act of 1993 (FMLA). It has been the *Name** policy to provide an employee the option of retaining full medical coverage during leave or accepting 50% of the cost of in lieu in the form of deferred compensation. You ask if the *Name** must continue to offer the deferred compensation during periods of FMLA leave.

The FMLA requires the maintenance of group health insurance coverage by the employer during any period of FMLA leave. Such coverage must be maintained at the same level and in the same manner as existed on the date leave commences. Consequently, the employer may not offer the employee an option that does not provide for maintenance of coverage during any period of leave. Under these circumstances the decision to continue paying deferred compensation to an employee would be at the sole discretion of the employer assuming such payment is not the subject of a collective bargaining agreement.

For your information the publications you requested are enclosed.

Sincerely,

J. DEAN SPEER
Director, Division of Policy and Analysis

Enclosures

** Note: The actual name(s) was removed to preserve privacy in accordance with 5 U.S.C. 552 (b)(7).*