



June 15, 1993

FMLA-1

Dear *Name**,

This is in response to your letter to the Department of Labor regarding the Family and Medical Leave Act of 1993 (FMLA).

The FMLA, which becomes effective on August 5, 1993, is intended to provide a structured method for dealing with certain family and medical situations which may require the employee to be absent from work.

The issues contained in your letter regarding the continuation of medical insurance premiums being paid by a contractor is a requirement of the Family and Medical Leave Act. Section 825.209 of the regulations requires an employer to maintain coverage under any group health plan for the duration of such leave and under the conditions coverage would have been provided if the employee had continued in employment continuously for the duration of such leave. If the employer is providing health insurance to discharge the health and welfare benefits requirement of the wage determination, that benefit must continue during the entire period of the unpaid FMLA leave. An employer's obligation to continue medical insurance coverage during a period of FMLA leave would only cease when it becomes known that an employee is not returning to employment, and therefore, would no longer be entitled to leave under this Act.

If the contractor is paying cash in lieu of health and welfare benefits required by the wage determination on the contract, the employer has no obligation to continue cash payments during any period of FMLA leave.

As to whether the contractor can pass along any increased costs on the contract resulting from payments required by FMLA to the contracting agency, this is a matter for negotiation between the contractor and the agency.

We hope that we have been responsive to your inquiry. I am enclosing a copy of our recently published regulations that should address many of the concerns that you may have about the Act.

Sincerely,

J. Dean Speer
Director, Division of Policy & Analysis

Enclosure

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