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CLIENT ALERT

Dear Clients:

There have been several recent employment law developments of which we want to ensure you are aware. The first development involves proposed federal legislation. The second two are Pennsylvania state law changes that were passed recently. Finally, we want to remind our healthcare clients that Pennsylvania's Prohibition of Excessive Overtime Act is effective July 1, 2009. Each law is reviewed separately.

Healthy Families Act

Recently, The Healthy Families Act was reintroduced in the House and Senate. The Act, if enacted into law, would require employers to provide qualifying employees a minimum paid sick leave of up to 56 hours a year. As presently proposed, workers who work 30 or more hours a week will accrue 1 hour of paid sick leave for every 30 hours worked, and workers who work less than 30 but at least 20 hours a week will accrue a prorated annual amount. The Healthy Families Act has been introduced several times in the past without becoming law. The change in Administration, together with the present make up of Congress, however, could mean that this proposed Act becomes law before the end of the year.

Amendment of The Insurance Company Law of 1921, Mini-COBRA

This amendment, commonly known as "Mini-COBRA," extends the application of federal COBRA provisions to small business employees who experience a "qualifying event." It applies to employers with 2 to 19 employees. The amendment grants these employees eligibility for continuation of coverage and allows them access to federal COBRA premium subsidies which were allocated under the recent "Stimulus" bill. The subsidy generally will be triggered in involuntary terminations that take place between July 10, 2009 and January 1, 2010. Under the Mini-COBRA amendment, group policies must give notice to the policyholders of the rights provided by the amendment within 45 days of July 10, 2009. The employers also are mandated to provide a series of other notices in connection with a qualifying event.

Amendment of The Insurance Company Law of 1921, Uninsured Adult Children

This amendment permits children of insured employees to remain on the parents' health insurance plan past the age of 19 and up through the age of 30. The inclusion of adult children is at the option of the parents, subject to certain limitations, including willingness of employers to extend coverage to

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parents in the first place. The child must be single, have no dependants, be a resident of Pennsylvania or enrolled as a full-time student at an institution of higher education and not covered under any other health insurance policy, including any government health care benefits program.

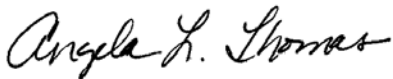
Prohibition of Excessive Overtime in Health Care Act

This Act will become effective on July 1, 2009. The Act applies to employees of health care facilities, including long-term care providers. The Act applies to those employees “involved in direct patient care activities or clinical care services and who receive an hourly wage or are classified as non-supervisory employees for collective bargaining purposes.” The Act has no applicability to employees in areas such as environmental services, maintenance, laundry, food services or clerical positions.

Under the Act, health care facilities may not require an employee to work “in excess of an agreed to, predetermined and regularly scheduled daily work shift (mandatory overtime).” This new law prohibits employers from discriminating, dismissing, discharging or taking any adverse employment decision against an employee who refuses to accept overtime work. The Act will be enforced by Pennsylvania’s Department of Labor and Industry effective July 1st although regulations are not due until April 2010.

If you have questions regard these laws, your obligations under them or require any assistance in becoming compliant, please contact us.

Sincerely,



Angela L. Thomas



Glenn R. Davis

The information herein reflects the views of the author. The information should be construed as general guidelines and not interpreted as legal advice.