

Department of Labor Proposes Reinstating Companionship and Live-In Care Exemptions

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The U.S. Department of Labor (DOL) has released a Notice of Proposed Rulemaking that would restore key exemptions under the Fair Labor Standards Act (FLSA) for home care providers. If finalized, this rule would reinstate the companionship services and live-in domestic service exemptions that were in place prior to 2013.

As highlighted in its recent [comment](#) to the Office of Management and Budget's Deregulatory Request for Information (RFI), the Alliance advocated for regulatory changes that would restore flexibility, continuity of care, and reduce administrative burdens for home care providers and the families they serve. The DOL's action demonstrates that the collective voice of the Alliance and our members have been heard.

Under the current rule, third-party employers such as home care agencies are prohibited from claiming these exemptions, which require that most caregivers receive overtime pay and minimum wage protections. The proposed rule would roll back those limitations, allowing agencies to once again utilize the exemptions when appropriate.

If implemented, this change could significantly reduce administrative and wage burdens on providers offering live-in and companionship-based services. It may also make 24-hour care more accessible to clients by lowering costs and increasing scheduling flexibility.

Key Takeaways:

- The 2013 rule restricted agencies from using FLSA exemptions for live-in and companionship care.
- The proposed rule would reverse those restrictions, reinstating broader exemption eligibility.
- The public comment period is currently open, allowing stakeholders to share feedback directly with the DOL.

Recommended Resources:

- [Fact Sheet #79A: Companionship Services](#)
- [Fact Sheet #25: Home Health Care and the FLSA](#)
- [Fact Sheet: Domestic Service Employment](#)
- [Full Proposed Rule Text – Federal Register](#)

More details will be made available to our members soon. The Alliance will submit formal comments supporting the proposed rule. We encourage members to review the proposed rule and share their experiences and perspectives. Please email us at regulatory@allianceforcareathome.org with “**Companionship Exemption**” in the subject line and share your thoughts by **August 22**. Comments on the proposed rule are due September 2, 2025.