HR BRIEF

NLRB Delays Joint-employer Rule Effective Date to February

Recently, the National Labor Relations Board (NLRB) announced it would push the effective date of the new joint-employer rule to Feb. 26, 2024. The final rule was published in the Federal Register on Oct. 27, 2023, and was initially set to become effective on Dec. 26, 2023. However, the agency has delayed the effective date by two months to facilitate the resolution of legal challenges regarding the new rule. Notice of the extension will be published in the Federal Register.

The New Joint-employer Standard

The 2023 joint-employer standard establishes new criteria for determining joint-employer status as applied to labor issues related to the National Labor Relations Act. It will rescind the existing 2020 joint-employer standard and replace it with a more inclusive law, making it easier for employers to be classified as joint employers. Notable changes to the joint-employer standard include the following:

- Clarification of the definition of "essential terms and conditions of employment"
- Identification of the types of control that are necessary to establish joint-employer status and the types that are irrelevant to the joint-employer inquiry
- Description of the bargaining obligations of joint employers

What's Next

The law is currently facing legal challenges. A coalition of businesses sued the NLRB in federal District Court, alleging the new joint-employer rule is unlawful, overly broad, and contradictory to the common-law definition that limits joint employment to relationships of actual and substantial control of working conditions.

The new joint-employer standard will only be applied to cases filed after the rule becomes effective on Feb. 26, 2024. Employers can prepare for the new rule by familiarizing themselves with the new standard and determining whether a more inclusive joint-employer standard will reclassify them as joint employers by the amended effective date.

We'll keep you apprised of any notable updates.

3 Key Trends Driving Employer Health Care Costs in 2024

All signs point to health care costs continuing to rise in 2024. This article outlines the three primary drivers of health care costs and ways that employers plan to manage them.

1.Mental Health Challenges

Employees' mental health needs for concerns such as depression, anxiety and substance use disorder undoubtedly rose during the COVID-19 pandemic and continue to linger amid its aftermath. In response, employers are expected to continue to expand access to mental health support and services, and many plan to provide more options for support and reduce cost barriers to care. Organizations may also explore manager and employee training to recognize mental health issues.

2.Pharmacy Costs

In 2024, pharmacy costs will continue to impact employers significantly. In addition to high-cost drugs, relationships with pharmacy benefits managers (PBMs) are also a key concern for employers. To address rising drug costs, employers may implement pharmacy management strategies, including prioritizing transparent PBM practices and plan design changes to address costly medications.

3.Cancer Treatment

Preventive screenings were a critical health care component disrupted during the pandemic. As a result, employers are anticipating more late-stage cancers among workers. Cancer is one of the top drivers of health care costs for most employers. In response to rising cancer care, employees may encourage advanced screening measures and maintain full coverage of recommended prevention and screening services.

Summary

Heightened health care costs are likely to continue impacting employers for the foreseeable future. Looking ahead to 2024, many employers are focusing on impacts related to mental health, medications, cancer and other drivers of costs, such as growing health care delivery models.

Contact us for additional resources.