



Court Decision Provides Latest Guidance On Whether Hospitals Are Federal Subcontractors

News

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Attorney Richele Taylor was quoted on July 16 on *HR.BLR.com* in the article [“Court Decision Provides Latest Guidance On Whether Hospitals Are Federal Subcontractors.”](#)

The article reviewed a recent court case that raised the question of whether a contractor must comply with affirmative action laws even if a contract is silent on that issue or if a federal agency has stated in writing that the contractor’s services are not subject to OFCCP jurisdiction?

The case involved three hospitals, but has implications for other organizations. Celia noted that this case clarified that a hospital is a federal subcontractor if it has a contract with an HMO, which, in turn, has a contract to provide medical services to federal employees—as opposed to a contract for health insurance alone.

She added, “There is so much about this case that goes beyond hospitals.” Richele suggested that employers consult with an attorney who has knowledge in this area if they are unsure whether they are considered a federal subcontractor, if they need a final determination on the issue, or if they receive an OFCCP scheduling letter.

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