

*Overtime*

## Hospital Team Leads Get Trial on Overtime Claims

Team leads who oversaw more than 40 registrars at two Georgia hospitals can proceed to trial on their claims for overtime pay, a federal district court ruled.

St. Joseph/Candler Health System Inc. in Savannah, Ga., claims that former employees Connie Sanchez and Glenda McNair were exempt from the overtime provisions of the Fair Labor Standards Act, but Judge J. Randal Hall said the hospital didn't show the women were either executives or administrative employees under the FLSA.

The decision shows that to determine whether an employee is exempt from the FLSA's overtime requirements, an employer must carefully examine not only the importance and impact of the employee's duties but also the discretion or ingenuity the employee has to apply on a daily basis in getting the job done.

**Team Leads Managed Registrars** St. Joseph's/Candler operates two hospitals with a total of 714 beds. Registration specialists, or registrars, are responsible for collecting demographic, billing, and insurance information from arriving patients before medical treatment is provided. Sanchez and McNair oversaw registrars during day shifts and were on call during evening and night shifts.

The team leads helped register patients during busy periods, collected patients' payments, reported computer problems, and ordered supplies. But Hall said the parties agreed the leads' most important task was to ensure that each hospital department had a sufficient number of registrars available to handle its intake.

Sanchez and McNair could move employees and patients from one department to another, but the court said they followed a set pattern of assignments and had no authority to decide whether a replacement for an absent registrar was necessary. The team leads would

contact off-duty registrars and ask them to fill vacant shifts, but they couldn't order anyone to do so.

An "executive" employee is exempt from the FLSA's overtime requirements if the employee's primary duty is management, the employee regularly directs two or more employees, and the alleged executive has authority to hire or fire employees or make recommendations about employees' status that is given particular weight.

Because St. Joseph's/Candler "has not shown that asking an employee to voluntarily cover an open shift is a management function," there was a factual dispute about the applicability of the executive exemption that would have to be resolved in a trial, Hall said.

The employer also failed to show that the women were administrative employees under the FLSA, the court also said. A Labor Department regulation provides an exempt administrative employee's duties must include the "exercise of discretion and independent judgment with respect to matters of significance."

The judge said the employer failed to show that Sanchez and McNair exercised the judgment required for the administrative exemption, and he ruled the women can proceed to trial on their overtime claims.

The court ruling was correct "given the clear evidence that Ms. Sanchez and Ms. McNair did not perform duties that fell within the overtime exemptions," Benjamin A. Stark of Barrett & Farahany in Atlanta, who represented the employees, told Bloomberg Law. Attorneys for the hospitals didn't respond to a request for comment.

Morris, Manning & Martin LLP in Atlanta represented St. Joseph's/Candler.

The case is *Sanchez v. St. Joseph's/Candler Health Sys., Inc.*, 2018 BL 90861, S.D. Ga., No. CV 416-225, 3/16/18.

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