

than minimal medical care, and the fact that the Veterans Administration is not here contracting primarily for professional medical services of the type found exempt under the Service Contract Act. Instead it appears to be contracting primarily for convalescent care services which are furnished through the use of service employees. While there may be a degree of similarity between professional medical care furnished in hospitals and the extended care and skilled nursing home services about which Mr. Pickens wrote, it seems clear that on the basis of the contract the services called for here are within the scope of the act.

On re-examination, we find that we must affirm the conclusion stated in our letter of March 25, to Mr. Pickens.

However, as stated in section 4(b) of the Service Contract Act and section 4.123 of the enclosed bulletin, the Secretary of Labor may by administrative action establish reasonable limitations on the application of the act's provisions or grant reasonable variations, tolerances, or exemption therefrom which he finds to be "necessary and proper in the public interest or to avoid serious impairment of the conduct of Government business." Petitions for exemption under section 4(b) of the Service Contract Act should be submitted through the headquarters office of the contracting agency.

Sincerely yours,

BEN P. ROBERTSON,
Deputy Administrator.

We are, of course, interested in decisions which may be reached with nursing homes for care of veterans.

I will appreciate it if you will keep me informed about any new developments.

Sincerely,

W. J. DRIVER, Administrator.

HOUSE OF REPRESENTATIVES,
Washington, D.C., April 25, 1968.

Mr. CLARENCE T. LUNDQUIST,
Administrator, Wage and Hour and Public Contracts Divisions,
Department of Labor,
Washington, D.C.

DEAR MR. LUNDQUIST: The General Counsel of the American Nursing Home Association, Mr. John K. Pickens, has forwarded me a copy of your letter to him dated March 25, 1968, in which you purport to rule that the Service Contract Act of 1965 covers contracts between the Veterans Administration and nursing homes for the care of veterans in nursing homes up to six months.