

U.S. House and Senate Notification
Thursday, February 20, 2014

To: Congressional Health Staff

From: Lauren Aronson
Director, Office of Legislation
Centers for Medicare & Medicaid Services

Re: Labor, HHS and Treasury issue 90-day Waiting Period Final Rule

Today, the U.S. Departments of Labor, Health and Human Services and Treasury published a final rule implementing a 90-day limit on waiting periods for health coverage. The final regulations require that no group health plan or group health insurance issuer impose a waiting period that exceeds 90 days after an employee is otherwise eligible for coverage. The rules do not require that coverage be offered to any particular individual or class of individuals.

To ensure that eligibility conditions based solely on the passage of time are not used to evade the waiting period limit, the rules state that such conditions cannot exceed 90 days. Additionally, requiring employees to complete a certain number of hours before becoming eligible for coverage is generally allowed as long as the requirement is capped at 1,200 hours. The rules also address situations in which it cannot be determined that a new employee will be working full-time.

The Departments are issuing a companion proposed rule that would limit the maximum duration of an otherwise permissible orientation period to one month. This proposal will be open for public comment.

Both the final and proposed rules can be viewed here: <https://s3.amazonaws.com/public-inspection.federalregister.gov/2014-03811.pdf>