



HEALTH CARE REFORM – ONE MONTH ORIENTATION PERIOD PRIOR TO 90 DAY WAIT PERMITTED

The DOL, IRS and HHS have issued final regulations regarding the 90 day limit outlined in health care reform on waiting periods before the coverage starts. These regulations allow for situations where the employer might have a “reasonable and bona fide employment-based orientation period,” as an allowable situation, that would not count against the period limit. The regulations stipulated the following:

- The orientation period will not violate the waiting period limit as long as it does not exceed one month; and the waiting period begins the day after the orientation ends. To determine the one month period, you must add one calendar month and subtract one day. The regulations caution that compliance with these rules does not determine compliance with employers shared responsibilities and gives examples of going one day beyond the orientation period and the 90 day wait.
- The regulations do not require that any specific activity have to occur during the orientation period, but refers to employee evaluation, orientation and training.

Overall, this gives some flexibility especially with those plans with a current 90 day wait. Adding a few days for an orientation period, ensures that the coverage will start before the end of the mandated 90 day period. Please carefully read the actual notice for the full details: <http://www.gpo.gov/fdsys/pkg/FR-2014-06-25/pdf/2014-14795.pdf>