CHCC
CORPORATE HEALTH CARE COALITION

April 9, 2012

Office of Health Plan Standards and Compliance Assistance
Employee Benefits Security Administration
Room N-5653
U.S. Department of Labor
200 Constitution Avenue, NW
Washington, D.C. 20210

Re: Notice 2012-17, Frequently Asked Questions from Employers Regarding Automatic Enrollment, Employer Shared Responsibility, and Waiting Periods

To Whom It May Concern:

The Corporate Health Care Coalition (CHCC) is a public policy organization comprised of leading companies from varying industries that compete in the global marketplace. CHCC member companies sponsor self-insured health care plans for eligible employees and eligible dependents in every state in the nation. CHCC members are leaders in providing high quality health benefits in an efficient and effective manner.

CHCC appreciates the opportunity to comment on Notice 2012-17 (herein referred to as the Notice), entitled "Frequently-Asked-Questions From Employers Regarding Automatic Enrollment, Employer Shared Responsibility, and Waiting Periods," as published by the U.S. Department of Labor, U.S. Department of Health and Human Services, and the U.S. Treasury Department on February 9, 2012. While our members are impacted by most aspects of this Notice, we are commenting on just two issues.

Automatic Enrollment. Section 1511 of the Patient Protection and Affordable Care Act directs employers with more than 200 full-time employees to automatically enroll new full-time employees in one of the employer's health benefit plans (subject to any waiting period authorized by law), with adequate notice and opportunity for such new full-time employees to opt-out of any coverage in which they are automatically enrolled. The February 9 Notice states that the Department of Labor will not complete relevant rulemaking and guidance by 2014, as initially proposed, and employers are not required to comply with the automatic enrollment requirement until such regulations are issued and finalized. We appreciate the recognition that adequate time is needed for employers to comply with any regulations associated with the automatic enrollment requirement, and the stated intent in the Notice that employers will be provided with adequate compliance time. CHCC further encourages thoughtful coordination between the automatic enrollment regulations and guidance with the rest of the law's requirements and employers' existing enrollment schedules.

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<u>90-day Waiting Period and Look Back Rule</u>. CHCC supports the clarification in the February 9th Notice that allows plans to impose eligibility conditions that are based other than on the passage of time. However, a Maximum Hours Requirement that is limited to 750 hours will effectively operate as a mandated eligibility requirement for employer/plan sponsors who currently do, or wish to, extend eligibility to part-time employees, but only after such employees have satisfied a cumulative hours requirement that is commensurate with the hours that the employer/plan sponsor requires the employee to work. This could also have the unintended effect of discouraging employers who currently do, or wish to, extend eligibility for group health plan coverage to less than full time employees.

Additionally, we urge you to propose a rule that allows employers a reasonable administrative period following the close of the waiting period to carry out enrollment procedures.

We greatly appreciate your consideration of our comments and value the opportunity to provide input to the Administration on the implementation of the Patient Protection and Affordable Care Act.

Sincerely,

Kate Hull
Kate Hull
Executive Director
Corporate Health Care Coalition