



## 90-Day Member Waiting Period Overview

The federal 90-day member waiting period limit for new hires applies to all group health plans, fully insured and self-funded, grandfathered and non-grandfathered, for the first plan year on or after Jan. 1, 2014. Waiting periods cannot exceed 90 calendar days, even when monthly calculations are used.

There are two types of waiting period administration:

- **Date of Event** – Coverage is effective on the date of hire, or after a defined number of days or months.
- **First of Month** – Coverage is effective on the first of the month following the event (such as date of hire) or a defined number of days or months.

New and renewing business effective on or after Jan. 1, 2014, may not have a non-compliant member waiting period. For renewing clients, non-compliant waiting periods will be modified.

Non-compliant waiting periods for new business will not be accepted.

For **New Business**, non-compliant waiting periods will not be accepted for clients with an effective date on or after Jan. 1, 2014. New clients will have the following compliant member waiting period options:

- No waiting period
- Date of event: 1 to 90 calendar days, 1 or 2 months
- First of month: following the event (such as date of hire), 1 or 2 month(s), or 1 to 60 calendar days

For **Existing Business**, renewing or changing plans with an effective date on or after Jan. 1, 2014, must adhere to the following:

- Compliant member waiting periods will not be modified
- Compliant waiting periods cannot be adjusted to a non-compliant waiting period
- Non-compliant member waiting periods will be adjusted to a compliant waiting period
- Plans with non-compliant waiting periods must be revised no later than the first renewal date on or after Jan. 1, 2014

For 1-100 segments, non-compliant waiting periods are being updated. Prior to renewal, UnitedHealthcare will advise employers with existing policies that have a non-compliant waiting period that unless a change to a compliant waiting period is made, the waiting period will default to a compliant waiting period at the renewal date as follows:

Current non-compliant waiting period	Revised compliant waiting period
Waiting period greater than 90 days	Waiting period = 90 days
Waiting period is first of month following more than 60 days	Waiting period = First of month following 60 days
Waiting period is 3 or more months	Waiting period = 2 months

## Waiting Period Classifications

The 90-day waiting period limitation does not require the plan sponsor to offer coverage to any particular employee or class of employees (including, for example, part-time employees). Instead, these proposed regulations would prohibit requiring otherwise eligible participants and beneficiaries to wait more than 90 days before coverage is effective.

An employer group may have different types of member waiting periods as long as they do not exceed the 90-calendar-day limit. However, when creating such classifications, we highly recommend that the group consult with their own benefits professional and legal counsel to ensure there are no discrimination concerns. Ultimately, the liability rests with the employer group.

### Waiting Period Examples [Small Group (2-50) and Low End of Large Group (51-100)]

Type of Waiting Period	Example
Any waiting period that is first of the month following more than 60 days will be revised to first of the month following 60 days.	<ul style="list-style-type: none"> <li>▪ Prior to their 4/1/14 renewal, Dave's Auto new employee coverage began the first of the month following 120-day waiting period.</li> <li>▪ Beginning 4/1/14, Dave's Auto waiting period will be adjusted to: first of the month following 60 days.</li> </ul>
Any waiting period that is first of the month following 3 or more months will be revised to first of the month following 2 months.	<ul style="list-style-type: none"> <li>▪ Prior to their 6/1/14 renewal, ABC Books new employee coverage began the first of the month following a 6-month waiting period.</li> <li>▪ Starting 6/1/14, ABC Books waiting period will be adjusted to: first of the month following 2 months.</li> </ul>
Any waiting period that is more than 90 days will be revised to a 90-day waiting period. Date-of-event waiting periods are not available in all markets	<ul style="list-style-type: none"> <li>▪ Prior to their 2/1/14 renewal, Ann's Bakery required employees to wait 120 days before coverage began.</li> <li>▪ Starting 2/1/14, Ann's Bakery waiting period will be adjusted to: 90 days.</li> </ul>

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The content provided is for informational purposes only and does not constitute medical advice. Decisions about medical care should be made by the doctor and patient. Always refer to the plan documents for specific benefit coverage and limitations or call the toll-free member phone number on the back of the ID card.

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