

March 15, 2012

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

RE: Technical Release No. 2012-01
Frequently Asked Questions from Employers Regarding Automatic Enrollment, Employer Shared Responsibility, and Waiting Periods

To Whom It May Concern:

WorldatWork respectfully submits these comments in response to the request for comments in Technical Release No. 2012-01: Frequently Asked Questions from Employers Regarding Automatic Enrollment, Employer Shared Responsibility, and Waiting Periods.

Background on WorldatWork

WorldatWork (www.worldatwork.org) is a not-for-profit global human resources association focused on compensation, benefits, work-life and integrated total rewards to attract, motivate and retain a talented workforce. Founded in 1955, WorldatWork provides a network of more than 30,000 members and professionals in more than 100 countries with training, certification, research, conferences and community. WorldatWork offers six certifications for reward professionals, including the highly regarded Certified Benefits Professional (CBP) designation, which more than 2,500 professionals have earned since its introduction in 1993.

WorldatWork members are human resources professionals who believe there is a powerful exchange relationship between employer and employee, as demonstrated through the WorldatWork Total Rewards Model. Total rewards involve the deliberate integration of five key elements that effectively attract, motivate and retain the talent required to achieve desired organizational results. The five key elements are: compensation, benefits, work-life, performance and recognition, and development and career opportunities.

This model recognizes that total rewards operate in the context of overall business strategy, organizational culture and HR strategy as well as a complex external environment. Within this context, an employer leverages the five elements to offer and align a value proposition that benefits both the

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organization and the employee. An effective total rewards strategy results in satisfied, engaged and productive employees, who in turn deliver desired performance and results.

Concerns and Issues Identified by WorldatWork

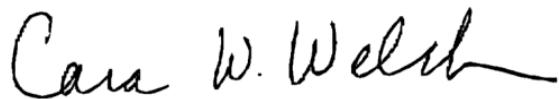
WorldatWork appreciates the Department's focus on working collaboratively with the Departments of Treasury and Health and Human Services to develop coordinated guidance and a smooth implementation process for employers in regards to provisions of the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act of 2010 dealing with automatic enrollment, shared responsibility and the 90-day limitation on waiting periods. In support of a smooth implementation process, WorldatWork has identified a few areas in which employers need further clarification moving forward, whether through future guidance or in the rulemaking itself:

1. If employees are defaulted in to but opt out of the lowest-cost plan offered by an employer, is the employer subject to the penalty in the employer shared responsibility provision?
2. What is the definition of "full time" for auto-enrollment purposes? Will there be a standard definition or will it be, as stated on the Department of Labor website in regards to the FLSA definition of full- or part-time employment, "a matter of agreement between the employer and the employee"?
3. More explanation is needed surrounding how the auto-enrollment requirement coordinates with the 90-day waiting period. For example, if an employee is eligible for plan coverage on date of hire, does the employer still get 90 days to automatically enroll him or her in the plan or to receive an opt-out notification?
4. For the very first open enrollment period after the auto-enrollment provision goes into effect, what do employers have to do about employees who had previously opted out of employer health-care coverage? In other words, if an employer has an existing written opt-out from an employee, prior to the effective date of the provision, can the employer honor that, or does the employer have to get another one? If the employer does not receive another one, will that employer be responsible for automatically enrolling that employee in a health-care plan?

Conclusion

In conclusion, we appreciate the opportunity to provide comment on the technical guidance and look forward to working collaboratively on subsequent Patient Protection and Affordable Care Act regulatory action, especially in relation to the automatic enrollment and shared responsibility provisions.

Sincerely,



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