



Legal Alert: DOL Publishes Model CHIP Notices for Eligibility for Premium Assistance Under Medicaid or the Children's Health Insurance Program

2/8/2010

As previously discussed in our February 17, 2009 Legal Alert, President Obama signed into law the Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA). Among other things, CHIPRA requires that employers inform each employee of potential opportunities currently available in the State in which the employee resides for group health plan premium assistance under Medicaid and the Children's Health Insurance Program (CHIP). These notices are referred to as Employer CHIP Notices.

Whether an employee is entitled to receive a CHIP notice is based on the employee's state of residence. The state in which the employee resides may or may not be the same as the state in which the employer, the employer's principal place of business, the health plan, its insurer, or other service providers are located. Currently, there are 40 states where employers are subject to CHIPRA's notice requirements.

Employers are required to provide these notices by the date that is the later of (1) the first day of the first plan year after February 4, 2010; or (2) May 1, 2010. Civil penalties of up to \$100 per day may be assessed on employers who do not provide the required notice.

The Department of Labor's website has posted a model CHIP notice to help employers comply with CHIPRA's notification requirements. The model CHIP notice may be found at: <http://www.dol.gov/ebsa/pdf/chipmodelnotice.pdf>.

For further discussion on this topic, please see our previously published Legal Alert located at: <http://www.fordharrison.com/shownews.aspx?show=4525>.

If you have any questions about CHIPRA's notification requirements, please contact the author of this Legal Alert, Isabella Lee at ilee@fordharrison.com, or any member of Ford & Harrison's Employee Benefits Practice Group