

CHIPRA (Children's Health Insurance Program Reauthorization Act)

The DOL has announced the availability on its website of a model Employer CHIP Notice that can be used to satisfy the CHIPRA employer notice requirement. CHIPRA added new notice and disclosure obligations for employers that maintain group health plans in states that provide Medicaid or state Children's Health Insurance Program (CHIP) assistance in the form of premium assistance subsidies. It also created additional HIPAA special enrollment rights that permit eligible employees and their dependents to enroll in an employer's group health plan in two situations: (1) when Medicaid or CHIP coverage is terminated due to loss of eligibility; and (2) upon eligibility for a premium assistance subsidy under Medicaid or CHIP.

The Employer CHIP Notice must be provided annually, on an automatic basis and free of charge. It must inform each employee (regardless of enrollment status) of potential opportunities for premium assistance in the state in which the employee resides. Because the state in which the employee resides may or may not be the same as the state in which the employer, the health plan, its insurer, or other service providers are located, the DOL designed the model Employer CHIP Notice as a national notice to cover an array of situations where employees entitled to the notice may reside (or their families may reside) in various states. To this end, it provides a brief description of premium assistance and relies on state contact information for state-specific program descriptions. The model Employer CHIP Notice, which is attached to this email, provides a list of states along with contact information (current as of January 22, 2010) that offer qualifying premium assistance programs. The DOL intends to update its website annually to reflect any changes to the list of states offering such programs (or the contact information for those states). Employers must provide the initial Employer CHIP Notice by the later of (1) the first day of the first plan year after February 4, 2010; or (2) May 1, 2010. (For calendar-year plans, the notice must be provided by January 1, 2011.)