

CLIENT ALERT

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IMPORTANT REMINDER REGARDING YOUR OBLIGATION UNDER The Children's Health Insurance Program Reauthorization Act of 2009 (CHIP). The purpose of CHIP is to assist low income individuals with the cost of medical insurance for children.

Employers that provide coverage in states with premium assistance through Medicaid or CHIP must inform employees of potential opportunities for assistance in obtaining health coverage. The U.S. Department of Labor's Employee Benefits Security Administration (EBSA) released a model notice on February 9, 2010 that you may use to provide information on eligibility for premium assistance under Medicaid or the Children's Health Insurance Program (CHIP).

The Notice may be given as part of an Annual Open Enrollment packet, an Initial Hire packet, or with the Summary Plan Description. However, all employees who reside in an eligible state must be given the notice, whether or not they are eligible for the health plan.

To assist you, we have provided a pdf copy of the government's Model Notice. Also available at: www.dol.gov/ebsa/chipmodelnotice.doc This notice can be sent to employees in all 40 states that currently offer premium assistance programs.

Timing of the notice - For calendar year plans, you must provide your employees with the CHIP Notice by January 1, 2011. (Non Calendar year plans starting in February of 2010, were required to send out the notice on the later of May 1, 2010 or the first day of the plan year)

***DISCLAIMER** - This e-mail is informational only and is not meant to advise you of your entire obligation under the Children's Health Insurance Program Reauthorization Act of 2009. This information should not be construed as insurance, legal or tax advice. If you would like more information, please do not hesitate to contact our office or your legal counsel.*