

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.

The model notice is on the DOL's website. www.dol.gov/ebsa Employers must send out the notice based on their plan anniversary. If the plan anniversary is between February 2, 2010 and May 1, 2010, then the notice must be distributed by May 1, 2010. For plan years after May 1, 2010, the notice must be provided on the Plan Anniversary.

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

February 12, 2010

