

Legal Alert: CHIP Notice Deadline Approaching for Plan Years that Begin On or After May 1, 2010

3/31/2010

As previously discussed in our February 8, 2010 Legal Alert, employers are required by the Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA) to 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.

CHIP Notices must be distributed 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.

Thus, for employers whose plan years begin on or after May 1, 2010, CHIP Notices are due by May 1, 2010. For employers whose plan years have already begun, the CHIP Notices were due on the first day of the plan year.

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=5848.

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