


Date: December 10, 2010

Code: TECHNICAL LETTER
HR/Benefits 2010-16

To: Human Resources Directors
Benefits Representatives

From: Evelyn Nazario 
Assistant Vice Chancellor
Human Resources Management

Subject: Special Notice Requirement to Inform All Employees of the Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA)

Overview

Audience: Human Resources Directors, Benefits Representatives, and/or campus designee(s) responsible for benefits administration

Action Item(s): Campuses are required to distribute the model notice(s) to employees based on information in this technical letter no later than January 1, 2011

Affected Employee Group(s)/Units(s): All employees

Summary

On February 4, 2009, President Obama signed the Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA). CHIPRA included a requirement that the Departments of Labor and Health and Human Services develop a model notice for employers to use to inform employees of group health plan premium assistance under Medicaid and the State Children's Health Insurance Program (SCHIP). **The model notice must be distributed to employees no later than January 1, 2011.**

Campus designees responsible for benefits administration should read this technical letter in its entirety.

Children's Health Insurance Program Reauthorization Act (CHIPRA) Background

On February 4, 2009, President Obama signed the Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA) which extended the State Children's Health Insurance Program (SCHIP or most commonly CHIP) established under the Social Security Act. The Act also amends the Employee Retirement Income Security Act of 1974 (ERISA) to provide for special enrollment rights, new notice and disclosure obligations, and penalties for non-compliance. CHIPRA included a requirement that the Departments of Labor (DOL) and Health and Human Services develop a model notice for employers to use to inform employees of potential opportunities currently available in the State in which the employee resides for group health plan premium assistance under Medicaid and CHIP.

Distribution:

CSU Presidents
Executive Vice Chancellor and CFO
Vice Chancellor, Human Resources
Vice Presidents, Administration

Associate Vice Presidents/Deans of Faculty
Budget Officers
Payroll Managers

An employer is considered to maintain a group health plan in a State if health care coverage is provided directly or through insurance, reimbursement, or otherwise, in that State (does not include health flexible spending plans, or high deductible insurance plans). Consequently, if that State provides medical assistance under a State Medicaid plan, or child health assistance under a State child health plan (or the equivalent program(s) under the State of California), in the form of premium assistance for the purchase of group health plan coverage, the employer is required to provide the Employer CHIP Notice.

Specifically, the CSU is required to notify each employee of potential opportunities currently available in the State in which the employee resides for premium assistance under Medicaid and CHIP (or the equivalent program(s) under the State of California) for health coverage of the employee or the employee's dependents, whether or not the employee has chosen or is eligible for a health plan. Currently the notice does not apply to the following states: Connecticut, Delaware, Hawaii, Illinois, Maryland, Missouri, Mississippi, Ohio, South Dakota and Tennessee. The notice and list will be updated annually by DOL, and will be communicated to campuses accordingly.

Please note the following:

- The State of California administers the CHIP program under Healthy Families. Eligibility for Healthy Families provides health, dental and vision benefits for eligible dependents up to age 19. Additional information regarding Healthy Families can be located on their website: www.healthyfamilies.ca.gov.
- The State of California administers the Medicaid program under Medi-Cal.
- The programs listed above are income based and are available to individuals that may or may not qualify for health coverage through the employer.

Distribution Deadline Requirements of CHIP Notices

The Employer CHIP model Notice is now available for distribution to current and future employees (see Attachment A). For employers whose next plan year begins on or after May 1, 2010, the Employer CHIP notice must be provided by the first day of the next plan year. **Therefore, California State University (CSU) is required to distribute the CHIP model notice to employees no later than January 1, 2011.**

The CHIP notice also must be provided to new employees hired on or after January 1, 2011, and also must be distributed to employees during the annual open enrollment period. Note: there is no requirement to distribute the CHIP notice to former employees (e.g., COBRA participants or retirees).

Distribution Method for CHIP Notice

The CHIP notice may be distributed in hard copy (e.g., hand delivery or via U.S. mail) to all current employees and new hires.

Alternatively, for an employee who has a campus e-mail address as a part of employment for whom accessing the e-mail system is an "integral part" of the job and if the employee can effectively access electronic documents at any location where they are reasonably expected to perform their duties as an employee, it is permitted to distribute the notice electronically. Electronic delivery can be accomplished by sending an e-mail with the CHIP notice attached or by sending an individual e-mail summarizing the notice and the significance of the document with a link to the full notice posted on the campus website. All methods of electronic delivery must include a notice that the employee can request a paper copy to be provided at no charge. **Note: it is not sufficient to simply post the notice on the campus website without a proper individual e-mail notice to the website link.**

For employees who do not have current access to campus e-mail as an integral part of their jobs (e.g., certain job categories or employees on a leave of absence) typically the notice must be distributed in hard copy (e.g., hand delivery or mailed to the address of record). If a campus wishes to consider delivering the CHIP notice to these individuals electronically, additional rigorous rules must be followed. Please contact Human Resources Management (HRM) for additional information on the electronic delivery rules for these individuals.

Penalty for Non-Compliance

Employers will face penalties of up to \$100 a day for failure to comply with the notice and disclosure requirements of the Act. The \$100 penalty applies for each violation per participant or beneficiary.

Special Enrollment Rights

Under CHIPRA, employers must permit employees and dependents that are "eligible but not enrolled for coverage" under an employer health plan to enroll in the employer's health plan (includes health, dental and vision) if the employee's or dependent's Medicaid or CHIP (or the equivalent program(s) under the State of California) coverage is terminated as a result of loss of eligibility. Also, if an employee or dependent(s) is/are eligible for premium assistance under Medicaid or CHIP (or the equivalent program(s) under the State of California), the employee (or dependent(s) can dis-enroll from the employer's health plan. As a reminder, dependents cannot be enrolled in health coverage without the employee being covered also. ***The employee must submit such requests to the Benefits Office within 60 days after the employee or dependent is terminated from, or determined to be eligible for such assistance.***

Additional Information

An electronic version of the CHIPRA Act of the 2009 is available online for download at: http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=111_cong_public_laws&docid=f:publ003.111.pdf.

CMS Processing Instructions

CHIPRA and this notice requirement have no impact on CMS Baseline.

Questions regarding this Technical Letter may be directed to Human Resources Management at (562) 951-4411. This Technical Letter is also available on the Human Resources Management Web site at: <http://www.calstate.edu/HRAdm/memos.shtml>.

EN/mh

Attachment



**Medicaid and the State Children's Health Insurance Program (SCHIP/CHIP)*
 Offer Free or Low-Cost Health Coverage to Children and Families**

If you are eligible for health coverage from your employer, but are unable to afford the premiums, some States have premium assistance programs that can help pay for coverage. These States use funds from their Medicaid* or CHIP* programs to help people who are eligible for employer-sponsored health coverage, but need assistance in paying their health premiums.

If you or your dependents are already enrolled in Medicaid* or CHIP* and you live in a State listed below, you can contact your State Medicaid* or CHIP* office to find out if premium assistance is available.

If you or your dependents are NOT currently enrolled in Medicaid* or CHIP*, and you think you or any of your dependents might be eligible for either of these programs, you can contact your State Medicaid* or CHIP* office or dial **1-877-KIDS NOW** or **www.insurekidsnow.gov** to find out how to apply. If you qualify, you can ask the State if it has a program that might help you pay the premiums for an employer-sponsored plan.

If you and/or your dependents enroll in State Medicaid* or CHIP*, but subsequently lose eligibility, you and your dependents can be re-enrolled in the employer's health plan. If you (or your dependent(s)) are already enrolled in your employer's health plan, but become eligible for State Medicaid* or CHIP*, you have the right to dis-enroll yourself and/or your dependent(s) from the employer's health plan**. *These special enrollment/disenrollment requests must be submitted to the Benefits Office within 60 days after you or your dependent(s) is terminated from, or determined to be eligible for such assistance.*

If you live in one of the following States, you may be eligible for assistance paying your employer health plan premiums. The following list of States is current as of November 3, 2010. You should contact your State for further information on eligibility.

ALABAMA – Medicaid	CALIFORNIA – Medicaid and CHIP*
Website: http://www.medicaid.alabama.gov Telephone: 1-800-362-1504	Medicaid Website: http://www.dhcs.ca.gov/services/Pages/TPLRD_CAU_cont.aspx Telephone: 1-866-298-8443 CHIP (Healthy Families)* Website: http://www.healthyfamilies.ca.gov Telephone: 1-800-880-5305
ALASKA – Medicaid	COLORADO – Medicaid and CHIP
Website: http://health.hss.state.ak.us/dpa/programs/medicaid/ Telephone (Outside of Anchorage): 1-888-318-8890 Telephone (Anchorage): 907-269-6529	Medicaid Website: http://www.colorado.gov/ Medicaid Telephone (In state): 1-800-866-3513 Medicaid Telephone (Out of state): 1-800-221-3943 CHIP Website: http:// www.CHPplus.org CHIP Telephone: 303-866-3243
ARIZONA – CHIP	
Website: http://www.azahcccs.gov/applicants/default.aspx Telephone (In state): 1-877-764-5437	
ARKANSAS – CHIP	FLORIDA – Medicaid
Website: http://www.arkidsfirst.com/ Telephone: 1-888-474-8275	Website: http://www.fdhc.state.fl.us/Medicaid/index.shtml Telephone: 1-866-762-2237
GEORGIA – Medicaid	MONTANA – Medicaid
Website: http://dch.georgia.gov/ Click on Programs, then Medicaid Telephone: 1-800-869-1150	Website: http://medicaidprovider.hhs.mt.gov/clientpages/clientindex.shtml TeleTelephone: 1-800-694-3084

IDAHO – Medicaid and CHIP	NEBRASKA – Medicaid
Medicaid Website: www.accesstohealthinsurance.idaho.gov Medicaid Telephone: 1-800-926-2588 CHIP Website: www.medicaid.idaho.gov CHIP Telephone: 1-800-926-2588	Website: http://www.dhhs.ne.gov/med/medindex.htm Telephone: 1-877-255-3092
INDIANA – Medicaid	NEVADA – Medicaid and CHIP
Website: http://www.in.gov/fssa/2408.htm Telephone: 1-877-438-4479	Medicaid Website: http://dwss.nv.gov/ Medicaid Telephone: 1-800-992-0900 CHIP Website: http://www.nevadacheckup.nv.org/ CHIP Telephone: 1-877-543-7669
IOWA – Medicaid	
Website: www.dhs.state.ia.us/hipp/ Telephone: 1-888-346-9562	
KANSAS – Medicaid	NEW HAMPSHIRE – Medicaid
Website: https://www.khpa.ks.gov Telephone: 800-766-9012	Website: www.dhhs.nh.gov/ombp/index.htm Telephone: 603-271-4238
KENTUCKY – Medicaid	NEW JERSEY – Medicaid and CHIP
Website: http://chfs.ky.gov/dms/default.htm Telephone: 1-800-635-2570	Medicaid Website: http://www.state.nj.us/humanservices/dmahs/clients/medicaid/ Medicaid Telephone: 1-800-356-1561 CHIP Website: http://www.njfamilycare.org/index.html CHIP Telephone: 1-800-701-0710
LOUISIANA – Medicaid	
Website: http://www.lahipp.dhh.louisiana.gov Telephone: 1-888-342-6207	
MAINE – Medicaid	NEW MEXICO – Medicaid and CHIP
Website: http://www.maine.gov/dhhs/oms/ Telephone: 1-800-321-5557	Medicaid Website: http://www.hsd.state.nm.us/mad/index.html Medicaid Telephone: 1-888-997-2583 CHIP Website: http://www.hsd.state.nm.us/mad/index.html Click on Insure New Mexico CHIP Telephone: 1-888-997-2583
MASSACHUSETTS – Medicaid and CHIP	
Medicaid & CHIP Website: http://www.mass.gov/MassHealth Medicaid & CHIP Telephone: 1-800-462-1120	
MINNESOTA – Medicaid	NEW YORK – Medicaid
Website: http://www.dhs.state.mn.us/ Click on Health Care, then Medical Assistance Telephone (Outside of Twin City area): 800-657-3739 Telephone (Twin City area): 651-431-2670	Website: http://www.nyhealth.gov/health_care/medicaid/ Telephone: 1-800-541-2831
MISSOURI – Medicaid	NORTH CAROLINA – Medicaid
Website: http://www.dss.mo.gov/mhd/index.htm Telephone: 573-751-6944	Website: http://www.nc.gov Telephone: 919-855-4100
NORTH DAKOTA – Medicaid	UTAH – Medicaid
Website: http://www.nd.gov/dhs/services/medicalserv/medicaid/ Telephone: 1-800-755-2604	Website: http://health.utah.gov/medicaid/ Telephone: 1-866-435-7414

OKLAHOMA – Medicaid	VERMONT– Medicaid
Website: http://www.insureoklahoma.org Telephone: 1-888-365-3742	Website: http://ovha.vermont.gov/ Telephone: 1-800-250-8427
OREGON – Medicaid and CHIP	VIRGINIA – Medicaid and CHIP
Medicaid & CHIP Website: http://www.oregonhealthykids.gov Medicaid & CHIP Telephone: 1-877-314-5678	Medicaid Website: http://www.dmas.virginia.gov/rcp-HIPP.htm Medicaid Telephone: 1-800-432-5924 CHIP Website: http://www.famis.org/ CHIP Telephone: 1-866-873-2647
PENNSYLVANIA – Medicaid	WASHINGTON – Medicaid
Website: http://www.dpw.state.pa.us/partnersproviders/medicalassistance/doingbusiness/003670053.htm Telephone: 1-800-644-7730	Website: http://hrsa.dshs.wa.gov/premiumpym/Apply.shtm Telephone: 1-800-562-3022 ext. 15473
RHODE ISLAND – Medicaid	WEST VIRGINIA – Medicaid
Website: www.dhs.ri.gov Telephone: 401-462-5300	Website: http://www.wvrecovery.com/hipp.htm Telephone: 304-342-1604
SOUTH CAROLINA – Medicaid	WISCONSIN – Medicaid
Website: http://www.scdhhs.gov Telephone: 1-888-549-0820	Website: http://dhs.wisconsin.gov/medicaid/publications/p-10095.htm Telephone: 1-800-362-3002
TEXAS – Medicaid	WYOMING – Medicaid
Website: https://www.gethipptexas.com/ Telephone: 1-800-440-0493	Website: http://www.health.wyo.gov/healthcarefin/index.html Telephone: 307-777-7531

To see if any more States have added a premium assistance program since November 3, 2010, or for more information on special enrollment rights, you can contact either:

U.S. Department of Labor
Employee Benefits Security Administration
www.dol.gov/ebsa
1-866-444-EBSA (3272)

U.S. Department of Health and Human Services
Centers for Medicare & Medicaid Services
www.cms.hhs.gov
1-877-267-2323, Ext. 61565

*In the State of California, Healthy Families is the equivalent of the SCHIP/CHIP program and provides, health, dental and vision coverage to dependents up at age 19. The Medi-Cal Program is the equivalent of Medicaid. These programs are income-based and are available to individuals that may or may not qualify for health coverage through the employer.

**Please note: If you opt to enroll or re-enroll in your employer's plan, you can opt to enroll yourself only or yourself and your dependents. Dependents cannot be enrolled in the employer's plan without the employee being covered also.

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