

CALIFORNIA DEPARTMENT OF CHILD SUPPORT SERVICES

P.O. Box 419064, Rancho Cordova, CA 95741-9064

May 18, 2001

CSS LETTER NO. 01-15

To: ALL DISTRICT ATTORNEYS
 ALL IV-D DIRECTORS
 ALL COUNTY ADMINISTRATIVE OFFICERS
 ALL COUNTY BOARDS OF SUPERVISORS

Subject: FINAL RULE ON THE NATIONAL MEDICAL SUPPORT NOTICE (NMSN)

Regulations Reference: 45, Code of Federal Regulations, Section 303.32 and 29, Code of Federal Regulations, Section 2590

This letter transmits the final rule published in the Federal Register (65 FR 82154) December 27, 2000 regarding the National Medical Support Notice (NMSN). The Department of Labor (DOL) and the Office of Child Support Enforcement published parallel final regulations. The initial effective date was January 26, 2001. Subsequently, the effective date of the regulations was postponed to March 27, 2001.

The Child Support Performance and Incentives Act of 1998 (CSPIA) is implemented by regulations specified in 45, Code of Federal Regulations (CFR), Section 303.32 and 29, CFR, Section 2590. The CSPIA requires that state child support enforcement agencies enforce the health care coverage provision in a child support order through the use of a standard form called the National Medical Support Notice.

The NMSN notifies the noncustodial parent's employer of the requirement to provide health care coverage for the child in a child support case. The NMSN replaces the Health Insurance Coverage Assignment. The DOL is also adopting the NMSN under the Employee Retirement Income Security Act (ERISA) of 1974. The NMSN also replaces the Qualified Medical Child Support Order (QMCSO). Local child support agencies are required to begin using the NMSN no later than October 1, 2001.

The regulations specified in 45, CFR, Section 303.32 and 29, CFR, Section 2590 do all of the following:

- Require the NMSN be used to transfer notice of the provision of health care coverage of a child to an employer.

Reason for this Transmittal

- State Law or Regulation Change
 Federal Law or Regulation Change
 Court Order or Settlement Change
 Clarification requested by One or More Counties
 Initiated by DCSS



- Require, where noncustodial parents are newly hired, the NMSN be provided to employers within two business days after the date the newly hired employees are entered into the State Directory of New Hires.
- Instruct employers to transfer the NMSN to the appropriate group health plans within 20 business days after the date of the NMSN.
- Instruct employers to withhold any obligations of employees for coverage of the children, and send the amount withheld directly to health plans.
- Provide that employees may contest the withholding of the health coverage obligation based on a mistake of fact.
- Instruct employers to notify the IV-D agency when the noncustodial parent's employment is terminated, consistent with the requirements of 45, CFR, Section 303.100 (e)(1)(x).
- Require local child support agencies to promptly notify employers when there is no longer a current order for medical support in effect for which the child support agency is responsible.
- Require local child support agencies, in consultation with custodial parties, to promptly select from available plan options when plan administrators report that there is more than one option available under the plan.

Attached is a hard copy of the NMSN. To order hard copies of the notice, please contact Jesse Saenz at (916) 464-5104. The NMSN is also available as a JetFORM template. For more information about JetFORM, or to receive a JetFORM template of the NMSN, please contact Kristy Johnson by e-mail at kristy.johnson@dcss.ca.gov or by phone at (916) 464-5219.

If you have any questions regarding this information, please contact Myrna Gregory at (916) 464-5055 or email at myrna.gregory@dcss.ca.gov.

Sincerely,

CURTIS HOWARD
Assistant Deputy Director
Child Support Services Division

Enclosure