



Qualified Medical Child Support Orders and National Medical Support Orders

From time to time employers and health plan sponsors may receive a **Qualified Medical Child Support Order (QMCSO)** or **National Medical Support Notice (NMSN)** which orders health benefits for a child of an employee who is eligible to participate in his or her health benefit plan.

- A Qualified Medical Child Support Order (QMCSO) is a judgment, decree or order that requires health benefit coverage for a child of a participant under a group health plan. Typically, QMCSOs are issued in the course of a divorce. When a QMCSO requires a non-custodial parent to provide health insurance for a dependent child, the non-custodial parent must provide this coverage even if he or she has not elected coverage for himself or herself.
- A National Medical Support Notice is a form of QMCSO. A NMSN is a standardized medical child support order used by a state child support enforcement agency to enforce medical child support obligations. An employer can usually expect to receive a NMSN when the agency initially enforces the employee's medical support obligation, or when an employee with a previously established medical support obligation is newly hired.

Administrative Procedures for QMCSOs

When a QMCSO is received, the plan sponsor must inform the participant and the child's custodial parent and give them copies of the plan's written procedures for handling QMCSOs, which must be written so as to be reasonably understood by the average person. The plan sponsor must then determine whether the QMCSO is "qualified" (i.e., valid) and must notify the participant and the custodial parent of the determination within a reasonable period of time. In order to be qualified, the QMCSO must contain the following information:

- The name and last known mailing address of the participant and each covered child.
- A reasonable description of the type of health coverage to be provided to the child (or the manner in which the coverage is to be determined).
- The period to which the order applies.

The QMCSO may not require the plan sponsor to provide a type or form of benefit or option not otherwise available under the plan.

If the QMCSO is determined to be qualified, the child must be enrolled at the earliest possible date. However, you are not required to enroll the child if the health plan does not provide for dependent coverage. But, if the employee must be covered as a condition for covering the child, then both must be enrolled.

After the enrollment, WellChoice sends ID card(s) and other coverage documents applicable to the child's coverage to the child's address. WellChoice also sends the explanations of benefits and medical management documents applicable to the child's coverage to the child's address.

Administrative Procedures for NMSNs

The NMSN is comprised of Part A, Notice to Withhold for Health Care Coverage (which includes an Employer Response), and Part B, Medical Support Notice to Plan Administrator (which includes a Plan Administrator Response).

When a plan sponsor receives a NMSN, the first step is to determine whether it is appropriately completed and contains the following information:

- The name of the issuing state child support enforcement agency.
- The name and mailing address of each child covered by the notice. (The name and address of a state or local official may be substituted for the child's name; for example, in the case of domestic violence).

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- The name and mailing address of the employee who is enrolled or eligible for enrollment and who is obligated to provide the medical support for each named child.

If any of this information is missing, but is reasonably available, the Notice should be considered complete.

The Notice is comprised of Part A, Notice to Withhold for Health Care Coverage (which includes an Employer Response) and Part B, Medical Support Notice to Plan Administrator (which includes a Plan Administrator Response). You must complete Part A and send it back to the issuing agency within 20 business days of the date on the Notice if any of the following applies:

- You do not maintain or contribute to plans providing dependent or family health coverage.
- The employee is not eligible for family health coverage under any group plan maintained by the employer or to which the employer contributes.
- The employee is no longer employed by you.

In any of these situations, you are not required to provide coverage to the child, and once you send back Part A no further action is necessary. Otherwise, you must keep Part A and send a copy of Part B of the Notice to the Plan Administrator designated in the group health plan (or plans) for which the child may be eligible for enrollment. If no Plan Administrator is designated in the plan document, it may be the employer, the labor organization or the association or committee that maintains the plan.

After you send Part B to the Plan Administrator, it must enroll the child, complete Part B, send it back to the issuing agency within 40 business days after the date of the notice, notify you when the child is enrolled, and provide to the custodial parent of the child (or in some cases a named state official) information about the child's coverage. Note: If the employee is not enrolled and there is more than one coverage option available for the child under the plan, the Plan Administrator will notify the issuing agency of the available options. Then, if the agency does not respond within 20 days, the Plan Administrator may enroll the child in a default option. If WellChoice is the Plan Administrator, we will complete these steps. If not, the Plan Administrator must direct WellChoice to add the child to the employee's policy.

Once the Plan Administrator informs you that the child is enrolled, you must begin withholding from the employee's pay the amount necessary for the coverage, and send this to the Plan Administrator. If state or federal withholding limits would prevent you from withholding the employee contributions necessary for coverage, you are not required to provide coverage to the child. In this case, you must use the Employer Response on Part A to notify the issuing agency that you are unable to withhold the necessary amounts because of withholding limitations.

Note: The employee named in the Notice is liable for any employee contributions required for enrollment of the children and is subject to enforcement. The child must be enrolled even if the employee is not a participant, and even if the employee refuses to sign enrollment materials. The employee may contest the withholding based on a mistake of fact by contacting the issuing agency at the address and telephone number listed on the Notice, but the employer still must comply with its responsibilities in the Notice until the issuing agency notifies it to discontinue withholding.

Once the child is enrolled, you must continue to withhold employee contributions and may not disenroll or eliminate coverage for the child unless:

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- You receive satisfactory evidence that the order is no longer in effect, or that the child will be enrolled in comparable coverage no later than the disenrollment date of your plan; or
- You eliminate family health coverage for all employees.

If the employee terminates employment, you must promptly notify the agency that issued the notice about the termination by sending the agency a copy of any notice of continuation coverage under ERISA or portability under the Health Insurance Portability and Accounting Act.

An employer may be subject to sanctions or penalties under state or federal law for discharging an employee from employment, refusing to employ or taking disciplinary action against any employee because of medical child support withholding, or for failing to withhold income or transmit the withheld amounts to the plan.

If you have any questions about enrollment or plan administration in connection with QMCSOs or NMSNs, please contact your account manager or Account Services at **1-888-476-6986, Monday – Friday, 8:30 a.m. – 5:00 p.m. EST.**

Link for more information:

Compliance Guide for Qualified Medical Child Support Orders
www.dol.gov/ebsa/publications/qmcsso.html

This communication is an educational notice and does not constitute legal advice. If you have any questions about the meaning or enforceability QMCSOs or NMSNs, or your employees' obligations under them, please contact your plan's legal advisor.