

# National Medical Support Notice

## EMPLOYER INSTRUCTIONS

The National Medical Support Notice (NMSN) serves as legal notice that the employee identified on the Notice is obligated by a child support court order to provide health care coverage for the child identified on the Notice. This NMSN replaces any Medical Support Notice that the Issuing Agency has previously served with respect to the employee and the child listed on this Notice. If the employee already has enrolled the child in health care coverage, the employer should contact the Issuing Agency to provide coverage information.

The Notice has: **Part A**-Notice to Withhold for Health Care Coverage, for the employer to withhold any employee contributions required by the group health plan in which the child is enrolled; and **Part B**-Medical Support Notice to the Plan Administrator, which must be forwarded to the administrator of each group health plan identified by the employer to enroll the eligible child.

An employer receiving this Notice is required to complete and return Part A if appropriate. If group health coverage is not available, or the employee was never or is no longer employed, the employer is still required to complete Part A and return it to the Issuing Agency with the appropriate response checked. If the employer provides health care benefits to the employee, forward Part B to the health plan administrator of your organization.

If the employee's health care benefits are administered through another organization, forward Part B of the Notice to the labor union or organization acting as the plan administrator. The employer must forward Part B to the appropriate plan administrator if the employee has already enrolled the child in health care coverage. Keep a copy of Part A, it may be used to notify the Issuing Agency at any time if the employee separates from service for any reason including retirement or termination.

## EMPLOYER RESPONSIBILITIES

If the individual named in this Notice is not your employee, or if the family health care coverage is not available, complete item 1,2,3, or 4 of the Employer Response as appropriate, and return it to the Issuing Agency. **No further action is necessary.**

If family coverage is available for which the child identified may be eligible, you are required to:

- a. Send, no later than 20 business days from the date of receipt of this Notice, a copy of Part B to the administrator of each group health plan for which the child may be eligible. b. If notified that the child is enrolled, either:
- b. Withhold from the employee's income any employee contributions required under each group health plan, and transfer employee contributions to the appropriate plan, or 2. Complete item 5 of the Employer Response to notify the Issuing Agency that enrollment cannot be completed because of prioritization or limitations on withholding.
- c. If the plan administrator notifies you that the employee is subject to a waiting period that expires more than 90 days from the date of its receipt of Part B of this Notice notify the Issuing Agency of the enrollment timeframe and notify the plan administrator when the employee is eligible to enroll in the plan and that the Notice requires the enrollment of the child in the plan.

## LIMITATIONS ON WITHHOLDING

The total amount withheld for both cash and medical support (including insurance premiums) **cannot exceed** the percentage of the employee's disposable earnings as listed on the income withholding notice for that employee. The employer may not withhold more under the Notice than:

- a. The amounts showed by the federal Consumer Credit Protection Act (CCPA).
- b. The amounts allowed by the employee's State of employment.

- c. The **reasonable cost** (an employee's out of pocket cost for the policy does not exceed 10% of the employee's gross monthly income **or** an amount specified by the court) allowed for health insurance premiums by the support order.

The federal CCPA limit applies to disposable earnings (the net income left after making mandatory deductions such as state, federal, local taxes, Social Security taxes, and Medicare taxes).

## PRIORITY OF WITHHOLDING

If withholding is required for employee contributions under the Notice and for a support obligation under a separate notice, and available funds are insufficient for withholding for cash and medical support contributions, the employer **must** withhold amounts for cash support and medical support contributions in accordance with the law of the employee's State of employment requiring prioritization between cash and medical support. The withholding priorities in Wisconsin are:

- a. Current support
- b. Current spousal support
- c. Health insurance premiums

## DURATION OF WITHHOLDING

The child is treated as a dependent under the terms of the plan. Coverage of a child as a dependent will end when conditions for eligibility no longer apply. However, the continuation coverage provisions of the Employee Retirement Income Security Act (ERISA) may entitle the child to continuation coverage under the plan. The employer **must** continue to withhold employee contributions and **may not** disenroll the child unless:

- a. The employer is provided written evidence that:
  - The support order referred to in the Notice is no longer in effect.
  - The child is or will be enrolled in comparable coverage, to take effect no later than the date of disenrollment from the plan.
- b. The employer eliminates family health coverage for all employees.

## POSSIBLE SANCTIONS

An employer may be subject to sanctions imposed under state law and/or ERISA for discharging an employee, refusing to employ, or taking disciplinary action against any employee because of medical child support withholding, or for failing to withhold income, or transmit such withheld amounts to the applicable plan as the Notice directs. Sanctions may be imposed against an employer for failure to respond and/or for noncompliance with the Notice.

## NOTICE OF TERMINATION OF EMPLOYMENT

If employment ends, the employer **must** promptly notify the Issuing Agency listed on the Notice. Send the Issuing Agency a copy of Part A with response 4 checked or any notice the employer is required to provide under the continuation coverage provision of ERISA or the Health Insurance Portability and Accountability Act.

## EMPLOYEE LIABILITY FOR PLAN CONTRIBUTION

The employee is liable for any employee contributions required under the plan for enrollment of the child and is subject to appropriate enforcement. The employee may contest the withholding under the Notice based on a mistake of fact by contacting the Issuing Agency at the address or telephone number listed on the Notice. Should an employee contest, the employer **must** proceed to comply with the employer responsibilities in the Notice until notified by the Issuing Agency to discontinue withholding. a Qualified Medical Child Support Order (QMCSO). For plans subject to ERISA, it is the view of the Department of Labor that Federal Courts have jurisdiction if the employee challenges a determination that the Notice constitutes a QMCSO.

## INSTRUCTIONS TO PLAN ADMINISTRATOR

The NMSN has been forwarded from the employer identified in the Notice to you as the plan administrator of a group health plan maintained by the employer and in which the identified participant is enrolled or is eligible for enrollment. The participant is obligated (by an order issued by the court or agency identified in the Notice) to provide health care coverage for the child under the group health plan as described in Part B.

If the participant and child and their mailing addresses are identified in the notice, and coverage for the child is or will become available, the Notice constitutes a QMCSO under the ERISA or the Child Support Performance and Incentive Act (CSPIA), as applicable. Within 40 business days of the date of the Notice the administrator must:

1. Complete Part B (Plan Administrator Response) and send it to the Issuing Agency:
  - a. If you checked Response 2:
    - Notify the participant, each child, and the custodial parent that coverage of the child is or will become available.
    - Give the custodial parent a description and the effective date of the coverage available, including a summary plan description and any forms or documents necessary to effectuate such coverage, as well as information necessary to submit claims for benefits.
  - b. If you checked Response 3:
    - Provide the Issuing Agency copies of applicable summary plan descriptions or other documents that describe available coverage including the additional contribution necessary to obtain coverage for the child under each option and whether there is a limited-service area for any option.
    - If the plan has a default option, enroll the child if you have not received an election from the Issuing Agency within 20 business days of the date you returned the Response. If there is not a default option, enroll the child in the option selected by the Issuing Agency.
  - c. If the participant is subject to a waiting period that expires more than 90 days from the date of receipt of the Notice or has not completed a waiting period determined by a measure other than the passage of time, complete Response 4 on the Plan Administrator Response and return to the employer and Issuing Agency. Notify the participant and the custodial parent and upon satisfaction of the period or requirement, complete enrollment under Response 2 or 3.
  - d. Upon enrollment, send the applicable information on Part B to the employer to determine that necessary employee contributions are available. Inform the employer that enrollment is pursuant to a NMSN. If within 40 business days of the date of the Notice you determine that the Notice does not constitute a QMCSO, you **must** complete Response 5 of Part B and send it to the Issuing Agency.
2. Inform the participant, and the child of the specific reasons for your determination. Required notification may be satisfied by sending the party a copy of the Plan Administrator Response.

## UNLAWFUL REFUSAL TO ENROLL

Enrollment of a child may not be denied on the grounds that:

- The child is not a marital child.
- The child is not claimed as a dependent on the participant's income tax return.
- The child does not reside with the participant or in the plan's service area.
- The child is receiving or is eligible to receive benefits under the State Medicaid plan.

If the plan requires the participant to be enrolled in order for the child to be enrolled, and the participant is not currently enrolled, you **must** enroll both the participant and the child. All enrollments are to be made without regard to open season restrictions.

## PAYMENT OF CLAIMS

A child covered by QMCSO, or the custodial parent, legal guardian, service provider, or a State agency, may file claims and the plan shall make payment for covered benefits or reimbursement directly to such party.

## PERIOD OF COVERAGE

The alternate recipients (children) shall be treated as dependents under the terms of the plan. Coverage of an alternate recipient as a dependent will end when dependents are no longer eligible for coverage under the terms of the plan. However, the continuation coverage provision of ERISA may entitle the alternate recipient to continue coverage. Once a child is enrolled, he/she may not be disenrolled unless:

The plan administrator is provided written evidence that either:

- The court or administrative child support order is no longer in effect, or
- The alternate recipient is or will be enrolled in comparable coverage, which will take effect no later than the effective date of disenrollment from the plan.
- The employer eliminates family health coverage for all employees.
- Any available continuation coverage is not elected, or the period of such coverage expires.

## ONLINE CALCULATORS

Employers may use the online calculators to determine whether an insurance premium amount exceeds the withholding limits and priorities by visiting <https://dcf.wisconsin.gov/cs/emp/calc>.

## CONTACT FOR QUESTIONS

Employers and Plan Administrators should contact the Issuing Agency listed in the upper left-hand corner on page 1 of the Notice



## PAPERWORK REDUCTIONS ACT NOTICE

The Issuing Agency asks for information on this form to carry out the law as specified in the ERISA or the CSPIA, as applicable. You are required to give the Issuing Agency the information. You are not required to respond to this collection of information unless it displays a currently valid OMB control number. The Issuing Agency needs the information to determine whether health care coverage is provided in accordance with the underlying child support order. The average time needed to complete and file the form will vary depending on the individual circumstances:

- Learning about the law or the form First Notice-1 hour
- Preparing the form
- First Notice-1 hour, 45 minutes Subsequent Notices-35 minutes

## MORE INFORMATION

Child Support agencies are listed online at <https://dcf.wisconsin.gov/cs/agencylist>. Employer resources are available from your child support agency at <https://dcf.wisconsin.gov/cs/emp/resources>. Additional resources include income withholding publications:

- Employer's Guide to the Wisconsin Child Support Program
- Guide to Submitting Withholding Payments
- Guide to Income Withholding

The Department of Children and Families is an equal opportunity employer and service provider. If you have a disability and need to access services, receive information in an alternate format, or need information translated to another language, please call the Child Support program at 608-422-6250. Individuals who are deaf, hard of hearing, deaf-blind or speech disabled can use the free Wisconsin Relay Service (WRS) – 711 to contact the department.