



CHILDREN'S HEALTH INSURANCE PROGRAM REAUTHORIZATION ACT OF 2009 (CHIPRA)

Under the American Recovery and Reinvestment Act of 2009 (ARRA), the federal government has imposed additional requirements relating to the Children's Health Insurance Program effective April 1, 2009.

WHAT IS CHIPRA?

President Obama signed the Children's Health Insurance Program Re-Authorization Act of 2009 (CHIPRA) into law on February 4. It re-authorized, in states where applicable, the State Children's Health Insurance Program (SCHIP) through 2013.

SCHIP was created in 1997 to cover uninsured children of lower income, working families who did not qualify for Medicaid. It was designed to be a federal/state partnership, with the federal government bearing approximately 60% of the costs and the states handling the administration.

Effective April 1, 2009, CHIPRA creates new enrollment rights for those employees who are eligible for, but not enrolled in, the employer's health care plan. Specifically, the eligible employee may enroll in the employer's health plan, IF they become ineligible for coverage under Medicaid or a state child health plan, or if they qualify, or no longer qualify for financial assistance under any Medicaid or state child health plan. In either case, the employee has a 60 day "window" after the event to exercise this special enrollment right.

If you meet one of the following directives, you may be eligible for benefits through our group health plan if you have documentation of one of the one of the following events:

- Dependent(s) whose coverage under Medicaid or a state child health plan has terminated due to loss of eligibility, and the employee (parent) requests coverage under the employer health plan within 60 days of such termination; or
- Dependent(s) who become eligible to participate in a Medicaid or CHIPRA Premium Assistance Program and the employee (parent) requests coverage under the employer health plan within 60 days after the eligibility determination date.

The Department of Human Health Services (HHS) is tasked with providing guidance on this matter but has yet to release these resources. However, under this new law we were required to notify you of the updated law by April 1, 2009. Unfortunately, at this time Sunwest is unable to provide specific details or assistance in this matter until further guidance is published by the HHS

Benefits Department
Sunwest Employer Services, Inc.