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Administrative Office of the Courts

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**1622 Medical Support Procedures**

**A. Authority**

United States Code:	42 <u>U.S.C.</u> § 652 (f) 42 <u>U.S.C.</u> § 666(a)(19) 29 <u>U.S.C.</u> § 1169
Code of Federal Regulations:	45 <u>C.F.R.</u> § 160 45 <u>C.F.R.</u> § 164 45 <u>C.F.R.</u> § 303.30 45 <u>C.F.R.</u> § 303.31 45 <u>C.F.R.</u> § 303.32
New Jersey Statutes Annotated:	<u>N.J.S.A.</u> 2A:17-56.11 et seq. <u>N.J.S.A.</u> 2A:17-56.52 <u>N.J.S.A.</u> 2A: 34-23c
Other Authorities:	OCSE Action Transmittal No. 08-08  U.S. Department of Labor Compliance Guide For Qualified Medical Child Support Orders October 2008  DFD Information Transmittal No. 06-43  DFD Information Transmittal No. 10-49  DFD Action Transmittal No. 18-02

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**B. Overview**

Federal law and regulations require that a provision for medical support be included in every child support order established if it is available at a reasonable cost. Gathering information for medical/health care coverage is the responsibility of the court. When the medical information has not been secured, the National Medical Support Notice (NMSN) vendor will attempt to secure medical support information when it is available through employment using NMSN. The Division of Family Development (DFD) has subcontracted the procurement of the medical information from employers to a private vendor operating under the name New Jersey Child Support Employer Services Center (NJCESC/vendor). When the available administrative remedies prove unsuccessful in securing the medical insurance, or other medical support related issues, Probation Child Support Enforcement (PCSE) staff may have to schedule the case for an Enforcement to Litigant's Rights (ELR) or Order to Show Cause hearing.

The NMSN was developed by the Federal Office of Child Support Enforcement (OCSE) and New Jersey began using it in October 2003. NMSN is comprised of two parts, *Part A Notice to Withhold for Health Care Coverage*, and *Part B Medical Support Notice to Plan Administrator* (CS727/CS727L). NMSN is intended to provide a standardized means of communication between state child support enforcement agencies, employers, and administrators of group health plans regarding the medical support obligations of Custodial Parents (CPs)/obligees and Non-Custodial Parents (NCPs)/obligors. New Jersey Kids Deserve Support (NJKiDS), exchanges data with the vendor in all cases that become eligible for a NMSN.

**C. Provisions for Coverage**

1. State law requires that health care coverage be provided under a medical support order even if the child:
  - a. Was born outside of marriage;

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- b. Is not claimed as a dependent for tax purposes; or
  - c. Does not reside in the insurer's service area.
- 2. Medical support is a type of child support that is often provided through the ordered party's employee benefits package or through a private insurance plan. Medical support can take several forms. The party may be ordered to:
  - a. Provide medical/health care coverage if available through their employer;
  - b. Pay additional amounts to cover a portion of ongoing medical bills or as reimbursement for uninsured medical costs;
  - c. Pay additional amounts when medical arrears are established as the result of an application/motion for medical support enforcement; and
  - d. Reimbursements for medical insurance premiums.

**Note:** If neither the CP/obligee nor NCP/obligor has medical/health care coverage, the child support order may provide for a specific dollar amount to be paid for medical support purposes.
- 3. NMSN is a Qualified Medical Child Support Order (QMCSO), which is a medical child support order that creates or recognizes the existence of an alternate recipient's right to, or assigns to an alternate recipient the right to, receive benefits for which a participant or beneficiary is eligible under a group health plan. The order must clearly specify:
  - a. The name and last known address of the participant and the name and mailing address of each alternate recipient covered by the order, except that, to the extent provided in the order,

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the name and mailing address of an official of a state or political subdivision thereof may be substituted for the mailing address of any such alternate recipient;

- b. A reasonable description of the coverage to be provided, or the manner in which coverage will be determined; and
- c. The period for which the order applies.

**Note:** NMSN is not subject to open enrollment requirement restrictions.

**D. Selection Criteria for Generation of a NMSN**

A case will be selected to receive a NMSN when the following conditions are met:

- 1. Open IV-D case;
- 2. Non-end dated support order on Court Order/SORD page;
- 3. Medical insurance is ordered, but plan information is not available on Insurance By Ordered Party/MDIN;
- 4. Verified non-end dated primary employer information exists; and employer insurance indicator and dependent coverage available indicator is checked;
- 5. An appropriate intergovernmental status exists; or
- 6. NMSN activity chain does not exist for the same Member/Source of Income (SOI)/Case ID Combination.

**E. Role of Vendor**

- 1. Once an establishment order or modification to an existing order is

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entered in NJKiDS and there is a confirmed good source of income (SOI), a NMSN will generate. Each order provides for which party must obtain the insurance and whether or not the medical information was provided at the hearing.

**Note:** If the case has a family violence indicator, the *National Medical Support Notice for Confidential Cases (Initial) Cover Letter* (CS186) is sent.

2. The vendor monitors the cases for the initial 110 days after the CS727/CS727L has been produced.
3. During that period, telephone contacts and up to 2 NMSN non-compliance letters (*NMSN Non-Compliance Letter* (CS189) and *Second Notice to Employer of Non-Compliance with a National Medical Support Notice* (CS728)) will be sent to the employer to secure the medical information. Once an employer responds, the vendor will work with the parties until the children are enrolled in a plan.

**Note:** See DFD Action Transmittal (AT) No. 16-13 and 18-02 for further information.

4. When the medical information is entered in NJKiDS the *Employer Health Coverage Provided* Notice (CS190) is sent to the CP/obligee.
5. If employer correspondence is sent to the vendor, staff will scan any documentation into NJKiDS and PCSE staff will be able to view such documents via Electronic Documents/EDOC page.
6. Federal regulations relating to the Health Insurance Portability and Accountability Act (HIPPA) require health insurance information, as found on the Insurance By Ordered Party/MDIN page, to be protected.

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**F. Role of the PCSE Unit**

1. When medical information is sent to the PCSE Unit on any case that has received a NMSN or for which no NMSN was sent, staff must enter the information on the Add Healthcare Insurance/MDIN page.
2. PCSE staff must continuously monitor compliance with the medical provisions of the support order. When the ordered party fails to respond to vendor after the 110-day monitoring period, a notification is sent to the worker. An enforcement remedy analysis of NMSN can be viewed on various databases to determine cases potentially eligible for enforcement. Additionally, the CP/obligee may notify PCSE staff of any non-compliance.

**Note:** During the implementation of the Employer Services Portal, the notification for enforcement activity on open NMSN chains, were temporarily suspended.

3. Cases requiring enforcement for medical support are scheduled for a *Notice of Motion to Enforce Litigant's Rights* (CS040) and the proceedings are the same as that described in Sections 1600 and 1601, Court Enforcement Procedures and Court Presentation.
4. Upon getting a notification that insurance coverage may have lapsed, PCSE staff may choose to schedule an Enforcement of Litigant's Rights (ELR) hearing if case conditions merit enforcement. The *Possible Termination of Insurance Coverage* letter (CS194) generates to the CP/obligee.
5. If the NCP/obligor is employed, has medical/health care coverage and the employer is not providing medical information, enforcement will be against the employer via an Order to Show Cause hearing (See Section 1604, Order to Show Cause).

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**G. Miscellaneous Processes for Other Case Scenarios**

**1. Domestic Violence Cases**

- a. If a case is selected that has a family violence indicator in place, the address of the CP/obligee will continue to be protected through the NMSN process.
- b. The address of the vendor will replace the CP's/obligee's address on any correspondence to the employer. The CS186 will be sent to the CP/obligee advising them of the possibility that the NCP/obligor could obtain their address as a result of the insurance processing, and suggesting additional steps be taken to safeguard the address, such as participation in the Address Confidentiality Program.
- c. Insurance cards that are sent to the vendor will be forwarded to the client using the address stored on the NMSN system. In cases where insurance cards sent to the CP/obligee are returned as undeliverable, the vendor will forward them to the appropriate PCSE Unit. PCSE staff should verify the address and resend the card or initiate location efforts to obtain a new address.
- d. In cases coded with the family violence indicator subsequent to the sending of the NMSN, NJKiDS will automatically generate a *National Medical Support Notice for Confidential Cases (Existing) Cover Letter* (CS187) to the CP/obligee in order to alert them that this information went to the NCP/obligor and suggest additional steps to safeguard the address.

**2. NCPs/Obligors Who Are in the Military**

- a. Health coverage information on military personnel will be obtained through the Federal Case Registry (FCR). The FCR

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will match with the Defense Enrollment Eligibility Reporting System (DEERS) and electronically provide available health coverage information to NJKiDS on a quarterly basis.

- b. The CP/obligee will receive the *Military Health Care Coverage Notice* (CS185) advising that health coverage for the children is available through the military and providing DEERS contact information if the CP/obligee has not received information from the military.
- c. In these cases, either the NCP/obligor or the CP/obligee can enroll the children in TriCare (health plan provider for military). Both parties will be noticed.
- d. When the children are enrolled and the FCR interface occurs, the CS190 will generate to the CP/obligee.

3. NMSN Processing on Intergovernmental Cases

- a. A NMSN must be sent even if the CP's/obligee's residence is not within the medical insurance coverage area. If the employer's medical/health care coverage is found to be geographically limited, the vendor will work with the employer to determine if the coverage is reasonably accessible to the children, if an otherwise inaccessible plan offers out-of-network services that are accessible, or if there are other coverage options that are accessible.

**Note:** Healthcare coverage will be deemed accessible if a plan provider is located within 10 miles or 30 minutes from the child's residence. If primary care services are not available within these parameters, the coverage will be deemed inaccessible.

- b. If the plan is deemed inaccessible, NMSN staff will determine if the employer offers out-of-network services that are



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accessible, or if there are other coverage options that are accessible and discuss options with the CP/obligee parent.

- c. If it is determined that the only plan the employer offers is not accessible to the children and offers no out-of-network services that are accessible, the employer will be instructed not to enroll the children and return a Part B with #5 checked off, (CS727/CS727L does not constitute a QMCSO) and the plan administrator will be asked to note on the Part B that CS727/CS727L does not constitute a QMCSO because it requires the plan to provide a benefit that it does not ordinarily provide.
4. Procedure When Ordered Party has Medical Coverage Other than Employer Medical Coverage
  - a. An ordered party may satisfy their medical support requirement under a child support order by providing medical/health care coverage for the child other than the ordered party's employer provided coverage. This situation is likely to occur if the ordered party's spouse can provide insurance for the child(ren) at a lower rate.
  - b. If the ordered party chooses to do this, they must provide the employer who has received a NMSN with written evidence that the child(ren) is or will be enrolled in a comparable health benefits plan which is effective or will be effective prior to the ordered party's coverage.
  - c. Written proof is defined as the insurer name, policy number, policy effective date, and contact information.
  - d. If the ordered party cannot provide proof or if the effective date of the alternative coverage is not or will not be effective prior to the date of the ordered party's coverage, the employer must enroll the child(ren).

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- e. If the ordered party notifies the PCSE Unit that other health insurance coverage has terminated and the ordered party provides their employer health coverage information, the worker will update the Update Healthcare Insurance/MDIN and Create Note to File/NOTE pages with the information.
- f. If the ordered party notifies the PCSE Unit that other health insurance coverage has terminated but the ordered party does not provide their employer health coverage information, the worker will manually generate a NMSN to the ordered party's current employer, if available, initiating a new NMSN activity chain.
- g. If the ordered party has no current employer, then PCSE staff may need to schedule the case for an ELR hearing.

5. Ordered Party Who are Union Members

- a. A NMSN will be sent to any new employer of a union member entered in NJKiDS.
- b. The employer is responsible for forwarding the CS727/CS727L to the union administrator.
- c. If the medical coverage status remains the same, either the new employer or the plan administrator must inform the vendor.

**H. Informing the Employer to Terminate Medical Insurance**

- 1. The following case conditions trigger a NMSN notice, *Change in Medical Coverage – Court Ordered Modification* (CS183/CS183A), to the employer:
  - a. Insurance ordered indicator updated to not ordered;

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- b. Insurance ordered indicator updated from NCP only to CP only;
  - c. Insurance ordered indicator updated from CP only to NCP only;
  - d. Insurance ordered indicator updated from both ordered to NCP only;
  - e. Insurance ordered indicator updated from both ordered to CP only;
  - f. Child removed from the order;
  - g. Case closed;
  - h. Insurance available indicator changes from Y–Yes to N–No;  
or
  - i. Reasonable cost indicator changes from ‘Y’ to ‘N’.
2. When a child support order is terminated or a child is deleted from an order and the current ordered party’s employer is providing medical coverage for the child(ren), NJKiDS will generate the CS183/CS183A to the employer. To eliminate confusion for the employer, since the vendor initiated the coverage, the return address on the letter will be the vendor and the employer will be provided their number for any questions.

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**Medical Support Procedures – List of Associated NJKiDS Forms**

<b>NJKiDS CS Number:</b>	<b>NJKiDS Form Title:</b>
CS727/CS727L	National Medical Support Notice – Part A Notice to Withhold for Health Care Coverage, National Medical Support Notice – Part B Medical Support Notice to Plan Administrator
CS186	National Medical Support Notice for Confidential Cases (Initial) Cover Letter
CS189	NMSN Non-Compliance Letter
CS728	Second Notice to Employer of Non-Compliance with a National Medical Support Notice
CS190	Employer Health Coverage Provided Notice
CS040	Notice of Motion to Enforce Litigant's Rights
CS194	Possible Termination of Insurance Coverage Letter
CS187	National Medical Support Notice for Confidential Cases (Existing) Cover Letter
CS185	Military Health Care Coverage Notice
CS183/CS183A	Change in Medical Coverage – Court Ordered Modification