- If the employee requests an administrative review, can the enrollment process be terminated?

No. The employer must continue to withhold premiums during the administrative review.

- What if the employee already has health insurance for the children through a local insurance company?

Advise the employee that he or she must contact the Division of Child Support (DCS) at the address or phone number listed on the notice. DCS will require written verification of coverage. The employer must continue with the enrollment process until a Termination Notice from DCS is received.

- Can the employer charge a processing fee to the employee for complying with the NMSN?

No. Employers are not allowed to assess a processing fee for complying with this notice.

- What if an employer does not comply with the NMSN requirements?

Any employer who fails to comply with any duties imposed by the NMSN is committing a crime punishable under South Dakota law.

Contact Information

The Department of Social Services' Division of Child Support thanks you for helping ensure the children of South Dakota are financially and medically supported by their parents.

Your cooperation makes a difference in the lives of children and is appreciated at all levels.

Address
Department of Social Services
Division of Child Support
700 Governors Drive
Pierre, SD 57501

Phone
605-773-8436

Fax
605-773-7295

Web site
www.dss.sd.gov/childsupport

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Strong Families - South Dakota's Foundation and Our Future

Printed June 2012 on recycled paper by the South Dakota Department of Social Services.
Pryntcomm / 5,000 copies / $0.18 per copy

National Medical Support Notice

An employer's guide to understanding the National Medical Support Notice.

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National Medical Support Notice

Federal regulations require states to issue the National Medical Support Notice (NMSN) to employers in cases where the non-custodial parent is not providing health insurance coverage for his or her minor child as required by an Order for Support.

The NMSN is a standardized federal form that requires state child support enforcement agencies to secure and enforce medical support obligations.

The South Dakota Department of Social Services' Division of Child Support (DCS) and other child support enforcement agencies are to use the form whenever health care coverage is available through the noncustodial parent's employment and he or she is court ordered to provide health insurance coverage.

- **Is it the employer's responsibility to inform the employee that the NMSN was served?**

No. The employee will receive a notice when the NMSN is sent to the employer. This notice advises the employee of his or her obligation to provide health insurance coverage and allows the employee the right to contest by requesting an administrative review.

If the employee requests a copy of the notice, he or she should contact DCS. The confidential information will be removed on the requested copy.

- **What is the correct action to take if the health plan has more than one option for medical coverage?**

If a plan has more than one option for medical coverage, notify the Division of Child Support (DCS) at the address or phone number listed on the notice.

DCS will consult with the custodial parent and choose a plan.

- **Is the employee's signature required to enroll the children in the health plan?**

No. The employer is required to complete the applicable sections and forward the notice to the plan administrator within 20 business days, pursuant to SDCL 25-7A-58 and SDCL 25-7A-59.

- **Can an employer wait until the next open enrollment period to enroll the child specified in the NMSN?**

No. All enrollments in the health plan are to be made without regard to open enrollment restrictions.

- **What is the maximum amount that can be withheld from an employee's wages or income?**

South Dakota law allows for a maximum withholding of support and health premiums at 50 percent of the employee's income.

- **What if the employee doesn't earn enough in wages to pay both the child support and the insurance premiums without exceeding the 50 percent withholding limitation?**

South Dakota law gives priority to the collection of current support, then arrearages, and health insurance premiums last when determining the 50 percent withholding limitation.

If enrolling the children in the health plan exceeds the limitation, return the Employer Response Form with number five selected. Enrollment will not occur in this type of situation. The employer must use the state laws of the employee's principal place of employment in prioritizing cash versus medical support limitations.

- **When will the employer know when to cease withholding premiums for a child?**

The Division of Child Support (DCS) will issue a Termination Notice when the employer is no longer obligated to withhold premiums for a child. Once a Termination Notice is received, consult with the employee to determine if he or she wants to voluntarily continue coverage.

- **What if the employee terminates employment after enrollment in the health insurance occurs?**

If the employee terminates employment, return the Employee Response section of the NMSN indicating the termination date.

No further premiums need to be submitted unless the employee wishes to enroll in the COBRA option. The employer will not receive a Termination Notice of the NMSN in this type of situation.