



STATE OF MICHIGAN

DEPARTMENT OF HEALTH AND HUMAN SERVICES
LANSING

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GOVERNOR

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IV-D MEMORANDUM 2020-010

TO: All Friend of the Court (FOC) Staff
All Prosecuting Attorney (PA) Staff
All Office of Child Support (OCS) Staff

FROM: Erin P. Frisch, Director
Office of Child Support

DATE: March 30, 2020

SUBJECT: Documenting the Health Care Coverage Type and Updates to
the *National Medical Support Notice* (NMSN)

ACTION DUE: None

POLICY EFFECTIVE DATE: Upon receipt

PURPOSE:

This IV-D Memorandum announces policy and system updates to comply with a revised federal regulation¹ and state laws² that allow parents to meet their health care coverage obligations with public health care coverage.³ Starting with the Michigan Child Support Enforcement System (MiCSES) 10.3.2 Release on April 3, 2020, IV-D workers will document the type of health care coverage a parent is ordered to provide on the *Medical Order Provisions* (MORP) and *Order Preparation and Entry* (OPRE) screens.

The policy changes discussed in this memorandum will be added to Sections 3.45, "Review and Modification," 4.20, "Support Recommendations and Order Entry," and 6.06, "Medical Support," of the *Michigan IV-D Child Support Manual* in a future revision of these manual sections.

UPDATE(S):

Manual

Form(s)

¹ Ref: 45 Code of Federal Regulations (CFR) 303.31. This federal regulation was amended by the [Final Rule: Flexibility, Efficiency, and Modernization in Child Support Enforcement Programs](#), which was published on December 20, 2016.

² The Friend of the Court Act (Michigan Compiled Law [MCL] 552.501 – 552.535) and the Support and Parenting Time Enforcement Act (MCL 552.601 – 552.650) were amended by House Bills 4304 and 4305 effective June 20, 2019.

³ Ref: [IV-D Memorandum 2019-022, State Law and Uniform Support Order \(USO\) Revisions Regarding Health Care Coverage for more information about the state law revisions.](#)

This IV-D Memorandum also announces updates to the *National Medical Support Notice* (NMSN) (FEN302) that will be implemented with the MiCSES 10.3.2 Release.

Finally, this memorandum discusses future MiCSES changes related to NMSN enforcement and the entry of health care coverage types in MiCSES. These changes are planned for the MiCSES 10.4 Release in June 2020.

DISCUSSION:

State law requires the court to order one or both parents to provide health care coverage that is accessible and reasonable in cost.⁴ In December 2019, OCS added text to paragraph 13 of all *Uniform Support Orders* (USOs) generated in MiCSES. This text, which replaced the standard insurance provision in paragraph 2,⁵ requires the parent(s)⁶ to provide health care coverage for the child(ren) but does not specify that the coverage must be private or public. The definition of health care coverage includes both public and private health care coverage.⁷ This ensures that most child support orders will allow parents to provide either public or private health care coverage to meet their health care coverage obligations.

A. Documenting the Health Care Coverage (HCC) Type on the OPRE and MORP Screens

Currently, NMSNs generate on all orders with a health care coverage provision, even when a parent can appropriately comply with the order by providing public coverage. Updates in the MiCSES 10.3.2 Release will give IV-D workers the ability to document in MiCSES the type of health care coverage ordered. Therefore, if parents object to the NMSN based on the fact that they are able to provide public coverage for their child(ren), IV-D workers can verify that a parent appropriately meets his/her obligation by reviewing the type of coverage ordered on the MORP screen.⁸ When IV-D workers identify the type of health care coverage ordered, the IV-D program can appropriately enforce the order.

1. Health Care Coverage (HCC) Type Fields on the OPRE and MORP Screens

With the MiCSES 10.3.2 Release, the required fields *Payer HCC Type* and *Payee HCC Type* will be added to the *Med/Dev Detail* tab on the OPRE screen and to the *Medical Insurance* tab on the MORP screen. IV-D workers will complete these fields on the OPRE screen to document the type of health care

⁴ MCL 552.605a(2)

⁵ The USO changes were made with the MiCSES 10.2.2 Release on December 6, 2019.

⁶ The court orders only parents to provide health care coverage for their child(ren). However, a court may permit a parent to provide health care coverage through a third party (e.g., a stepparent). Ref: 2017 Michigan Child Support Formula 3.05(B)(3).

⁷ MCL 552.602(n)

⁸ A future system update will allow MiCSES to automatically determine whether to generate a NMSN based on the type of health care coverage documented on the OPRE and MORP screens. Ref: Section C of this memorandum for more information.

coverage the parent is ordered to provide for the child(ren). One or both *HCC Type* fields will become enabled when the *Payer Ins Ind* and/or *Payee Ins Ind* field is checked on the OPRE screen. IV-D workers will complete the *HCC Type* field only for a payee or payer who has been ordered to provide health care coverage. HCC type information entered on the OPRE screen will automatically populate the *Payer HCC Type* and/or *Payee HCC Type* on the *Medical Insurance* tab on the MORP screen.

In the *HCC Type* fields, IV-D workers will select one of three options:

- a. Private or Public – IV-D workers will select this option when the order does not specify whether the health care coverage must be private or public, and the paragraph 13 text is inserted in the USO.

Note: Orders that allow parents to obtain public or private health care coverage give parents the greatest flexibility in meeting their health care coverage obligations and increase the likelihood of children receiving necessary medical services.

- b. Private Only – IV-D workers will select this option when the order specifies that the health care coverage must be private, and the standard insurance provision in paragraph 2 is selected in the USO.⁹
- c. Public Only – IV-D workers will select this option when the order specifies that the health care coverage must be public.¹⁰

2. Orders Entered Prior to April 3, 2020

IV-D workers may, but are not required to, retroactively update the *HCC Type* fields for orders entered after December 6, 2019¹¹ and before April 3, 2020 (the MiCSES 10.3.2 Release). IV-D workers may view the OPRE and MORP screens for orders entered prior to April 3, 2020 without updating the *HCC Type* fields. However, if IV-D workers make an update to either the OPRE screen or the MORP screen, they will be required to also update the *HCC Type* field if the payer or payee was ordered to provide health care coverage when the order was entered.

⁹ This language primarily appears in USOs not generated in MiCSES.

¹⁰ Eligibility for public health care coverage is determined outside of the IV-D program. If ordered, public-only coverage can be enforced by sending letters to a parent or using civil contempt to show cause a parent who has not applied for public health care coverage.

¹¹ This is the date of the MiCSES 10.2.2 Release, when the paragraph 13 language allowing parents to provide private or public coverage was added to USOs generated from MiCSES.

3. Orders Entered After April 3, 2020

IV-D workers must complete the *HCC Type* field on the OPRE screen for all orders entered after April 3, 2020 that include health care coverage.

4. County Impacts

OCS will provide a report that will include orders entered between December 6, 2019 and April 3, 2020. The report will be provided for informational purposes only. A county may use the report to retroactively update the health care coverage type on orders entered after December 6, 2019 and before April 3, 2020. Each county will determine whether and how to use the report. OCS will announce the availability of the report in an email notification and will provide more information about the report prior to its distribution.

B. National Medical Support Notice (NMSN)

The NMSN is the federal form approved by the Office of Child Support Enforcement (OCSE) used to enforce health care coverage. IV-D agencies must use the NMSN to enforce health care coverage where appropriate.¹² The federal NMSN consists of Part A and Part B. The Department of Health and Human Services maintains Part A, and the Department of Labor maintains Part B. Employers complete Part A to document the reason that health care coverage is not available to the employee or the date the employer forwarded Part B to the plan administrator. Part B allows the plan administrator to respond when the employer has enrolled the dependent(s) in available health care coverage.

In October 2019, OCSE announced¹³ the following modifications to Part A of the federal NMSN form, effective November 1, 2019:

- A change in the expiration date from October 31, 2019 to October 31, 2022.
- The addition of checkboxes on page 1 to designate the form as a NMSN or a termination notice.
- The addition of a bordered section on Page 2 that reads:

¹² 45 CFR 303.32

¹³ Ref: [OCSE Action Transmittal \(AT\)-19-05, Revised Part A National Medical Support Notice \(NMSN\) and Instructions](#).

Additional Information for Termination Order/Notice (Optional)

- 1. Effective date of medical support termination: _____
- 2. Reason for termination: _____
- 3. Child(ren) to be terminated:

Child(ren)'s Name(s) (Last, First, Middle)	DOB
_____	_____
_____	_____
_____	_____

- Changes to paragraph 4 under Employer Response:
 - The *Date of Termination* field was changed to *Effective date of termination*; and
 - The *Reason for termination* field was added.
- The addition of a new paragraph 3 under Employer Responsibilities that reads:

If the Termination Order/Notice (Optional) checkbox is checked, you are required to terminate the health care coverage for the child(ren) identified in the order unless the employee has indicated that they want to continue coverage voluntarily.

With the MiCSES 10.3.2 Release, OCS will update the FEN302 in MiCSES to align with the federal NMSN form. However, OCS will not implement functionality to enable use of either of the checkboxes on page 1. IV-D workers will continue to use the *Notice Regarding Health Care Coverage* (FEN308) to terminate the NMSN.¹⁴

The Department of Labor will update the expiration date for Part B of the NMSN at a future date.

C. MiCSES Changes Scheduled for June 2020

With the MiCSES 10.4 Release in June 2020, MiCSES will have the ability to automatically determine whether to generate a NMSN based on the type of health care coverage that was ordered and documented on the OPRE and MORP screens. Therefore, IV-D workers will be able to prevent unnecessary automated NMSN

¹⁴ Ref: [Section 6.06, "Medical Support," of the Michigan IV-D Child Support Manual](#) for more information about terminating NMSNs.

enforcement by correctly documenting in MiCSES the type of health care coverage that was ordered.

OCS is also planning to implement the following with the MiCSES 10.4 Release:

- Updates to the *Member Dependent Insurance* (MDIN) screen; and
- Additional functionality to address other aspects of the revised federal regulation and state laws.

OCS will publish a IV-D Memorandum announcing these changes prior to the release in June 2020.

NECESSARY ACTION:

Retain this IV-D Memorandum until further notice. Consider retroactively updating health care coverage obligations in MiCSES as discussed in Section A of this IV-D Memorandum. This IV-D Memorandum obsoletes the previous version of the FEN302 (Rev. 03/17).

REVIEW PARTICIPANTS:

Case Management Work Improvement Team
Establishment Work Improvement Team
Enforcement Work Improvement Team
Program Leadership Group

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SUPPORTING REFERENCES:

Federal
45 CFR 303.31
45 CFR 303.32

State
MCL 400.64(2)
MCL 552.602(n)
MCL 552.605a(2)
MCL 552.501 – 552.535
MCL 552.601 – 552.650

ATTACHMENT:

FEN302: *National Medical Support Notice*

EPF/CJF