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BILL: AB 475

NATIONAL MEDICAL SUPPORT NOTICE

NEVADA STATE WELFARE DIVISION

**CONTACT: LELAND SULLIVAN, CHIEF, NEVADA CHILD SUPPORT
ENFORCEMENT PROGRAM**

PHONE: 684-0705

Good morning Chairman Anderson and members of the Judiciary Committee. I am Leland Sullivan, Chief, Nevada Child Support Enforcement Program. I am here to support, with amendment, AB 475 which would make changes to NRS 31A.350 to provide for the use of the National Medical Support Notice (NMSN), a federally mandated notice 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 noncustodial parents.

Federal regulation (45 CFR 303) requires state child support enforcement agencies issue the Notice to employers that maintain or contribute to group health plans, and employ persons obligated by child support orders to provide medical support for their children. The federally mandated National Medical Support Notice provides specific time frames for employers and medical plan administrators to adhere to in child support actions where the court has ordered a parent to provide medical insurance for a dependant child, and medical insurance is available through an employer.

The proposed legislation supports the implementation of this notice in the State of Nevada and provides for penalties for non-compliance. The federal mandate requires the use of the federal form exactly as it is published in order to provide a uniform vehicle for employers to transmit the medical insurance information to the child support enforcement program nationwide thereby minimizing the impact on employers, payroll organizations, and medical plan administrators.

Although not a federal mandate, the bill also proposes to delete the current requirement to notify obligors by certified mail when enforcing authorities intend to seek enrollment of the obligor's child in a health insurance plan pursuant to the court order. The federal mandate requires the National Medical Support Notice be sent to employers within two days of identifying a non-custodial parent's employer. Removing the current requirement ensures compliance with the two-day mandate. Additionally, the current notice is unnecessary and costly because obligors are notified in their court orders of their health insurance obligations. The Child Support Enforcement Program will realize a cost savings by eliminating this redundant notice requirement. The cost of mailing a certified letter is \$1.90 each, not including the printing of these notices and staff time to process.

State child support enforcement programs must comply with Title IV-D mandates to be eligible for both child support enforcement and Temporary Assistance to Needy Families (TANF) federal funding. Federal funding for TANF is contingent upon a state's compliance with federal child support mandates. Failure to adopt this legislation may result in the disapproval of both our child support and TANF state plans and federal funding of these programs.

Lastly, as written, AB 475 amends NRS 31A to charge child support obligors a \$2.00 fee for each income withholding. However, this issue has already been addressed in SB 186 and does not need to be a part of this bill. Accordingly, we recommend amending AB 475 by deleting Sections 1 through 4.

I would be pleased to answer any questions the committee may have.

ASSEMBLY JUDICIARY

DATE: 4/9/05 ROOM: 3138 EXHIBIT C

SUBMITTED BY: Leland Sullivan

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PROPOSED AMENDMENT TO AB 475

It is suggested AB 475 be amended by deleting Sections 1 – 4 to remove language which is already addressed in SB 186. The suggested amendment follows:

Section 1. Delete

Section 2. Delete

Section 3. Delete

Section 4. Delete

Section 5. Same As In Bill

Section 6. Same As In Bill

Section 7. Same As In Bill

CJH