



May 2025

DOL Updates Model Employer CHIP Notice

The U.S. Department of Labor (DOL) has released a new model Employer Children's Health Insurance Program (CHIP) Notice with information current as of **March 17**, **2025.**

As a reminder, the Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA) imposes an annual notice requirement on employers that maintain group health plans in states that provide premium assistance subsidies under a Medicaid plan or a CHIP plan.

An employer can choose to provide the notice on its own or concurrent with the furnishing of:

- Materials notifying the employee of health plan eligibility;
- Materials provided to the employee in connection with an open enrollment or election process conducted under the plan; or

• The Summary Plan Description.

An employer is subject to this annual notice requirement if its group health plan covers participants who reside in a state that provides a premium assistance subsidy, regardless of the employer's location.

The DOL's model notice, which employers may use for this disclosure, is updated periodically to reflect changes in the states that offer premium assistance subsidies. The DOL's model Employer CHIP Notice includes information current as of March 17, 2025.

Employers could also choose to prepare their own notices or modify the model notice. Employers should be sure to include at least the minimum relevant state contact information for any employee residing in a state with premium assistance.

Prescription Drug Report Is Due by June 1, 2025

Group health plans must annually submit detailed information on prescription drug and health care spending to the federal government. This reporting is referred to as the prescription drug data collection, also known as the RxDC report.

The next RxDC report is due by **Sunday, June 1, 2025**, covering data for 2024. Employers should confirm they are taking steps to comply with this reporting deadline, such as providing information to third-party vendors on a timely basis.

The RxDC report is comprised of several files, including those that require specific plan-level information, such as plan year beginning and end dates and enrollment and premium data. It also includes files that require detailed information about medical and pharmacy benefits.

RxDC reports must be submitted through an online portal maintained by the Centers for

Medicare and Medicaid Services (CMS). The agency's RxDC <u>website</u> includes updated reporting instructions and other reporting resources.

Employers commonly use third parties, such as issuers, third-party administrators (TPAs) and pharmacy benefit managers (PBMs), to submit RxDC reports on behalf of their health plans. Employers using third parties to submit RxDC reports must ensure that this reporting responsibility is reflected in a written agreement with the third party.

Employers may work with multiple third parties to complete the RxDC report for their health plans. For example, a self-insured employer may use both its TPA and PBM to submit different portions of the RxDC report. A health plan's submission is considered complete if CMS receives all required files, regardless of who submits them.