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LEGAL UPDATE

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KEY POINTS

- Employers that maintain group health plans in states with premium assistance subsidies must provide their employees with an annual notice.
- The DOL has a model notice for employers to use.
- Employers could also choose to prepare their own notices or modify the model notice.

DOL Issues Updated Model Employer CHIP Notice

The U.S. Department of Labor (DOL), through its Employee Benefits Security Administration (EBSA), has released a new model Employer CHIP Notice with information current as of **July 31, 2025**.

Background

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 Children's Health Insurance Plan (CHIP).

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 season or election process conducted under the plan; or
- The summary plan description (SPD).

Covered Employers

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 July 31, 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.

Employer Resources

The EBSA's CHIPRA webpage includes the latest model notice (English language and Spanish language versions are available), a fact sheet, a compliance assistance guide and other publications for employers and advisers.

This Legal Update is not intended to be exhaustive nor should any discussion or opinions be construed as legal advice. Readers should contact legal counsel for legal advice.
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