

**Statement Related to Premium Assistance Provision in CHIPRA  
Sec. 311**

**Special Enrollment Period under Group Health Plans in Case of Termination of  
Medicaid or CHIP Coverage or Eligibility for Assistance in Purchase of  
Employment-Based Coverage; Coordination of Coverage**

Before enactment of the Health Insurance Portability and Accountability Act of 1996 (HIPAA), employees and their dependents who became eligible for employment-based group health plan coverage, but did not enroll when first given the opportunity, had no guaranteed right under Federal law to join the group health plan if their circumstances changed at a later time. Even if the plan offered an annual open enrollment period, the individual would not only have to wait until that period, but enrollment during that period could be considered a “late enrollment” subject to a higher premium or restricted benefits.

HIPAA added a “special enrollment” right for individuals and families who meet certain requirements. Specifically, individuals who otherwise meet eligibility criteria, and (1) lose eligibility for other group health plan or health insurance coverage, or (2) acquired a spouse or child through marriage, birth, adoption, or placement for adoption, can have a right to prompt enrollment if the request is made within 30 days of the change, without any late enrollment penalty. However, changes in Medicaid or CHIP eligibility generally did not fall under either category.

**Effective April 1, 2009**, CHIPRA provides employees and their dependents with a special enrollment right in group health plan coverage without having to wait for an open enrollment period if either of the following conditions is met: 1) The employee or dependent loses eligibility under CHIP or Medicaid for individuals who otherwise meet the eligibility requirements of a group health plan; 2) The employee or dependent becomes eligible for premium assistance from the State under its CHIP or Medicaid program, if otherwise eligible for a group health plan. Enrollment must be requested within 60 days after the loss of eligibility under Medicaid or CHIP or after the date the employee or dependent is determined to be eligible for premium assistance.