



The Deficit Reduction Omnibus Reconciliation Act of 2005 (DRA)

MEDICAL CHILD SUPPORT

The Deficit Reduction Omnibus Reconciliation Act of 2005 (DRA), P.L. 109-171, requires state child support enforcement agencies to enforce medical support for a child from either or both parents, and not just the non-custodial parent. The state can also enforce medical support against the custodial parent at a reasonable cost. The provision also identifies medical support as including payment of costs of premiums, co-payments, deductibles, and payment of medical expenses. This provision goes into effect retroactive to October 1, 2005.

Following are the changes made to Section 452 [42 U.S.C. 652] (f) of the Social Security Act on Medical Child Support as a result of the DRA. Additions are in **bold**.

(f) The Secretary shall issue regulations to require that State agencies administering the child support enforcement program under this part petition for the inclusion of medical support as part of any child support order whenever health care coverage is available to the non-custodial parent at a reasonable cost. ***A State agency administering the program under this part may enforce medical support against a custodial parent if health care coverage is available to the custodial parent at a reasonable cost, notwithstanding any other provision of this part.*** Such regulation shall also provide for improved information exchange between such State agencies and the State agencies administering the State Medicaid programs under title XIX with respect to the availability of health insurance coverage. ***For purposes of this part, the term ‘medical support’ may include health coverage, such coverage under a health insurance plan (including payment of costs of premiums, co-payments, and deductibles), and payment for medical expenses incurred on behalf of a child.***

Congressional Budget Office Analysis

According to the Congressional Budget Office (CBO) cost estimate for the DRA, “the policy would result in additional private health insurance coverage for children and that, without that coverage, some of those children would receive Medicaid benefits. CBO estimates that private health coverage would be provided to nearly 200 children who would otherwise receive Medicaid benefits in 2006. That number would grow to more than 9,000 by 2015. Based on spending per child in the Medicaid program, CBO estimates that implementing this provision would reduce costs in the Medicaid program by an insignificant amount in 2006 and by \$57 million over the 2006–2015 period.”

Key Medical Child Support Legislation

The Omnibus Budget Reconciliation Act of 1993: Permits IV-D agencies to establish medical support orders when the non-custodial parent (NCP) has access to coverage, and grants authority to garnish wages, salary, and other income (including tax refunds) from NCPs who are not meeting their medical support obligations.

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996: Requires IV-D agencies to notify employers of NCP’s medical support obligation, and requires employers to enroll that NCP’s children if insurance is available.

The Child Support Performance and Incentive Act of 1998 (CSPIA): Encourages states to enforce medical support orders and provide health care coverage; created a National Medical Support Notice (NMSN) and requires employers to accept and respond to it.