



# FACT SHEET

## AB 2802 | Insurance Payment Intercept

Contact: CA DCSS | [DCSSInsuranceIntercept@dcss.ca.gov](mailto:DCSSInsuranceIntercept@dcss.ca.gov)

### What does the new law require?

The new law, Assembly Bill (AB) 2802 (Friedman, 2018), requires insurance companies to cooperate with the California Department of Child Support Services (CA DCSS) to identify claimants who owe past-due child support and report those claimants to CA DCSS.

### Where can I find the new law?

You can find it in Sections 13550 through 13555 of the California Insurance Code (Cal Ins. Code).

[http://leginfo.legislature.ca.gov/faces/codes\\_displayText.xhtml?lawCode=INS&division=3.&title=&part=&chapter=2.&article=8](http://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=INS&division=3.&title=&part=&chapter=2.&article=8)

### Are all insurance companies required to comply with the new law?

Only insurance companies who do business in California are required to comply.

### Are the insurance companies required to report claims made by individuals who do not reside in California?

Yes, an insurer in California must identify and report a claimant if any of the following apply:

1. A payment is made to the owner of a life policy or annuity that was issued to the owner while residing or located in California.
2. A beneficiary making a claim resides or is located in California.
3. A claimant is making a property claim for property located in California.

### What am I required to do on January 1, 2020?

Effective January 1, 2020 you are required to report any claims covered by this law prior to payment.

### How does an insurer satisfy the reporting requirement?

There are two insurance match programs available to minimize the burden of exchanging information between child support agencies and insurers, the Federal Office of Child Support Enforcement (OCSE) program and the Child Support Lien Network (CSLN). Both programs match insurance claim data against individuals who owe past-due child support, and offer insurers the following reporting options:

- Option 1:** If your company is a member of the Insurance Service Office (ISO), authorize the ISO to submit your claim information to OCSE or CSLN at no cost.
- Option 2:** Send insurance claim data directly to one of the insurance matching programs, OCSE or CSLN.
- Option 3:** Receive an electronic file from OCSE or CSLN and match against your claim data; or,
- Option 4:** Access the OCSE or CSLN website and search their child support databases by individual claimant or by uploading a file of claimants before issuing payments to them.

**When a claimant is identified as an individual who owes past-due child support, how does the insurer determine the amount of child support to be paid?**

When a claimant is reported by the insurer and is identified by CA DCSS as an individual who owes past-due child support, CA DCSS will provide the insurer with either of the following to secure the payment of the amount of past-due child support:

- (A) A notice of child support lien.
- (B) An income-withholding order.

**Are all insurance claims subject to this reporting requirement?**

No, only the claims seeking one of the following benefits are subject to the reporting requirement:

1. A payment under a life insurance policy, disability income insurance policy, or annuity totaling at least one thousand dollars (\$1,000) in which an individual is paid as the payee or co-payee for any of the following:
  - (a) A claim by a beneficiary under a life insurance policy.
  - (b) A payment of the cash surrender value of a life insurance policy or annuity.
  - (c) A payment to an annuitant.
  - (d) A payment from a disability income insurance policy.
  - (e) A loan against the cash value or surrender value of an insurance policy or annuity, including loans for premium payments.
2. A payment under a property and casualty insurance policy totaling at least one thousand dollars (\$1,000), not including a claim for property damage, under a liability insurance policy or underinsured motorist policy.

**Are there any exceptions to the reporting requirements?**

Yes, the exceptions to the reporting requirements are listed under Cal Ins. Code §13550(c)

**Who can I contact if I have additional questions?**

To learn more about the OCSE Insurance Match Program, please contact:

OCSE at [insurancematch@acf.hhs.gov](mailto:insurancematch@acf.hhs.gov)

To learn more about CSLN, please contact:

CSLN Customer Service at 1-888-240-7488 or email Ann Murray at [amurray@childsupportliens.com](mailto:amurray@childsupportliens.com)

For information specific to the CA DCSS Insurance Intercept Program, please contact:

CA DCSS at [DCSSInsuranceIntercept@dcss.ca.gov](mailto:DCSSInsuranceIntercept@dcss.ca.gov).