



## Employee Benefit Trust

1205 Windham Parkway  
Romeoville, IL 60446  
800.807.9460 / 630.378.3005 fax

### Medicare Secondary Payer Form Instructions

When your employees are enrolled in more than one health plan, it is necessary to coordinate claim payments. We depend on information you provide to make accurate claim payment determinations for individuals enrolled in your group health plan (GHP). Federal laws dictate when the GHP is the primary payer and when Medicare is the primary payer. This is called the Medicare Secondary Payer rule, and coordination is determined by the Medicare Secondary Payer Reply Form, which needs to be completed by your group at this time.

**Please read the following information, complete the attached form, and return it to us as soon as possible.**

#### TEFRA Defined

The Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) made Medicare the secondary payer for certain employees and dependents. Under the TEFRA law and subsequent legislation, the group is the primary payer and Medicare is the secondary payer of claims for working aged employees and certain dependents in employer groups with 20 or more full-time and/or part-time employees.

#### TEFRA Criteria

When an employer has 20 or more full-time and/or part-time employees on its payroll for 20 weeks in a calendar year,\* the group becomes the primary payer and Medicare becomes the secondary payer for the remainder of the calendar year and the following calendar year for claims of working aged employees and certain dependents.

\* The 20 weeks in a calendar year do not have to be consecutive to reach the 20/20 threshold. If your company reaches the 20/20 threshold at any time during the calendar year, please notify your Benefits Consultant or Christian Brothers Services Representative to request another Medicare Secondary Payer (MSP) Reply Form, so you can give us updated information.

#### Common Ownership/Control

Companies which are under common ownership/control are treated as single employers. **For example**, John Smith owns 2 companies. Company A employs 3 full-time employees and 1 part-time employee, and Company B employs 6 full-time employees and 11 part-time employees. For MSP purposes, John Smith has 21 employees. Therefore, the group is the primary payer and Medicare is the secondary payer for claims of working aged employees and certain dependents.

If you have any question about TEFRA regulations, please contact your legal advisor or refer to Centers for Medicare & Medicaid Services (CMS) regulations or Internal Revenue Services (IRS) guidelines. If you have any questions about the Medicare Secondary Payer Reply Form, please contact your Benefits Consultant for assistance, or email:

[HealthEmployeeBenefits@CBServices.org](mailto:HealthEmployeeBenefits@CBServices.org).

**All groups must complete this form, regardless of whether you have employees enrolled in Medicare.**

#### Instructions

1. Carefully read the Medicare Secondary Payer Guidelines, if you need additional information and examples.
2. Complete all questions on the MSP Reply Form.
3. Sign and date the form.
4. Email this completed form to Christian Brothers Employee Benefit Trust, Attention: Enrollment and Billing, at [HealthEnrollment@CBServices.org](mailto:HealthEnrollment@CBServices.org) or Fax it to 630.378.3005.

Noncompliance with the MSP statute may result in serious financial consequences for an employer, which may include a fine and the IRS applying an excise tax of 25% of the group health plan expenditures for the calendar year.

For more information, please visit the below websites:

[CMS.gov](https://www.cms.gov) - MSP Letters    [CMS.gov](https://www.cms.gov) - Data Match

[IRS/SSA/CMS Data Match](https://www.irs.gov/ssa/cms-data-match) - Instructions for completing the Data Match



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**Medicare Secondary Payer Letter Reply Form**

How many employees do you have as of today regardless of benefit eligibility including part-time and seasonal employees?

Non Benefit Eligible EES \_\_\_\_\_ Benefit Eligible EES \_\_\_\_\_ Total ALL EES \_\_\_\_\_

1. In the following years, did you have 20 or more employees for 20 or more calendar weeks?

The weeks do not need to be consecutive. Employees include full time, part time, intermittent and/or seasonal. Current employment is defined as those who receive W2 forms, excluding any independent contractors and religious who are covered under the health plan through their Order.

2024  Yes  No  
If yes, on what date did you hit the 20 weeks \_\_\_\_\_

2023  Yes  No  
If yes, on what date did you hit the 20 weeks \_\_\_\_\_

2022  Yes  No  
If yes, on what date did you hit the 20 weeks \_\_\_\_\_

2. In the following years, did your organization participate in a multi or multiple employer Group Health Plan in which there was at least one employer who had 20 or more employees for 20 or more calendar weeks?

The weeks do not need to be consecutive. Employees include full time, part time, intermittent and/or seasonal. Current employment is defined as those who receive W2 forms, excluding any independent contractors and religious who are covered under the health plan through their Order.

2024  Yes  No  
If yes, on what date did one or more groups meet the 20 weeks \_\_\_\_\_

2023  Yes  No  
If yes, on what date did one or more groups meet the 20 weeks \_\_\_\_\_

2022  Yes  No  
If yes, on what date did one or more groups meet the 20 weeks \_\_\_\_\_

If the answer is Yes, to either question, for all years, Christian Brothers Employee Benefit Trust will be the Primary Payer on any actively working aged 65 or older employee or covered spouse.

If the answer is No, to either question, for all years, Medicare will be the Primary Payer on any actively working aged 65 or older employee or covered spouse.

For mixed and matched Yes/No answers, please see the examples in the 'Medicare Law Guidelines' attachment.

Signature:

Date:

Tax ID Number:

Location #: