

# Medicare secondary payer rules

Medicare secondary payer reporting requires that we determine whether Medicare is the primary or secondary payer for employees 65 or older in your group. To determine this, you must know your group size.

## The rule of 20 or more

- Medicare is the secondary payer if you have had 20 or more employees in each of 20 or more calendar weeks in the current or preceding calendar year. The 20 calendar weeks do not have to be consecutive.
- Medicare is the primary payer if you did not have 20 or more employees in each of 20 or more calendar weeks in the current or preceding calendar year.
- It is important that you count the total number of employees for all entities on the tax return.

Your employee count should be the total number of nationwide full-time employees, part-time employees, seasonal employees and partners who work or who are expected to report for work on a particular day. Do not count retirees, COBRA-qualified beneficiaries and individuals on other continuation options, and self-employed individuals who participate in your group health plan.

Different rules apply for coordination of benefits for Medicare-eligible disabled beneficiaries and those with end-stage renal disease.

For complete information about Medicare secondary payer guidelines, consult The Centers for Medicare & Medicaid Service's Medicare Secondary Payer Manual at <http://www.cms.hhs.gov/Manuals>.