

## **Health Connector Policy: TEFRA Medicare Secondary Payer (MSP) Documentation**

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Approved by: **Ed DeAngelo**

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### **Applicable to all Small Group products (Qualified Health Plan or QHP/ Qualified Dental Plan or QDP)**

Eligible Employers, at time of enrollment, will provide to the Health Connector the total number of full time employees, the total number of part time employees, and total number of employees for whom Medicare is the secondary payer (as determined under the Medicare Secondary Payment rules under the Tax Equity and Fiscal Responsibility Act or TEFRA), for all eligible employer groups participating in Health Connector Small Group products.

The total number of full-time employees must include all individuals who receive payments from the employer that are subject to FICA taxes. For these purposes, a self-employed company owner is NOT counted as an employee. In addition, a retiree is counted as an employee only if he or she is receiving payments from the employer that are subject to FICA taxes (such as, for example, in the situation where a retiree is working as a consultant to the employer). All individuals meeting the preceding definition shall be counted regardless of their status as leased employees, employees out on disability for 6 months or less, contracted workers, consultants or seasonal employees.