



August, 2009

Under federal laws administered by the Centers for Medicare & Medicaid Services (CMS), employers must provide their health insurer proper employee counts for determining payment priority between Medicare and any other insurer. **In the absence of the employer-provided employee counts, CMS requires the insurer to consider the employer's group health plan coverage as primary to Medicare until we receive updated information.**

To help simplify the CMS process, we have included some guidelines below. Generally, the number of employees for whom the group pays FICA taxes determines the group size. However, there are exceptions. If you have additional questions, please consult sections 10.3 and 30.2 in the [Chapter 2 of the Medicare Secondary Payer manual](#).

If you have additional questions, please contact your independent producer or Blue Cross of Idaho Sales Associate.

Group Size as defined by CMS		
	0-19 Employees	Fewer than 20 full-time employees and/or part-time employees. (Review the definition for groups of 20-99 employees. If the group did not meet the minimum requirements for a group of 20-99 employees, the group would be considered to be 0-19 employees.)
TEFRA/DEFRA Qualification	20-99 Employees	20 or more full-time employees and/or part-time employees every working day in each of 20 or more calendar weeks in the current calendar year or the preceding calendar year.
OBRA Qualification	100+ Employees	100 or more full-time employees and/or part-time employees on 50% of the group's regular business days during the preceding calendar year.