

## 2025 Medicare Secondary Payer – Small Employer Exception Fact Sheet

### What is the Small Employer Exception?

In most cases, Medicare is the secondary payer of healthcare claims for active employees covered under Medicare Part A and Part B, and your employer's health plan is the first, or primary, payer.

However, Medicare allows for an exception to the "secondary payer" rule for small employers (generally, those with fewer than 20 full- and/or part-time employees in 20 or more calendar weeks in the current and preceding calendar years). This exception is called the Small Employer Exception (SEE).

If approved for the exception, eligible employees may choose to participate in the Small Employer Exception Plan (the "SEE Plan"). Ask your employer if you might be eligible. Participating in the SEE Plan may result in lower costs for you and your employer.

This fact sheet details how the program works and your benefits under the SEE Plan. Please be sure to read it thoroughly before you complete Part I of the eligibility form.

#### To participate in the SEE Plan, you must satisfy these criteria:

- Be age 65 or older
- Actively work for a qualified church or group that offers this choice
- Be enrolled in Medicare Part A on the basis of age only
- Choose a participating plan using the Anthem or Cigna network
- Be approved for the SEE Plan by Medicare
- Meet standard Medical Trust eligibility criteria

### How does it work?

Eligible small employers can apply to the Centers for Medicare and Medicaid Services (CMS) for SEE approval by submitting to The Episcopal Church Medical Trust (Medical Trust) an [Eligibility Certification Form](#) for each participant who may be eligible.

Once CMS has approved the SEE request,<sup>1</sup> Medicare becomes the primary payer of claims under Medicare Part A and, if applicable, Medicare Part B, for approved participants. The SEE Plan becomes the secondary payer and will coordinate benefit payments with Medicare.

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<sup>1</sup> The CMS approval process may take up to 90 days.

## What is Medicare?

Medicare is the federal health insurance program for people who are 65 or older, certain people with disabilities, and people with end-stage renal disease (permanent kidney failure requiring dialysis or a transplant). The Medicare Secondary Payer Small Employer Exception applies to the following parts of the Medicare program:

**Medicare Part A:** Generally, covers normal inpatient hospital care and some skilled nursing facility care, home healthcare, and hospice care. If you have worked in the United States and paid into Medicare for 10 years or more, Medicare Part A insurance is free. If you have not, you may still qualify for Medicare Part A but must pay the applicable premium.

**Medicare Part B:** Covers doctors' services and includes general doctor visits, X-rays, lab tests, ambulance services, and speech, occupational, and physical therapy. Most participants are required to pay a monthly premium for Medicare Part B coverage.<sup>2</sup>

## Is enrollment in Medicare Part A required?

Yes. To participate in the SEE Plan, any employee or dependent who is eligible for Medicare on the basis of age must be enrolled in Medicare Part A, which helps cover the costs of inpatient care in hospitals, skilled nursing facilities, hospices, and home healthcare situations.

For all other coverage, such as doctor visits, outpatient procedures, and prescription drug coverage, the Medical Trust plan will remain the primary payer of benefits. However, if an employee or eligible dependent enrolls in Medicare Part B, Medicare will become the primary payer of Part B claims, and the SEE Plan will become the secondary payer and coordinate benefit payments with Medicare.

## Will there be savings for employers and for individuals?

When Medicare becomes the primary payer, the cost to employers of providing medical coverage may be reduced. Employees' hospitalization costs, including out-of-pocket expenses, such as deductibles and coinsurance, will typically be lower as well. You may also experience additional savings when you use network providers. Generally, you pay less for services from network providers than from out-of-network providers.

## If I participate in the SEE Plan, will I continue to have access to the Medical Trust's additional benefits?

Yes, you will continue to have access to the additional benefits included in the Medical Trust plans, such as these:

- EyeMed Vision Care
- Cigna Employee Assistance Program (EAP)
- Quantum Health's healthcare navigation services
- UnitedHealthcare Global travel assistance program

For more information about these benefits, visit [cpg.org](http://cpg.org).

## Is participation in the SEE Plan mandatory?

No. Even if you are approved to participate in the SEE Plan, you can elect a different plan offered by your employer. However, participating in the SEE Plan could make costs for you and your employer much lower.

<sup>2</sup>You may be able to get help from your state with paying your Medicare premiums. In some cases, Medicare Savings Programs may also pay Medicare Part A and Part B deductibles, coinsurance, and copayments if you meet certain conditions. Find more information about Medicare Savings Programs on [Medicare.gov](http://Medicare.gov).

## What You Will Pay for Coverage Under Medicare and as a Participant in the SEE Plan

You are responsible for premiums, deductibles, and coinsurance:

- Premiums are the amounts you must pay annually, usually billed monthly, to be covered. If you meet the eligibility requirements, you do not have to pay an annual premium for Medicare Part A coverage.
- Deductibles are the amounts you must pay annually for your healthcare or prescription drugs before Medicare, your prescription drug plan, or your other insurance begins to pay.
- Coinsurance, which applies to certain kinds of benefits, is the percentage of medical expenses you must pay once any deductible has been met.

### Cost sharing under the SEE Plan

Currently, the SEE Plan offers different plan options, each of which uses the network of Anthem Blue Cross and Blue Shield (BCBS) or Cigna. Deductibles and out-of-pocket limits vary by plan. Please see the SBCs here [2025 CPG SBCs](#).

### Questions?

For assistance with the SEE Plan or with any other question, please call our Client Services team at (800) 480-9967, Monday to Friday, 8:30 AM to 8:00 PM ET, or email us at [mtcustserv@cpg.org](mailto:mtcustserv@cpg.org).

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