

**Important Request for Information
Please respond by**

Various laws require that we periodically collect employee count information from groups that contract directly with us or indirectly through an association or other multi-employer plan. In order to comply with these laws, it is very important that we have accurate information. To that extent, the **Employee Count Form (on the reverse side) must be completed by ALL current groups and any groups that cancelled this year or in the prior calendar year.**

With Medicare, for example, the law dictates when the group health plan pays primary and when Medicare pays primary based on how many employees you have and whether an employee qualifies for Medicare based on age or a disability. In determining who is an employee for purposes of Medicare Secondary Payer rules, you should count all employees who work under a common ownership or corporation and who are subject to FICA (social security) taxes. (If your group is exempt from FICA taxes, count employees who would be subject to FICA taxes if the exemption did not apply.) For common ownership or corporation purposes, in general, two or more individuals or corporations are considered to be separate employers under Internal Revenue Code § 52(a) or (b) if they file **separate** income tax returns, and a single employer if they file a **consolidated** tax return. Additional information as to how Medicare coordinates with group coverage is available at the Centers for Medicare and Medicaid Services (CMS) Web site, www.cms.hhs.gov.

Please complete the Employee Count Form on the reverse side. The information you provide will assist with timely and accurate processing of your claims and help you avoid unanticipated costs in the future. Your responses to Questions 1 and 2a through 2c are required by the Medicare Secondary Payer rules. Your responses to Questions 3 and 4, if applicable, are required by other state or federal laws. Note that Questions 2a through 2c ask for the **total number of employees** (as indicated in paragraph 2 above); and Question 4 asks for the total number of employees **eligible to participate** in your group health plan coverage(s).

Your failure to complete and return the Form may result in the application of mandated benefits from which you might otherwise be exempt, or in the imposition of fines or penalties on you or on us.

Thank you for your prompt attention to this request.