



**EPC**

*Benefit Resources, Inc.*

Dear EPC Church Administrator,

If you are receiving this letter, one or more of the participants in your health benefit program are approaching Medicare eligibility age. Your employee's obligation to obtain coverage through Medicare is driven by the size of the staff employed by your church/ministry.

Please read through the descriptions below to determine whether your church/ministry qualifies as a Large or Small employer. Based on your determination, you will need to complete either the Small Employer Certification form or the Large Employer Certification form and submit to our EPC Admin office at [EPC@cdsadmin.com](mailto:EPC@cdsadmin.com) or by fax at 412-224-4465.

A Large Employer is generally defined by CMS as an employer/church with 20 or more "full-time equivalent" employees. **If your church/ministry is considered a Large Employer, EPC Medical/Rx coverage remains primary.**

Federal regulations require "large employers" that provide medical/Rx benefits to continue to make available employer-provided coverage to Medicare eligible full-time employees. If your church/ministry qualifies as a large employer, you will continue to provide the EPC medical/Rx benefit to your Medicare eligible employees as their primary coverage as you have in the past and your employee does not need to purchase Medicare related insurances until retirement. However, even if you are employed by a "large employer," your employees should still enroll in Medicare A (which is free) when they become Medicare-eligible (generally at age 65) because otherwise your employee may be subject to late-enrollment penalties. In addition, Medicare may pay certain benefits for your employee as a secondary payor to the extent that your employer provided benefits are less than what would be covered by Medicare.

A Small Employer is generally defined by CMS as an employer with fewer than 20 "full-time equivalent" employees. **If your church/ministry is considered a Small Employer, Medicare Coverage becomes primary.**

If your church/ministry is a "small employer", then upon becoming eligible for Medicare (generally at age 65), your employee will need to enroll in Medicare directly and select an original Medicare Plan with Medicare Supplemental insurance

plus a Part D prescription plan; or a Medicare Advantage Plan with prescription drug coverage for your medical/Rx coverage. Medicare provides a special enrollment period for the “qualifying event” of your employee becoming Medicare eligible. Upon the commencement of your employee’s Medicare coverage at their eligibility date, their EPC provided coverage will be terminated. Please make sure your employee submits a copy of their Medicare card to our admin office within 30 days of their Medicare eligibility date in order to terminate coverage through the EPC.

It is important to note that your employees transition to coverage through a publicly available Medicare Plan does not impact the EPC’s commitment to the provision of medical benefits. If the benefits provided through your church or ministry in your Terms of Call include the provision of medical benefits, the cost of your Medicare premiums, while your employee is actively employed, will still be paid by your church through reimbursement of the premiums you pay. Spouses and dependents who are not Medicare eligible can remain covered under the EPC medical/Rx benefit as permitted under the employee’s Terms of Call.

You may set up an HRA (Health Reimbursement Account) for the employee as a mechanism of reimbursing premiums on a pre-tax basis. The EPC Benefit Resources office can advise you on the mechanism for setting up an HRA when the time comes.

Feel free to contact our office should you have any questions.

In His Service,



Bart Francescone  
Executive Director