

Core Documents Announces Medicare HRA Plan Documents to Support Employers and Medicare-Eligible Employees

A Medicare HRA can reimburse employees for Medicare premiums and other medical expenses, allowing employees to choose Medicare without violating MSP rules.

BRADENTON, FL, UNITED STATES, August 6, 2025 /EINPresswire.com/ -- [Core Documents](#), a leading provider of affordable, IRS-compliant employee benefits plan documents, is proud to offer Medicare Health Reimbursement Arrangement (HRA) plan documents

designed to empower employers and Medicare-eligible employees. These plans allow employees aged 65 and older, as well as certain disabled employees, to opt out of group health insurance and select Medicare as their primary payer, while ensuring compliance with Medicare Secondary Payer (MSP) rules. This innovative solution provides flexibility, cost savings, and compliance for businesses of all sizes.

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Gene C. Ennis - Core Documents



Core Documents' Medicare HRA Plan

[Medicare HRA](#) Plans: A Flexible Solution for Employers

Core Documents' Medicare HRA plans enable employers to reimburse Medicare-eligible employees for qualified medical expenses, including Medicare Part B, Part C (Medicare Advantage), Part D (prescription drug), and Medigap premiums, on a tax-advantaged basis. For employees aged 65 and older, these plans allow them to opt out of the employer's group health plan and choose

Medicare as their primary coverage, provided the employer meets specific compliance requirements.

For employers with fewer than 20 employees, Medicare is allowed to be the primary payer, and group health plans are secondary. In such cases, employers can establish an HRA integrated with the group health plan to reimburse Medicare premiums without violating MSP rules, as long as the arrangement complies with the Affordable Care Act (ACA) integration rules.

For employers with 20 or more employees, where the company does not have a group health plan, offering an [Individual Coverage HRA \(ICHRA\)](#) would allow employees to opt for Medicare coverage as a valid Minimum Essential Coverage option without violating MSP regulations.

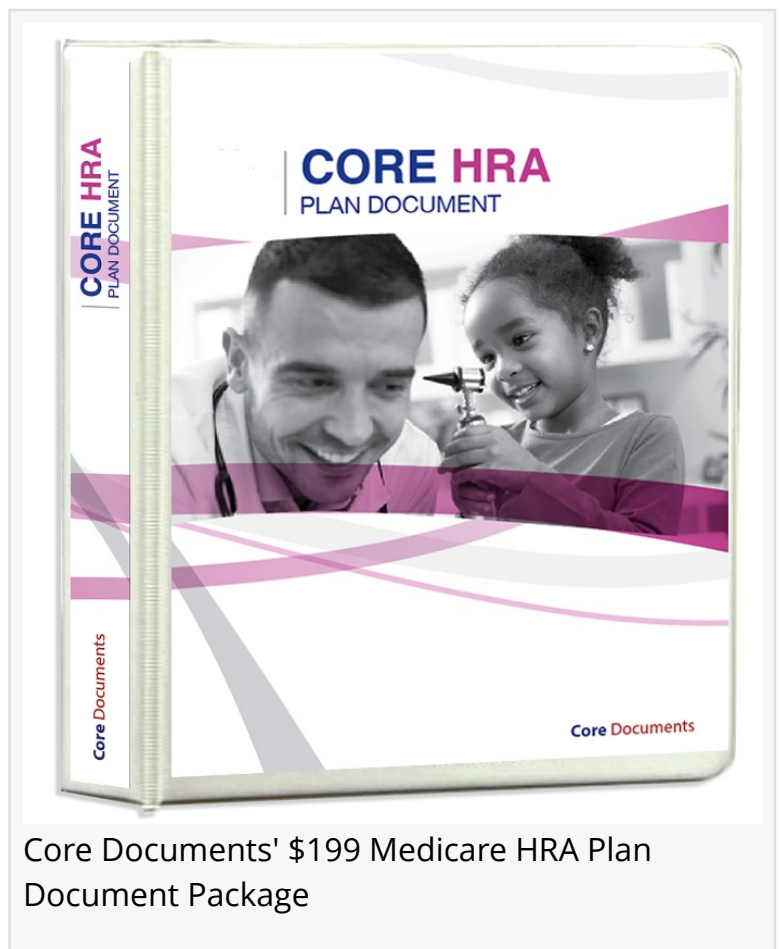
Navigating Medicare Secondary Payer Rules for Groups with 20 or More Employees

Under MSP rules, employers with 20 or more employees must ensure their group health plan remains the primary payer for Medicare-eligible employees aged 65 and older who are actively working or covered through a spouse's current employment. The MSP rules prohibit employers from offering financial incentives to encourage employees to opt out of the group health plan in favor of Medicare, as this could shift primary payment responsibility to Medicare, violating federal law.

Core Documents' Medicare HRA plans, integrated with a group health plan for employers with less than 20 employees, provides a compliant workaround. Employers can offer an HRA to reimburse employees for Medicare premiums and other qualified medical expenses, allowing employees to choose Medicare as their primary coverage without violating MSP rules.

Medicare HRAs for Disabled Employees and MSP Rules for Groups with 100 Employees

For disabled employees under age 65 entitled to Medicare, MSP rules apply differently. If an employer has 100 or more employees, the group health plan is considered a "large group health plan" (LGHP) and must act as the primary payer for disabled employees covered through their own or a family member's current employment status. Medicare becomes the secondary payer in these cases.



Core Documents' \$199 Medicare HRA Plan Document Package

Core Documents' Medicare HRA plans can also support disabled employees by reimbursing Medicare premiums and other qualified expenses for employers with less than 100 employees. However, for employers with 100 or more employees, the group health plan must provide the same benefits under the same conditions to disabled Medicare-eligible employees as it does to non-Medicare-eligible employees.

Benefits for Employers and Employees

Core Documents' Medicare HRA plans offer significant advantages for both employers and employees:

Employer Benefits:

- Cost Predictability: HRAs allow employers to set a defined contribution amount, providing predictable healthcare benefit costs compared to traditional group health plans.
- Tax Advantages: HRA reimbursements are 100% tax-deductible for employers, reducing overall benefit costs.
- Employee Retention: Offering flexible HRA options can attract and retain Medicare-eligible employees, especially in industries with aging workforces.
- Reduced Claims Costs: By allowing Medicare-eligible employees to opt for Medicare, employers may reduce high-cost claims on their group health plans, potentially lowering premiums.

Employee Benefits:

- Choice and Flexibility: Employees can choose Medicare plans that best suit their healthcare needs, such as Medicare Advantage or Medigap, using tax-free HRA funds.
- Cost Savings: Reimbursement for Medicare premiums and out-of-pocket expenses reduces employees' financial burden, especially for those on fixed incomes.
- Comprehensive Coverage: Medicare often provides superior benefits at a lower cost compared to group health plans, particularly for employees with significant healthcare needs.
- Portability: Medicare coverage remains with employees even if they change jobs or retire, ensuring continuity of care.

Why Choose Core Documents?

With over 25 years of experience, Core Documents specializes in creating customized, IRS-compliant plan documents tailored to employers' needs. Our Medicare HRA plan documents are designed to simplify compliance with complex MSP rules while maximizing benefits for employers and employees. Whether you're a small business with fewer than 20 employees or a larger organization with 100 or more, Core Documents provides the expertise and tools to implement Medicare HRA options effectively.

For more information on how Core Documents can help your business establish a Medicare HRA plan, visit www.coredocuments.com or contact our team at (888) 755-3373.

About Core Documents

Core Documents is the nation's leading provider of cost-effective, IRS-compliant employee benefits plan documents, including HRAs, Section 125 POP plans, and more. Since 1997, we've helped thousands of employers save on healthcare costs while offering valuable benefits to employees.

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Gene Ennis
Core Documents, Inc.
+1 888-755-3373
[email us here](#)

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