

Office Memorandum

Date: February 14, 2020

To: Agency Payroll, HR, and Accounting Staff

From: Mary Muellner, Director, Statewide Payroll Services
Lorna Smith, Director, Employee Insurance

Subject: Reminder: \$250 Health Care Savings Plan Employer-Paid Contribution for Retirees

Most employees who retire are eligible for a \$250 employer-paid contribution to the Health Care Savings Plan (HCSP) administered by the Minnesota State Retirement System (MSRS).

Please confirm a retiree's eligibility by reviewing the relevant bargaining agreement or compensation plan and referring to the [Health Care Savings Plan – Reference](#) available on the MMB website. **This contribution is processed in Mass Time Entry or as a prior period adjustment using earn code HCR.**

Tips:

- Employees who retire and have an **HCSP Waiver** record are entitled to a \$250 **cash payment – use earnings code HCW**. MSRS administers the waiver process. To determine if MSRS approved a waiver, view the employee's HCSP Waivers page: Payroll > Deductions > HCSP Waivers. When the **Waived?** check box is selected, MSRS will not accept any payments to HCSP.
- The Health Care Savings Plan cannot accept funds for deceased employees. Deceased employees should receive a \$250 cash payment – use earn code HCW.

Questions?

If agency Payroll, HR, and Accounting staff have questions regarding:

- Processing the contribution, contact Jody Dahl at 651-201-8206 or jody.dahl@state.mn.us.
- An employee's eligibility to continue insurance benefits upon retirement under the applicable insurance article, contact the SEGIP Call Center at 651-355-0100 or segip.mmb@state.mn.us.

PLEASE SHARE THIS INFORMATION WITH APPROPRIATE AGENCY STAFF