

## Memo

**Date:** February 19, 2026

**To:** Agency Payroll, Human Resources, and Accounting Staff

**From:** Katie Karow, Director, Statewide Payroll Services

### **RE: \$250 Health Care Savings Plan Employer-Paid Contribution for Retirees–Reminder**

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 earnings 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 > Deduction Enrollment > 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 earnings code HCW.

#### **Questions?**

If agency Payroll, Human Resources, and Accounting staff have questions regarding:

- Processing the contribution, contact Jody Dahl at 651-201-8206 or [email](#).
- An employee's eligibility to continue insurance benefits upon retirement under the applicable insurance article, contact the SEGIP Member Service Center at 651-355-0100 or [segip.mmb@state.mn.us](mailto:segip.mmb@state.mn.us).

**PLEASE SHARE THIS INFORMATION WITH APPROPRIATE AGENCY STAFF**