

## **140.4 - Other Provisions**

**(Rev. 30, 09-05-03)**

Any claimant, including an individual who received services and the provider or supplier, has the right to take legal action against an Employer Group Health Plan (EGHP) or Large Group Health Plan (LGHP) that fails to pay primary benefits for services covered by both the EGHP or LGHP, Medicare, and to collect double damages.

According to §2000 of the Internal Revenue Code (IRC), an excise tax may be imposed on any employer or employee organization that contributes to the nonconforming EGHP or LGHP during a calendar year. The amount of tax is 25 percent of the total amount that the employer or employee organization contributed to the EGHP or LGHP during that year. This tax penalty does not apply to Federal and other governmental entities.