



October 13, 2009

Notice to SUA Insurance Company Customers/ Partner Agents /Co-Brokers

RE: Mandatory Medicare Reporting Requirements

The Medicare and Medicaid and State Children's Health Insurance Program (SCHIP) Extension Act of 2007 (MMSEA) was signed into law in December 2007. This legislation contains the provisions for Mandatory Insurer Reporting (MIR) which was scheduled to begin in May 2009 but has since been pushed back to January 2010. These reporting requirements impact the handling of Workers Compensation, Liability, Auto No-Fault, and Self-Insurer claims, defined by the Centers for Medicare & Medicaid Services (CMS) as Non-Group Health Plans (NGHP). The intent of this new legislation is to extend the viability of Medicare by aggressively pursuing insurance carriers and group health plans in which Medicare should not be the primary payer.

SUA Insurance Company (SUA) will provide the required reporting to the Coordination of Benefits Center (COBC) of CMS for all claims handled by SUA. SUA registered with the COBC as its own Responsible Reporting Entity (RRE) and implemented system enhancements to comply with the required reporting guidelines. SUA will also be able to obtain Medicare beneficiary status through the Medicare Query Function (MQF) to ensure all required claims are reported to the COBC. **Failure to identify and report these claims carries a \$1,000 per day per claim civil penalty which makes compliance critical.**

Further details on the Mandatory Medicare Reporting Provisions in Section 111 of the MMSEA can be found on the CMS website at www.cms.hhs.gov/MandatoryInsRep. There is nothing you as an insured of SUA has to do related to this new reporting requirement. SUA is responsible for all required reporting.

If you have any questions regarding the mandatory Medicare reporting requirements, feel free to contact:

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