



DEPARTMENT OF FINANCIAL SERVICES

Division of Rehabilitation and Liquidation
www.myfloridacfo.com/division/receiver

NOTICE TO MEDICAL PROVIDER – June 26, 2014

**Si necesita una versión en español de este aviso, visite el sitio web de la
División de Rehabilitación y Liquidación www.myfloridacfo.com/division/receiver.**
(If you need a Spanish version of this notice, visit the Receiver's website at www.myfloridacfo.com/division/receiver)

REGARDING THE LIQUIDATION OF PHYSICIANS UNITED PLAN, INC. (PUP)

We are sending you this letter because our records indicate that you may have provided medical services to members/policyholders of Physicians United Plan, Inc. (PUP), a Florida health maintenance organization which provided health care coverage to approximately 50,000 Medicare members. On June 9, 2014, PUP was ordered into receivership for purposes of rehabilitation by the Second Judicial Circuit Court in Tallahassee, Florida. The Florida Department of Financial Services is the Court appointed Receiver of PUP. Additionally, without further court action, PUP has been ordered liquidated effective 12:01 a.m. on July 1, 2014.

The Receiver previously provided you with important notices regarding the receivership on June 19, 2014 and June 25, 2014. This notice contains more detailed information about the receivership and the applicable claims procedures.

CANCELLATION OF THE PUP POLICIES:

By Court Order, effective at 12:01 a.m. on July 1, 2014, PUP has been ordered liquidated. Medicare contracts and premiums are administered through the Federal Centers for Medicare & Medicaid Services ("CMS"). **As a result of the impending liquidation of PUP and termination of its contract with CMS, CMS retroactively enrolled all PUP members into Original Medicare Fee-for-Service (FFS) and a Prescription Drug Plan (PDP) effective June 1, 2014.** This effectively cancelled all PUP coverage effective 12:01 a.m. on June 1, 2014.

ARRANGEMENTS FOR CONTINUED HEALTH CARE COVERAGE FROM JUNE 1, 2014:

Beneficiaries who were enrolled in PUP will not experience a gap in their Medicare coverage. Effective June 1, 2014, CMS retroactively enrolled PUP members into Original Medicare Fee-for-Service and a Prescription Drug Plan. Beneficiaries can learn which Prescription Drug Plan they are enrolled in by contacting 1-800-MEDICARE (1-800-633-4227).

PUP members impacted by the contract termination will receive a notice in the mail explaining the changes in coverage and providing information about their new prescription drug coverage. They should also receive a letter from their new Prescription Drug Plan. PUP members will be able to

continue to see their current primary and specialty care providers under Original Medicare. Those currently in the hospital or receiving skilled nursing care or other medical treatments will continue with such care without interruption.

SPECIAL ELECTION PERIOD:

As a result of the receivership of PUP, all beneficiaries enrolled in PUP have a Special Election Period until August 31, 2014 to enroll in a plan of their choosing. All dual eligible or those eligible for the Low Income Subsidy can enroll in another plan at any time. A beneficiary that selects another Medicare Advantage or Medicare Advantage-Prescription Drug plan will be covered under the new plan effective the first day of the next month after they enroll. If you or your patients have any questions on these matters, please contact 1-800-MEDICARE (1-800-633-4227) for more information regarding these issues and/or for the patient to make a new plan selection.

REMEMBER: Former PUP members will receive continued health care coverage from 12:01 a.m. on June 1, 2014, through arrangements made by CMS. The Florida Department of Financial Services, as Receiver of PUP, is working with CMS to assist in its efforts to provide a smooth transition for PUP members to other health care coverage from June 1, 2014. The Receiver has mailed letters to each of the PUP members informing them of the receivership and of their continued health care coverage options as arranged through CMS. Sample copies of these notices are available on the Receiver's website at www.myfloridacfo.com/division/receiver. **Please strongly encourage your PUP patients to carefully read any letters they receive from the Receiver or CMS. These letters will provide them with extremely important information regarding the continuation of their health care coverage from June 1, 2014, including arrangements made for continued prescription drug coverage, as well as explain their other Medicare options.**

CANCELLATION OF PROVIDER CONTRACTS:

In addition to cancelling the health care coverage provided by PUP, the Court Orders cancel all executory contracts effective as of the liquidation of the companies at 12:01 a.m. on July 1, 2014. This includes the cancellation of your provider contract for services with PUP from 12:01 a.m. on July 1, 2014. This is the only notice you will receive regarding the cancellation of these contracts. Remember, however, that all PUP members' coverage with PUP was effectively cancelled by CMS as a result of the retroactive enrollment in Original Medicare Fee-for-Service on June 1, 2014. You should not submit a claim to PUP for any services provided to the former PUP members after 12:01 a.m. on June 1, 2014.

CLAIMS FOR SERVICES PROVIDED ON AND AFTER JUNE 1, 2014:

Providers who have delivered services to members on and after June 1, 2014 should submit claims under Medicare Fee-for-Service.

CLAIMS FOR SERVICES PROVIDED PRIOR TO JUNE 1, 2014:

Claims for services or goods provided to or on behalf of the PUP members prior to 12:01 a.m. on June 1, 2014 must be filed with the Receiver on the Receiver's Proof of Claim Form in order to be considered for payment. **The deadline for filing claims in the PUP receivership proceeding is 11:59:59 p.m. on June 9, 2015.** At a later date, the Receiver will provide additional instructions to all known members, medical providers, and other creditors of PUP regarding the filing requirements. These instructions will include information on how to submit medical claims information. **PLEASE NOTE: PLEASE DISCONTINUE ROUTINE ELECTRONIC AND PAPER MEDICAL CLAIM BILLING ON ALL PUP ACCOUNTS FOR SERVICES RENDERED PRIOR TO JUNE 1, 2014.**

The procedure for the filing and evaluation of claims in a receivership is set out in Part I, Chapter 631, Florida Statutes. Assuming there are sufficient assets in the receivership, the Receiver will evaluate claims in order of their priority as set out in Section 631.271, Florida Statutes. This statute establishes a system of priorities in paying claims. When the evaluation process has been completed, the Receiver will file a report with the Court setting out our recommendations as to the amounts, if any, which should be allowed on each of the claims evaluated. Notice of the Receiver's recommendations and the deadline for filing any objections to the recommendations will then be provided to the claimants. It is unlikely that claimants will receive any correspondence or other communication from the Receiver until that time unless the Receiver has questions regarding the claim which has been filed. This is because the Receiver is trying to minimize the claims' processing costs in order to maximize potential distribution to the claimants.

During the claims evaluation period, the Receiver also commences litigation and/or takes whatever other action is necessary to collect and maximize the assets of the receivership estate. Please note: it may be several years before distributions, if any, are made in this receivership. Distributions of assets are made on a pro rata basis in accordance with the priority of claims which is set out in Section 631.271, Florida Statutes. Those whose claims fall into lower priorities are paid only if there is money left after paying the higher priority claims. **It is too early in the receivership process for the Receiver to provide any estimate as to the timing and/or the pro rata percentage of the distributions, if any, which may be made in this receivership.**

PLEASE NOTE: Under Section 641.3154, Florida Statutes, members of a health maintenance organization are not liable to any provider of health care services for any services covered by the health maintenance organization. Additionally, health care providers and their representatives are prohibited from attempting to collect payment from the health maintenance organization's members for such services.

CONTACT INFORMATION:

For **Medicare** information: If you or your patient need more information regarding the retroactive Medicare enrollment, Medicare in general, other Medicare Advantage plans, or coverage options from 12:01 a.m. on June 1, 2014, please visit www.medicare.gov or call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048. A Customer Service Representative will be able to answer your Medicare questions.

For **Medicare Supplement** information: If you or your patient need information regarding Medicare Supplement options, please contact the Department of Financial Services at 1-877-693-5236 (Florida only) or 850-413-3089.

For **Receivership** information: For additional information about the PUP Receivership, or about the receivership process in general, please contact the Receiver by calling the Florida Department of Financial Services at 1-800-882-3054 (Florida only) or 850-413-3081 or use the "Contact Us" form found on the Receiver's website at www.myfloridacfo.com/division/receiver.

We appreciate your continued cooperation in these matters.