

An Update for Missouri Pre-need Providers regarding NPS claims

On behalf of The Missouri Life and Health Insurance Guaranty Association (the “Association”), I am pleased to announce that payments on claims made for the fulfillment of Missouri preneed funeral contracts have begun. It is expected that the first payments will be mailed the week of October 27, 2008. The Association is working with the Special Deputy Receiver (the “SDR”) to address the inventory of preneed claims that have been received, but not paid. These claims are being processed as rapidly as possible.

While it is not possible to make an unequivocal statement regarding the timeliness of claim payments, it is our hope to have significantly reduced the inventory of Missouri claims by the end of November, 2008.

Once all outstanding claims are paid up, we expect the processing of new claims to take approximately 45 days from the date that the documentation is submitted.

To ensure that all claims are properly paid, the following process will occur for all claim submissions:

- 1) Claims are submitted to the SDR, verified as complete and processed by the claims staff in compliance with the Liquidation Plan.
- 2) The processed claims are audited by consultants retained by the Association to assure compliance with state laws.
- 3) The Association notifies the SDR that the claim is approved.
- 4) If the appropriate completed Assignment Agreement and W9 have been submitted, then the claim will be ready for funding.
- 5) The Association funds payment of the claims and the SDR issues and mails a check.

We acknowledge that the delay in payments may have caused some financial constraints for Missouri preneed providers. We thank you for your patience during this action. Be assured that the SDR and the Association are working hard to ensure that claims are processed as quickly as possible and we thank you for your cooperation with this process. **HOWEVER, DELAYS SHOULD BE EXPECTED DURING THE INITIAL IMPLEMENTATION OF THE LIQUIDATION PLAN.**

If you have any questions, please contact the Association at phone 573-634-8455; or by e-mail at miga@mo-iga.org.

PLEASE DO NOT CONTACT THE SDR. In order to assure the most expedient processing of all claims, inquiries relating to pending claims should be directed to the Association.

Charles F. Renn
Executive Director
Missouri Life & Health Insurance Guaranty Association