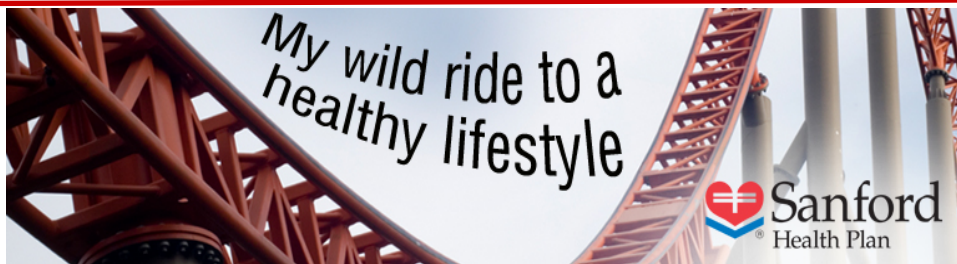


THE HEALTH PLAN WEIGHT LOSS BLOG: MEET MR. UP AND DOWN

Sanford Health Plan has recently launched our first weight loss blog! Mr. Up and Down (Jason Hubers) has struggled with living a healthy and active lifestyle for years. The purpose of this blog is to engage himself and others into making positive changes that will impact health and wellness!



Please participate in Jason's blog at

mrupanddown.wordpress.com

and give him your own support and suggestions and hopefully you find some inspiration too!

Thanks for your support!

FACTS ABOUT THE SOUTH DAKOTA RISK POOL

The South Dakota Risk Pool provides health care coverage for those who cannot qualify for coverage anywhere else. Adults and children who have recently lost coverage may qualify and children under the age of 19 who have not had coverage in the last six months may be eligible.

Eligibility requirements for adults:

- Be a South Dakota resident
- Apply within 63 days of losing your coverage
- Have at least 12 months of continuous creditable coverage;
 - Examples of creditable coverage include: employer-based plan, individual health plan, Medicare, Medicaid, CHIP, state health benefit risk pool, etc. *NOTE: Continuous coverage means you have not had a break in coverage of 63 or more days.*
- Have exhausted COBRA or state continuation coverage (if applicable);
- Have not had your most recent coverage terminated due to nonpayment of premiums or fraud; and
- Not be covered or eligible for coverage under a group health

plan, Medicare, Medicaid, CHIP or any other form of health insurance.

Eligibility requirements for children:

- Must be under 19 years of age;
- United States citizen and South Dakota resident;
- Denied or offered coverage with amendments or riders by two insurance companies;
- Have been without health insurance for the last 6 months; and
- Not covered or eligible for other coverage.

Children enrolled under this eligibility criteria will have a 6 month pre-existing condition waiting period. This means the Risk Pool will not pay for any medical costs associated with a pre-existing condition during the first 6 months the child is on the plan.

For more information you can contact the State Risk Pool at (605) 773-3148 or visit www.riskpool.sd.gov.

CLIENT SEMINAR

COBRA Subsidy Eligibility Expansion & Healthcare Reform Updates

Date: Wednesday, February 10, 2010

Time: 11:30 a.m. to 1 p.m.

Place: Cherapa Place, Training Room
300 Cherapa Place, 3rd floor
Sioux Falls, SD 57103

Speaker: Cindy Morrison & Lisa Carlson

To register, please contact Stacy Hackett at hacketts@gpbi.com or (605) 328-7000.

WELCOME NEW GROUPS

Sioux City, IA
Siouxland Mental
Health Services, Inc.
Siouxland Recovery, Inc.

Baltic, SD
Sunderman
Manufacturing

Brookings, SD
Midwest Title &
Escrow, Inc.

Garretson, SD
Garretson School

Sioux Falls, SD
Electronic Systems, Inc.
Norberg Paint
Overhead Door
Company of Sioux Falls

Sturgis, SD
Kenneth Lee &
Sons, Inc.

Webster, SD
Webster School

MEDICARE SECONDARY PAYER MANDATORY REPORTING



Sanford
Health Plan

Section 111 of the Medicare, Medicaid and SCHIP Extension Act of 2007 added new mandatory reporting requirements for group health plans. The purpose of the Section 111 is to determine primary versus secondary payment responsibility and enable the federal Centers for Medicare & Medicaid Services (CMS) to correctly pay for the services provided to Medicare beneficiaries who also receive employer sponsored health benefits. **If CMS determines that the new Section 111 mandatory reporting requirements process is successful, CMS will consider requesting that Congress eliminate current employer responsibilities under the annual IRS/SSA/CMS Data Match.**

As an entity serving as an insurer for group health plans and a third party administrator, Sanford Health Plan began

implementation of the Group Health Plan reporting requirements in January 2009. Reporting on behalf of our clients is done quarterly to the federal Centers for Medicare & Medicaid Services (CMS). As part of this new process Sanford will be sending you a *Medicare Secondary Payer Information Request* form later this month.

It's important for you to respond to this new *Medicare Secondary Payer Information Request* form in a timely and accurate manner. This will ensure Sanford Health Plan is compliant with the new Section 111 reporting requirements:

- Accurate reporting of your employees' (and their dependents') entitlement to Medicare.
- Accurate reporting of your employees' full-time and part-time

status. This is important because the Medicare Secondary Payer requirements are employer size specific.

- Prompt cooperation will reduce insurer and employer costs associated with the coordination of benefits with Medicare and will prevent Medicare from making mistaken payments and fewer recovery actions.

For additional information regarding the Section 111 reporting process visit the CMS webpage www.cms.hhs.gov/MandatoryInsRep or contact our Client Services Department for more information.

HEDIS® MEASURE AND CAHPS® SURVEY RESULTS ARE IN!

Sanford Health Plan believes that in order to meet the needs of our patients and healthcare partners, everything we do must be of the highest quality and value available in our region. By improving the quality of care provided, employing the best managed care practices and principles and partnering with our consumers, employer groups and physicians, Sanford Health Plan is able to assist in saving lives, reducing disability, improving productivity and managing health care costs.

We also believe that healing involves promoting and improving the health of our communities. To demonstrate our

commitment to providing the highest quality of care and service, Sanford Health Plan would like to present our HEDIS (Healthcare Effectiveness Data and Information Set) 2009 report along with the quality improvement activities and disease management programs implemented by the Plan. The report also includes our annual CAHPS® member satisfaction survey results and activities we are implementing to improve in those areas of service to our members. This data provides you - our customer - with the information you need to judge our success in meeting our goals in various performance areas. Reporting HEDIS rates also assists the Plan in identifying

our strong points and areas where improvements need to be made.

You may view our annual HEDIS report online by visiting the Sanford Health Plan website at www.sanfordhealthplan.com or you may call to request a copy of the HEDIS report at 1-888-315-0884. For more information on our Disease Management Programs and how to enroll, you can also call 1-888-315-0884 or visit our website at www.sanfordhealthplan.com.

HEDIS® is a registered trademark of the National Committee for Quality Assurance (NCQA). CAHPS® is a registered trademark of the Agency for Healthcare Research and Quality (AHRQ).

HAVE YOU FILED YOUR 5500 FORM?

Department of Labor (DOL) final regulations issued in 2007 required that all Form 5500s be filed electronically for plan years beginning on or after January 1, 2009. As of January 1, 2010, plans are now able to begin obtaining credentials and filing electronically. To file electronically, a plan sponsor must obtain electronic signature credentials – by visiting the DOL website at www.efast.dol.gov and registering. If a plan sponsor grants signature authority to several of its officers, each officer will need to obtain their own credentials in order to sign the Form 5500.

Because Form 5500 is generally due by the end of the seventh month following the end of the plan year, the vast majority of plan filers will have until at least July 2010 to make the changes necessary to allow electronic filing. (Short plan-year filings for 2009 plan years are subject to special transition rules.)

COBRA SUBSIDY RECIPIENTS

The IRS has posted on its website a reminder that COBRA subsidy recipients who later become eligible for other group health plan coverage or Medicare should notify their plan in writing that they are no longer eligible for the subsidy, in order to avoid a penalty. If an individual continues to receive the subsidy after he or she is eligible for certain other coverage, such as group health coverage from a new job or Medicare, the individual may be subject to a penalty of 110% of the subsidy provided after he or she became eligible for the other coverage.

The IRS also notes that anyone who suspects that someone may be receiving the subsidy after becoming eligible for other coverage may report this to the IRS by completing Form 3949-A (Information Referral). Go to www.irs.gov/businesses/small/article/0,,id=212421,00.html.