



Property Casualty Insurers
Association of America

Advocacy. Leadership. Results.

NATHANIEL F. WIENECKE
SENIOR VICE PRESIDENT

June 4, 2018

The Honorable Gus Bilirakis
U.S. House of Representatives
2112 Rayburn HOB
Washington, DC 20515

The Honorable Ron Kind
U.S. House of Representatives
1502 Longworth HOB
Washington, DC 20515

Dear Representatives Bilirakis and Kind:

As you know, the Medicare Secondary Payer (MSP) and Medicaid Third Party Liability (TPL) statutes have created a convoluted and inefficient system that is difficult to navigate for all parties trying to resolve a claim involving a Medicare or Medicaid beneficiary. On behalf of the Property Casualty Insurers Association of America (PCI), I write to thank you both for your leadership on the Provide Accurate Information Directly (PAID) Act, (H.R. 5881) and urge your colleagues in Congress to support this critical legislation. PCI believes that this bipartition legislation will improve the process by providing clear lines of communication to all stakeholders as early as possible.

PCI promotes and protects the viability of a competitive private insurance market for the benefit of consumers and insurers. PCI is composed of approximately 1,000-member companies and 340 insurance groups, representing the broadest cross section of home, auto, and business insurers of any national trade association. PCI members represent all sizes, structures, and regions, which protect families, communities, and businesses in the U.S. and across the globe. PCI members write \$245 billion in annual premium, which is 38 percent of the nation's property casualty insurance marketplace.

When a Medicare or Medicaid beneficiary is injured in an accident that is covered by another, such as an auto accidents or workplace injury, MSP policy dictates that the federal programs will not pay for health care expenses when another party is liable. The liable party, who acts as the primary payer, is left in the dark, with no idea which plan a beneficiary falls under. ***As a result, beneficiaries are frequently unable to reach a settlement because the liable party cannot reasonably estimate their expenses, and taxpayers are stuck with a wasteful process.***

The PAID Act provides a simple solution to this problem by requiring the Centers for Medicare and Medicaid Services (CMS) to share relevant information promptly with the settling party, accelerating the settlement process. By putting this requirement in statute, all stakeholders will benefit from the enhanced clarity and transparency of MSP and TPL claims, while the federal government will enjoy lower costs through the improved coordination between the various parties. In short, a small legislative change will create a more judicious, established, and speedy process – with tangible benefits for everyone involved.

Thank you for your work on this issue and for your sponsorship of the PAID Act. We encourage your colleagues to cosponsor the bill and ensure its speedy passage in both chambers of Congress and look forward to working with you to enact this common sense legislation.

Sincerely,

A handwritten signature in blue ink, appearing to read "N. Wienecke", written over a white background.

Nathaniel F. Wienecke