TakeCare
P.O. Box 6578 Tamuning, Guam 96931
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Email: MAS@Takecareasia.com

GL#34-17-602
Speaker Benjamin

May 29, 2017

JUN 0 2 2017
Time: 445 [ ] AM [✓] PM File No.
Received By

Christine Baleto, Director
Department of Administration
P O Box 884
Hagatna Guam 96932

Re: Request for the Immediate Payment of Delinquent Retirement Fund Premiums

2017 JUN -5 AM 9:58

Dear Ms. Baleto:

The Government of Guam Retirees and their dependents are valued and important customers of TakeCare Insurance Company, Inc., ("TakeCare") since October 1, 2013. We appreciate the continued payment of the employee share for the retirees of the Fund and from various autonomous agencies.

We are seriously concerned with the lack of payment for the Government of Guam's contribution on the medical and dental premiums for the retirees and their dependents under the Retirement Fund. TakeCare continues to provide medical and dental care to the Retirement Fund members including, but not limited to, the payment for services rendered by local and off-island providers, coverage of prescription drugs, and the coordination of care for off-island referrals despite the fact that premiums are delinquent.

We have not received full premium payments to date for your medical and/or dental coverage for the last six pay periods of FY2017. Based on the Retirement Fund's vendor reports of deferred payments to DOA, your agency is responsible for approximately $565,804.25 for PPE 2/28/16 to PPE 5/15/2017.

Because of the severe delinquency in the medical and dental premiums for the retirees and their dependents under the Retirement Fund, immediate payment of the unpaid Retirement Fund government-share premiums is required in order for the retirees and their dependents to continue with their medical and dental care. Section 5.3.1 of our Health Insurance Agreement allows TakeCare to "terminate the coverage of one or more individual Covered Persons for non-payment of Premium without terminating this Agreement to other covered Persons for whom Premiums have been received by Company."

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We look forward to the immediate payment of the outstanding balance of $565,804.25 to avoid terminating the coverage of the retirees and dependents.

Thank you for your prompt attention.

Sincerely,

Alicia I. Iseke
Health Plan Finance Administrator

cc: Speaker Benjamin J.F. Cruz