

MDU
Premium Collection Procedure

Procedure

1. Upon signing the application, the group must remit a binder check for the first month's premium, as noted in the MDU Sold Quote Packet, to be received by MDU within fifteen (15) days.
2. MDU's marketing representatives shall inform and educate the TPA that monthly premiums are due on or before the first day of each month and that in no case should premiums be paid later than the thirty-one (31) day grace period as written in the Reinsurance Treaty. Claim reimbursement for that month can not be released until premium is paid.
3. When the Reinsurance Treaty is issued, MDU shall reiterate in its cover letter that all monthly premiums are due on or before the first day of each month and that in no case should premiums be paid later than the thirty-one (31) day grace period. Claim reimbursement for that month can not be released until premium is paid.
4. On the 25th day of each month, MDU will notify the appropriate representative of the Group whose premium is still outstanding. A courtesy email will be made to the Broker/Agent/TPA.
5. If premium is not received by the end of the thirty-one (31) day Grace Period, and if no satisfactory arrangements have been made to remit the late payment, then MDU will send a Letter of Termination for Non-Payment via Certified Mail to the TPA and the Group.