INNOVATIVE
FINANCIAL GROUP

Medicare Advantage
EDUCATIONAL MATERIAL

MEDICARE HANDBOOK

KEYS TO A COMPLIANT MA PRESENTATION

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Part C: Keys to a Compliant MA Presentation

Compliance Performance Indicators

CMS holds all agents who enroll clients in Medicare Advantage and Part D prescription drug plans responsible for their marketing behavior. All of the carriers have compliance oversight teams that monitor the activities of agents selling their products.

Many of the indicators that are commonly used by both CMS and the carriers to monitor agent performance are explained below. There are also some helpful tips to assist agents in staying compliant with CMS Medicare Communications and Marketing Guidelines and the various carrier compliance programs. Note: disciplinary or corrective action by the carrier for not meeting expectations in these areas may include re-training up to termination and formal reporting to a state Department of Insurance.

Complaints and Marketing Incidents

Both the carriers and CMS field complaints from consumers about agent marketing practices. Carriers track the volume and types of allegations that are made. If you receive a complaint from the carrier, respond within the timeframe given with all necessary documentation, keep the response non-emotional and do not contact the client during the complaint process.

Application Timeliness

Timely handling and processing of enrollment applications is important. A late application is defined differently by each carrier. Usually, applications must be in the carrier's possession within two calendar days of receipt by agent. Try to use electronic methods or fax. And beware that there are often two separate fax lines for Part D applications and Medicare Supplement applications. Avoid holding onto applications for any reason.

Cancellation Rates

Monitors the number and percentage of enrollments cancelled before the effective date of coverage.

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Rapid Disenrollment

Monitors the number and percentage of disenrollments within 90 days of the effective date (excludes disenrollments due to death, out-of-area moves, loss of Part A or loss of Part B).

Scope of Appointment (SOA) Forms

Beneficiaries must complete a Scope of Appointment form before all one-on-one appointments/meetings (whether in person or over the phone) to discuss MA, MA-PD and/or PDP products. If the client wishes to discuss a product not included on the original SOA form, you must complete a new SOA to include the new product line. SOA forms are not required to attend a formal or informal marketing/sales event.

The following requirements must be on the scope of appointment form or on the recorded call:

- Product types to be discussed
- Date of appointment
- Beneficiary and agent contact information
- Statement stating, no obligation to enroll, current or future Medicare enrollment status will not be impacted, and automatic enrollment will not occur.

PCP Auto Assign

Some plans (usually HMOs) require the client to have a designated Primary Care Physician (PCP) and it will be noted on their member ID card. If the enrollment application contains Name and ID fields for PCP information, then a PCP is required and the agent should work to populate the section. If the PCP fields are left blank, or invalid PCP information is entered, some carriers will auto assign a PCP to the client. A PCP auto assignment is a negative mark for the agent, as it can lead to member dissatisfaction, delay member services, etc.

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Permission to Contact (PTC)

Agents aren't allowed to call prospective clients about MA-PD or Part D unless the client specifically asks to be called. CMS has relaxed its position on unsolicited direct email contact, but some carriers still do not allow email contact unless compliant PTC is first obtained. Agents can only call a potential client when the client has given express written permission to contact them. PTC can be obtained by a prospect returning a business reply card that discloses who will contact, what products will be discussed and by what specific method the consumer can expect contact. The following is the recommended disclaimer: "By providing your name and contact information you are consenting to receive calls, text messages and/or emails from a licensed insurance agent about Medicare Plans at the number provided, and you agree such calls and/or text messages may use an auto-dialer or robocall, even if you are on a government do-not-call registry. This agreement is not a condition of enrollment." Adding this to bottom of the business reply card (postal or electronic) will allow agents to obtain valid permission to contact the prospect that submits the form about Medicare Advantage or Part D Prescription Drug Plans.

Permission to Call Primer

Before calling a consumer about Medicare Advantage or Part D Prescription Drug plans, make sure you are well versed in Permission to Call (PTC) guidelines. This reference tool provides you with common situations when an agent may or must not contact a consumer telephonically. If you still have questions, contact your marketer or send an email to compliance @teamifg.com.

Prior to calling a consumer, you must obtain PTC. PTC may be obtained by receiving a completed Business Reply Card (BRC) or lead card. PTC is always limited to the method of contact and product scope defined in the BRC or lead card. **Unsolicited direct contact with a consumer is prohibited.**

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Agent prohibited activities

Prohibited activities include, but are not limited to, the following:

- Bait-and-switch strategies - making unsolicited calls about other business as a means of generating leads for Medicare plans.
- Calls to former clients who have disenrolled or to current members who are in the process of voluntarily disenrolling to market plans or products. Clients who are voluntarily disenrolling from a plan should not be contacted for sales purposes or be asked to consent in any format to further sales contacts.
- Calls to consumers who attended a marketing/sales event, unless PTC to do so was obtained.
- Calls to consumers to confirm receipt of mailed information unless PTC to do so was obtained.
- Approaching a consumer in a common area such as a parking lot, hallway, lobby, or sidewalk.
- Depositing marketing material (e.g. flyer, door hanger, leaflet etc.) outside a residence, under a door to a residence, on a vehicle, or similar.
- Telephoning a consumer whose contact information was gained from a referral or purchased lead list. Calls based on referrals. If a consumer/client would like to refer a friend or relative to an agent, the agent may provide contact information, such as a business card, to the consumer/member so they may give it to the friend or family member. In all cases, a referred consumer needs to contact the agent directly. If the agent has been offered a mailing address, they may provide information via direct mail as it is not a form of unsolicited contact.
- Follow up contact via telephone with a consumer who attended a marketing/sales or educational activity/event or to whom a marketing item was mailed, even if the consumer requested the item.
- Contacting, for the purpose of marketing a product or plan, any former client who disenrolled or current client in the process of voluntarily disenrolling.

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Agent compliant activities

Agents **may** conduct the following activities:

- Contact clients they personally enrolled to promote other Medicare plan types, (e.g., contact their Prescription Drug Plan (PDP) clients to market a Medicare Advantage Prescription Drug (MA-PD) plan and discuss plan benefits.)
- Contact **their clients** to market educational events.
- Call consumers who have expressly given PTC, for example, by filling out a BRC. This permission applies only to the entity from which the individual requested contact, for the duration of that transaction, for the scope of product, (e.g., MA-PD plan or PDP), previously discussed, or indicated in the reply card.
- Return phone calls or messages, as these are not unsolicited
- Contacting a consumer who submitted a business reply card (BRC). Telephonic contact is prohibited if the consumer did not provide a telephone number or the telephone number provided is invalid.
- Contacting a consumer who submitted an online contact form.
- Following up with a consumer who requested a sales kit either in-person at a marketing/sales event, online, telephonically, or by BRC (Note: permission must be obtained at the time the kit was requested).
- Initiate contact via email to prospective enrollees, as long as the email has an opt-out process on each communication. Some carriers do not allow agents to contact prospective enrollees by email, unless the agent has first obtained compliant permission to contact.

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Top 10 to Avoid Receiving Member Complaints

1. Verify enrollee's eligibility. Make sure to include enrollee's Medicare HICN number on the application.
2. Confirm enrollee's providers are participating. Use the online search tools available to you. Providers may participate in one plan type and not another in the same area (i.e., may participate with HMO, but not PPO). Only advise if the provider/facility is or is not currently an in-network provider/facility. Do not comment that a provider/facility may participate with the plan in the future.
3. Provide and explain plan's benefits, limitations and rules including copays, coinsurance, Coverage Gap and Part D Penalty.
4. Verify enrollee's medication coverage through online search tools available to you or reference *www.medicare.gov*. Provide tier level and any restrictions (i.e., prior authorization, quantity limit, step therapy). Also, explain preferred vs. non-preferred pharmacy, if applicable.
5. Explain enrollee is not joining a supplement plan. Be clear that an MA plan replaces Original Medicare as the primary insurer. If the enrollee has a Supplement, it will not pay with this plan. Enrollment in an MA plan will not automatically disenroll an enrollee from a Supplement plan.
6. Verify the Election Period. Choose the appropriate election period for the enrollee.
7. Explain the Cancellation/Disenrollment process.
8. Ensure proper plan selection on the application.
9. Conduct a final review of the enrollment form and confirm all information is complete.
10. Verify enrollee understands he or she is completing an enrollment form.

MEDICARE ADVANTAGE TIERS

It can be difficult to make decisions about Medicare without enough information. Based on our experience working with clients, we have organized common health insurance options into three tiers to make it easier to decide how much coverage you want. Many people don't realize that, even on Medicare, you will be left with out-of-pocket expenses. All of these options help reduce the costs of services and treatments not covered by Medicare.

GOLD

- Medicare Supplement Insurance Plan
- Prescrition Drug Plan
- Cancer Coverage
- Dental, Vision, Hearing
- Short Term Care or Critical care

$ _____

SILVER

- Medicare Supplement Insurance Plan
- Prescrition Drug Plan
- Cancer Coverage
- Dental, Vision, Hearing

$ _____

BRONZE

- Medicare Supplement Insurance Plan
- Prescrition Drug Plan
- Cancer Coverage

$ _____

- Medicare Supplements are sometimes referred to as "Medigap plans" and are designed to pay the 20% gap remaining after Medicare pays 80%.
- Medicare prescription drug plans (Part D) cover some of your prescription drug costs. You are responsible for copays and any cost and any drugs not covered by Medicare.
- Cancer treatments are expensive and may not all be covered by Medicare. Your doctor may recommend you get treatments more often than Medicare covers, or recommend a service that Medicare does not cover. Cancer insurance can help pay for the treatment you need if you are diagnosed with cancer.
- Dental, vision, and hearing insurance coverage helps reduce the costs of your routine exam. X-rays and preventative procedures.
- Short Term Care or Critical care plans pay benefits directly to you for up to 360days. Benefits typically kick in if you suffer a cognitive disability or cant perform 2 of the 6 activities of daily living (ADLs). Optional riders may be available.