

Protections for Beneficiaries in Medicare Advantage and Prescription Drug Plans

SMP Webinar
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November 17, 2010

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Topics to be discussed

- Standardization of Plan Names
- Plan Mailing Statements
- Marketing/Educational Events
- Marketing/Sales Events
- Marketing/Health Care Settings
- Sales Event Cancellations
- Unsolicited Contacts

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Topics (cont'd)

- Outbound Verification Calls
 - Scope of Appointments
 - Agents/Broker Training/Testing
 - Agent/Broker Compensation
 - CMS Compliance Efforts
 - Resources
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Standardization of Plan Names

- Plan sponsors must include plan type in each plan's name
 - Must display the plan type on all marketing materials that include the plan name
 - SNPs and Employer Group Waiver Plans must include the plan type and plan name on all marketing materials
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Plan Mailing Statements on Envelopes

- Following statements must be included on the mailing envelope or mailing itself:
 - Advertisement- "This is an advertisement"
 - Plan Information- "Important information about your enrollment"
 - Health- "Health or wellness or prevention information"

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Plan Mailing Statements

- "Non-health or non-plan related information"
- Statements apply to mailings by delegated or sub-contracted entities
- Envelopes can't resemble any type of government mailing
- Plan name or logo must be on all mailings

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Marketing at Educational Events

- No plan marketing activities at educational events
 - Event advertising materials must include disclaimer
 - No sales activities, or distribution/acceptance of enrollment forms and/or business reply cards

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Marketing at Educational Events

- Plans may distribute
 - Promotional gifts
 - Medicare and/or health educational materials
 - Agent/broker business cards, upon beneficiary request
 - Containing no benefit information

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Marketing/Sales Events

- ❑ Plans may:
 - Accept and perform enrollment
 - Distribute health plan brochures and pre-enrollment materials
 - Formally present benefit information
 - Provide nominal gifts to attendees
 - Accept one-on-one appointment if beneficiary has requested

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Marketing in Health Care Settings

- ❑ No plan marketing activities in healthcare setting
 - No sales activities or distribution/acceptance of enrollment forms
 - Examples: waiting rooms, exam rooms, hospital patient rooms, dialysis centers, pharmacy counter areas
- ❑ Marketing allowed
 - In common areas, such as: hospital or nursing home cafeterias, community or recreational rooms, conference rooms
 - By providers, per current CMS Marketing Guidelines

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Sales event cancellation notice to beneficiaries

- ❑ If event cancelled within 48 hours of originally scheduled date and time, must have a representative at the site
- ❑ If event cancelled more than 48 hours prior to its originally scheduled date and time, should notify beneficiaries of the cancelled event using same means the plan used to advertise the event

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Sales event cancellation

- ❑ Agent should remain at scheduled events for at least 15 minutes after the scheduled start time before leaving an event that is cancelled due to non-attendance

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Unsolicited Contacts Prohibited Activities

- Calls to confirm receipt of mailed information
- Approaching in common areas
 - Parking lots, hallways, lobbies, etc
- Calls/visits after attendance at sales event, unless express permission given
- Calls to former members to market plans or products

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Unsolicited contacts

- Plan sponsors may not e-mail prospective members at an email address obtained through friends
- Leaving leaflets, door hangers or flyers at a prospect's home or on a car prohibited
- Plan sponsors may not conduct unsolicited calls to their Medigap enrollees regarding their MA or PDP products

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Unsolicited Contacts Permitted Activities

- ❑ Calls to:
 - Existing members to conduct normal business related to plan
 - Former members for disenrollment survey
 - Only after disenrollment effective date
 - No sales or marketing information
 - Members by the agent/broker who enrolled them in the plan
 - Beneficiaries who have given express permission
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Outbound Verification Calls

- ❑ **All** plan sponsors are required to conduct outbound verification calls to new enrollees
 - ❑ Plan must obtain beneficiary phone number to conduct verification call
 - ❑ Description of verification process must be explained to beneficiary during the application process
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Outbound verification calls

- ❑ Calls must be made for all enrollments effectuated by agents and brokers except :
 - Enrollments into employer or union sponsored plans
 - Auto-enrollments
 - Enrollments into PACE plans
 - Facilitated enrollments

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Outbound verification calls

- ❑ Plan-to-Plan switches within same MA or Part D organization require outbound verification for enrollments with change in plan type
- ❑ Plan-to-plan switches within same MA or Part D parent organization with **same** plan type—no verification needed

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Outbound verification calls

- Requirements apply to sales agents and other plan representatives only when acting in role of sales agents
- If acting as customer service rep, requirements don't apply
- If steering and/or marketing by agent and enrollment results, requirements apply

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Scope of Appointments

- Lines of business to be discussed with potential enrollee
 - Must be identified prior to marketing and/or in-home appointment
 - Must be identified on all marketing and advertising materials and announcements
 - Examples: Medigap, MA, or PDP

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Agents/Brokers Training and Testing

- ❑ Agents/Brokers must be trained and tested annually-
 - ❑ Training Content
 - Medicare Basics
 - Enrollment and Disenrollment
 - Beneficiary Protections
 - Marketing Regulations and Materials for Sales Agents
 - Medicare Marketing Events

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Agent/Broker Compensation

- ❑ Goals of MIPPA policy:
 - Eliminate incentive to inappropriately move beneficiaries from plan-to-plan
 - Set limits on compensation structures to ensure beneficiaries enroll in plans that meet their needs

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CMS Compliance Efforts

- Need detailed complaint information
- Call 1-800-MEDICARE
- Complaint goes to account manager
- Starts with informal contact and moves to enforcement depending on severity
- CMS responsible for actions involving plans
- State Departments of Insurance responsible for actions involving agents/brokers

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Resources

- Subpart C Benefits and Beneficiary Protections (42 CFR 422.111 and 423.128)
- CMS Marketing Webpage:
<http://www.cms.hhs.gov/ManagedCareMarketing/>

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