

NAHU DISCUSSES MEDICARE FINAL RULE WITH CMS



There have been many questions recently regarding the Medicare final rule that requires agents to record telephonic conversations with beneficiaries beginning October 1. Today, NAHU spoke with CMS officials from the Division of Surveillance, Compliance & Marketing to gain further insight into the scope of the final rule's requirements for recording beneficiary phone calls. The recording requirement applies to all agents who enroll beneficiaries into new plans, whether they are current or new clients. The wording of the rule references "marketing" calls, but NAHU confirmed that CMS interprets "enrollment" as "marketing." Online applications that agents walk through with their clients are also subject to recording. SHIPS are exempt from the rule. There does not appear to be an audit plan in place to verify compliance.

There was a long discussion about whether this requirement should apply to an agent's current book of business in which the beneficiary has voluntarily entered into the relationship with the agent. Beneficiary dissatisfaction is not generally with their agent of record; it is with call centers that solicit beneficiaries to switch plans that do not necessarily meet their needs. Therefore, we believe the requirement should be on call centers, not on agents and brokers with established relationships with their Medicare clients.

There was also a long conversation about FMOs and their role which will be discussed further in the next couple of weeks and a definition of independent agent that may give them sufficient reason to carve out independent agents from this requirement. They also seemed willing to reconsider agents with an ongoing relationship with beneficiaries as their agent of record as part of their current book of business.

We will continue to keep you posted as we learn more from NAHU and CMS,



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