

---

## 2012 CMS AGENT/BROKER TRAINING GUIDELINES

### Introduction

Agent and broker training is one of the most critical aspects to the successful management of a Medicare Plan. Agents and brokers must possess in-depth knowledge of Medicare Advantage and Medicare Part D plan types, operation, and regulations in order to protect the beneficiary from inappropriate sales or misinformation. In order to assure consistency and quality across all agent and broker training programs, CMS provides these guidelines to organizations and sponsors offering Medicare Advantage plans, Prescription Drug Plans, and Section 1876 Cost Contracts for creating agent and broker training for the 2012 coverage year. The following topics are covered in this document:

- Agent and Broker Requirements
- Overview of Medicare Basics
- Plan Enrollment and Disenrollment (Medicare Part C and Part D)
- Beneficiary Protections
- Medicare Marketing Regulations
- Medicare Sales and Marketing or Educational Events

Content for these training guidelines is based on information from CMS' 2011 *Medicare & You* Handbook, CMS' Medicare Managed Care Manual (MMCM), and CMS' Medicare Prescription Drug Benefit Manual (MPDBM).<sup>1</sup> Each general topic area listed below will be followed by the documents or regulatory information to reference.<sup>2</sup> As CMS releases frequent updates regarding its rules and requirements, the content of the 2012 training should reflect the most current guidance available.

---

<sup>1</sup> References are to the most recent final version of each of the cited chapters (as of June 2, 2011):

- MMCM Chapter 1 – General Provisions, dated January 7, 2011
- MMCM Chapter 2 – Medicare Advantage Enrollment & Disenrollment, dated August 17, 2010
- MMCM Chapter 3 – Medicare Marketing Guidelines, frequently referred to as the Medicare Marketing Guidelines, dated May 17, 2011
- MMCM Chapter 4 – Benefits & Beneficiary Protections, dated May 20, 2011
- MPDBM Chapter 3 – Eligibility, Enrollment & Disenrollment, dated August 17, 2010
- MPDBM Chapter 5 – Benefits & Beneficiary Protections, dated December 13, 2009
- MPDBM Chapter 6 – Part D Drugs & Formulary Requirements, dated February 19, 2010
- MPDBM Chapter 13 – Premium & Cost-Sharing Subsidies for Low-Income Individuals, dated February 5, 2010

<sup>2</sup> When a regulatory reference cited in this document includes sub-sections, it should be assumed that all applicable subsections or cross-referenced regulations should be addressed in the educational content. For example, a reference to MMCM Chapter 2, Section 30 (Election Periods and Effective Dates) would encourage the trainer to address Chapter 2, Section 30.1 (Annual Election Period (AEP)), 30.2 (Initial Coverage Election Period (ICEP)), Section 30.2.1 (Initial Enrollment Period for Part D (IEP for Part D)), etc.

---

## I. Agent/Broker Requirements

- Training and testing [42 CFR 422.2274 (b),(c), 423.2274 (b),(c), MMCM 3: 120.3]
- Appointment requirements [42 CFR 422.2272 (c), 423.2272 (c), MMCM 3: 120.1]

## II. Medicare Basics

- Overview of Medicare
  - Description of Original Medicare [42 CFR 422.2, MMCM 1: 20]
  - Description of Medicare Advantage [42 CFR 422.1 through 422.6, MMCM 1: 10, 20]
  - Description of Part D-Prescription Drug Benefit [42 CFR 423.1, 423.4, 423.100, 423.104, MPDBM 5: 10, 20.1, 20.2, 20.3, 20.4, 30]
  - Eligibility requirements and applicable premiums for Parts A, B, C, D [42 CFR 422.50 through 422.52, 423.30, 408.20 through 408.28, 423.286, MMCM 2: 20, MPDBM 3: 20]
  - Description of Medigap [42 CFR 403.205]
  - Options for receiving Medicare:
    - Original Medicare only
    - Original Medicare + PDP
    - MA-PD
    - MA with or without stand-alone PDP
- Overview of Medicare Advantage Health Plans and Coverage [42 CFR 422.4, MMCM 1: 20, 30]
  - Description of Coordinated Care Plans (e.g., HMO, PPO, RPPO, SNPs)
  - Description of Private Fee-for-Service Plans
  - Description of Medicare Medical Savings Accounts (MSA) [MMCM 1: 20, 30.3]
  - Description of Maximum Out-of-Pocket (MOOP) Limits [42 CFR 422.100, 422.101, MMCM 4: 50.1, 50.3]
- Overview of Other Plan Types and Coverage
  - Employer Group Plans [42 CFR 422.106, MMCM 1:20, MMCM 9, MPDBM 12]
  - Medicare Cost Plans [42 CFR 417.530, MMCM 1: 20, 40, MMCM 17]
  - OPTIONAL: Programs of All-Inclusive Care for the Elderly (PACE) [42 CFR 460]
- Overview of Medicare Prescription Drug Plan Coverage [42 CFR 423.4, 423.100, 423.104 MMCM 1: 20, MPDBM 5: 10.2, 20.3, 30, MPDBM 6: 30.2, 30.3, 30.4]
  - Plan types (MA-PD, Stand-alone)
  - Standard benefit
    - TrOOP, Coverage Gap, Catastrophic Coverage
    - Medicare Coverage Gap Discount Program
  - Part D utilization management
    - Formulary and formulary requirements, Co-pay tiers, Step therapy, Prior authorization

- 
- Help for lower-income individuals [42 CFR 423.900 through 423.910, MPDBM 13: 70]

### **III. Medicare Part C and Part D Enrollment and Disenrollment<sup>3</sup>**

- Enrollment procedures [42 CFR 422.50, 422.60, 422.66, 423.30, 423.32, MMCM 2: 40.1, MPDBM 3: 40.1]
  - Format of enrollment requests (use of approved enrollment mechanism)
  - Appropriate use of short enrollment forms or model plan selection forms (Parts C and D)
  - Enrollment mechanism used requires beneficiary to acknowledge and consent of required key elements.
- Processing the Enrollment request [42 CFR 422.60, 422.66, 423.32, MMCM 2: 40.2, MPDBM 3: 40.2]
- Non-discrimination requirements for enrollment and marketing [42 CFR 422.110, 422.2268 (c), 423.2268 (c), MMCM 3: 30.7, MMCM 4: 10.6]
- Enrollment Process [42 CFR 422.2264(a)(4), 422.62, 422.68, 423.2264(a)(4), 423.38, MMCM 2: 30, MMCM 3: 30.19, MPDBM 3: 30]
  - Clarify that there are very limited circumstances under which a beneficiary can make a mid-year change in enrollment.
  - Initial Coverage Election Period
  - Annual Election Period (AEP)
  - Open Enrollment Period (including institutionalized individuals)
  - Special Election Period (SEP)
  - Medicare Advantage Disenrollment Period (MADP)
  - Outbound Education and Verification to New Enrollees [42 CFR 422.2272 (b), 423.2272 (b), MMCM 3: MMG 70.6]
- Disenrollment [42 CFR 422.74, 423.36, 423.44, MMCM 2: 50, MPDBM 3: 50]
  - Voluntary Disenrollment
  - Involuntary

### **IV. Beneficiary Protections**

- Guaranteed rights of the beneficiary include: [42 CFR 422.111, 422.112, 423.128, 422.560 through 422.626, 423.564 through 423.638, *Medicare & You Handbook*]
- Choose health care providers within the plan
- Get a treatment plan (Part C only)
- Know how doctors are paid (Part C only)
- Grievance and Appeal Rights Under Medicare Part C

---

<sup>3</sup> The guidelines in this section are applicable to both Part C and Part D plans, unless otherwise noted.

- 
- Grievance and Appeal Rights Under Medicare Part D
  - Explain plan-specific member complaint process in the product-specific training

## **V. Medicare Part C, Part D, and Section 1876 Cost Plan Marketing and Educational Events, and Other Marketing Activities**

- Marketing [42 CFR 422.111, 422.112, 423.120, 423.128, 422.2260, 423.2260, 422.2262, 423.2262, 422.2264, 423.2264, 422.2268, 423.2268, 422.2272, 423.2272, MMCM 3: 20, 30, 40, 50, 70.1, 70.2]
  - Definition
  - Description of marketing activities and examples
    - Dos and Don'ts
  - Description of marketing materials and examples
    - Dos and Don'ts
  - Provision of Plan Ratings information, including instructions on how to access and use the information
- Sales Events [42 CFR 422.2260, 423.2260, 422.2264, 423.2264, 422.2268, 423.2268, MMCM 3: 20, 50.1.8, 70.1, 70.2, 70.8, 70.12]
  - Definition
  - Appropriate promotion of sales events
  - Dos and Don'ts
    - Provision and examples of refreshments, snacks, and meals (See MMCM 3: 70.2.1 for complete details and examples)
    - Solicit enrollment applications prior to the start of the AEP
  - Notification requirements for cancelled events
- Personal/Individual Marketing Appointments [42 CFR 422.2268, 423.2268, MMCM 3: 20, 70.1, 70.9]
  - Definition
  - Scope of Appointment
  - Discussion/marketing of non-health care products
  - Solicitation of referrals
- Educational Events [42 CFR 422.2264, 423.2264, 422.2268, 423.2268, MMCM 3: 20, 50.1.7, 70.1, 70.2, 70.7]
  - Definition
  - Appropriate promotion of educational events
  - Sponsorship, promotion
  - Dos and Don'ts
    - Topics (Medicare, plan-specific premiums and/or benefits, etc.)
    - Display and/or distribution of advertising and explanatory materials
    - Sales activities
    - Provision and examples of refreshments, snacks, and meals (Meals worth \$15 or less, based on the retail value of the food, may be provided at educational events)

- 
- Nominal Gifts/Give-aways/Promotional Activities [42 CFR 422.2268, 423.2268, MMCM 3: 20, 50.1.9, 70.1, 70.1.2, 70.2, 70.2.1, 70.2.2]
    - Definitions
    - Dos and Don'ts
  - Cross-selling – definition [42 CFR 422.2268, 423.2268, MMCM 3: 40.14, 70.8, 70.9]
    - Non-health care related products – definition
    - Dos and Don'ts
  - Unsolicited contact, outside of advertised sales or educational events or mailings [42 CFR 422.2268, 423.2268, MMCM 3: 70.3, 70.4, 70.5, 70.5.1]
  - Referrals – solicitation of leads from members for new enrollees [42 CFR 422.2268, 423.2268, MMCM 3: 30.16]
    - Any solicitation for leads-all communication types (requirements and restrictions)
    - Gifts for referrals (requirements and restrictions)