

# CMS Contract Year 2010 Marketing Surveillance

Michael Kavouras, Division of Medicare Advantage Operations, CO

Gloria Parker, Associate Regional Administrator, Atlanta RO



## Results of Contract Year 2009 Surveillance Activities

- CMS issued 110 compliance letters to 86 parent organizations
  - Several CAPs and one marketing / enrollment freeze
- Used to create “past performance profile”
- Surveillance to expand into other program areas

# Contract Year 2010 Surveillance Activities

## CY 2010 Surveillance Activities

- Secret Shopping of Marketing Events
- Secret Shopping of Individual Appointments
- Clipping Service
- Review of Customer Service Education and Verification Calls
- Marketing Material and Website Review for Accuracy and Completeness
- Non Renewal/Service Area Reduction Oversight

## Contract Year 2010 Surveillance Activities

### Regional Office Led Initiatives

- Designed to create a 'buzz' in the marketplace

Include the following activities:

- Calls to local agent / broker trade associations
- Calls to shopping event coordinators for MAO and PDPs

## Contract Year 2010 Surveillance Activities

- New for 2010: Release of CMS Surveillance Console
- Centralized database for all surveillance activities
  - Will house all findings and results
  - Organizations will access the console to respond to deficiencies
  - Compliance notices issued directly from console

# Secret Shopping of Marketing Events

- All Parent Organizations assigned a risk status (low, medium, high) based on:
  - Performance during the CY 2009 Surveillance
  - Marketing Misrepresentation complaint performance
  - Organization Size
  - Previous Marketing Related Compliance Issues

# Secret Shopping of Marketing Events

- 3 shopping entities will coordinate on shopping events of parent organizations
  - “Cluster approach”
- Compliance action to follow progressive compliance model

# Secret Shopping of Individual Appointments

- CMS to conduct secret shops of personal / individual marketing appointments
- Individual marketing appointments defined by the personal nature of the setting



## Clipping Service

CMS contractor will review print ads for:

- “Scare tactics” related to non-renewal of contracts; and
- Unreported marketing events

## Review of Customer Service Education Calls

New activity for 2010!

- Will ensure basic information is given to beneficiaries
- Contractor will use scripts submitted by organizations in HPMS to confirm compliance

## Marketing Material and Website Review for Accuracy and Completeness

New activities for 2010!

- Do marketing materials at events have CMS approval ID
- All MA/PDP Websites will be shopped to ensure:
  - CMS approval ID is provided;
  - Links are not broken; and
  - Benefit information is described for the correct contract year

## Non Renewal/Service Area Reduction Oversight

Affects approximately 667,000 currently enrolled Medicare Beneficiaries

CMS has two goals:

- Ensure continuity of services and operations for existing plans
- Ensure appropriate marketing practices for plans in position to gain members

# Non Renewal/Service Area Reduction Oversight

Continued

Will use the following to monitor activities:

- Secret Shopping Group Sales Events
- Media Clipping
- Non-renewal Readiness Assessment
- Complaint Reporting
- Secret Shopping Call Centers

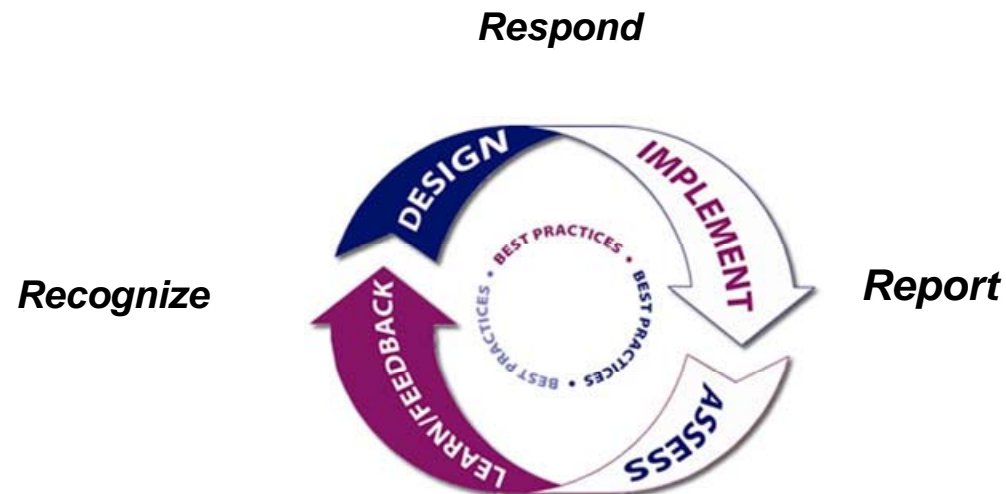
## CMS & Department of Insurance (DOI) Partnership

- Memorandum of Understanding (MOU)
- Regular Communications
  - Quarterly NAIC Conferences
  - Quarterly CMS-hosted DOI Calls
- DOI Access to CMS' HPMS for complaints, audit, and compliance activities

# Emerging Initiatives with DOIs

- Joint-Collaboration to Protect Vulnerable Beneficiaries
- Agent/broker Case Referral
- CMS access to NAIC-affiliated National Insurance Producer Registry

# Surveillance Best Practices





# Surveillance Best Practices

## Recognize

- Implement your own surveillance program
- Training is key for ALL staff
- Dedicating adequate and appropriate staff is crucial
- Failure may lead to:
  - Civil monetary penalties
  - Marketing and / or enrollment sanctions

# Surveillance Best Practices

**Respond** to inquiries in a timely, efficient and effective manner

- Investigate
- Determine root causes and respond appropriately
- Explain how incident will not recur

# Surveillance Best Practices

## **Report** self identified issues to CMS

- Self disclose in a timely manner
- Share findings with the appropriate regulatory entities
  - DOI
  - Congressional Offices

# Summary

- New marketing rules strengthen beneficiary protections
- Progress made in curbing egregious marketing abuses
- Problem areas still exist
- Vigorous marketing surveillance program will continue

# Questions?

