

CMS/State Departments of Insurance (DOI) Partnership

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CMS-DOI MOU

- Signing Parties
 - State Department of Insurance (DOI)
 - CMS (CPC & Regional Offices)
- All states signed August 2008
 - Including the District of Columbia, US Virgin Islands, and Puerto Rico



MOU Purpose

- Promote cooperation between CMS & States
- Sharing of information
 - Regulatory cooperation and information sharing regarding conduct of companies and persons engaged in MA and PDPs

CMS-State Information Sharing

- Enforcement actions taken by CMS or States against organizations or agents
- Complaints involving specific agents/brokers
- Consumer complaints involving plans doing business in their state
- Potential violations of federal laws or fraud, waste, or abuse with the appropriate federal law enforcement agency

Information Sharing Examples

- Adjudicated enforcement actions (i.e., cease and desist orders, disciplinary actions, etc.)
- Use of aggressive marketing tactics by specific agents
- Misleading advertising and phone calls
- Offering inducements to enroll
- Enrollment of beneficiaries without consent
- Forgery of beneficiary signatures

CMS/DOI Partnership

- Quarterly NAIC Conferences
- Quarterly CMS-hosted DOI Calls – common topics include:
 - Policy updates
 - Operational issues
 - Agent misconduct
 - Surveillance activities
 - Annual enrollment activities
- MOU Guidance and Communication Strategy
- Access to CMS' Health Plan Management Systems (HPMS) for complaints, audit, marketing events, and compliance activities



Increased Collaboration in Agent/Broker Oversight

- Updates on CMS compliance and enforcement activities (i.e., results of AEP surveillance activities)
- Provide access to alleged marketing misrepresentation complaints real-time through CMS' HPMS
- Voluntary DOI participation in CMS' secret shopper program
- CMS shares instructions to Medicare health and drug plans
- CMS use of National Insurance Producer Registry to research agent/broker history
- Joint communication to ICF/MR facility administrators

Marketing Oversight

Agent/broker Investigation Contract

- Dedicated investigative contractor (MEDIC North) to assist in addressing marketing abuses of beneficiaries and conducting investigations specific to marketing misrepresentation
- Investigate allegations of egregious misconduct
- Mine CTM for agents whose names appears in multiple complaints
- Refer cases of documented agent misconduct

CTM Analysis

CMS analyzed Marketing Misrepresentation (MM) complaints in HPMS' CTM

- Data included approximately 14,000 MM complaints
- Categorized by number of complaints per agent
- Identified outliers
- Some plans classifying as unsubstantiated and not taking action

Takeaways for Health Plans

- Check CTM for repeat complaints against agents
- Take action and document actions taken against agents who violate rules
- Non-reporting events is a serious concern
- CTM will continue to use as a tool for understanding agent and plan performance

Conclusion

- In the last two years, CMS has taken dramatic steps to:
 - Improve oversight of MA/PDP marketing
 - Foster meaningful collaboration with NAIC & DOIs
- Basis now exists for CMS and States to collaborate in a more meaningful way in marketing oversight

Contact Information

CMS-DOI Collaboration
Agent/Broker Oversight

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