

HOW TO AVOID
SALES ALLEGATIONS:
BEST PRACTICES





INTRODUCTION TO SALES ALLEGATIONS



TYPES OF ALLEGATIONS

- **Carrier Founded** – typically have a 5-7 business day response timeframe
- Outbound Verification Calls
- Customer Service Calls
- Inbound Calls
- **“CTM” or Call to Medicare** – typically have a 2-3 business day response timeframe
- Investigated by an internal department within the carrier
- Findings are reported to CMS for further investigation

OUTCOMES

Unfounded:

- Retraining
- Coaching
- Probation

Founded:

- Retraining
- Coaching
- Probation
- Suspension
- Termination
- Reported to state DOI



ALLEGATION FAMILIES

MOST COMMON ALLEGATION FAMILIES

- Plan and Product Knowledge Allegations (i.e. incorrect or incomplete benefit information shared with beneficiary)
- Prohibited Activities (i.e. Cold Calling)
- Risk to Beneficiary & Enrollment Allegations
- Operational Behavior Allegations
- Lead & Contact Issues (i.e. non-compliant lead pieces)
- Point of Sale Allegations (i.e. incorrect plan selected on application)

PLAN AND PRODUCT KNOWLEDGE

- Inaccurate benefit or coverage information
- Inaccurate Coordination of Benefits (COB) - Dual Eligible
- Inaccurate COB – Medicare Advantage/Medicare Supplement
- Inaccurate co-pay/co-insurance information
- Inaccurate effective date and/or enrollment code
- Inaccurate Private Fee-for-Service (PFFS) Deeming Information

PLAN AND PRODUCT KNOWLEDGE

- Inaccurate plan description
- Inaccurate provider network information (products other than PFFS)
- Member thought the plan was a Medicare Supplement plan
- Non-PFFS Medicare Advantage (MA) only/stand-alone Prescription Drug Plan (PDP) enrollment

PLAN AND PRODUCT KNOWLEDGE – BEST PRACTICES

- Reference the Summary of Benefits for the plan when discussing benefits or coverage
- Use all carrier provided resources available to you to find accurate information related to LIS
- Be sure that you understand the beneficiary's situation and refer to plan materials so that you correctly identify and explain how the plan will affect their specific situation
- Remember that consumers may not hold a Medicare Advantage plan along with a Medicare Supplemental policy

PLAN AND PRODUCT KNOWLEDGE – BEST PRACTICES

- Make sure you use the correct election period – if you are in doubt, call the carrier
- Make sure that the beneficiary understands the effective date for their plan
- Make sure you read (and the client understands) the PFBS disclaimer when presenting PFBS plans
- Keep your Summary of Benefits on-hand because it is your best resource to reference information specific to the plan
- Clearly explain the difference between an MA and Medicare Supplement plan and make sure the beneficiary understands what they are selecting

PLAN AND PRODUCT KNOWLEDGE – BEST PRACTICES

- Remember that co-payments may be different for each plan in an area, just as formularies are not identical
- Never use a paper version of a Provider Directory – they can change frequently
- Remember - Medicare Advantage plans that do not include a Prescription Drug Plan and are not Private-fee-for-service plans may not be combined with a stand-alone Prescription Drug Plan

PROHIBITED ACTIVITIES

- Agent signer/presenter discrepancy
- Compensation to induce referrals or enrollment
- Non-compliant cross-selling
- Kickbacks
- Negative or misleading competitor statements
- Protected Health Information (PHI) violation – misuse of PHI
- Violation of “Nominal Gift” rule

PROHIBITED ACTIVITIES

- Confirm you are appropriately licensed, appointed and certified
- Never offer compensation for referrals or enrollments
- Don't market or sell non-health related products during an MA, Medicare Supplement or PDP sales call (e.g., Community Meeting) or personal/individual marketing appointment (e.g., in-home)
- Never enter an arrangement that includes offering or providing compensation to induce referrals or enrollment

PROHIBITED ACTIVITIES – BEST PRACTICES

- Refrain from making negative statements, especially ones that are misleading
- Handle all PHI securely
- Do not “steer” consumers into a specific plan

RISK TO BENEFICIARY & ENROLLMENT

- Deceitful signature request
- Enrollee does not recall enrolling
- Enrollee was unable to comprehend and/or “sign” application – cultural or language limitations
- Enrollee unable to comprehend and/or “sign” application - mental competency
- Forgery
- Intimidating Sales Tactics

RISK TO BENEFICIARY & ENROLLMENT – BEST PRACTICES

- Never mislead the beneficiary with regards to what they are signing – make sure they fully understand into which plan they are enrolling
- Consider providing receipt of application to the beneficiary
- Look for signs of cognitive issues
- Verify with the beneficiary if they have a POA

OPERATIONAL BEHAVIOR

- Agent failed to submit the application
- Unprofessional personal appearance
- Inappropriate broker behavior
- Misuse of company logos
- Noncompliant Sale
- Unapproved telemarketing scripts
- Unauthorized marketing materials/website issue

OPERATIONAL BEHAVIOR – BEST PRACTICES

- Always represent yourself in a professional manner
- Refrain from sharing distasteful joke or using profanity during a meeting with consumers
- Use only carrier approved materials containing company logos and names
- Confirm you are licensed, appointed and certified prior to marketing plans

LEAD & CONTACT ISSUES

- Cold Calling
- Discrimination/Cherry Picking
- Do-Not-Call list violation (DNC)
- Misleading or inappropriate agent title
- Misrepresentation as a representative of a specific carrier
- Misrepresentation as representative of Medicare/Social Security/Federal Government
- Not complying with 48 hour “Cooling Off” period
- Unsolicited contact

LEAD & CONTACT ISSUES – BEST PRACTICES

- Always obtain and document PTC prior to making direct contact with the consumer and renew PTC if making on-going contact
- Refrain from “target marketing” to consumers in specific demographics such as those only from a higher income area, or by virtue of their apparent health status
- Check all leads against the DNC list
- Use CMS approved titles only – i.e. Licensed Sales Representative or Sales Agent
- Never lead a consumer to believe that you are in any way representing a government agency or Medicare

LEAD & CONTACT ISSUES – BEST PRACTICES

- Always obtain a SOA form prior to any individual sales discussion with a consumer, whether or not they are already a member and whether or not they still have you as their Agent of Record
- Avoid unsolicited contact of any kind
- If you wish to create your own generic marketing materials, make sure those meet the MMGs

POINT OF SALE

- Enrollment application quality
- ‘Holding’ an enrollment application
- Incomplete information regarding consumer cancelation/withdrawal/disenrollment
- Member does not receive agent contact or customer service information
- Lack of follow-through for request to disenroll
- Failure to provide appropriate enrollment materials
- Unsuitable plan enrollment

POINT OF SALE – BEST PRACTICES

- Always double-check to make sure applications are completed correctly
- Clearly explain to the beneficiary how to withdraw an enrollment application or disenroll from the plan
- Provide all beneficiaries with a business card or appropriate contact information
- Never mislead a consumer
- Strive to help consumers find the best plan for their situation

TELEPHONIC ENROLLMENTS

- Speeding through sales script
- Not pausing to ask if the beneficiary understands what is being reviewed
- Failure to follow approved script
- Mistyping of information on enrollment portal
- Failing to provide direct contact information
- Failure to follow up
- Ensuring client does not have a POA

TELEPHONIC ENROLLMENTS

- Slowly read all scripts and make sure you pause to ensure the client does not have any questions
- Learn to recognize verbal cues that may indicate confusion or concern or even when the client may not be fully paying attention
- Review all information on the script, including plan selection prior to submitting the enrollment
- Follow the “3 points of contact” rule immediately following enrollment including status notification, ensuring they received their ID card, and ensuring they understand how to use their plan