



## Policy Title: Agent Licensure, Appointment & Certification

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Accountable Dept: Compliance

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### Policy: Licensure, Appointment & Certification

**Scope:** All agents, regardless at which level they are contracted at, must be aware and comply with CMS "Medicare Marketing Regulations," as well as any applicable State laws and regulations. This policy applies to any agent marketing MAPD or PDP plans. These guidelines are revisited and updated annually by CMS.

**Policy Statement:** Each year CMS reissues the Medicare Marketing Guideline for the coming year. These revisions are usually issued in late June or early July and any changes to this policy will be made if necessary.

- 1) **State Licensure and Appointment Laws.** All agents must comply with applicable State licensure and/or appointment laws in each of the states in which they wish to sell MAPD and PDP plans.
- 2) **Reporting of Terminated Agents.** CMS requires carriers to immediately report the termination of any broker to the State and the reasons for the termination, if State law requires the reasons to be reported. MAPD/Part D Sponsors must report for-cause terminations to CMS Account Managers, via email or letter. MAPD/PartD Sponsors must also report to CMS Account Managers any sales of Medicare products, which were made by agents without a valid license. If a MAPD/Part D Sponsor discovers an enrollment application was submitted by an unlicensed agent, the Sponsor must immediately terminate the agent and report this action to the state where the application was submitted. The Sponsor must notify any beneficiary who enrolled by an unqualified agent or, an agent who was unlicensed, not appointed, or has not completed the annual certification requirements, of the agents status. These beneficiaries may request a plan change.  
Per CMS requirements, GarityAdvantage will notify all of our carrier partners immediately if any of our contracted brokers are terminated for cause or, are found to be selling Medicare Plans/Part D plans without proper licensure or certification.
- 3) **Agent Certification.** All agents selling Medicare products are trained and tested annually on Medicare rules, regulations, and on details specific to the plan products that they sell. This means that training and testing must take place prior to the agent selling the product. Failure to do so, may result in termination of the agent's ability to sell. GarityAdvantage contracting department tracks the status of Independent Agent's carrier certification in our CMR database, provide a website for easy access to forms/portals, outreach to agents regarding timelines and requirements, and communicate which carriers that agents are (and are not) able to sell.
- 4) **Agent Licensing.** All agents selling Medicare products are required to be licensed in the states in which they sell Medicare product. GarityAdvantage monitors and maintains the Agency's licensing through the NIPR website. GarityAdvantage assists individual agents with their

licensing questions, however individual agents are responsible for distributing their licensing directly to the carrier.

- 5) **FMO Reporting.** GarityAdvantage is required to report to our carrier partners any agents who we are aware have been terminated. In addition, as part of our oversight responsibility, we are obliged to terminate carrier contracts for those agents we deem in be acting in a non-compliant, or illegal manner. These terminations must be reported to the carrier who in turn is required to notify the State Department of Insurance and CMS.

**Related Documents:** Medicare Marketing Regulations (7/02/15)

42 CFR 422.2272(c)-(e)  
422.2274(f)  
423.2272(c)-(e)  
423.2274(f)  
42 CFR 422.2274(c) and (d)  
423.2274(c) and (d)

**Policy Owner: Compliance Officer**

**Accountable VP/ Director: Anthony Vegnani**