



Licensed Agent Quality Assurance Process

Original Date: 5/15/23

Last Reviewed Date: 5/15/23

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Accountable Dept.: Compliance

Overview:

Garity Advantage follows Centers for Medicare & Medicaid's (CMS) regulatory requirements contained in but not limited to 42 CFR Part 422, and associated guidance. Garity Advantage is responsible for sales training, oversight and monitoring of licensed agents, and other processes to ensure that sales activities are compliant with CMS requirements and consistent with Garity Advantage Policies and Procedures. This policy is reviewed annually and based upon need due to regulatory and business changes.

Scope:

Employed and contracted/downstream licensed agents who support any Medicare Advantage or Prescription Drug (Part D) products.

Definitions:

- America's Health Insurance Plans (AHIP) – The national trade association representing the health insurance community.
- Communications – As defined by CMS, activities and use of materials to provide information to a current or prospective member.
- General Services Administration (GSA) – United States federal government agency that serves as supply and workplace management for federal workers.
- Health Maintenance Organization (HMO) – Product that provides or arranges managed care for health insurance.
- Marketing – As defined by CMS, a subset of Communications inclusive of activities and use of materials intended to draw a person's attention to a particular plan, influence a person's decision to enroll in a particular plan, or remain enrolled in a particular plan.
- Medicare Advantage – A program that gives beneficiaries the opportunity to select private health plans to provide their Medicare coverage. Plans often provide greater benefits than are available under traditional Medicare coverage.
- Office of Inspector General (OIG) – United States federal government agency that serves as the auditing and investigative arm of the agency's programs focused on identifying waste, fraud, and abuse.
- Point of Sale (POS) – Product that is a hybrid of the HMO and PPO plans.
- Preferred Provider Organization (PPO) – Product for Preferred provider organizations.
- Prescription Drug Plan (Part D) – A stand-alone drug plan, offered by insurers and other private companies to beneficiaries that receive their Medicare Part A and/or B benefits through the Original Medicare Plan.
- Special Needs Plan (SNP) – Product designed to address the needs of those who require chronic care.
- Telephone Consumer Protection Act (TCPA) – Restricts telephone solicitations (i.e., telemarketing) and the use of automated telephone equipment.

Requirements:

Training

Garity Advantage independently provides or facilitates completion of Plan Sponsor created Compliance and Fraud Waste and Abuse training to new associates within 90 days of hire and annually thereafter for any licensed agents who support Medicare Advantage or Part D products.

All licensed agents are required to complete the following, at a minimum:

1. FWA Training
2. AHIP Training (or other CMS-specific training)
3. Plan-specific training
4. Privacy, Ethics, and Code of Conduct Training
5. Resident and non-resident state licensing (as applicable)

Multi-lingual agents are required to complete Plan-specific language certifications.

Licensed agents are expected to adhere to all applicable Medicare regulations and guidance and Plan Code of Conduct, Information Protection, and Privacy and Ethics requirements.

The above-referenced training covers the following content areas, at a minimum:

- FWA: Prevention, Identification, and Reporting
- An overview of the industry efforts in detecting fraud
- Legal tools to combat FWA
- An assessment of the human and financial cost of FWA
- Federal Regulations governing FWA
- Medicare fee for service eligibility and benefits
- Medicare Advantage and Part D plan types and structure, including key differences among HMOs, PPOs, POS, and SNP plans.
- Permissible and impermissible sales practices, including but not limited to requirements regarding non-discrimination and prohibitions against unsolicited sales, gift giving, and limitations on open enrollment activities.

Record Keeping

Records are maintained pursuant to Garity Advantage's record keeping policy and are a combination of Garity Advantage maintained hard copy files and electronic data (maintained on a Garity Advantage data base) for Garity Advantage licensed agents and direct contracting licensed agents of all types. All records must be kept for 10 years and are subject to audit as required by Medicare regulations.

Marketing Materials

All internally and externally created marketing materials, whether branded or generic, are submitted for and receive Plan and CMS approval prior to Garity Advantage or downline use. In the event of any Plan or CMS disapproval, whether prospective or retrospective, Garity Advantage and its downlines will not use or, as applicable, will immediately discontinue use of the impacted material, implement the necessary revisions, and resubmit for Plan and CMS approval. In no case will non-compliant communications, whether marketing or non-marketing, be used by Garity Advantage or its downlines.

Agent Licensure and Certification

CMS requires self-reports of incidences of submission of applications by unlicensed agents and brokers to the authority in the State in which the application was submitted. Additionally, Plan Sponsors must notify any beneficiaries that were

enrolled in their plan by an unqualified agent (unlicensed or failure to comply with training or testing requirements) and advise those beneficiaries of the agent's status. Upon notification, the beneficiaries may request to make a plan change (special election period). In the event that Garity Advantage becomes aware of an unlicensed sale conducted by an agent before the Plan Sponsor becomes aware, Garity Advantage will self-report to the Plan Sponsor within 24 hours of identification for appropriate action.

Garity Advantage also takes action to ensure that all licensed agents are in good standing with regulatory bodies. Specifically, background screenings are completed by the Plan Sponsor for all licensed agents (OIG and GSA via SAM website) prior to hire and monthly thereafter. Any licensed agent on an exclusion list is immediately removed from any type of Medicare plan work and the Plan(s) are notified.

Agents acting as customer service representatives are not required to hold a license and cannot engage in marketing activities. Unlicensed agents/customer service representatives may discuss plan benefits; however, they are prohibited from comparing plan benefits for the beneficiary and advising or counseling the beneficiary on appropriate plan selection. All associates, including licensed and unlicensed agents, must follow all applicable regulations and guidance, to include any state laws.

Telephone Consumer Protection Act (TCPA)

Garity Advantage only engages in communications that comply with applicable telemarketing and other consumer contact laws and regulations. These laws include the Telephone Consumer Protection Act (TCPA) and its implementing regulations. TCPA requirements are applicable to all outbound calls, text messages, and faxes placed to a person's residential (landline) and/or cell phone number.

Garity Advantage Do-Not-Call (DNC) procedures:

- Monitor Plan and national DNC lists
- Maintain and/or contribute to Plan specific DNC lists
- Scrub telephonic dialing lists prior to calling
- For NY-based outreach: Offer to add the beneficiary to the DNC call list at start of call

Reporting of Non-Compliance/Privacy Issues

All Garity Advantage employees/independent contractors are required to adhere to regulatory requirements and guidance as well as any applicable state law. Except where more timely notification is necessitated by regulatory, Plan, or Garity Advantage requirements, any instance of noncompliance must be self-reported to the impacted Plan within 72 hours of identification for purposes of alignment and timely mitigation, as well as any necessary reporting.

Documentation and Reporting

Report*	Frequency	Utilization	Compliance Impact
Agent Licensure and Certification & Agent Demographics	Weekly – Bi-Weekly	Identification of agents who are permitted to sell	Mitigation of Unlicensed and/or Uncertified sales
Application Submission Details	Weekly – Bi-Weekly	Provision of details regarding total applications submitted	Reconciliation of total applications
Agent Complaints & CTMs	Quarterly	Provision of total complaints and CTMs, including status and outcome	Assessment of member allegations, identification of trends, and creation of controls/mitigation

Progressive Discipline	Monthly	Identification of agents who require additional training/monitoring to avoid potential termination	Implementation of timely, appropriate, and effective corrective and disciplinary action against offending agents and escalated actions against persistent offenders.
Short Term Disenrollments	Monthly	Identification of all short-term disenrollments for the month	Identification of potential agent issues and implementation of timely corrective and disciplinary action

*Reports are generated internally and, as regulatory or Plan requirements dictate, are disseminated to external entities.

Monitoring and Oversight

Garity Advantage conducts oversight and monitoring of its agent to ensure sales are conducted compliantly, to include:

- Perform training and provide guidance on compliance sales activities.
- Inform of compliance changes
- Assist in allegation investigation
- Provide tools for agents to follow CMS guidelines (call recording, record retention)
- Maintain Compliance program including: COC, FWA training, OIG/SAM testing, violation reporting, policy review and updating

All coaching, corrective actions, etc. are maintained in a secure location for at least 10 years.

References:

42, CFR 422 – [eCFR :: 42 CFR Part 422 -- Medicare Advantage Program](#)

Owner:
Compliance Officer

**Accountable VP/
Director:**

**Executive Team
Member:**
Anthony Vegnani