

Medicare Minute Teaching Materials – October 2017

Protecting Yourself from Enrollment Fraud

1. How can plans contact and market to me?

Medicare has rules about how Medicare Advantage and Part D plans can contact you and market their services. There are special rules for Medicare's Open Enrollment Period, which runs from October 15 through December 7 each year. Plans can begin marketing as early as October 1 each year. Knowing some of these rules can help you protect yourself from dishonest plan agents or people posing as agents.

Plans are allowed to send you mail. However, unless you are currently enrolled in the company's plan, they are not allowed to call, email, visit you at your residence, or approach you in public to market their plan without your permission. Agents and brokers can have educational exhibits at public events, but they cannot try to enroll you in their plan at these events. They can only give out their contact information on request, and then you must be the one to call them for more details.

2. In what locations are Medicare Advantage and Part D plan representatives allowed to contact me?

Medicare Advantage and Part D prescription drug plan representatives are only allowed to contact you in certain locations. It is a Medicare marketing violation when a plan or plan representative contacts you in a location that is not allowed. They are not allowed to approach prospective enrollees in public areas such as a parking lot or mall. In health care settings, they are only allowed to provide sales information in common areas such as the cafeteria, conference rooms, or community rooms, and plan-specific information cannot be displayed or promoted in waiting rooms or treatment areas. If you schedule an appointment with a plan representative, they can come to your residence to talk to you. They cannot go door-to-door or go to your place of residence without a scheduled appointment. Insurance companies are allowed to mail you information. They can also place ads in papers, online, and on television.

3. What can happen at an appointment with a plan representative?

You can schedule an appointment with a plan agent or broker to discuss plan information. The appointment can be in your home or a public place, such as a coffee shop or library. The broker can only schedule this appointment with your permission. Before the appointment, you must formally indicate the topics you would like to discuss (called the Scope of Appointment by Medicare). The broker cannot tell you about products or plans that fall outside of that scope unless you have given permission before the broker discusses them. For example, if you schedule an appointment with a broker to talk about a Medicare Advantage Plan, the broker cannot speak to you about their company's supplemental policies (known as a Medigap) as well, *unless* you agree to it and the broker documents the second Scope of Appointment.

The broker is only allowed to talk to the person who has the appointment. The broker cannot talk to other people in the building, such as your neighbor. To speak with your neighbor, the broker must schedule a separate appointment with that person (and only after that person requested contact).

4. What are the rules for a plan's educational and marketing events?

Medicare has rules for what Medicare Advantage and Part D plans can do at educational and marketing events, and there are differences between the two. Here are some differences between these two events:

Educational events:

- Explicitly advertised as educational
- Held in a public venue (not in home or one-on-one settings)
- If for **current** enrollees: plan-specific information *is* allowed
- If for **prospective** enrollees: plan-specific information is *not* allowed

At an educational event, plans cannot:

- Distribute marketing materials or enrollment applications
- Provide information about plan costs, such as copayments and premiums
- Display or attach plan representative contact information to education materials, unless you request it
- Have a marketing event immediately after in the same location (such as in the same hotel)

Marketing events:

- Invitations must say: “A sales person will be present with information and applications.”
- Designed to steer, or attempt to steer, potential enrollees toward a plan or limited set of plans

At a marketing event, plan representatives **can** discuss specific plan information with you and hand out enrollment applications. Plans must submit all of their sales scripts and presentations to Medicare for approval before using them. If a plan event is not specifically advertised as an educational event, then Medicare considers it a marketing event.

At a marketing event, plans companies cannot:

- Require you to provide contact information to attend the event.
- Give you a health screening or give the impression they only want to enroll healthy people, which is known as cherry picking.
 - An example of cherry picking would be a plan that has a marketing event on the second floor of a building without an elevator, requiring people to walk upstairs to attend the event.

5. Are Medicare Advantage or Part D Plan representatives allowed to give me gifts?

Medicare Advantage and Part D plan representatives are not allowed to give you gifts in exchange for signing up for their plan. They **can** use gifts for promotion, as long as they are given to everyone who attends a promotional event, not just people who sign up for the plan. These gifts must be worth no more than \$15 (for a total of no more than \$75 per person, per year) and cannot be in the form of cash.

For example, a plan is allowed to give out a notepad with the plan’s name on it, since the item value is below \$15. Gifts cannot be health benefits, such as a free checkup. Plans also can offer one large gift (e.g., a raffle prize) as long as the cost does not exceed \$15 per expected attendee. For example, a raffle prize cannot be worth more than \$150 if ten people are expected to attend the event. At marketing or sales events, the plan is allowed to serve light snacks and refreshments. These snacks combined cannot add up to a meal. Meals **can** be served at educational events, as long as the event meets Medicare’s requirements for educational events and the meal is not worth more than \$15.

For detailed information about Medicare marketing guidelines for Medicare Advantage and Part D plans, visit:
<https://www.cms.gov/Medicare/Health-Plans/ManagedCareMarketing/FinalPartCMarketingGuidelines.html>

SHIP National Technical Assistance Center: 877-839-2675, www.shiptacenter.org | info@shiptacenter.org

SMP National Resource Center 877-808-2468 | www.smpresource.org | info@smpresource.org

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6. How can I avoid potential enrollment fraud?

One way enrollment fraud occurs is when a plan agent or representative purposefully tricks you into enrolling in **their** plan, regardless of whether it is the right plan for you. They may do this by telling you misleading or false information to get you to enroll. Some may even enroll you without your knowledge. Watch out for people who:

- **Pressure you with time limits to enroll in their plan.** You can use the entire Open Enrollment Period to make your decisions. You will not receive extra benefits for signing up early for a plan. Contact your State Health Insurance Assistance Program (SHIP) for unbiased counseling if you have questions about any of your plan options. Contact information for your SHIP is on the last page of this document.
- **Ask for your Medicare number, Social Security number, and/or bank information just to provide you with information.** Someone can use this personal information to enroll you in a plan without your permission. Know that plans cannot request personal information at an educational event and cannot call you to ask for payment over the phone—they must send a bill.
- **Threaten you with the loss of your Medicare benefits unless you sign up for their plan.**
- **Offer you gifts to enroll in their plan.** Gifts must be given to everyone regardless of their enrollment, and cannot be worth more than \$15.
- **Say they represent Medicare.** Plans are never allowed to suggest they represent or are preferred by Medicare or any other government agency. People who say they represent Medicare may also be identity thieves, not representatives of any plan.

7. How can I protect myself from potential enrollment fraud?

To protect yourself from enrollment fraud:

- Protect your Medicare and Social Security information (see question 9 for more).
- Be wary of unsolicited calls from individuals asking for your personal information.
- Rely on government websites and emails as the best sources of unbiased information.
- Request translation services when necessary.
- Confirm everything that a plan agent tells you before making a final decision about a plan, in writing if possible. For instance, if a plan agent tells you that all of your doctors are considered in-network providers for the plan, confirm information from an agent by calling the plan directly yourself or by researching the plan online. Plan directors can be outdated, however, so it is also a good idea to contact a provider directly to learn what insurance they accept.
- Be aware of your right to choose how you receive Medicare coverage. You can have either Original Medicare with a stand-alone Part D plan, a Medicare Advantage Plan that includes Part D prescription drug coverage, or a Medicare Advantage Plan that does not include Part D drug coverage with a separate, stand-alone Part D plan. If you choose to return to Original Medicare from a Medicare Advantage Plan, you will not lose your Medicare benefits. Beware of agents who make it seem that a Medicare Advantage Plan is your only option.
- If you are feeling pressured into making an enrollment decision, tell the plan representative that you will follow up later to make a decision. Report the behavior to 1-800-MEDICARE or your Senior Medicare

Patrol (SMP). You can contact your State Health Insurance Assistance Program (SHIP) for unbiased assistance and counseling.

8. How do I report potential enrollment fraud and marketing violations?

If you feel a plan or agent has violated Medicare's marketing rules, you should save all documented proof, when available, such as an agent's business card, marketing materials, or phone call records. Report the activity to 1-800-MEDICARE or your local Senior Medicare Patrol (SMP). Contact information for your SMP is on the last page of this document. If you think you were enrolled in a plan without your permission, contact 1-800-MEDICARE or your local SMP to report it and request assistance. Medicare allows victims of enrollment fraud to make changes outside of Medicare's Open Enrollment. You can contact 1-800-MEDICARE or your local SHIP to find out if you qualify. Contact information for your SHIP is on the last page of this document.

9. What should I know about the new Medicare cards?

Medicare is changing your Medicare card so that your Medicare number is no longer the same as your Social Security number. You will receive a new card sometime between April 2018 and April 2019. You do not need to take any action to get your new card, and it does not cost anything. Additionally, your new card will not change your Medicare coverage and benefits.

Watch out for people who may try to get your current Medicare number and other personal information by:

- Asking you for your Medicare number so that they can send you your new card
- Telling you that the new card costs money and asking for your personal information to charge you
- Saying that your benefits will be canceled unless you provide your Medicare number or other personal information

Medicare has started a Guard Your Card campaign that tells you how you can avoid fraud. For more information, visit <https://www.cms.gov/outreach-and-education/outreach/partnerships/fraudpreventiontoolkit.html>.

For more information about the new Medicare cards, visit <https://www.cms.gov/medicare/new-medicare-card/nmc-home.html>.

10. Who can I contact if I have questions?

State Health Insurance Assistance Program (SHIP): Contact your SHIP if you have questions about your Medicare options. SHIP counselors provide unbiased counseling and can help you choose a plan that meets your needs. Contact information for your SHIP is on the last page of this document.

Senior Medicare Patrol (SMP): Contact your SMP if you suspect a plan representative has violated Medicare's marketing guidelines. You can also contact your SMP if you think you were enrolled in a plan without your permission. SMP representatives can help you find out if you were the victim of fraud and educate you on how to avoid potential fraud in the future. Contact information for your SMP is on the last page of this document.

1-800-MEDICARE: Contact Medicare if you feel a plan or agent has violated Medicare's marketing rules. You can also contact Medicare with questions about your Medicare benefits and plans available to you in your area.

SMP and SHIP case example

Rick was considering using Medicare's Open Enrollment Period to switch from Original Medicare to a Medicare Advantage Plan. In October, a representative from a Medicare Advantage Plan visited Rick's home unannounced. The plan representative explained the benefits of his company's Medicare Advantage Plan, including coverage for dental cleanings. Rick was interested in this plan and completed a form he believed would simply allow him to receive more information. Three months later, in January, Rick received an insurance card from this plan in the mail along with a welcome packet. Rick is confused because he does not remember enrolling in this plan. He worries that he may have been a victim of fraudulent marketing practices.

What should Rick do?

- Rick should contact his local Senior Medicare Patrol to determine if fraud has occurred.
 - If Rick does not know how to find his local SMP, he can go to www.smpresource.org or call 877-808-2468.
- The SMP representative will report Rick's case to the appropriate authorities who can determine if fraud has occurred and take the appropriate actions.
- The SMP representative will provide Rick with tips for identifying future enrollment fraud, explaining that plan representatives cannot come to his home unless he has scheduled an appointment and given them permission.
- The SMP will also put Rick in touch with his State Health Insurance Assistance Program (SHIP) to provide face-to-face assistance with changing his Medicare coverage.
 - If the SMP representative does not know how to find the local SHIP, they can go to www.shiptacenter.org or call 877-839-2675 for assistance.

What happens when Rick calls the SHIP?

A SHIP counselor will work with Rick to secure a Special Enrollment Period (SEP) that will allow him to switch to the Medicare coverage that he wants. The SHIP counselor will also ask Rick about his health and drug needs to help him find the right plan.

Rick tells the SHIP counselor that he is interested in switching to a Medicare Advantage Plan that has lower cost-sharing when he goes to the doctor, and he wants to find a plan that will cover dental cleanings. The SHIP counselor can help Rick do a Plan Finder search on www.medicare.gov to determine whether there is a Medicare Advantage Plan that has lower copayments and offers some dental coverage. The counselor will also tell Rick that he should check with his current providers to make sure that they are in-network for the Medicare Advantage Plans he is considering. The counselor will advise Rick to make sure that his drugs are included on his new plan's formulary (their list of covered drugs). If Rick wants to change plans, the counselor will help him use his SEP to enroll.

Local SHIP Contact Information	Local SMP Contact Information
SHIP toll-free: SHIP email: SHIP website: To find a SHIP in another state: Call 877-839-2675 or visit www.shiptacenter.org .	SMP toll-free: SMP email: SMP website: To find an SMP in another state: Call 877-808-2468 or visit www.smpresource.org .
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