

FOCUS NEWS

Compliance Corner June 2011

Use of Lead Generating Companies

Many agents seek out ways to generate business by using lead generating companies. These companies often acquire these leads by direct mail responses, internet inquiries or surveys, telemarketing and by purchasing contact information from a variety of different sources.

If agents are purchasing or are provided leads from these types of companies, it is imperative that these companies obtain their leads through compliant marketing activities.

The Centers for Medicare & Medicaid Services (CMS) regulations and guidelines apply for all leads used to market and/or solicit to Medicare consumers for Medicare Advantage (MA) and/or Prescription Drug Plans (PDP). Leads must not be obtained by unsolicited contact and/or cold-calling and Permission to Call (PTC) guidelines do apply.

CMS is explicit in the use of these types of leads.

Prohibited telephonic activities include, but are not limited to, the following:

- Outbound telephone calls, emails and/or text messages to consumers based on referrals or purchased leads obtained from unsolicited contact. (e.g., referrals from friends, relatives, neighbors, or **companies that collect, buy, or sell contact information**).
- Outbound telephone calls to consumers about **other** business as a means of generating leads for Medicare plans.

Examples of other lines of business include, but are not limited to: a discount prescription drug card, a Medigap plan, a needs assessment, an educational event, or a review of Medicare coverage options, or any other service or product that is not an MA plan or PDP.

In addition, agents may not accept an MA plan or PDP appointment that resulted from an unsolicited contact with a consumer (including if the telephone call or contact started based on a non-MA or non-PDP product). CMS states that any agent/broker representing a Medicare health plan is subject to the CMS marketing requirements at any point in which a discussion with a consumer turns to Medicare health plans, even if during the sale of an unrelated product, such as long-term care insurance.

Agents who knowingly purchase or obtain leads from companies that do not adhere to these CMS regulations and guidelines, are subject to corrective action with possible termination of appointment and agent agreement, if applicable.

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All agents are required to be in compliance with all CMS rules and Federal regulations. We anticipate and expect our agents act with the highest degree of integrity. We would like to remind you that UnitedHealthcare Medicare Solutions takes a zero tolerance stand on unethical behavior and our policies and procedures strictly prohibit activities that are not in the best interest of those we serve.