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NABIP Statement on Medicare Marketing Practices

Washington, DC - NABIP CEO Jessica Brooks-Woods issued this statement today following the Senate Finance Committee hearing on Medicare Advantage Annual Enrollment: Cracking Down on Deceptive Practices and Improving Senior Experiences:

“We understand the importance of protecting Medicare beneficiaries from unscrupulous actors that use deceptive tactics and offer inaccurate information about Medicare products and coverage. Licensed and certified independent agents work directly with Medicare beneficiaries to combat these misinformation campaigns. Instead, it is always the goal of licensed and professional health insurance agents to ensure that their clients purchase the coverage that best meets their personal needs and financial situation.

“The new Medicare regulations seek to account for unscrupulous marketing behaviors by requiring third-party marketing organizations (TPMOs) to record all Medicare-enrollment conversations. The new definition of TPMO is overly broad and now includes individual agents, which needlessly impacts many agents who are acting responsibly.

“Lead-generation has traditionally been defined as TPMOs. Their call centers have engaged in bad-faith practices, airing television commercials that leverage a celebrity's popularity and credibility to attract the attention of Medicare beneficiaries, with the goal of enrolling the beneficiary in supplemental plans they may not need or can afford.

“Field Marketing Organizations (FMOs) are General Agents who provide training, and a multitude of compliance expertise to field agents. Agents struggled to comply with the recent CMS recording requirements, but FMOs were able to quickly provide a scalable solution. Without the general support of FMOs, insurance carriers would need to provide these services, raising their administrative costs and premiums to beneficiaries.

“Independent Medicare agents must be licensed, undergo several hours of training, and are required by law to be certified before selling Medicare Advantage plans. Agent marketing practices for Medicare Advantage are strictly regulated and most states require agents to complete continuing education courses to maintain their license, ensuring that agents are always informed about the ever-changing landscape of Medicare benefits.

“Medicare agents often obtain clients through referrals, which is a type of lead that can only be achieved by providing great service to a beneficiary. By taking the time to understand the unique requirements and preferences of each beneficiary, agents offer tailored solutions. NABIP offers a free consumer tool to help seniors find a local agent in their area. Visit agent-finder.org, enter your ZIP Code, select Medicare practice area, and you'll find licensed agents and brokers in your area who can help identify the right plan for you.”

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About The National Association of Benefits and Insurance Professionals

[NABIP](https://www.nabip.org) is the preeminent organization for health insurance and employee benefits professionals, working diligently to ensure all Americans have access to high-quality, affordable healthcare and related benefits. To meet that vital mission, NABIP advances the interests of its members and advocates for sound public-policy solutions. NABIP represents and provides professional development opportunities for more than 100,000 licensed health insurance agents, brokers, general agents, consultants and benefit professionals through more than 200 chapters across America.