Chapter 25[2] Conducting the

STANDARDS
OPERATIONS/MANAGEMENT

Standard 3
The entity certifies compliance with standards for claims payments on the Medicare supplement insurance experience reporting form.

Apply to: All Medicare supplement carriers

Priority: Essential

Documents to be Reviewed

_____ Medicare supplement insurance experience reporting form

_____ Claims payment procedures manuals

_____ Claims training manuals

_____ Applicable statutes, rules and regulations

Others Reviewed

_____ ____

_____ ____

NAIC Model References

Model Regulation to Implement the NAIC Medicare Supplement Insurance Minimum Standards Model Act (#651)
Unfair Life, Accident and Health Claims Settlement Practices Model Regulation (#903)

Review Procedures and Criteria

Ascertain that the Medicare supplement insurance experience reporting form has been filed with the insurance commissioner.

Review the procedures and claims training PDQXDOV WR DVFHUWDLQ ZKHWKHU WKH HQ
are in compliance with applicable statutes, rules and regulations.

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experience reporting form. Discuss any discrepancies with the entity.

B. Complaint Handling

Use the standards for tht

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Ensure that the entity prohibits the sale of Medicare supplement policies/certificates to people enrolled in a Medicare~~+ Choice~~Advantage or private fee-for-service plans.

Ensure that the entity prohibits the sale of a Medicare supplement policy/certificate to an individual already covered under such a policy, unless the new policy/certificate is a replacement policy/certificate.

Ensure that producer commission schedules do not encourage replacement sales or sales of more than one Medicare supplement policy/certificate to an individual, or discourage eligible individuals with unfavorable risk characteristics.

Ensure that the entity offers to all eligible individuals all the Medicare supplement products it sells.

Determine whether individuals in the state have been eligible for ~~guaranteed issue~~ guaranteed issue because of termination of Medicare business by managed care organizations, and review company practices with respect to eligible individuals.

Determine whether individuals in the state have been eligible for guaranteed issue for other situations as described in NAIC Model References: Model Regulation to Implement the NAIC Medicare Supplement Insurance Minimum Standards Model Act (#651), Section 12.

Review entity communications to company personnel, producers and applicants about open enrollment and guaranteed issue rights.

3. Tests and Standards

The marketing and sales review includes, but is not limited to, the following standards addressing various aspects of the marketing and sales function. The sequence of the standards listed here does not indicate the priority of the standard.

STANDARDS
MARKETING AND SALES

Standard 1
Entity rules concerning replacement are in compliance with applicable statutes, rules and regulations.

Apply to: All Medicare supplement products

Priority: Essential

Documents to be Reviewed

_____ Bulletins, newsletters and memos

_____ Replacement register

_____ Underwriting guidelines and files

_____ Replacement comparison forms (if external replacement)

_____ Applicable statutes, rules and regulations

Others Reviewed

_____ ____

_____ ____

NAIC Model References

Model Regulation to Implement the NAIC Medicare Supplement Insurance Minimum Standards Model Act (#651)

Review Procedures and Criteria

Review replacement register to see if it is sorted or indexed by producer and entity to determine if the entity has been targeted for replacements by a producer (internal or external).

Ensure that the application or other form asks whether the policy or certificate is intended to replace or add to any coverage currently in force.

Ensure that the application or other form asks all the questions required by state law to be asked.

Determine if the entity permits multiple sales of Medicare supplement policies to the same person.

Using a random selection of policyholders, have the entity run a policyholder/certificateholder history to identify the number of policies or certificates sold to those individuals.

Determine if underwriting guidelines place limitations on multiple sales; i.e. limits on coverage, determination of suitability, detection of predatory sales practices, etc.

Ensure that the entity, when determining whether a sale involves replacement, furnishes to the applicant prior to policy/certificate iswheSFET Q2m9qoMC /P <</MCID 42>> BDm23(t)-7(i)-7(fo-7(o)36(s)32(e)i)-7(c)15(a)15(t G

STANDARDS
MARKETING AND SALES

Standard 2
Outlines of coverage are in compliance with applicable statutes, rules and regulations.

Apply to: All Medicare supplement carriers

Priority: Essential

Documents to be Reviewed

Essential _____aC

STANDARDS
MARKETING AND SALES

Standard 3

STANDARDS
MARKETING AND SALES

Standard 4
The *Guide to Health Insurance for People with Medicare* is provided to the applicant within the time frame required by law and is in compliance with applicable statutes, rules and regulations.

Apply to: All Medicare supplement products

Priority: Essential

Documents to be Reviewed

______ Application files

______ Underwriting files

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STANDARDS
MARKETING AND SALES

Standard 7

STANDARDS
MARKETING AND SALES

Standard 8
Advertisements truthfully represent the Medicare supplement coverage being marketed.

Apply to: All Medicare supplement products

Priority: Essential

Documents to be Reviewed

_____ All entity advertising and sales materials, including radio and audiovisual items, such as TV commercials, Internet sites, telemarketing scripts and pictorial materials

_____ Producer's advertising and sales materials

_____ Guide to Health Insurance for People with Medicare

_____ Outlines of coverage

_____ Applicable statutes, rules and regulations

Others Reviewed

_____ ____

_____ ____

NAIC Model References

NAIC Model Rules Governing Advertisements of Medicare Supplement Insurance with Interpretive Guidelines (#660), Sections 6 and 7
Unfair Trade Practices Act (#880)

Review Procedures and Criteria

Ensure that advertisements do not contain words or phrases such as "all," "full," "complete," "comprehensi "unlimited," "up to," "as high as," "this policy pays all that Medicare does manner that exaggerates any benefit beyond the terms of the policy.

Advertisements that are invitations to contract should:

- Disclose exceptions, reductions and limitations affecting the basic provisions of the policy;
- If a preexisting conditions limitation applies, ask a question immediately above the signature line concerning the applicant's understanding of the limitation; and
- Disclose renewability, modification, cancellability, termination, losses covered and premium changes due to age or other reasons in a manner that does not minimize or obscure the qualifying conditions.

Ensure that if the policy is not ~~guaranteed issue~~ guaranteed issue or if a preexisting conditions limitation applies, the advertisement does not state or imply that health history will not affect the issue of the policy or payment of a claim under the policy.

Ensure that provisions that are negative in nature, such as a preexisting conditions limitation, are presented in a negative light and that if the advertisement is an invitation to contract, the WHUP ³SUHH[LVWLQJ ons OLPLWDWLRQ´ is defined LI XVHG

Ensure that advertisements QWV GR QRW VWDWH RU LPSO\ WKDW F,ODLP ZRUGV RU similar import, and do not mislead by quoting unusual claims that may have been paid.

STANDARDS
MARKETING AND SALES

Standard 10
Advertisements that employ statistics accurately represent all relevant facts.

Apply to: All Medicare supplement products

Priority: Essential

Documents to be Reviewed

_____ All entity advertising and sales materials, including radio and audiovisual items, such as TV commercials, Internet sites, telemarketing scripts and tutorial materials

_____ 3 U R G X F H U ¶ V advertising and sales materials

_____ Applicable statutes, rules and regulations

Others Reviewed

_____ ____

_____ ____

NAIC Model References

NAIC Model Rules Governing Advertisements of Medicare Supplement Insurance with Interpretive Guidelines (#660), Section 9
Model Regulation to Require Reporting of Statistical Data by Property and Casualty Insurance Companies (#751)

Review Procedures and Criteria

Ensure that advertisements containing statistical data accurately represent all relevant facts.

Advertisements should state the source of all statistics used in the advertisement.

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STANDARDS
MARKETING AND SALES

Standard 11 **Advertisements do not disparage competitors or their policies, services or business methods.**

Apply to: All Medicare supplement products

Priority: Essential

Documents to be Reviewed

_____ All entity advertising and sales materials, including radio and audiovisual items, s

STANDARDS
MARKETING AND SALES

Standard 12
Advertisements do not imply licensing of the entity beyond the jurisdiction in which the entity is licensed or imply a status with any governmental entity.

Apply to: All Medicare supplement products

Priority: Essential

Documents to be Reviewed

_____ All entity advertising and sales materials, including radio and audio visual items, such as TV commercials,

STANDARDS
MARKETING AND SALES

Standard 14
Advertisements do not state or imply that prospective insureds become group or quasi-group members under a group policy and, as such, will enjoy special rates or underwriting privileges, unless it is a fact.

Apply to: All Medicare supplement products

Priority: Essential

Documents to be Reviewed

_____ All entity advertising and sales materials, including radio and audiovisual items, such as TV commercials, Internet sites, telemarketing scripts and pictorial materials

_____ 3 U R G X F W advertising and sales materials

_____ Applicable statutes, rules and regulations

Others Reviewed

_____ ____

_____ ____

NAIC Model References

NAIC Model Rules Governing Advertisements of Medicare Supplement Insurance with Interpretive Guidelines (#660), Section 13

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STANDARDS
MARKETING AND SALES

Standard 16 **Advertisements do not contain statements about the entity that are untrue or misleading.**

Apply to: All Medicare supplement products

Priority: Essential

Documents to be Reviewed

_____ All entity advertising and sales materials, including radio and audiovisual items, such as TV commercials, Internet sites, telemarketing scripts and pictorial materials

_____ Producer's advertising and sales materials

_____ Applicable statutes, rules and regulations

Others Reviewed

_____ ____

_____ ____

NAIC Model References

NAIC Model Rules Governing Advertisements of Medicare Supplement Insurance with Interpretive Guidelines (#660), Section 15
Unfair Trade Practices Act (#880)

Review Procedures and Criteria

Ensure that advertisements do not contain statements that are untrue or misleading about the assets, corp structure, financial standing, age or relative position of the insurer in the insurance business.

The grievance handling review includes, but is not limited to, the following standards addressing various aspectV RI D FRPSDQ\¶V RSHUDWLRQV 7KH VHTXHQFH RI WKH VW
the standard.

STANDARDS
GRIEVANCE PROCEDURES

Standard 1
The entity defines as a grievance any dissatisfaction expressed in writing with the administration, claims practices or provision of services concerning an issuer of a Medicare Select product or network.

Apply to: All Medicare Select carriers

Priority: Essential

Documents to be Reviewed

______ Sample documents and files, including electronic correspondence

______ Outlines of coverage

______ Policies and/or certificates of coverage

______ Contracts

______ Grievance procedures

______ Applicable statutes, rules and regulations

Others Reviewed

______ ____

______ ____

NAIC Model References

Model Regulation to Implement the NAIC Medicare Supplement Insurance Minimum Standards Model Act (#651), Section 10

Review Procedures and Criteria

Review the contracts, outlines of coverage, grievance procedures, sample grievance files and disclosures to GHWHUPLQH LI WKH FRPSDQ\ LV FRUUHFWO\ GHILQLQJ ³JULHYDQF

STANDARDS
GRIEVANCE PROCEDURES

Standard 2
The entity develops ~~written~~ documented grievance procedures that comply with applicable statutes, rules and regulations, and provides enrollees with a copy of its grievance procedures.

Apply to: All Medicare Select carriers

Priority: Essential

Documents to be Reviewed

_____ Procedures manuals

_____ Policies and/or certificates of coverage

_____ Outlines of coverage

_____ All forms used to process a grievance

_____ Applicable statutes, rules and regulations

Others Reviewed

_____ ____

_____ ____

NAIC Model References

Model Regulation to Implement the NAIC Medicare Supplement Insurance Minimum Standards Model Act (#651), Section 10

Review Procedures and Criteria

Determine if the entity provides grievance registration information to a policyholder at the time of the issuance of a policy or certificate.

Determine if the entity has procedures to ensure that a copy of its grievance procedures is provided to any enrollee or prospective enrollee upon request.

Determine if the entity includes a copy of its grievance procedures in its policies, certificates (if applicable) and outlines of coverage.

STANDARDS
GRIEVANCE PROCEDURES

Standard 3
The entity documents, resolves and records grievances in compliance with applicable statutes, rules and regulations, and their contract language.

Apply to: All Medicare Select carriers

Priority: Essential

Documents to be Reviewed

_____ (Q W L W \ ¶ V J U L H Y D Q F H K D Q G O L Q J S R O L F L H V D Q G S U R F H G X U H V

_____ Sample of grievance files

_____ Outlines of coverage

_____ Policies and/or certificates of coverage

_____ Applicable statutes, rules and regulations

Others Reviewed

_____ ____

_____ ____

NAIC Model References

Model Regulation to Implement the NAIC Medicare Supplement Insurance Minimum Standards Model Act (#651), Section 10

Review Procedures and Criteria

The entity maintains a grievance register ~~consisting of written records~~ that documents all grievances received during the calendar year.

The entity reports all grievances to the insurance commissioner annually, with the information and the format required by law.

The entity complies with its ~~written~~ documented procedures when receiving and resolving grievances.

The entity considers grievances in a timely manner and transmits grievances to appropriate decision makers.

The entity takes corrective action promptly on valid grievances.

The entity promptly notifies concerned parties of the results of grievance review.

STANDARDS
GRIEVANCE PROCEDURES

Standard 5
The company reports its grievance(-)2uJET(an)14-14(an)14( )y 36uq0.00000912 0 612 792 reW*nBT/F1 10.4 Tf1 0 0 1 539.

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- Waiting times for appointments;
- Hours of operation; and
- Volume of technological and specialty services available to serve the needs of enrollees requiring technologically advanced or specialty care.

The company develops and complies with ~~written~~ documented policies and procedures specifying when the company will pay for out-of-area and out-of-network services that are covered by the policy, or as are required by state law. In any case where the company is required to cover services and it has an insufficient number or type of participating providers to provide a covered benefit, the company shall ensure that the enrollee obtains the covered benefit at no greater cost than if the benefit were obtained from participating ~~providers, or~~ providers or shall make other arrangements acceptable to the insurance commissioner.

The company establishes and maintains adequate arrangements to ensure reasonable proximity of participating providers to the business or personal residences of enrollees. In determining whether a company has complied with this provision, the insurance commissioner shall give due consideration to the relative availability of health care providers L Q W K H H Q U R O O H H V ¶ V H U Y L F e area.

The company demonstrates that it monitors, on an ongoing basis, its providers, provider groups and intermediaries with which it contracts to ensure the ability, clinical capacity, financial capability and legal authority, including applicable licensure requirements, to furnish all contracted benefits to enrollees.] TJ ET q 0.0o

STANDARDS
NETWORK ADEQUACY

Standard 4
The company files with the insurance commissioner all required contract forms and any material changes to a contract proposed for use with its participating providers and intermediaries.

Apply to: Medicare Select carriers

Priority: Essential

Documents to be Reviewed

_____ Provider manuals

_____ Sample of provider contracts

_____ Credentialing file

_____ Directory of providers

_____ Applicable statutes, rules and regulations

Others Reviewed

_____ ______________________________________

_____ ______________________________________

NAIC Model References

Model Regulation to Implement the NAIC Medicare Supplement Insurance Minimum Standards Model Act (#651), Section 10.

Review Procedures and Criteria

Determine if the provider contracts and endorsements have been filed (if required by state law).

Review provider contracts to determine if the provider is listed in the directory and to determine if credentialing is ~~up-to-date~~ up to date.

STANDARDS
NETWORK ADEQUACY

Standard 5
The company executes with each participating provider written

STANDARDS
NETWORK ADEQUACY

Standard 6
The com arrangements with participating providers comply with applicable statutes, rules and regulations.

Apply to: Medicare Select carriers

Priority: Essential

Documents to be Reviewed

_____ Provider manuals and contracts

_____ Credentialing and recredentialing procedures

_____ Complaints made by providers

_____ Applicable statutes, rules and regulations

Others Reviewed

_____ ____

STANDARDS
NETWORK ADEQUACY

Standard 7 **The company provides at enrollment a directory of providers participating in its network. It also makes available, on a timely and reasonable basis, updates to its directory and files the directory with the insurance commissioner.**

Apply to: Medicare Select carriers

Priority: Essential

Documents to be Reviewed

_____ Provider directory and updates

_____ Provider contracts

_____ Credentialing and re-credentialing documentation

_____ Internet directory

_____ Applicable statutes, rules and regulations

Others Reviewed

_____ ____

_____ ____

NAIC Model References

Model Regulation to Implement the NAIC Medicare Supplement Insurance Minimum Standards Model Act (#651), Section 10

Review Procedures and Criteria

Request information regarding the caU U L H U ¶ V I U H T X H Q F \ R I X S G D W H V W R W K H S U R

Verify that the company is providing directory updates to enrollees and to the insurance commissioner at the frequency required by state law.

Review how provider data is maintained. If the provider directory is not produced from the same system(s) that

STANDARDS
PROVIDER CREDENTIALING

Standard 1
The company establishes and maintains a program for credentialing and re-credentialing of providers in compliance with applicable statutes, rules and regulations.

Apply to: All Medicare Select carriers

Priority: Essential

Documents to be Reviewed

______ Credentialing plan

______ Credentialing policies and procedures

______ Minutes of the credentialing committee

______ Credentialing plan evaluation reports (if any)

______ Applicable statutes, rules and regulations

Others Reviewed

______ ____

______ ____

NAIC Model References

Health Care Professional Credentialing Verification Model Act (#70), Section 5

Review Procedures and Criteria

The company establishes

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STANDARDS
PROVIDER CREDENTIALING

Standard 2
The company verifies the credentials of a health care provider before entering into a contract with that health care provider.

Apply to: All Medicare Select plans

Priority: Essential

Documents to be Reviewed

_____ Provider credentialing files

_____ Provider contracts

_____ Provider credentialing policies and procedures

_____ Provider directory

_____ Applicable statutes, rules and regulations

Others Reviewed

_____ ____

_____ ____

NAIC Model References

Health Care Professional Credentialing Verification Model Act (#70), Section 5

Review Procedures and Criteria

Ensure that the company verifies that providers are properly credentialed, prior to entering into a contract with the provider and placing the provider name in the provider directory. This can be achieved by comparing the effective date of WKH SURYLGHU¶V FRQWUDFW credentialing and the date ZLWK WKH SURYLGHU¶V QDPH LV provider directory.

STANDARDS
PROVIDER CREDENTIALING

Standard 3
The company obtains primary verification of the information required by state law relating to provider credentialing.

Apply to: All Medicare Select plans

Priority: Essential

Documents to be Reviewed

______ Checklist for credentialing

______ Checklists and forms for site visits (if any)

______ Reports made from site visits (if any)

______ Sample of credentialing files

______ Applicable statutes, rules and regulations

Others Reviewed

______ ____

______ ____

NAIC Model References

Health Care Professional Credentialing Verification Model Act (#70), Section 6

Review Procedures and Criteria

If required by state law, the company verifies the following:

- Current license, certificate of authority or registration to practice his or her particular profession in the state and history of licensure;
- Current level of professional liability coverage (if applicable);
- Status of hospital privileges (if applicable);
- Specialty board certification status (if applicable);
- Current Drug Enforcement Agency (DEA) registration certificate (if applicable);
- Graduation in his or her specialty from an accredited school ( )36(a)15(ny))] TJ Eo u2vp(7 W*92 re W* n BT /I

STANDARDS
PROVIDER CREDENTIALING

Standard 4
The company obtains, at the interval provided for by state law, primary verification of the information required by state law relating to provider credentialing.

Apply to: All Medicare Select plans

Priority: Essential

Documents to be Reviewed

_____ Checklist for credentialing

_____ Checklists and forms for site visits (if any)

_____ Reports made from site visits (if any)

_____ Sample of credentialing files

_____ Applicable statutes, rules and regulations

Others Reviewed

_____ ____

_____ ____

NAIC Model References

Health Care Professional Credentialing Verification Model Act (#70), Section 6

Review Procedures and Criteria

The company verifies the following:

STANDARDS
PROVIDER CREDENTIALING

Standard 5
The company requires all participating providers to notify the individual designated by the company of changes in the status of any provider information that is required to be verified by the company.

Apply to: All Medicare Select plans

Priority: Essential

Documents to be Reviewed

_____ Credentialing policies and procedures

_____ Provider contracts

_____ Credentialing files

_____ Applicable statutes, rules and regulations

Others Reviewed

_____ ____

_____ ____

NAIC Model References

Health Care Professional Credentialing Verification Model Act (#70), Section 6

Review Procedures and Criteria

The company identifies for participating providers the individual to whom they should report changes in the status of provider information required to be verified by the company.

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The company complies with all applicable provisions of state law not expressly covered by any other of these standards

STANDARDS
QUALITY ASSESSMENT AND IMPROVEMENT

Standard 3
The company files with the insurance commissioner a ~~written~~ documented description, in the prescribed

STANDARDS
QUALITY ASSESSMENT AND IMPROVEMENT

Standard 4
The company monitors the activities of the entity with which it contracts to perform quality assessment or quality improvement functions and ensures that the requirements of applicable statutes, rules and regulations are met.

Apply to: All Medicare Select carriers

Priority: Essential

Documents to be Reviewed

_____ Quality assessment and improvement policies and procedures

_____ Contracts with entities

_____ Minutes of the quality assessment and improvement committees

_____ Minutes of the board of directors

_____ Evaluations of the quality improvement program

_____ Reports of entity reviews and audits (if any) by the company

_____ Periodic reports from the entity

_____ Applicable statutes, rules and regulations

Others Reviewed

_____ ____

_____ ____

NAIC Model References

Quality Assessment and Improvement Model Act (#71)

Review Procedures and Criteria

The company establishes, implements and enforces a policy to address effective methods of accomplishing oversight of each delegated activity.

STANDARDS
QUALITY ASSESSMENT AND IMPROVEMENT

Standard 6

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STANDARDS
QUALITY ASSESSMENT AND IMPROVEMENT

Standard 7
The company annually certifies to the insurance commissioner that its quality assessment and quality improvement program, along with the materials provided to providers and consumers, meets applicable statutes, rules and regulations.

Apply to: All Medicare Select carriers

Priority: Essential

Documents to be Reviewed

_____ Certification filings

_____ Applicable statutes, rules and regulations

Oth