



COMPLIANCE POLICIES AND PROCEDURES

Use of Lead Vendors by Agents/Agencies



COMPLIANCE POLICIES AND PROCEDURES

I. SCOPE: These policies and procedures apply to all licensed agents/agencies contracted to sell Medicare Advantage and Part D Prescription Drug plans through YourPlanChoice, LLC (“YPC” or “Company”).

II. DEFINITIONS:

- **Agent/Agency:** A licensed person or entity authorized to sell Medicare Advantage (MA) and PDP plans
- **Lead Vendor:** A third-party entity contracted to generate leads for an agent who sells MA and PDP plans through a YPC MAO/PDP contract.
- **Beneficiary:** An individual eligible for or enrolled in an MA or Part D plan.
- **FCC:** Federal Communications Commission
- **FDR:** First Tier, Downstream and Related entity
- **FTC:** Federal Trade Commission
- **MAO:** Medicare Advantage Organization
- **Permission to Contact:** Documented consent from a beneficiary that authorizes outreach for plan-related purposes. Permission to Contact forms for MA and PDP products are valid for 12-months from the date of execution by the beneficiary.
- **TPMO:** Third-party Marketing Organization, which is an organization or individual, including an independent agent or broker, that is compensated to perform lead generation, marketing, sales, or enrollment-related functions as part of the chain of enrollment (the steps taken by a beneficiary from becoming aware of an MA/PDP plan or plans to making an enrollment decision). A TPMO may be a first tier, downstream or related entity (FDR), as defined in CMS regulations, but may also be an entity that is not an FDR but provides services to an MAO/PDP or an MAO/PDP's FDR.

III POLICIES AND PROCEDURES:

YPC requires the following controls to be in place for any lead vendor utilized by an agent/agency in the Company’s hierarchy:

1. Compliant Lead Generation

Each broker agent/agency should maintain a documented process to ensure lead



generation activities comply with applicable federal and state regulations, including CMS, FCC, and FTC requirements. This includes:

- Maintaining documented permission to contact for each beneficiary that is contacted. If a lead vendor is making outbound calls using regulated technology, ensure the vendor uses an industry-standard tool such as Jornaya or TrustedForm to capture documentation of permission to contact. Solutions native to Facebook, Google, Yahoo, etc., are not adequate to defend against TCPA violations.
- Ensuring all lead vendor-related marketing materials are filed and approved with the MAO/PDPs and CMS, as required.
- A documented lead vendor oversight plan – a sample oversight plan is included in Appendix A
- Due diligence on the vendor to ensure they are a legitimate business and that they generate and sell leads in compliance with all applicable laws.

2. **Call Recording**

All calls with a beneficiary, both inbound and outbound, that result from lead generation activities must be recorded in their entirety and must be immediately retrievable upon request.

3. **Record Retention**

All operational, contractual, and compliance-related records must be retained for a minimum of **10 years**.

4. **Incident Reporting**

Agents/Agencies must have a mechanism to report to MAO/PDPs and their uplines any known or suspected:

- Privacy breach
- Lost or missing call recording
- Website or system failure
- Data loss or misuse
- Other issue that may result in non-compliance with CMS regulatory requirements

5. **Disclosure Requirements**

Agents/Agencies must submit the following to all of your contracted MAO/PDPs with a copy to your direct upline:

- **New subcontracted lead vendor relationships** within 5 business days of execution
- **Existing lead vendor relationships**, annually or upon request
- **Discontinued lead vendor relationships** within 5 business days of termination



Each MAO/PDP has its own requirements related to the submission of subcontractors used in connection with the sale of MA/PDP plans, including lead vendors. If a subcontractor has offshore operations, you must obtain MAO/PDP approval prior to contracting with the vendor.

MAO/PDPs may require additional information, but generally, a lead vendor disclosure to MAO/PDPs must include:

- Legal name of subcontractor (lead vendor)
- Nature of services provided
- Effective and termination dates
- Contact information
- Any adverse legal actions

Audits and Attestations

The Company and its contracted MAO/PDPs reserve the right to request attestations and/or conduct periodic audits to ensure agents/agencies are operating in compliance with all applicable regulations and YPC policies.

Agents/Agencies must promptly provide requested items, which could include any or all of the following (not all inclusive):

- Lead vendor contract
- Proof of CMS and MAO/PDP approval of marketing materials
- Evidence of beneficiary consent to contact, if an outbound call was made to the beneficiary
- Call recordings or other supporting materials



Appendix A – Oversight Plan Sample

Lead vendor oversight plan may include, any or all of the following, depending on the campaign type and lead vendor structure and should be done on a regular, recurring basis but no less often than annually.

For all Lead Types:

- Select a sample of leads
- Review the ad, website, URL, etc. that generated the lead:
 - Verify ad was approved for use and, if the ad constitutes Marketing pursuant to CMS rules, that the material was approved for use by YPC
 - Verify the website/URL was approved for use by YPC
 - Verify that the website is logically and topically related to Medicare

Additional Steps for Inbound:

- Verification of inbound call to lead vendor
- If inbound warm transfer, review call recordings to verify an approved call script was used

Additional Steps for Outbound Warm Transfer:

- Verify permission to contact was appropriate for outbound call by the vendor
- Review call recording to verify the vendor followed an approved call script

Additional Steps if the Lead Vendor Utilizes a Third-Party:

- Verify vendor followed its audit/review plan of their contracted third parties