

CMS Oversight and Audit Rules for Brokers

Questions and Answers



Effective 2024

The Centers for Medicare & Medicaid Services (CMS) has released its final rule for Contract Year 2024. In addition to new rules on broker marketing of Medicare Advantage plans, the document contains a new requirement for carriers to monitor activities of their contracted brokers to verify compliance with CMS marketing regulations.

As required by these new Third Party Marketing Organization (TPMO) rules, PacificSource Medicare will begin limited, random auditing of certain marketing activities by our brokers, specifically enrollment phone calls, educational presentations, and sales presentations (live and virtual).

As we know, CMS rules exist to protect beneficiaries from inappropriate marketing, and failure to comply with regulations can lead to significant consequences for brokers and carriers. We plan to carry out our required oversight unobtrusively, and with as little burden as possible on you, our valued business partner.

What will be audited?

- Recorded enrollment calls submitted via the proprietary PacificSource telephonic enrollment platform
- In-person and online educational presentations
- In-person and online sales presentations

How will I know I'm going to be audited?

Brokers will be randomly selected for audit from a list of our Medicare-appointed brokers.

- For telephonic audits, PacificSource will reach out to selected brokers by phone or email with results after the review.
- For educational and sales event audits, PacificSource will reach out to selected brokers by phone or email before the event to confirm attendance, as well as after the event with results of the review.

What guidelines should brokers follow?

At the end of this document, you'll find checklists for Educational Events, Sales Events, and Audio Calls. You can use these to help make sure you're following CMS-mandated practices.

The complete text of the CMS final rule is at [PacSrc.co/cms-final-rule-24](https://www.pacsrc.co/cms-final-rule-24) (PDF).

Where can I go for more information?

Please see the Code of Federal Regulations for brokers posted at [PacSrc.co/ecfr-422](https://www.pacsrc.co/ecfr-422) and [PacSrc.co/ecfr-423](https://www.pacsrc.co/ecfr-423).

Questions?

We're happy to help with any questions. Contact us at 866-419-0065, TTY: 711 (we accept all relay calls), or MedicareBrokerServices@PacificSource.com.