CareFirst MedPlus

OVER 65 FORMS: BROKER ACKNOWLEDGEMENT FORM (BAF) + REPLACEMENT OF COVERAGE FORM (RCF)

Consumer Direct Broker Training

March 2018

CareFirst MedPlus

BACKGROUND

Broker Acknowledgement + Replacement of Coverage Forms

Background

Due to CMS (Center for Medicare & Medicaid Services) regulations, CareFirst BlueCross BlueShield and CareFirst MedPlus (CareFirst) are required to:

- Ensure our brokers are providing the appropriate materials at the time of application, such as the *Guide to Health Insurance for People with Medicare* so the client can make an educated decision on what plan to purchase.
- Make sure that all prospects and subscribers who are replacing their existing Medicare Supplement, Medicare Advantage or Medicaid coverage are well equipped to make decision to obtain new coverage.

Background *continued*

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The Broker Acknowledgement Form (BAF) and Replacement of Coverage Form (RCF) have been available on the broker portal and we are now implementing a verification process which includes, but is not limited to:

- Consolidating multiple forms by jurisdiction to a single form for all jurisdictions.
- Integrating the forms into a seamless application process on the Agent iStore.
- Processing paper forms through the enrollment system to match up to the paper applications.
- No longer accepting older versions of the paper forms.

REPLACEMENT OF COVERAGE FORM (RCF)

Replacement of Coverage Form (RCF) Overview

- The RCF is required when an existing member or a new applicant is replacing their current Medicare Supplement, Medicare Advantage or Medicaid coverage. There is language which advises the applicant to review their existing policy, their grace period to review the new policy, etc.

- The RCF is required for:
  - Broker assisted sales
  - Paper and electronic applications
  - Maryland, District of Columbia and Virginia sales

- A missing or incomplete RCF will not prevent the enrollment request from processing.

Replacement of Coverage Form – Broker Assisted Over 65 Sales

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Paper Application process:

- Please review with the Client to determine if they are replacing their **existing** Over 65 coverage.
- If yes, the Client must be advised that the RCF is required to be completed and submitted with the application.
- The broker is required to complete and sign the broker section of the RCF before submitting.

iStore Application process:

- The broker may begin the application process for the Client and then send the application link to the Client for review.
- The Client will review the application and complete information requested about replacement of coverage.
- Once the information is collected electronically, the replacement of coverage information will be seamlessly populated into the required fields of the Replacement of Coverage form.

Replacement of Coverage Form - Paper Version

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Section One: Collection of the applicant/subscriber's information

- The applicant will complete this section with their demographic information in order to help tie the application to the corresponding RCF.
- Additionally, if CareFirst needs to follow up with the applicant, we will have enough information to correspond with them directly.

SECTION ONE			
Subscriber's Last Name	Subscriber's First Name	M.I.	Date of Birth (mm/dd/yyyy)
Residence Address (Number and Street, Apt #)			
City	State	Zip Code	
Subscriber ID# (SID)	Group #		
SSN	Phone Number ( )		

Replacement of Coverage Form - Paper Version *continued*

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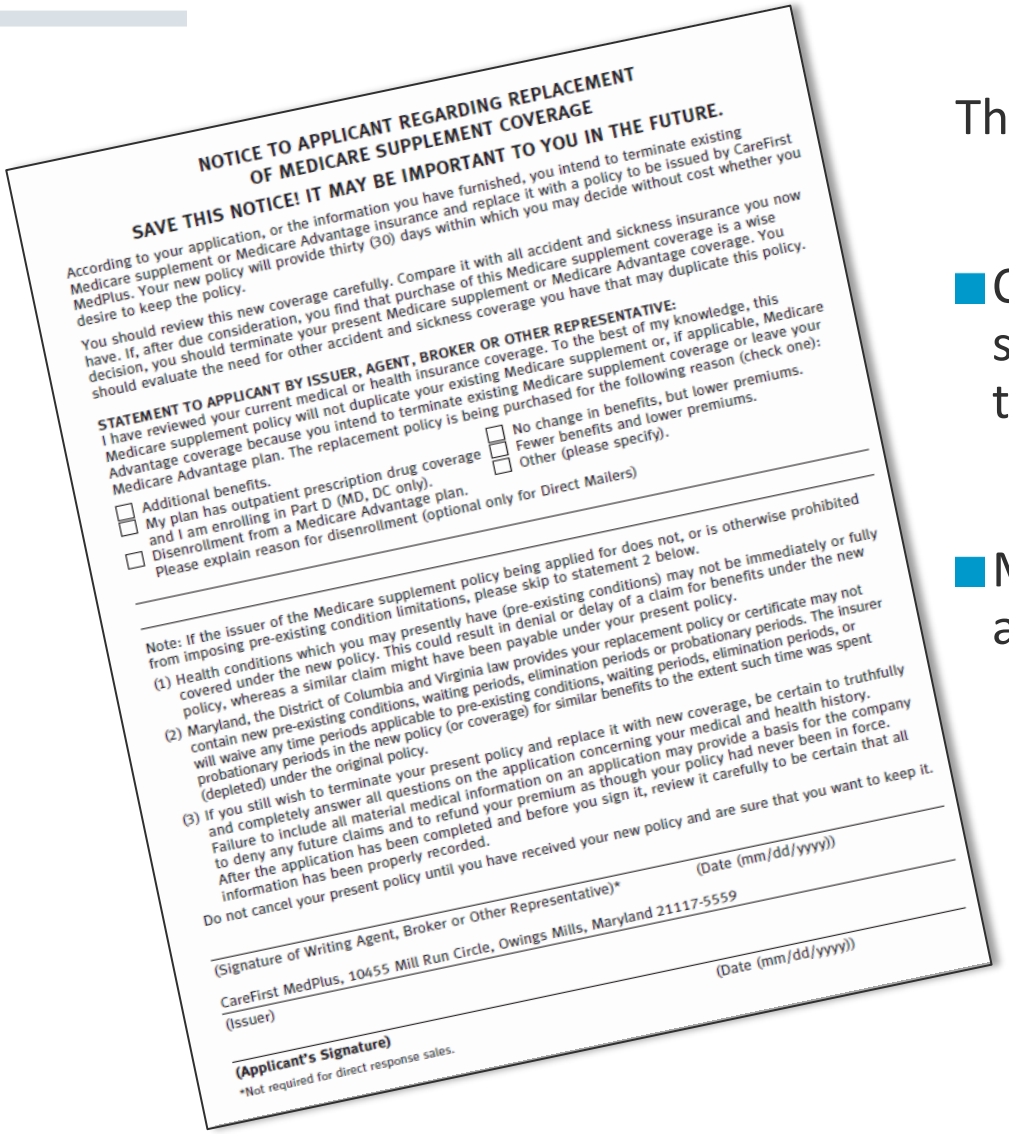
Section Two: Broker Section

- Information in this section allows CareFirst to follow up with the broker who assisted with the sale in the event the RCF is missing key information.

SECTION TWO		
Writing Agent Last Name	Writing Agent First Name	
Writing Agent NPN		
Street Address		
City	State	Zip Code

Replacement of Coverage Form - Paper Version *continued*



NOTICE TO APPLICANT REGARDING REPLACEMENT OF MEDICARE SUPPLEMENT COVERAGE

SAVE THIS NOTICE! IT MAY BE IMPORTANT TO YOU IN THE FUTURE.

According to your application, or the information you have furnished, you intend to terminate existing Medicare supplement or Medicare Advantage insurance and replace it with a policy to be issued by CareFirst MedPlus. Your new policy will provide thirty (30) days within which you may decide without cost whether you desire to keep the policy.

You should review this new coverage carefully. Compare it with all accident and sickness insurance you now have. If, after due consideration, you find that purchase of this Medicare supplement coverage is a wise decision, you should terminate your present Medicare supplement or Medicare Advantage coverage. You should evaluate the need for other accident and sickness coverage you have that may duplicate this policy.

STATEMENT TO APPLICANT BY ISSUER, AGENT, BROKER OR OTHER REPRESENTATIVE:

I have reviewed your current medical or health insurance coverage. To the best of my knowledge, this Medicare supplement policy will not duplicate your existing Medicare supplement or, if applicable, Medicare Advantage coverage because you intend to terminate existing Medicare supplement coverage or leave your Medicare Advantage plan. The replacement policy is being purchased for the following reason (check one):

☐ Additional benefits.
☐ My plan has outpatient prescription drug coverage and I am enrolling in Part D (MD, DC only).
☐ Disenrollment from a Medicare Advantage plan.
Please explain reason for disenrollment (optional only for Direct Mailers)

☐ No change in benefits, but lower premiums.
☐ Fewer benefits and lower premiums.
☐ Other (please specify).

Note: If the issuer of the Medicare supplement policy being applied for does not, or is otherwise prohibited from imposing pre-existing condition limitations, please skip to statement 2 below.

(1) Health conditions which you may presently have (pre-existing conditions) may not be immediately or fully covered under the new policy. This could result in denial or delay of a claim for benefits under the new policy, whereas a similar claim might have been payable under your present policy.

(2) Maryland, the District of Columbia and Virginia law provides your replacement policy or certificate may not contain new pre-existing conditions, waiting periods, elimination periods or probationary periods. The insurer will waive any time periods applicable to pre-existing conditions, waiting periods, elimination periods, or probationary periods in the new policy (or coverage) for similar benefits to the extent such time was spent (depleted) under the original policy.

(3) If you still wish to terminate your present policy and replace it with new coverage, be certain to truthfully and completely answer all questions on the application concerning your medical and health history. Failure to include all material medical information on an application may provide a basis for the company to deny any future claims and to refund your premium as though your policy had never been in force. After the application has been completed and before you sign it, review it carefully to be certain that all information has been properly recorded.

Do not cancel your present policy until you have received your new policy and are sure that you want to keep it.

(Signature of Writing Agent, Broker or Other Representative)* (Date (mm/dd/yyyy))

CareFirst MedPlus, 10455 Mill Run Circle, Owings Mills, Maryland 21117-5559
(Issuer)

(Applicant's Signature) (Date (mm/dd/yyyy))

*Not required for direct response sales.

The Notice to the Applicant:

- Contains pertinent information to the applicant to make sure they are changing into a product which best suits their needs.
- Must be completed in its entirety and signed by all applicable parties.

Replacement of Coverage Form - Paper Applications

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Paper Applications:

- The applicant must complete and sign the application and Section 1 of the RCF.
- The broker will review, complete and sign Section 2 of the RCF and will submit the forms to the Lexington, KY address.
- The broker will fax the application separately from the RCF.
- The enrollment system will complete all the normal checks associated to the application and will verify that the RCF wass submitted and is complete.
- If the application and RCF are complete, then the enrollment will process through. The RCF will be attached to the clients application and contract and will be available on My Account to view.
- If the RCF is missing information, then CareFirst will send a letter requesting completion and return.
- If the RCF is not submitted, a second letter will be sent with a copy of the RCF requesting completion and return. CareFirst will make 2 attempts to collect this information.

  1. Letter 1 will trigger once the application is received without the RCF or if the RCF is missing information.
  2. Letter 2 will trigger 15 days from the receipt of the application.

Replacement of Coverage Form - iStore Applications

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iStore Applications:

- If the applicant indicates they are replacing their existing Over 65 coverage, the system will prompt for the RCF throughout the application process.
  - Most of the information will be populated into the fields of the form automatically. Those fields that cannot be auto populated will be prompted on the screen.
- Broker information will pre-populate creating a seamless transition of required information.
- Both documents (application and RCF) will be submitted to CareFirst.
- The enrollment system will complete all the normal checks associated to the application and will verify the RCF is submitted and complete.
- The enrollment will process through and the RCF will be attached to the subscriber's contract and available on My Account.

BROKER ACKNOWLEDGEMENT FORM (BAF)

Broker Acknowledgement Form (BAF) Overview

In order to verify that the broker is providing the appropriate documents, such as the Outline of Coverage and the Guide to Health Insurance for People with Medicare, a Broker Acknowledgement Form (BAF) is required on a CareFirst Medicare Supplement sale.

- The BAF is required for:
  - All broker assisted sales
    - paper and electronic sales
    - Maryland, District of Columbia and Virginia

- The broker and the client must review and sign the form.
  - Paper applications require physical signatures in ink
  - iStore applications require electronic signatures from applicants and brokers in Virginia.

- The broker must submit the form with the application.

Broker Acknowledgement Form - Paper Application

CareFirst MedPlus

Section One: Collection of the applicant/subscriber's information

- The applicant will insert their demographic information in order to help tie the application to the corresponding form.
- Additionally, if follow up is needed with the applicant, we will have enough information to correspond with them directly.

SECTION ONE			
Subscriber's Last Name	Subscriber's First Name	M.I.	Date of Birth (mm/dd/yyyy)
Residence Address (Number and Street, Apt #)			
City	State	Zip Code	
Subscriber ID# (SID)	Group #		
SSN	Phone Number ( )		

Broker Acknowledgement Form - Paper Application *continued*

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Section Two: Broker Section

- Information in this section allows CareFirst to follow up with the broker who assisted with the sale in the event the BAF is missing key information.

SECTION TWO	
Contracted Broker Name	Contracted Broker Tax ID
Writing Agent Last Name (if applicable)	Writing Agent First Name
Writing Agent NPN	

Section Three: Verification

- Here the broker identifies if they met with the applicant in person and, most importantly, verify that they provided the client with a copy of the Outline of Benefits and the Guide to Health Insurance for People with Medicare. If the broker checked "No" to the question "Did you see the applicant?," the application will not be stopped.

SECTION THREE	
Did you see the applicant? ☐ Yes ☐ No	
Did you provide the applicant with a copy of the Outline of Benefits and the Guide to Health Insurance for People with Medicare? ☐ Yes ☐ No	

Broker Acknowledgement Form - Paper Application *continued*

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SECTION FOUR		
Representatives shall list any other health insurance policies or plan contracts they have sold to the applicant:		
1. List all policies or plan contracts sold which are still in force.		
a. Plan Name		
b. Plan Name		
c. Plan Name		
2. List all policies or plan contracts sold in the past five (5) years which are no longer in force.		
a. Plan Name		
b. Plan Name		
c. Plan Name		
d. Plan Name		
e. Plan Name		
Signature of Applicant		Date (mm/dd/yyyy)
Signature of Writing Agent		Date (mm/dd/yyyy)
Writing Agent Address (Street)		
City	State	Zip Code

Section Four:

- Allows the broker to identify any other policies that they sold to this client.

Broker Acknowledgment Form - Paper Process

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Paper Applications:

- The broker and applicant should complete the application and BAF and submit both to CareFirst at the Lexington, KY address in two separate faxes.
- The enrollment system will complete all the normal checks associated to the application and will verify the BAF is submitted and complete.
- If the application and BAF are complete, then the enrollment will process through.
- Brokers are required to submit the BAF. The system only attaches the broker information if the BAF is completed and submitted. The broker and applicant have 31 days from the date of the application to submit the BAF and link the broker to the policy. Commissions will be withheld beyond 31 days.
- If Broker A is listed on the application and Broker B is listed on the BAF, then Broker B will be associated to the policy.
- CareFirst will make two attempts requesting the completion of the form:
  - Letter 1 – sent to the broker and application triggers once the application is received with the completed BAF.
  - Letter 2 – sent to the application triggers 15 days from the receipt to the application.

Broker Acknowledgement Form - iStore Process

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iStore Applications:

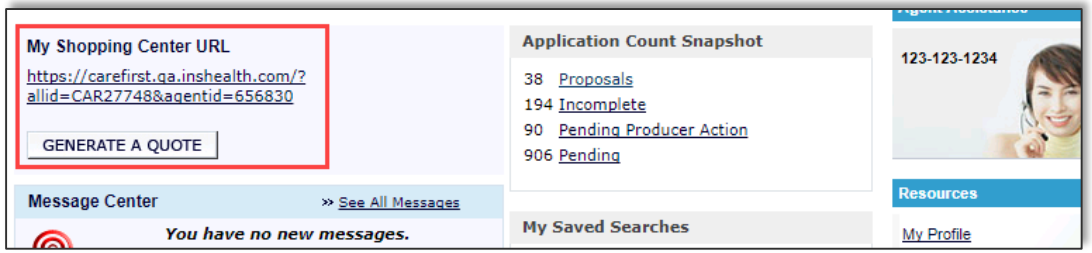
- The BAF is an embedded process within the iStore.
- The BAF data is seamlessly pulled from the broker demographic information that is currently housed in their iStore profile.
- The broker is not required to intervene in fulfilling the BAF requirements as it is done for them systematically.
- The enrollment system will complete all the normal checks associated with the application and will verify the BAF is submitted and complete.
- The enrollment will process through.
- Brokers are reminded to update all broker information in the iStore to generate accurate data into the BAF.
- CareFirst is currently developing the ability to view a PDF version of both the completed BAF and RCF through the iStore.

BAF AND RCF – ISTORE PROCESS DETAILS

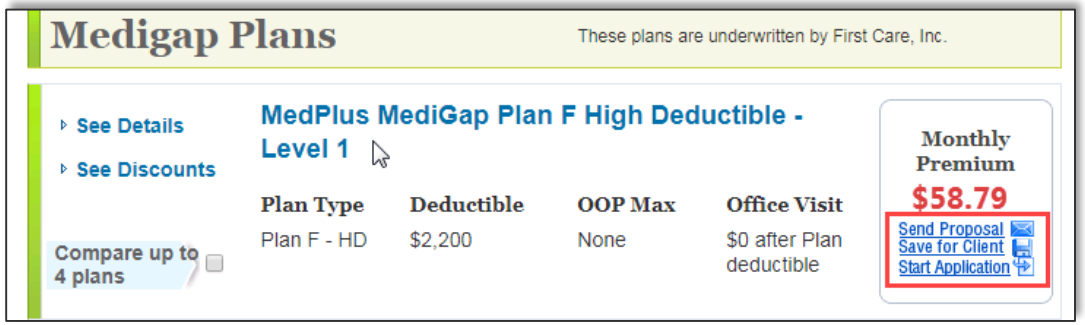
iStore Application Process

This online application process example follows a broker and client after they discuss the need for a MedPlus plan.

1. The broker logs into their iStore and generates a quote per the discussion. *(existing process)*



2. The broker has the option to click **Start Application** to complete all known fields to assist the client. *(existing process)*



iStore Application Process

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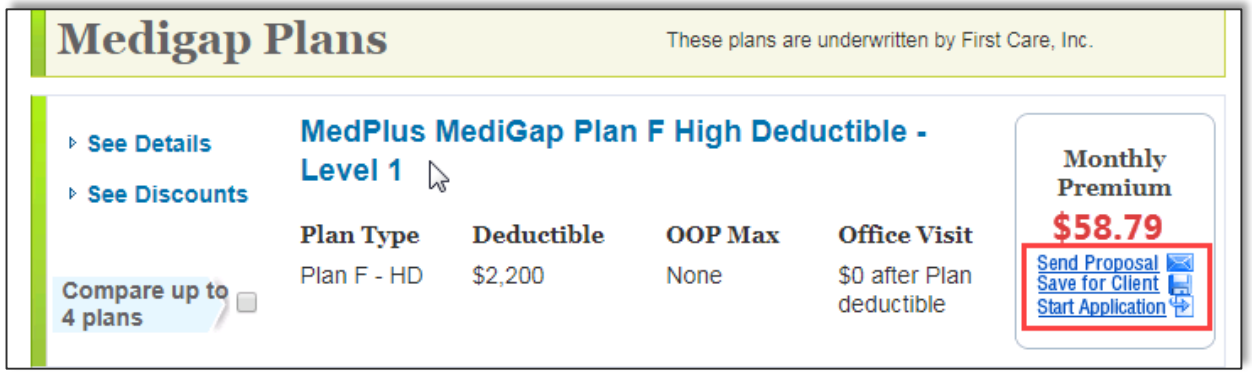
3. The broker must click **Send Proposal** to email the quote and application link to the client. *(existing process)*



4. The broker's demographic data and signature will auto populate in the BAF based upon their iStore information. *(new process)*

iStore Application Process

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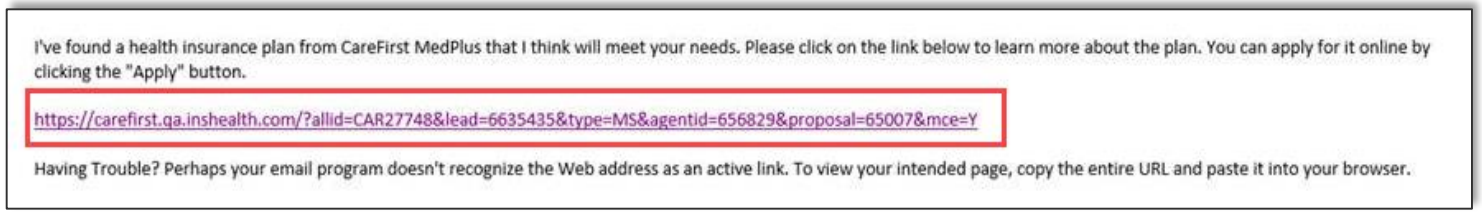
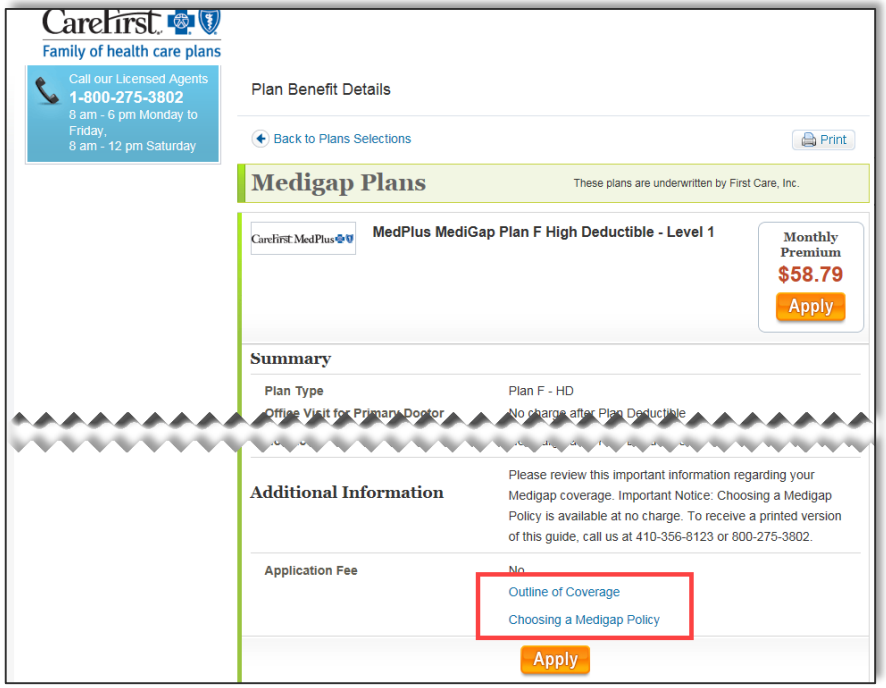
5. The client receives the email and clicks the link to review the plan benefits details. *(existing process)*


I've found a health insurance plan from CareFirst MedPlus that I think will meet your needs. Please click on the link below to learn more about the plan. You can apply for it online by clicking the "Apply" button.

https://carefirst.qa.inshealth.com/?allid=CAR27748&lead=6635435&type=MS&agentid=656829&proposal=65007&mce=Y

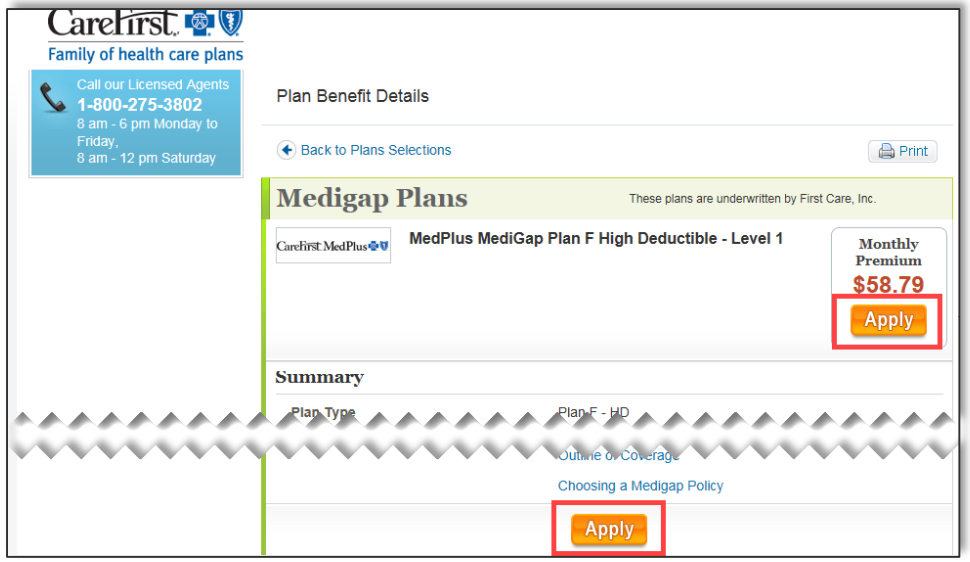
Having Trouble? Perhaps your email program doesn't recognize the Web address as an active link. To view your intended page, copy the entire URL and paste it into your browser.

6. The client clicks the **Outline of Coverage** and **Choosing a Medigap Policy** links to review those brochures. *(existing process)*

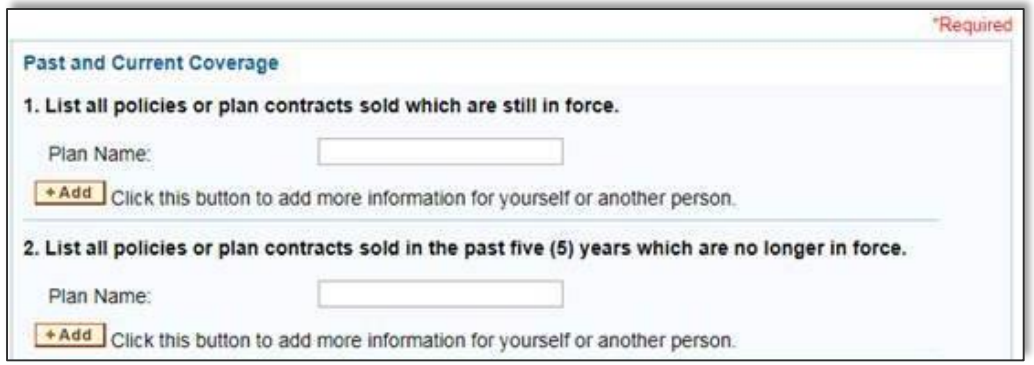


iStore Application Process

7. The client clicks the **Apply** button to complete the application. (Existing process)



8. The client adds information to the new **Past and Current Coverage** screen during the application process. (This information auto populates in the BAF.)



iStore Application Process

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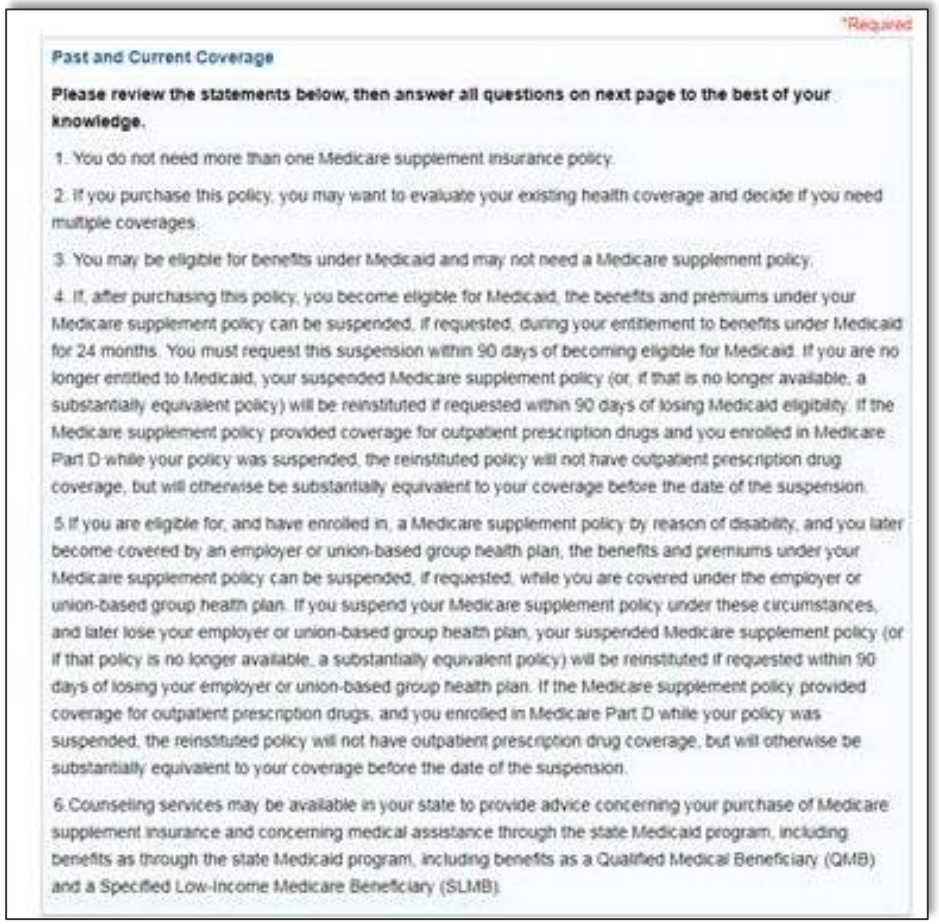
9. The client reads the new **Past and Current Coverage** disclaimer.



*Required

Past and Current Coverage

Please review the statements below, then answer all questions on next page to the best of your knowledge.

1. You do not need more than one Medicare supplement insurance policy.

2. If you purchase this policy, you may want to evaluate your existing health coverage and decide if you need multiple coverages.

3. You may be eligible for benefits under Medicaid and may not need a Medicare supplement policy.

4. If, after purchasing this policy, you become eligible for Medicaid, the benefits and premiums under your Medicare supplement policy can be suspended, if requested, during your entitlement to benefits under Medicaid for 24 months. You must request this suspension within 90 days of becoming eligible for Medicaid. If you are no longer entitled to Medicaid, your suspended Medicare supplement policy (or, if that is no longer available, a substantially equivalent policy) will be reinstituted if requested within 90 days of losing Medicaid eligibility. If the Medicare supplement policy provided coverage for outpatient prescription drugs and you enrolled in Medicare Part D while your policy was suspended, the reinstituted policy will not have outpatient prescription drug coverage, but will otherwise be substantially equivalent to your coverage before the date of the suspension.

5. If you are eligible for, and have enrolled in, a Medicare supplement policy by reason of disability, and you later become covered by an employer or union-based group health plan, the benefits and premiums under your Medicare supplement policy can be suspended, if requested, while you are covered under the employer or union-based group health plan. If you suspend your Medicare supplement policy under these circumstances, and later lose your employer or union-based group health plan, your suspended Medicare supplement policy (or if that policy is no longer available, a substantially equivalent policy) will be reinstituted if requested within 90 days of losing your employer or union-based group health plan. If the Medicare supplement policy provided coverage for outpatient prescription drugs, and you enrolled in Medicare Part D while your policy was suspended, the reinstituted policy will not have outpatient prescription drug coverage, but will otherwise be substantially equivalent to your coverage before the date of the suspension.

6. Counseling services may be available in your state to provide advice concerning your purchase of Medicare supplement insurance and concerning medical assistance through the state Medicaid program, including benefits as through the state Medicaid program, including benefits as a Qualified Medical Beneficiary (QMB) and a Specified Low-Income Medicare Beneficiary (SLMB).

iStore Application Process

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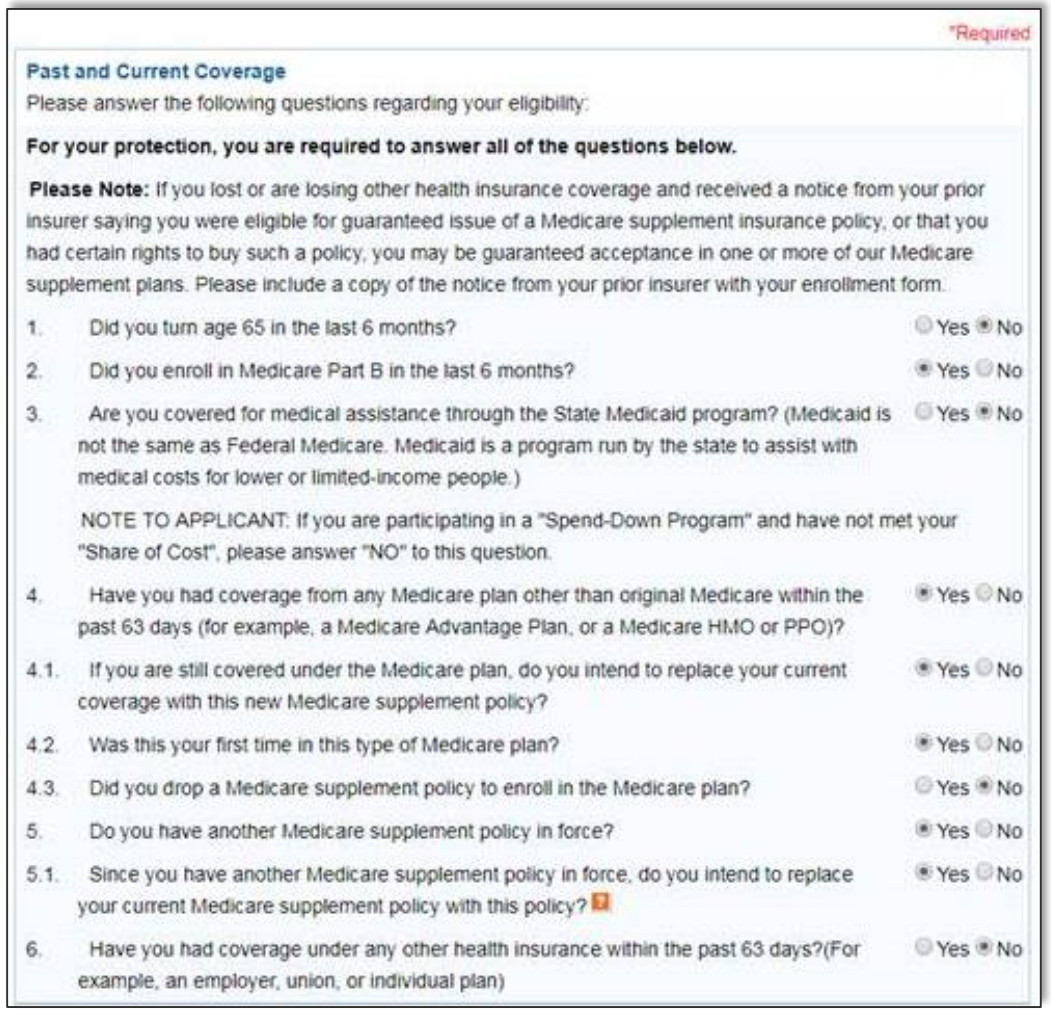
10. The client must complete the **Past and Current Coverage** screen questions related to change of coverage. (The client's responses will determine if the RCF is required or not.)



*Required

Past and Current Coverage

Please answer the following questions regarding your eligibility:

For your protection, you are required to answer all of the questions below.

Please Note: If you lost or are losing other health insurance coverage and received a notice from your prior insurer saying you were eligible for guaranteed issue of a Medicare supplement insurance policy, or that you had certain rights to buy such a policy, you may be guaranteed acceptance in one or more of our Medicare supplement plans. Please include a copy of the notice from your prior insurer with your enrollment form.

1.	Did you turn age 65 in the last 6 months?	○ Yes ◉ No
2.	Did you enroll in Medicare Part B in the last 6 months?	◉ Yes ○ No
3.	Are you covered for medical assistance through the State Medicaid program? (Medicaid is not the same as Federal Medicare. Medicaid is a program run by the state to assist with medical costs for lower or limited-income people.) NOTE TO APPLICANT: If you are participating in a "Spend-Down Program" and have not met your "Share of Cost", please answer "NO" to this question.	○ Yes ◉ No
4.	Have you had coverage from any Medicare plan other than original Medicare within the past 63 days (for example, a Medicare Advantage Plan, or a Medicare HMO or PPO)?	◉ Yes ○ No
4.1.	If you are still covered under the Medicare plan, do you intend to replace your current coverage with this new Medicare supplement policy?	◉ Yes ○ No
4.2.	Was this your first time in this type of Medicare plan?	◉ Yes ○ No
4.3.	Did you drop a Medicare supplement policy to enroll in the Medicare plan?	○ Yes ◉ No
5.	Do you have another Medicare supplement policy in force?	◉ Yes ○ No
5.1.	Since you have another Medicare supplement policy in force, do you intend to replace your current Medicare supplement policy with this policy?	◉ Yes ○ No
6.	Have you had coverage under any other health insurance within the past 63 days?(For example, an employer, union, or individual plan)	○ Yes ◉ No

iStore Application Process

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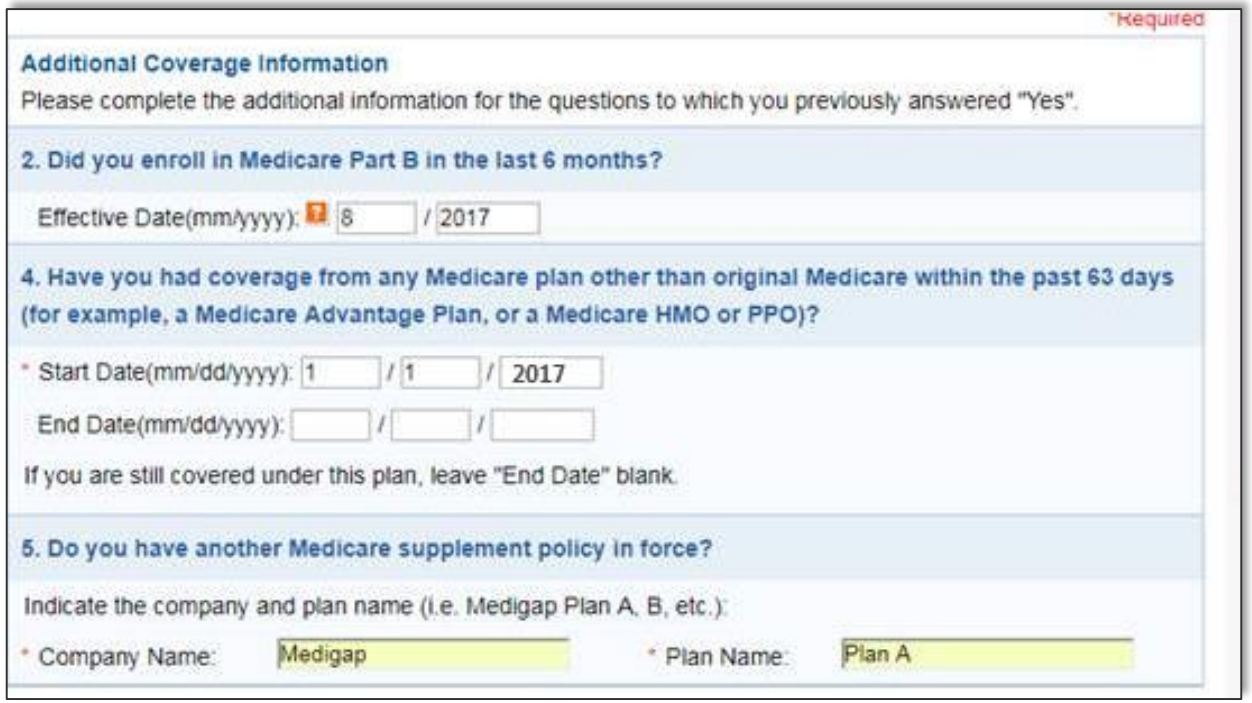
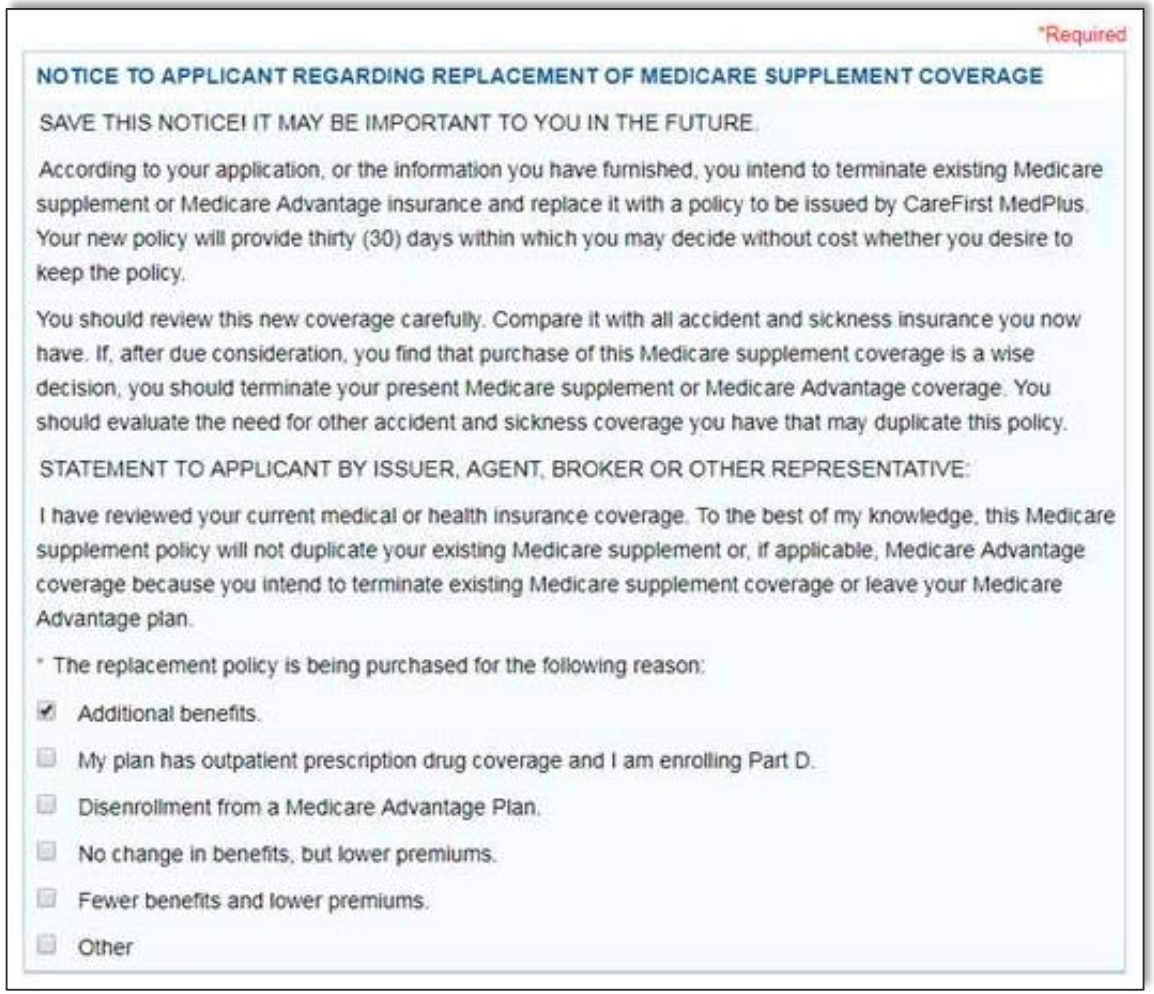
11. The client must complete the **Additional Coverage Information** screen fields based on the questions previously answered “Yes.”



iStore Application Process

12. The client must complete the new **Notice to Applicant** screen related to change of coverage. (This information auto populates in the RCF.)



*Required

NOTICE TO APPLICANT REGARDING REPLACEMENT OF MEDICARE SUPPLEMENT COVERAGE

SAVE THIS NOTICE! IT MAY BE IMPORTANT TO YOU IN THE FUTURE.

According to your application, or the information you have furnished, you intend to terminate existing Medicare supplement or Medicare Advantage insurance and replace it with a policy to be issued by CareFirst MedPlus. Your new policy will provide thirty (30) days within which you may decide without cost whether you desire to keep the policy.

You should review this new coverage carefully. Compare it with all accident and sickness insurance you now have. If, after due consideration, you find that purchase of this Medicare supplement coverage is a wise decision, you should terminate your present Medicare supplement or Medicare Advantage coverage. You should evaluate the need for other accident and sickness coverage you have that may duplicate this policy.

STATEMENT TO APPLICANT BY ISSUER, AGENT, BROKER OR OTHER REPRESENTATIVE:

I have reviewed your current medical or health insurance coverage. To the best of my knowledge, this Medicare supplement policy will not duplicate your existing Medicare supplement or, if applicable, Medicare Advantage coverage because you intend to terminate existing Medicare supplement coverage or leave your Medicare Advantage plan.

* The replacement policy is being purchased for the following reason:

- [x] Additional benefits.
- [ ] My plan has outpatient prescription drug coverage and I am enrolling Part D.
- [ ] Disenrollment from a Medicare Advantage Plan.
- [ ] No change in benefits, but lower premiums.
- [ ] Fewer benefits and lower premiums.
- [ ] Other

iStore Application Process

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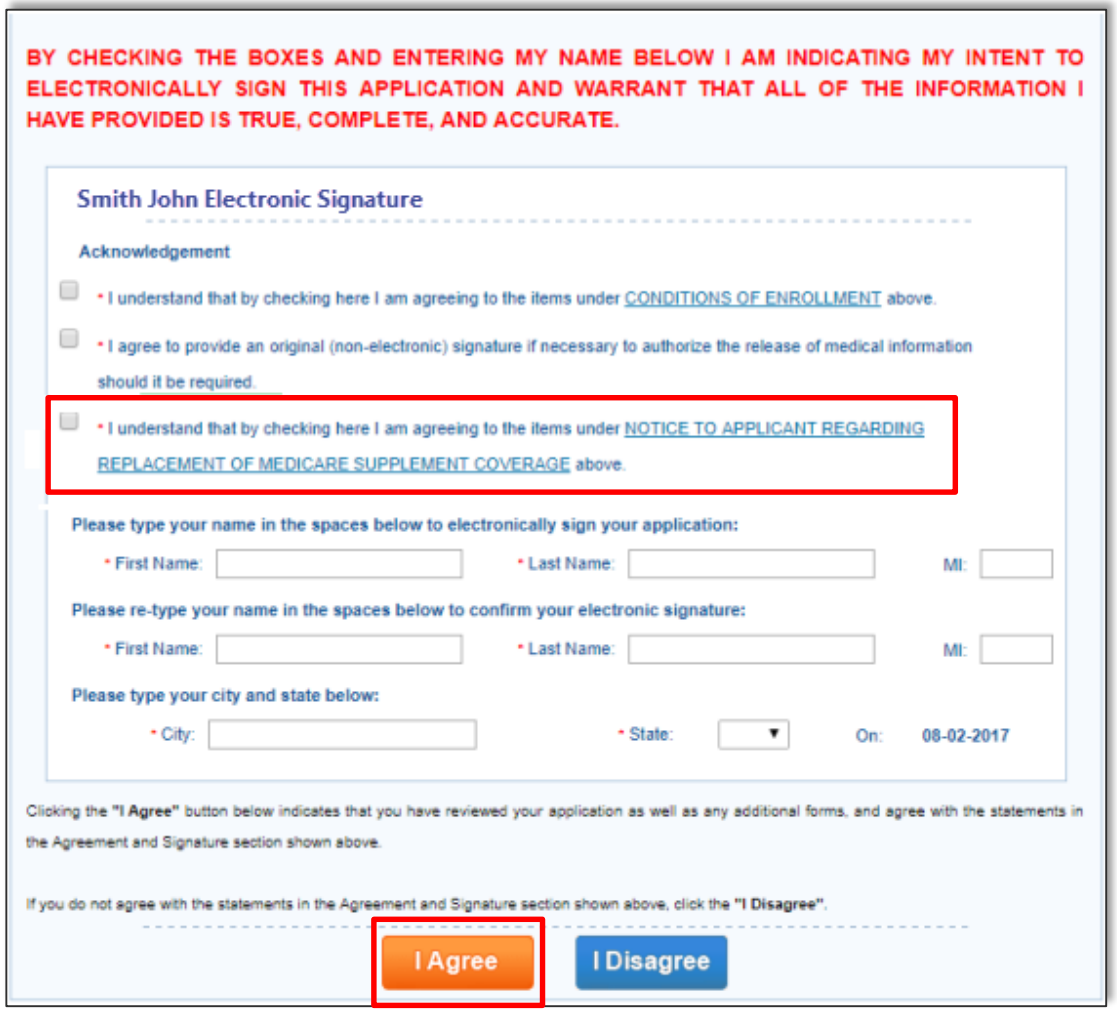
13. The client completes all the **Electronic Signature** page fields and clicks **I Agree** to submit the application. (This information auto populates in the BAF and RCF.)

NOTE: The client may view a notice about replacing their coverage by clicking the new NOTICE TO APPLICANT REGARDING REPLACEMENT OF MEDICARE SUPPLEMENT COVERAGE link. The client does not see a separate RCF form.



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THANK YOU

For more information, contact

Your Consumer Direct Broker Representative

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