

Outline of Pre-Selling Season Activities October 1 - November 14, 2008

Although the Annual Coordinated Election Period (AEP) for Today's Options begins November 15, 2008, the Centers for Medicare & Medicaid Services (CMS) permits Medicare Advantage organizations like American Progressive Life & Health Insurance Company of New York (American Progressive) and The Pyramid Life Insurance Company (Pyramid Life) to begin certain marketing activities on October 1, 2008. The purpose of this memorandum is two-fold. First, this memorandum will explain those marketing activities that Today's Options agents may/may not perform between October 1 and November 14. Second, this memorandum will explain those activities that American Progressive and Pyramid Life may/may not perform between October 1 and November 14.

Agent Marketing Activities Between October 1 and November 14

- Only agents who are **Certified** may engage in marketing activities. "Certified" means that the agent has:
 - contracted with American Progressive and/or Pyramid Life; **and**
 - undergone training with respect to the Medicare program and Today's Options; **and**
 - successfully taken and passed a test with respect to the Medicare program and Today's Options
 - licensed as an insurance agent in all states where the agent will sell Today's Options
 - State appointed with American Progressive and/or Pyramid Life in the states the agent plans to solicit Today's Options.
- Certified agents **may** set appointments to meet with Medicare beneficiaries, educate them regarding Today's Options and the Medicare program, and assist them in completing paper enrollment forms for Today's Options. Assisting in enrollment means assisting a potential enrollee with the completion of an application and/or objectively discussing characteristics of different Today's Options plans to assist the potential enrollee in evaluating the merits of all available Today's Options plans, based solely on the potential enrollee's needs.
- Certified agents **must not** accept or assist in submitting to American Progressive or Pyramid Life **paper** enrollment forms for Today's Options.
- Certified agents **must not** accept or assist in submitting to American Progressive or Pyramid Life **on-line** enrollments for Today's Options via the Today's Options public site, the Today's Options agent website or through Medicare.gov.
- Certified agents **must not** refer Medicare beneficiaries to American Progressive's or Pyramid Life's Home Office, Administrative Offices or marketing offices for telephonic enrollment into Today's Options as telephonic enrollments will not be accepted by American Progressive, or Pyramid Life until November 15.
- Certified agents **must** advise Medicare beneficiaries that they should not submit any paper enrollments to American Progressive or Pyramid Life until November 15.

American Progressive and Pyramid Life Activities Between October 1 and November 14

Despite a Certified agent's advice to Medicare beneficiaries not to submit paper enrollment forms to American Progressive or Pyramid Life, CMS recognizes that Medicare Advantage organizations may nevertheless receive paper enrollment forms from Medicare beneficiaries prior to the start of the AEP on November 15.

- If American Progressive or Pyramid Life receives a paper enrollment request between October 1 and November 14, American Progressive and Pyramid Life **must**:
 - retain the enrollment request; and
 - within seven (7) calendar days of the receipt by American Progressive or Pyramid Life of a paper enrollment form, provide the Medicare beneficiary with a written notice that:
 - acknowledges receipt of the complete enrollment request; and
 - states that the enrollment is scheduled to take effect on January 1, 2009
 - process the paper enrollment request and submit the transaction to CMS on November 15 with an "application date" of November 15
 - processing will include compliance with CMS 2009 marketing requirements, including but not limited to, performing outbound telephone verification/education calls.
- American Progressive and Pyramid Life will not provide telephonic enrollment access until November 15 and will therefore not accept telephonic enrollments into Today's Options prior to November 15.
- Because paper enrollment requests received and processed by American Progressive or Pyramid Life between October 1 and November 14 must have an "application date" of November 15, American Progressive or Pyramid Life **may not** advance commissions prior to November 15 on such enrollments. American Progressive and Pyramid Life will begin advancing commissions within five (5) business days after November 15 in accordance with its usual and customary practices.

In summary, a properly certified agent may begin discussing Medicare Advantage and Medicare Prescription Drug plans beginning October 1st. Agents may not collect or submit January 1st '09 enrollments until November 15, 2008.

**THESE RULES MUST BE STRICTLY FOLLOWED WITH NO EXCEPTIONS.
FAILURE TO COMPLY WILL BE SUBJECT TO AMERICAN PROGRESSIVE'S AND
PYRAMID LIFE'S ZERO TOLERANCE POLICY.**

