



**CENTER FOR DRUG AND HEALTH PLAN CHOICE**

---

**DATE:** June 23, 2009

**TO:** All Medicare Advantage Organizations (MAO) and Prescription Drug Plan (PDP) Sponsors

**FROM:** Teresa DeCaro, R.N., MS /s/  
Acting Director, Medicare Drug and Health Plan Contract Administration Group

**SUBJECT:** Agent and Broker Training and Testing Module

As provided under 42 CFR 422.2274(b) and 423.2274(b), Medicare Advantage Organizations (MAOs) and Prescription Drug Plan (PDP) sponsors are required to train all agents and brokers selling Medicare products on Medicare rules, regulations and compliance-related information annually. In addition, sections 422.2274(c) and 423.2274(c) require agents selling Medicare products to annually pass written or electronic tests on Medicare rules, regulations and information on the plan products they intend to sell.

CMS has embarked on an important series of activities over the last year to improve the conduct of agents and brokers in the market place. To further ensure beneficiary protection, we will begin training and testing agents and brokers selling Medicare products to assure consistency in agent and broker training and testing on Medicare rules and compliance-related information. To that end, CMS has developed an online agent and broker training and testing module, which we expect to release as a pilot in July 2009 for the CY 2010 marketing season, and which we hope to expand to all sales agents for CY 2011.

The training module is divided into five lessons: (1) Medicare basics; (2) enrollment and disenrollment; (3) beneficiary protections; (4) marketing regulations and materials for sales agents; and (5) Medicare marketing events. Once users have progressed through all five lessons, they will be able access the certification examination and will receive a training certificate upon achieving a passing score of at least 85 percent.

We are currently finalizing and testing the parameters for the pilot, which we expect to release in July 2009. As the pilot will only be able to accommodate between 8,000 and 10,000 users this year, we are working with industry stakeholders to identify a discrete set of MAOs and PDP sponsors whose agents' participation can be accommodated. We will be reaching out to MAOs and PDP sponsors who do not already have contracting

relationships with other entities that offer agent and broker training and certification programs to solicit their participation in the pilot training and testing module.

We understand that agents and brokers that sell for a particular MAO or PDP sponsor – including those plans selected for participation in the pilot – often sell Medicare products for other MAOs or PDP sponsors. For that reason, it is our expectation that the agent and broker testing and certification provided through our pilot program will be recognized by MAOs and PDP sponsors not participating in the pilot. We also note that certification through our pilot training and testing program will not confer any special advantage to the agents and brokers who participate. Agent and broker use of this certification as a marketing tool will be prohibited. In addition, CMS is developing an evaluation of the testing and training module. The evaluation will include required feedback, at the conclusion of the module, from agents and brokers. The evaluation of the 2009 pilot will assist CMS with determining the effectiveness of the module and further develop the final module for release in CY 2011 and beyond.

We will provide further, detailed instructions to the organizations and sponsors that participate in our agent training and testing module. We very much look forward to working with MAOs and PDP sponsors on the implementation of this national training and testing module.