

## Medicare Supplement (Medigap) and Medicare Advantage Insurance

The National Association of Senior Advocates (NAOSA) requires its members to act in utmost good faith when working with clients, in a manner that the NAOSA member reasonably believes to be in the best interest of the client. The NAOSA Gold Standards of Professional Practice™ have been created as an additional tool to aid both consumers and professionals alike.

The NAOSA Gold Standards of Professional Practice™ are created by professionals in their specific fields to minimize, and even eliminate, gray areas that may exist in various business practices. Although these gray areas are often times legal, NAOSA experts generally agree that they do not serve the best interest of the consumer. Members who are non-compliant may be subject to censorship up to and including NAOSA membership revocation.

The NAOSA Gold Standards of Professional Practice for Medicare Supplement (Medigap) and Medicare Advantage agents/brokers requires that all members perform a thorough needs analysis prior to recommending a policy to a client. NAOSA requires that the client be educated in all aspects of coverage and at no time will the client be steered to one policy over another.

The Centers for Medicare & Medicaid Services (CMS) has strict rules regarding the sales and marketing of Medicare Supplement and Medicare Advantage plans. Individual states also have insurance regulations in place. **The following NAOSA Gold Standards of Professional Practice™ are requirements of NAOSA members and are not intended to replace or interfere with existing CMS or individual state rules and regulations already in place.** Be sure to visit the official US Government website for Medicare at [www.medicare.gov](http://www.medicare.gov) and your state's insurance commissioner for a complete listing of current rules and regulations.

### NAOSA Gold Standards of Professional Practice™:

**1: NAOSA Members Must Be an Unbiased Advisor:** In accordance with CMS regulations, members must remain unbiased and may not steer the client to a specific policy or insurance company.

**2: NAOSA Members Must Present Coverage from More Than One Company:** NAOSA Members are required to show plans from multiple insurance companies to ensure a complete comparison of benefits and premiums. In addition to CMS and state regulations where applicable, comparisons must include, at a minimum, policy benefits, premiums, out of pocket costs (including, but not limited to: deductibles, maximum out of pocket risk, co-payment and co insurance), prescriptions and provider network.

**3: NAOSA Members Must Present Medicare Supplement Insurance.** NAOSA Members may not only present Medicare Advantage Plans (with the exception of individuals on medical assistance). As stated previously, members must remain an unbiased advisor. Medicare Advantage Plans generally have lower premiums than a Medicare Supplement Policy, however, the lower premiums usually come with higher out of pocket costs if one becomes ill. This may be especially important if you choose to switch plans at a future date due to cost. Switching insurance plans may require additional underwriting and you may be ineligible to change plans due to medical history.

**4: NAOSA Members Must Thoroughly Compare Physicians and Other Medical Facilities Offered in The Policy Network Prior to Recommending A Policy.** A Medicare Advantage Plan physician and provider network may be limited and may not include your doctor, hospital or other provider. Before choosing any policy, NAOSA members must perform a thorough review of a client's current medical providers to verify participation and discuss alternatives if applicable. Note: Medicare Supplement "Select Plans", available in a few states, have limited networks as well. Be sure to check if you choose this option.

**5: NAOSA Members Must Offer to Review Prescriptions.** Prescriptions must be reviewed to ensure the client's current medications are listed on the suggested plan's formulary. This is especially important when comparing Medicare Supplement vs. Medicare Advantage Plans. **It is recommended that every individual review prescriptions and costs yearly.**

**6: NAOSA Members Must Be a Resource for Prescription Drug Financial Assistance If Applicable.** NAOSA members will be a resource for those who need guidance on finding resources to pay for prescriptions.

**7: NAOSA Members Must Provide Full Disclosure of Potential Out of Pocket Costs of a Medicare Advantage Plan.** If choosing Medicare Advantage Plan, clients should be comfortable with the potential of paying the deductible if applicable and maximum out of pocket costs of the Medicare Advantage Plan. A clear examination of potential future cost must be evaluated, especially if an individual is currently undergoing treatment for an illness, has a history of extended hospital stays and/or is being treated for other major chronic conditions that would require ongoing treatments. Even though Medicare Advantage Plans may be cheaper initially, serious consideration should be given to potentially higher costs due to illness.

Are you a professional in the Medicare Insurance field? We welcome your constructive input to assist in the protection of all consumers. Please [contact us](#)

**Professional Signature:**

I, \_\_\_\_\_, of \_\_\_\_\_  
(Professional Name) (Company Name if Applicable)

agree to uphold the National Association of Senior Advocates Gold Standards of Professional Practice™ as described above.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**Client Signature (Optional):**

I, \_\_\_\_\_

have reviewed the National Association of Senior Advocates Gold Standards of Professional Practice™ as described above. I understand that NAOSA members are required to uphold to these high standards and may be censured from NAOSA if violated. Complaints may be sent to info@naosa.org.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**The information contained herein is intended to be a useful guide in explaining Medicare supplement and Medicare Advantage insurance and is strictly NAOSA's opinion of best practices and is for informational purposes only.** This information is not a complete description of benefits. Contact the plan you choose for more information. Limitations, copayments, and restrictions may apply with all policies. Benefits, premiums and/or co-payments/co-insurance may change on January 1st of each year. As is the case with any product or service, this should not be considered financial or medical advice, an endorsement or recommendation of NAOSA. Always seek a qualified advisor when considering any product or service. For more information on the National Association of Senior Advocates Gold Standards of Professional Practice, please visit our website at [www.NAOSA.org/Gold-Standards](http://www.NAOSA.org/Gold-Standards)