



A Guide on

HOW TO SELL MEDICARE SUPPLEMENTS

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Selling Medicare Supplement plans can be a straightforward way to earn extra income each year while helping Americans in need. With the aging baby boomer population and a large Generation X right behind them, Medicare sales agents will see a steady supply of potential clients for the foreseeable future. Whether you'd like to start a new career or simply create an additional income stream, this eBook will cover everything you need to know to help others, grow your book of business and maximize your success!

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UNDERSTANDING THE BASICS

Medicare is a federal health insurance program open to people who are 65 or older and younger individuals with certain disabilities. The program has four Parts: A, B, C, and D. While these parts cover a lot of health care costs, they don't cover everything. Beneficiaries can buy privately-sold plans, such as Medicare Supplements, for more coverage.

What Are Med Supp Plans?

Sometimes called Medigap plans, Medicare Supplement (Med Supp) plans are insurance policies sold by private insurance companies that supplement the coverage of policyholders enrolled in the federal Medicare Part A and B ("Original Medicare") programs. (Policyholders with Medicare Parts A and B can also be enrolled in a Medicare Part D prescription drug plan.) Individuals enrolled in a Medicare Part C Medicare Advantage plan are not eligible for a Med Supp policy.

Offered in lettered plans, all Med Supp plans are standardized. This means plans with the same letter offer the same benefits from carrier to carrier and in all states. Plans with different letters offer different benefits. (In Massachusetts, Minnesota, and Wisconsin, standardized plans can be changed without federal approval.)

Standard Med Supp Plans & Benefits

Currently, there are eight Med Supp plans available to newly eligible Medicare enrollees: A, B, D, G, K, L, M, and N. Plans C and F are available for those eligible for Medicare before January 1st, 2020. Plans E, H, I, and J no longer accept newly eligible enrollees. Anyone still in these six plans has been grandfathered into them.

Typically, Med Supp plans help cover coinsurance, copays, and deductibles for Medicare Parts A and B. All Med Supp plans will offer at least some coverage for the first three pints of blood for a medical procedure. Some will also offer foreign travel benefits. Only two have out-of-pocket limits. The chart on the next page outlines all of the Med Supp plans and their benefits.

Standard Med Supp Plans & Benefits Chart

Benefits	Plans Available to Everyone								Plans Available to Those Eligible Before 1/1/2020	
	A	B	D	G*	K**	L**	M	N***	C	F*
Part A coinsurance and hospital costs up to an additional 365 days after Medicare benefits are used up	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Part B coinsurance or copayment	✓	✓	✓	✓	50%	75%	✓	✓ ²	✓	✓
Blood (first 3 pints)	✓	✓	✓	✓	50%	75%	✓	✓	✓	✓
Part A hospice care coinsurance or copayment	✓	✓	✓	✓	50%	75%	✓	✓	✓	✓
Skilled nursing facility care coinsurance			✓	✓	50%	75%	✓	✓	✓	✓
Part A deductible		✓	✓	✓	50%	75%	50%	✓	✓	✓
Part B deductible									✓	✓
Part B excess charges			✓					✓		
Foreign travel exchange (up to plan limits)		80%	80%		80%	80%	80%	80%		
Out-of-pocket limit ³	N/A	N/A	N/A	N/A	\$6,940	\$3,470	N/A	N/A	N/A	N/A

*Plans F & G offer a high deductible plan in some states.

**Plans K & L show how much they'll pay for approved services before you meet your out-of-pocket yearly limit and Part B deductible. After you meet them, the plan will pay 100% for approved services.

***Plan N pays 100% of the costs of Part B services, except for copayments for some office visits and some emergency room visits.

Note: A check mark means the plan pays 100% of the benefit. Med Supp plans are standardized differently in MA, MN, and WI.

Guaranteed Rights

All Med Supp plans are **guaranteed renewable**, meaning clients can stay in their plan as long as they continue to pay its premiums. Only Med Supp Plans A, B, C, D (sometimes), F, G (sometimes), K, and L can be **guaranteed issue**, meaning if you have a guaranteed issue right (see table on page 27), you don't need to pass underwriting to buy a plan. Guaranteed issue rights usually come from having other health coverage that changes or is lost. Med Supp Plans D (sometimes), G (sometimes), M, and N are not guaranteed issue, unless specified otherwise. Hence, individuals may not be able to join or switch to Plans D, G, M, and N outside of their Medigap open enrollment period if they aren't healthy enough to pass underwriting.

With the 2020 Med Supp changes, Plans D and G replaced Plans C and F as guaranteed issue plans for people newly eligible for Medicare on or after January 1, 2020. This means these individuals can switch to Plans D and G outside of their Medigap Open Enrollment Period, even if they have past or present health conditions, as long as they have a guaranteed issue right. This is because they are not able to enroll in Plans C or F. (For more info on the 2020 Med Supp changes, visit page 37.)

Premiums

Regarding cost, Med Supp plans that offer more coverage often have higher premiums (e.g., Plan G usually has a higher premium than Plan A). Those that offer less coverage frequently have lower premiums. Insurance companies typically set prices for their Med Supp plans using either a rate based on the plan’s community (member pool), enrollee’s issue age, or enrollee’s attained age. Here are the main differences between the three types of ratings:

Community-rated policies	Issue-age rated policies	Attained-age rated policies
Every plan member pays the same price for the plan.	The plan uses the enrollee’s age on their policy start date to determine what they pay for the plan.	The plan uses the enrollee’s age on their policy start date to set the initial rate they pay. Carriers adjust this rate each year based on an age-related increase.

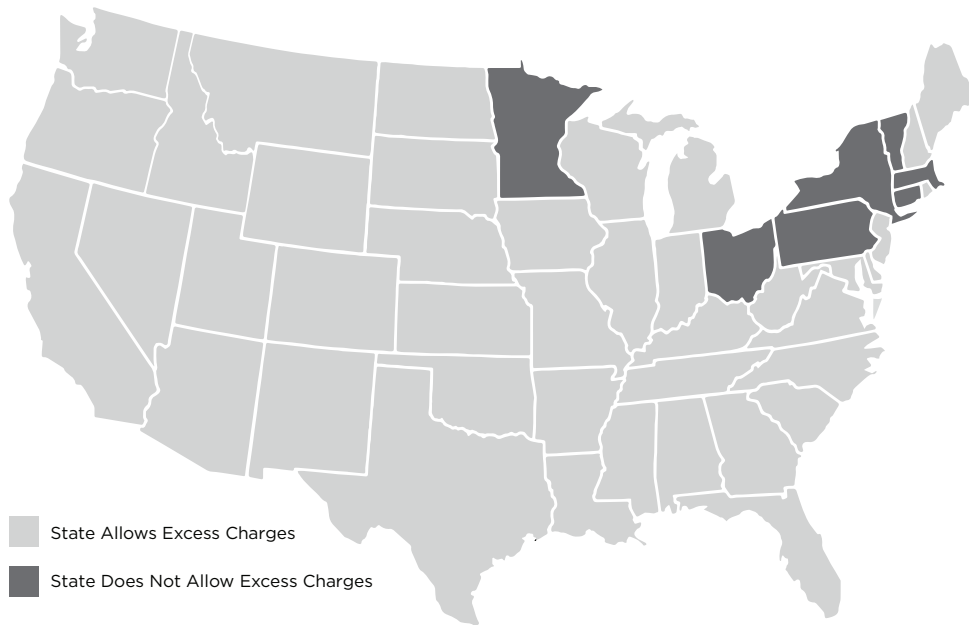
Attained-age rated policies tend to be the most common ones on the market. Some states actually require Med Supp plans to be community rated or issue-age rated. With all three types of plans, carriers may increase premiums due to inflation and other factors. Other factors that can affect someone’s premium include: their gender, use of tobacco, where they live, when they enroll in the plan, whether they’re eligible for a household discount, how they pay their premiums (e.g., monthly, quarterly, annually, electronic fund transfer, check, or card), and rising health care costs.

Excess Charges

Depending on what Med Supp plan a client wants to enroll in and the state they live in, they may have to watch out for excess charges. Only Plans F and G cover **excess charges** — the differences between the costs that a doctor who doesn’t accept a Medicare assignment can charge and what Medicare has established for reimbursement. This extra coverage typically drives the premium of Plan G higher than that of Plan D.

If a beneficiary only receives care from doctors who accept a Medicare assignment, he or she won’t incur excess charges. Some states don’t allow doctors to charge more than the Medicare-assigned rate. These states include Connecticut, Massachusetts, Minnesota, New York, Ohio, Pennsylvania, Rhode Island, and Vermont.

Which States Allow Medicare Part B Excess Charges?



Services Not Covered by Med Supp

There are a few things that Med Supp doesn't cover. Generally, these plans don't cover things like:

- Prescription drugs
- Routine dental, vision, and hearing services and supplies (e.g., fillings, glasses, hearing aids)
- Custodial long-term care

There are additional, privately sold plans (e.g., prescription drug plans; dental, vision, and hearing plans; and short- and long-term care solutions) available to Med Supp enrollees to help them pay for these types of services. As a licensed agent, you can also sell these plans.

ACTION STEP

Familiarize Yourself With Med Supp Plans

Get to know the standard plans and benefits, and how this type of insurance works.



THE VALUE OF SELLING MED SUPP

Many insurance agents sell Part C Medicare Advantage plans. With Medicare Advantage sales far less abundant outside of the fall Annual Enrollment Period, landing new clients during winter, spring, and summer seasons can be tough. Whether you're a career agent or someone looking for a side gig, selling Med Supp can provide you with a steady stream of (extra) income year round. Here's more about why they're a valuable product for agents to sell.

Medicare Advantage vs. Med Supp

According to the Kaiser Family Foundation, just over half of Medicare beneficiaries are in a Medicare Advantage (MA) plan. This means that nearly half of Medicare beneficiaries are in Original Medicare — with or without the benefits of a Med Supp plan.

MA plans aren't the best fit for all Medicare-eligibles. Enrolling in Original Medicare and purchasing a Med Supp to fill in the gaps may make more sense for a client based on where they live, their hobbies, desires, and financial situation.

The diagram below covers the main differences between MA and Med Supp plans. As you can see, Med Supp plans can be more flexible in many ways.

MA	BOTH	MED SUPP
<ul style="list-style-type: none">• Alt• Has set service areas• Plans not standardized• Beneficiaries' providers may be restricted by a network• Beneficiaries can only enroll in plans during an Initial, Special, or Annual Enrollment Period• Can include prescription drug coverage	<ul style="list-style-type: none">• Option for Medicare eligibles• Have monthly premiums (except for \$0-premium MA plans)• May or may not leave enrollee with a deductible• Enrollee needs to pay Part B premium	<ul style="list-style-type: none">• Supplements Original Medicare coverage• No set service areas• Plans standardized for most states• Beneficiaries can usually see any Medicare provider in the country• Beneficiaries can enroll in plans year round• Doesn't include prescription drug coverage



Typically, the biggest deciding factors when picking between MA and a Med Supp are the client's ability to pay Med Supp premiums and if they'd like to avoid "headaches" (confusing copays and/or coinsurance, no network, etc.). Another good example of when a Med Supp might be a better fit involves prescription drug costs. For example, some people find that their prescriptions cost them more out of pocket in a Medicare Advantage Prescription Drug (MAPD) plan. Their costs may be less with Original Medicare, a stand-alone prescription drug plan, and a Med Supp.

Portfolio Enhancement & Business Expansion

Contracting to sell Med Supp can do wonders for your portfolio and business. If you're already selling other products, offering Med Supp plans will help you diversify your portfolio, complement your existing product offerings, and be proactive with insurance industry trends. It will also allow you to expand the number of clients you serve.

“Med Supp plans are often a gateway product that can lead you to make other sales.”

Not only that, but Med Supp plans are often a gateway product that can lead you to make other sales. An appointment with a Med Supp client can present the perfect opportunity to cross-sell other plans that can keep their out-of-pocket costs down and boost your commission.

Ease of Sale

Another perk of selling Med Supp is that it's pretty easy to do. e-Applications are available from most carriers, allowing you to work quickly and efficiently (and over the phone if you can do so compliantly). Additionally, these plans don't have a special sign-up period, so you can sell them year round. And unlike MA and prescription drug plans, you don't need to complete certifications to sell most Med Supp plans.

If you're an independent agent, field marketing organizations (FMO) are around to help make growing your Med Supp business even easier. When you team up with the right FMO, you can have access to top products, general and carrier-specific product trainings, marketing resources, state-of-the-art technology, competitive compensation, and more!

Commissions & Other Perks

You may want to help your family, friends, community members, and others get the coverage they need, but let's be real: You're probably also interested in or already selling insurance because it benefits you, too.

Selling Med Supp is an excellent means to make extra money on the side or start a new career that will not only pay you commissions for new sales but also for sales you made in the past.

After selling a Med Supp policy, you could receive renewal commissions for around six years or longer — possibly even the lifetime of the policy — depending on the carrier!

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It's reasonable to say that, if you put in the time and effort, you could be making a good living from Med Supp sales alone after just a few years. But it doesn't stop there — your Med Supp production may also qualify you for carrier incentive trips to popular or exotic destinations, free technology, marketing materials, or bonuses. (This often isn't the case with MA production.) So, you can still feel good giving others access to affordable coverage and care while providing for yourself, your family, and your dreams!

ACTION STEP

Understand Why Med Supp Plans Are Valuable to Sell

Know what makes them different than MA, what makes them easy to sell, and what kind of compensation and extras you could earn.





GETTING LICENSED

What do you need to do to start selling Med Supp? If you're already a licensed health insurance agent, you probably just have to learn the plans and rules for Med Supp sales and get appointed with carriers. If you're just getting started in insurance sales, you'll have to take some additional steps. Don't worry, though — they aren't really that difficult to complete!

What's Required to Sell Med Supp?

Generally, to sell Med Supp, you'll need your health insurance license and errors and omissions (E&O) insurance. Once you get licensed to sell and have insurance protection, you'll need to contract with carriers in order to sell their products. (We'll discuss that more in the next chapter.)

How Do I Get Licensed?

Since requirements for licensing can vary by state, it's important you know and abide by the regulations for each state you'd like to sell in. Usually, you can find this information and required documentation on each state's Department of Insurance website. (You can find these websites by clicking on your state on the **National Association of Insurance Commissioners' website**.) The **National Insurance Producer Registry's (NIPR) website** is another place you'll want to look.

Depending on the state, you may have to complete pre-licensing education. If you do, we may be able to give you a code or personalized link for a discount on the cost of this type of training through **WebCE.com**. You'll also have to complete a background check, the licensing test, and a license application.

ACTION STEP

Get Licensed to Sell Med Supp

Check with your state(s) to find out their licensing requirements, complete necessary education, take the test, and get your E&O insurance.



PREPARING YOUR PORTFOLIO

After you get licensed and pick up your E&O coverage, you'll be ready to start adding Med Supp products to your portfolio. Your clients' health, budgets, and preferences are unique, so offering a variety of plans will serve you (and them) well. Let's explore how you can find and stock up on the good ones.

Choosing Carriers

As you start building your portfolio, we recommend thinking of it as your toolbox. You want to have different tools for the different situations you run into.

Some clients want a plan with the lowest premium, while some want a plan with a trusted name or extra perks. Offering plans that meet each of those descriptions could be beneficial, even if it's just to represent the product and say why you don't think it's the right fit. For example, if another agent comes to your client and says, "I can save you \$50 per month," it could make you look bad if you never mentioned that option. If you bring up the cheap plan initially — and explain why you don't sell it (even though you could) — it could make you look better when that next agent walks through the door.

“Think of your portfolio as your toolbox — have different tools for different situations.”

As you're scouting out carriers and scoping out plans, it's important to see if they have strong financials and competitive premiums. You also want to review the underwriting questions for the plans you're looking to add. You can expect to meet with prospects who are healthy and prospects who aren't. Having plans that provide passable underwriting for all of your clients' various needs and conditions is important, even if they do cost more.

The table on the next page lists everything you should consider when picking Med Supp products for your portfolio. Be sure to diversify in every spectrum when building your offerings. Remember, pricing may vary, but the products that fit your clients' needs are priceless.

Everything to Consider When Picking Med Supp Carriers

A.M. Best Rating	Is the carrier rated A or higher? (A++ is the best rating a carrier can get.) A company's rating shouldn't be a deal breaker, but it can give you an idea of the company's financial worthiness. Just keep in mind, some small or single-state Med Supp carriers don't receive ratings at all.
Underwriting Requirements	Do they have pre-existing clauses? How far back do they look for conditions?
Monthly Premiums	Are they competitive? Have they been stable over the last few years? Do they benefit a certain age group? Are there substandard rates for clients who may not pass underwriting?
Household Discounts	Does the plan offer these discounted premiums for two members of the same household applying for individual policies with the same carrier?
Additional Features and Benefits	What other perks are available (e.g., fitness memberships or telehealth)?
Brand Name	Do people recognize and trust the carrier's name?

Many Med Supp carriers offer what's called a "household discount" for spouses, civil union partnerships, and/or two permanent residents of the same household who have their Med Supp plans through the same company. Household discounts generally take a percentage off qualifying enrollees' Med Supp premiums. This percentage can be as high as 12 percent, though most seem to be around seven percent. Requirements for getting the discount and the discount itself vary by state and carrier. Some companies don't even require the partner or housemate to have a policy in order for your clients to get the discount.



Getting Contracted

You've picked the carriers whose Med Supp plans you want to sell. Now what?

In order to sell those carriers' products, you must contract (or "get appointed") with them. If you're already contracted with that carrier to sell another type of product, you may not have to complete more contracting to sell their Med Supp plan(s). Some carriers do require you to complete a new contract for each of their product lines you sell, though.

Once you submit contracting paperwork, it takes the carrier an average of about seven to 10 business days to process it and any background checks. Contracting turnaround time closer to the Annual Enrollment Period can take as long as four to six weeks, so the earlier in the year you contract, the better!

**“Contracting turnaround time closer to the AEP
can take as long as four to six weeks, so the earlier
in the year you contract, the better!”**

All contracts will discuss your partnership with the carrier and your FMO (if you contract with the carrier through one), and any product requirements you must meet. It will also cover how you'll be paid for the sales you make and potential renewals. If you ever have any questions about your relationship with a carrier or your FMO (if you contract with the carrier through one), chances are you'll find the answers in your contract.

Ready to add a Med Supp contract to your portfolio? Contracting can be as simple as logging in to your FMO's online portal, if online contracting is available. In some cases, you can complete a contract on paper. Start by reaching out to your upline to find out how to proceed!

Do I Need to Complete Any Certifications?

One of the beauties of selling Med Supps is that certification is not required in almost all cases. There is at least one carrier who does require annual certification to sell their Med Supp plans though, so make sure you check with your carriers or your FMO to be sure of what you need to do.

“Annual certification is not required in almost all cases.”

ACTION STEP

Add Med Supp Plans to Your Portfolio

Contract with stable, competitive, and brand-name carriers. Be sure to partner with carriers with various underwriting standards to provide options for all your clients — healthy and sick.



MARKETING & GENERATING LEADS

There are many people out there who are confused about their Medicare options and looking for someone like you to help guide them through the process of selecting coverage. Once you're ready to sell products like Med Supp, how do you find them? And, even better, how can they find you?

How to Market Yourself

If you want to increase your business's visibility, you have to market yourself. To do that, you need a clear understanding of what you want to accomplish with your business.

Start laying out your marketing plan by defining your business's function, appeal, identity, and audience. While planning, be sure to answer the following questions:

- What goods or services do you plan to provide?
- How do you plan to provide them?
- What sets you apart from other agents?
- Will you use your name or a business name?
- What image (photograph or logo) will people associate with you?
- How do you plan on connecting with people?

As you continue developing your strategy, think personal branding over self-promotion. Consider ways you can make people remember your name (in a positive light) and want to contact you. For example, try partnering with local organizations (e.g., libraries) to do educational events. Something like that can increase your exposure and shows you care about your community.

“Think personal branding over self-promotion.”

Ways to Find Leads & Prospects

After you have a basic idea of how you want to market your business, it's time to consider the ways you want to market it. A good place to start is telling your family and friends about your services and seeing if they need help understanding or enrolling in Medicare plans. Once you've exhausted these connections, consider the methods below.

Networking

There's a lot of value in face-to-face interactions. Here are some great ways to network:

- **Learning experiences:** Attend community workshops, events, and trade shows to stay current on trends and meet new people. Hold educational seminars and sales events to meet prospects.
- **Networking events:** Host or attend mixers and open houses to meet individuals or organizations in other industries who could use or promote your product and connect you to potential clients.
- **Partnerships:** Look for potential affinity partners — business opportunities with others who also serve your demographic. Consider local financial planners, banks, churches, and pharmacies who can refer your business.
- **Local community:** Join service organizations, business associations, or your local Chamber of Commerce and volunteer your time. These are fantastic ways to connect with other professionals, keep your finger on the pulse of your community, and draw positive attention to yourself.

Advertising

Sometimes you need to get a message out with a wider reach than you can muster on your own. If you're moving to a new location or making another significant change, advertising is a great way to let everyone know. You can even target a specific demographic if you'd like! Available formats include:

- Digital ads (e.g., website, social media, banners)
- Print ads (e.g., direct mailers, flyers, slim jims)
- Television ads
- Radio ads

Going Door to Door

Unlike with MA and prescription drug plans, you can compliantly get Med Supp leads by going door to door (as long as the carrier and state don't prohibit it). Just remember to always be polite and helpful, not pushy, when interacting with potential clients. Nobody wants to feel like they're being sold to.

Cold Calling

Also unlike with MA and prescription drug plans, you can compliantly market Med Supp plans over the phone (as long as the carrier and state don't prohibit it). Some states even allow Med Supp telesales! Just remember to always make sure that the leads you purchase are worth your investment, compliant, and scrubbed against the Do Not Call list. Violating the Do Not Call list could cost you thousands of dollars.

Referrals

Referrals can play a large role in building your client base if you brand yourself right. The best way to get them is to be an agent who cares. While you can't ask for referrals in certain states (e.g., Ohio), you can try to keep your current clients happy enough to want to recommend you on their own. Try to send out newsletters with info your clients might be interested in or should know about. Around their birthday or the holidays, send them a card with a short, personalized note.

Writing & Delivering an Effective Med Supp Call Script

Many agents like purchasing lead lists and do cold calling for Med Supp. We frequently see and hear requests for Med Supp phone scripts, so let's look at how you can prepare for telesales and craft your own scripts. (To help you get started and give you some ideas, we've also included two free Med Supp phone script templates at the end of this guide!)

Where to Start

You want your clients to think of you as their trusted advisor. If you continually pause the conversation to rustle through papers for information, it puts that trust at risk.



ACTION STEP

Develop a Marketing Plan

Define your business's function, appeal, identity, and audience and what you want to accomplish.

Make sure you know the ins and outs of the plans you'll offer. Also, plan out answers to potential questions, including simple ones, like "What is a Medicare Supplement?" and more complicated ones like, "Can I still see the doctor I'm seeing now?" It will make you feel more comfortable when it's your turn to talk and help you keep the conversation moving forward.

"You want your clients to think of you as their trusted advisor. If you continually pause the conversation to rustle through papers for information, it puts that trust at risk."

What to Say

You have a limited amount of time to build rapport with your caller. Start by introducing yourself, but don't apologize for interrupting. Rather, get to the point by addressing your contact by name and letting them know why you're calling and how long the call will take. Don't forget to ask the caller if that's OK. (Yes, really!) By letting them answer this question, you're allowing them to feel like they're in control of the direction of the conversation.

Establish your potential clients' current insurance plan upfront, listen well, and take notes. This will help you determine what they're in the market for. Additionally, avoid sales jargon and clichés. That kind of verbiage works well on sales materials, but when you say it out loud, it sounds gimmicky and artificial. You want to sound natural, like you're talking with a friend.

How to Say It

While it's great to have a script, you don't want to sound like you're reading from one. There's a big difference between your reading voice and your natural speaking voice. You should aim to sound comfortable and use language you'd use during conversations.

“While it's great to have a script, you don't want to sound like you're reading from one.”

When talking to a prospective client on the phone, try standing up! It gives you the ability to pace and use body language you'd use in regular conversation. If you tend to gesture when you speak, consider wearing a headset so your hands remain free to move.

Track Your Progress

Like many sales methods, call scripts are a work in progress. That means you should evaluate your script on a regular basis to see if it's helping you meet your goals. Keep what's working and change what's not. Don't be afraid to try new things and mix it up from time to time. Everyone has different preferences, so remember that when you're speaking to people.

Building a Presence Online

There's no arguing it anymore. The internet has become an invaluable tool to insurance agents. Nowadays, people can find almost anything they want online — that includes insurance professionals to help them through difficult decisions. It's becoming increasingly important that you not only market yourself in the real world, but also in the virtual realm.

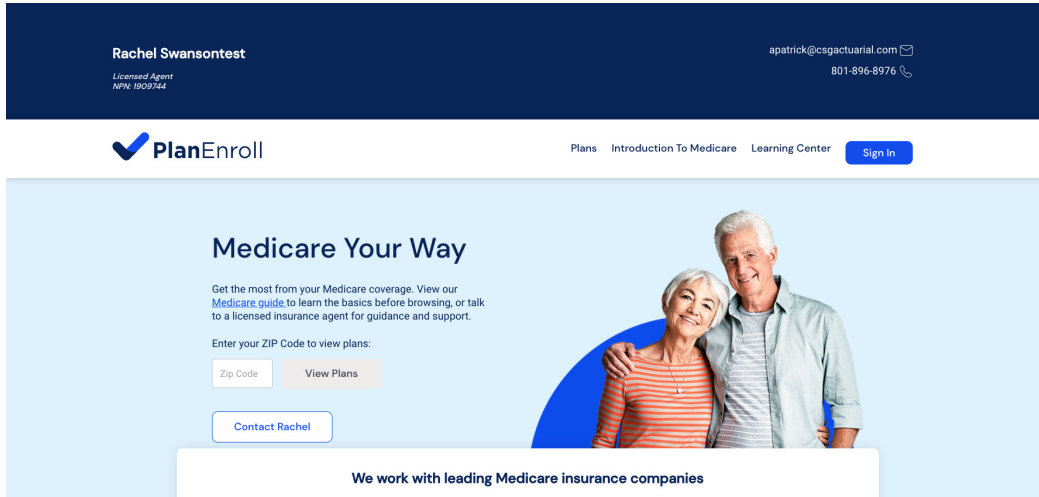
Getting a Website

You want your clients to be able to find you when they type your name into a search engine, like Google. That means you need a website. Every website has a unique domain name, and that's where you need to begin. Brainstorm a few different ones for your website, while keeping it simple. Unusual spellings may look clever on paper, but they can fall flat when spoken out loud.

Once you decide on a domain name, you'll need to decide who will host your page. Price points and features will vary between hosting companies. Prices may go up as you add features, such as additional storage, higher bandwidth, customization, etc. Like any other product, it's important to shop around for the best deal.

Which additional features should you consider? Including a blog on your site enables you to write about current events and offer insight. You can use it to build credibility and gain a solid online following. If you're thinking about hosting a blog, be sure to choose a platform that offers the option.

If you're looking for something simpler, remember that contracted Integrity agents have access to their own Personal Agent Website! To find yours, log in to your MedicareCENTER account and view your account information.



ACTION STEP

Start Using Your Personal Agent Website

Find your link on your MedicareCENTER account page. To learn more, visit the MedicareCENTER Learning Center for in-depth training guides.

Using Social Media

Effective marketing requires a social media plan. While you're brainstorming, consider different username options. Test for availability on all of the social networks you plan to use. Ideally, you want to be able to use the same name across every social media platform.

“Effective marketing requires a social media plan.”

Remember, there's no shame in signing up for more sites than what you initially plan to use. It will ensure that your branding stays consistent, even if your marketing strategy shifts down the road. As you're deciding which social networks you want to use, consider the demographics you'd like to target and how each platform could help you reach your goals.

Facebook	LinkedIn	Twitter
Share content with 2.9 billion worldwide users who log in to the platform daily	Position yourself as a thought leader among your professional peers	Contribute to real-time discussions on many topics



RECOGNIZING IDEAL CLIENTS

To maximize your time and marketing budget and provide the best customer service, it's important for you to be able to recognize which prospects and leads are a great fit for a Med Supp and which would be better off in another type of plan. We'll start by going over the characteristics of people who are actually eligible for these plans.

Who Qualifies for Med Supp?

Generally, a prospect or client will qualify for any available Med Supp if they can check off all the items below.

- Has Medicare Parts A and B
- DOESN'T have, or intend to keep, a Medicare Advantage plan
- In their Med Supp Open Enrollment Period

If the prospect is outside of their Med Supp Open Enrollment Period and would like to enroll in a plan, they may also have to be healthy enough to pass underwriting. This is especially true if they don't have a guaranteed issue right and/or are looking to enroll in Med Supp Plans D, G, M, and N.

“If a prospect would like to enroll in a plan, they may have to be healthy enough to pass underwriting.”

Some carriers will disqualify anyone applying for a Med Supp who has certain conditions (e.g., diabetes, multiple sclerosis, cancer within the last few years, chronic obstructive pulmonary disease, amputation, or neuropathy) or anyone who has been hospitalized within the last few years.

What Does the Ideal Client Look Like?

If your prospect or client qualifies for a Med Supp, that's great! But, it doesn't automatically mean they should buy one — or that you should suggest they buy one. When thinking about who to sell Med Supp plans to, consider the qualities of picture-perfect clients shown below.

IDEAL CLIENTS

- Live in a rural area with limited MA and/or network options
- Like to travel (snowbirds, sunbirds, and travel enthusiasts)
- Are on a budget/fixed income (want to know their costs every year)
- Could save money on their prescriptions with Original Medicare
- Don't want to be confined in an MA plan's provider network
- Have health issues or conditions (won't be able to pass underwriting in the future)
- Don't want to deal with copays or coinsurance*
- Have a higher income
- Prefer Original Medicare and want more security than it alone

KEEP IN MIND

Clients might see lower premiums if they:

- Are female
- Don't have a history of tobacco use
- Buy a Med Supp during their Med Supp Open Enrollment Period or during their 60s or early 70s

*Some Med Supp plans have copays or coinsurance and some don't. For specific benefit details, view the Med Supp plans and benefits comparison chart at the end of this eBook.



Should Someone With VA Benefits Buy a Med Supp?

The Department of Veterans Affairs (VA) strongly encourages veterans to enroll in Medicare as soon as they become eligible. Original Medicare and a Med Supp plan can give clients who have VA benefits more flexibility in their health care options and possible cost savings.

With VA benefits, there can be issues related to wait time (can be a longer wait to be seen at a clinic or hospital), networks (limited to VA clinics and hospitals), and travel (finding and getting to a local VA clinic or hospital can be more difficult than finding or going to a general clinic or hospital). Additionally, the VA may deny coverage to some veterans, even in emergency situations, if they received care at a non-VA approved facility.

“Original Medicare and a Med Supp policy can come in handy to a veteran if their VA benefits are reduced or removed down the road.”

Medicare coverage can help limit veterans’ out-of-pocket costs and provide them access to covered care in many facilities, even ones outside of their home state. Beneficiaries with Medicare Parts A and B can see any provider accepting Medicare in the U.S. So, for people with VA benefits and Original Medicare, it’s not necessary to wait for a pre-authorization to use a non-VA approved facility or other provider. Med Supp can offer clients with VA benefits and Original Medicare even more protection. Specifically, Original Medicare and a Med Supp policy can come in handy to a veteran if their VA benefits are reduced or removed down the road.

ACTION STEP

Know What Your Ideal Client Looks Like

Is your client a homebody who lives in a major city? A Med Supp plan may not be their best option. Refer to the infographic we provided for the characteristics of ideal Med Supp clients.





DETERMINING THE RIGHT FIT

Have some Med Supp prospects? When you help clients enroll in the plan that best meets their needs, you can increase your chances of retaining their business, receiving renewal commissions, and getting referrals. How can you ensure the plans you recommend to them are the right ones?

Assessing Your Clients' Needs

If you have clients who are a good fit for a Med Supp plan with an interest in enrolling in one, it's important you ask them about their health, lifestyle, medical needs, and budget.

Med Supp plans can have different rates based on an individual's ZIP code, age, gender, use of tobacco, and marital status. And while all Med Supp plans (except Medicare SELECT plans) give beneficiaries the flexibility to visit any Medicare provider in the U.S., only certain ones include a foreign travel emergency benefit.

“Med Supp plans can have different rates based on an individual's ZIP code, age, gender, use of tobacco, and marital status.”

Some clients are willing to pay more for the security that benefit-rich Med Supp plans offer, especially if they have or foresee health issues that could lead to large out-of-pocket expenses. Some clients won't want — and/or don't need — that much coverage, at least for now. To make a good plan recommendation, be sure to feel out which type of client you're working with and take their preferences into consideration as well.

Med Supp Plan Coverage-Premiums Spectrum

Most Coverage Plans C, D, F, and G	Middle-of-the-Road Coverage Plans M and N	Lower Premiums Plans A, B, K, and L
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Understanding Underwriting

Med Supp insurance companies can sometimes use medical underwriting to decide whether to accept someone's application. Certain health conditions can be a deal breaker, so it's vital you understand if your client is subject to underwriting, and if so, if they're likely to pass it.

If you have a client who'd like to buy a plan during their Med Supp Open Enrollment Period, they can buy any plan their desired company sells without having to pass underwriting. Your client also won't have to pass underwriting if they have a guaranteed issue right to buy a plan or switch to a different one.

Guaranteed issue rights can vary from state to state. For information on what the federal government constitutes as a guaranteed issue right, see the table below.

Your Client Should Have a Federal Guaranteed Issue Right if...	
They have an MA plan and...	Their plan is leaving Medicare or their service area
	Are moving out of their plan's service area
	Are within their first year of enrolling in the plan, joined the plan when they became eligible for Part A at age 65, and want to switch Original Medicare
	Have been in the plan under one year, dropped a Med Supp plan to enroll in an MA plan for the first time, and want to switch back to Original Medicare
	Are leaving it due to being misled by the company or the company not following rules
They currently have Original Medicare and...	Employee group or union (includes retiree and COBRA) coverage that pays following Medicare and that coverage is ending
	A Medicare SELECT plan and are leaving that plan's service area
	Dropped a Med Supp plan to join a Medicare SELECT plan for the first time, have been in the plan under one year, and want to switch back to a Med Supp
	A Med Supp plan and the Med Supp carrier goes bankrupt and they lose coverage, OR their coverage ends due to reasons that aren't their fault
	A Med Supp plan and are leaving it due to being misled by the company or the company not following rules
They currently have Programs of All-Inclusive Care for the Elderly (PACE) and...	Are within their first year of enrolling, joined the program when they became eligible for Medicare Part A at age 65, and want to switch to Original Medicare

Note: The guaranteed issue rights in the table above are federal law. Certain states give residents additional Medicare Supplement rights.

If your client is outside of their Med Supp Open Enrollment Period and wants to buy or switch to a non-guaranteed-issue plan, they'll have to pass underwriting. This involves them having to answer questions about their health. The insurance carrier uses your client's responses to gauge how expensive they'll be to cover. Your clients could see the following types of questions:

- What is your height and weight?
- Are you currently or have you been recently hospitalized?
- Have you been diagnosed with _____ condition?
- In the past _____ years, have you been treated for _____?

For some carriers, answering "yes" to any of these questions can lead to an immediate decline. Others specifically offer plans with higher premiums for people who aren't super healthy. In general, health conditions rarely factor into a policy's premium, but clients can be charged a higher rate for being a smoker.

Narrowing Down a Plan Type

You've assessed your clients' needs and understand where they fall regarding underwriting. Now comes the fun part: weighing their options and picking the best Med Supp plan letter for them. Remember, if there is a health situation and the client won't be able to switch plans, they need to be in the plan that will work for them in the future as well. Use the table on the next page and a chart of the standard Med Supp plans and benefits to narrow down the right letter.

ACTION STEP

Assess Your Clients' Needs

What are your clients' health, lifestyle, medical needs, and budget like? Do they have any preferences about their plan? Will they pass underwriting?

Standard Med Supp Plans and Ideal Clients

For notable features of each plan option, visit [Medicare.gov](https://www.medicare.gov)

Plan Type	Ideal for Clients Who...
Plan A	<ul style="list-style-type: none"> • Want a lower premium and aren't as concerned about out-of-pocket costs if hospitalized • Live in states that don't allow excess charges • Don't travel outside of the U.S.
Plan B	<ul style="list-style-type: none"> • Want a lower premium and are concerned about out-of-pocket costs if hospitalized • Live in states that don't allow excess charges • Don't travel outside of the U.S.
Plan C (Available to Those Eligible for Medicare Before 1/1/2020)	<ul style="list-style-type: none"> • Were eligible for Medicare before January 1, 2020 • Visit the doctor or hospital at least semi-frequently • Have a guaranteed issue right and are switching to a (different) Med Supp outside of their initial Open Enrollment Period and won't be able to pass underwriting for other plan types due to a health issue • Live in states that don't allow excess charges • May travel outside of the U.S.
Plan D	<ul style="list-style-type: none"> • Want to be in a benefit-rich Med Supp that should have stable rates for years to come • Are concerned about paying for future hospital visits • Live in states that don't allow excess charges • May travel outside of the U.S.
Plan F (Available to Those Eligible for Medicare Before 1/1/2020)	<ul style="list-style-type: none"> • Were eligible for Medicare before January 1, 2020 • Visit the doctor or hospital at least semi-frequently • Have a guaranteed issue right and are switching to a Med Supp outside of their initial Open Enrollment Period and won't be able to pass underwriting for other plan types due to a health issue • Live in states that allow excess charges • May travel outside of the U.S.
Plan G	<ul style="list-style-type: none"> • Want to be in a benefit-rich Med Supp that should have stable rates for years to come • Are concerned about paying for future hospital visits • Live in states that allow excess charges • May travel outside of the U.S.
Plan K	<ul style="list-style-type: none"> • Want a lower premium • Are aging into Medicare • Are accustomed to having employer coverage • Have OOP expenses • Live in states that don't allow excess charges • Don't travel outside of the U.S.
Plan L	<ul style="list-style-type: none"> • Want a lower premium • Live in states that don't allow excess charges • Don't travel outside of the U.S.

Standard Med Supp Plans and Ideal Clients

For notable features of each plan option, visit Medicare.gov

Plan Type	Ideal for Clients Who...
Plan M	<ul style="list-style-type: none">• Don't mind paying 50% of their hospital deductible• Live in states that don't allow excess charges• May travel outside of the U.S.
Plan N	<ul style="list-style-type: none">• Only visit the doctor a few times a year• Value having a lower premium than Plan F• Live in states that don't allow excess charges• May travel outside of the U.S.

ACTION STEP

Know How to Narrow Down the Right Letter Med Supp

Keep in mind what features set the differently lettered Med Supp plans apart. Be aware what plan type works best for certain types of clients.

Remember, your clients trust you to help them enroll in the best plan(s). One big thing you should keep in mind if you're working with clients who are interested in Plans C and F is that they will only accept people who were eligible for Medicare before January 1, 2020. The healthier members of these plans will probably leave them, leaving behind a "sicker" member pool. As a result, premiums for Plans C and F will likely skyrocket. Instead of recommending either of these plans to a client, you may want to recommend Plans D, G, or N.

"If a client has fewer health concerns, that doesn't automatically mean you should recommend a lower-premium plan."

Another thing we'd like to emphasize is that if clients are relatively healthy, you shouldn't just recommend lower-premium Med Supp plans just because they have fewer health concerns. Explain to them that there are plans with lower premiums that cover fewer out-of-pocket costs if the premiums are too high. Some of your clients may be healthy and have a lot saved up for retirement. Even though a plan may cost more, they may be able to afford it and may want that extra protection from out-of-pocket costs. If the conversation does move toward Plans A, B, K, or L, discuss them, If they talk about MA, they need an SOA. You may find they're a better fit for your client after all.

Quoting Med Supp Plans

After you pick a plan type, it's time to start comparing carriers and their plans' rates. You can easily compare and target Med Supp carriers and their plans through Integrity's MedicareCENTER Quote & Enroll tools! Be sure to factor in household discounts when you're quoting!

How to Quote Med Supp on MedicareCENTER

To use the MedicareCENTER quoting function, you'll need to log in to MedicareCENTER.com. Once you are logged in, click on a contact record that has a name, age and ZIP code entered. Then click the "View Available Plans" button in their client record.

You'll see available plans for this client's location and details. Click "Plan Details" to view each plan's detailed information. Click on the "Compare" checkbox to compare up to three plans. To share your comparison with your client, click the "Share" button on the plan comparison view.

The screenshot displays the MedicareCENTER web interface for a client named Robert Zimmerman. The header includes navigation links for Dashboard, Contacts, Learning Center, and a user profile for Rachel Swanson. The client's information shows a Zip Code of 84074, 4 Providers, and 1 Pharmacy. The main content area displays 2 MAPD plans based on filters, sorted by Recommended. The selected plan is Gold Plus H5619-021 (HMO). The plan details include a Monthly Plan Premium of \$0.00, an Estimated Yearly Total Cost of \$12,709.76, and a Medical Deductible of \$0.00. The interface also shows filter options for Plan Type (MAPD, MA, PDP), Effective Date (January 2023), and Drug Estimates Based On (Pharmacy: Skull Valley Pharmacy).

Note: Example quote results shown for a single, non-smoking 65-year-old male in ZIP code 17110. Plan availability and rates may vary by ZIP code and are subject to change over time.

As you're quoting, remember that it's your responsibility to verify the rates provided to a client are correct. Rate sheets are available through carrier portals. You can find carriers' agent guides, plan applications, and portal links on MedicareCENTER.com.

A Note on Household Discounts

Not every carrier will offer a household discount, but many will. Remember, while "discount" may look nice on paper (or on the computer), it doesn't automatically make the plans that offer one more cost-effective than those that don't. Be sure to compare premiums with the discount factored in and take in the bigger picture.

Deciding on a Carrier

Once you've done the research and compared a client's potential solutions, there's nothing left to do but make a decision! If you've considered all the factors discussed, it should be an easy one.

The plan(s) you end up recommending should have competitive premiums, underwriting that your client can pass (if necessary), and any additional features your client might want. The carrier should be one that you and your client trust and should have a strong and stable financial background. Yes, it truly is as simple as that!

ACTION STEP

Research and Recommend Good Carriers

Use MedicareCENTER to find the most competitive plans out there for your clients' unique situations. Recommend carriers that both you and clients approve of.



ENROLLING CLIENTS INTO PLANS

Let's say you have a client who'd like a Med Supp, you scope out their potential solutions, recommend a good plan, and they're all for it. In order for them to start receiving benefits, they have to enroll in the plan. As their trusted advisor, you can assist them with submitting an enrollment application to the plan's carrier. But before you get started, you should know a little more about what's involved with the process.

When Can You Enroll Clients Into Med Supp Plans?

Unlike MA and Part D plans, Med Supp plans don't have an Annual Enrollment Period. Those who qualify for a plan can try to enroll in one at any time; however, the best time for someone to enroll in a Med Supp is during their Med Supp Open Enrollment Period or another enrollment period.

The Med Supp Open Enrollment Period

When somebody qualifies for their Med Supp Open Enrollment Period, they can join any Med Supp plan available to new enrollees without having to pass underwriting.

If your client is 65 or older, their six-month Med Supp Open Enrollment Period generally starts the month of their Medicare Part B effective date. Some states have two Open Enrollment Periods for Med Supp: one when individuals are under 65 and one when they turn 65. Others have an Annual Enrollment Period open to all Medicare beneficiaries age 65 and older for at least one month. Certain states also have year-round open enrollment. To keep it simple, we won't get into those specifics. You can learn a certain state's guidelines through their Department of Insurance.

It's worth noting that individuals can usually apply for a Med Supp plan a few months before they turn 65 so their Med Supp and Part B effective dates will match. The specifics of this allowance varies from carrier to carrier.

Med Supp Special Enrollment Periods

If your clients are outside of their Open Enrollment Period, it's possible for them to qualify for a Med Supp Special Enrollment Period. Someone is eligible for a Med Supp Special Enrollment Period if they have a guaranteed issue right to buy a Med Supp plan or experience another qualifying circumstance.

The MA Open Enrollment Period

The 2019 Medicare Communications and Marketing Guidelines reinstated the MA Open Enrollment Period. It runs from January 1 to March 31 annually. During this time, an MA or MAPD enrollee can make a one-time switch to a different MA or MAPD plan or to Medicare Parts A and B. If they switch to Original Medicare, they can pick up a Med Supp and a stand-alone Part D plan. To pick up the Med Supp plan, they will still have to pass underwriting, unless they qualify for a guaranteed issue right for another reason during this time period.

Applying Outside an Enrollment Period

If your client applies for a Med Supp plan outside of a qualifying enrollment period, they'll likely have to pass underwriting requirements. It's not guaranteed that an insurance company will sell a person a policy if they can't pass them, unless they're **eligible for a plan for another reason**.

How Effective Dates Work

In general, your client's Med Supp policy should start (or "have an effective date") on the first of the month following the one during which they applied. The main exception is if your client applied for a plan a few months before they turned 65. If this is the case, their policy should have an effective date on the first of the month during which they turn 65.

If Your Client Applies for a Med Supp...	Their Policy's Effective Date Should Be....
A few months before their 65th birthday	The first day of their birthday month
During the month they turn 65 or any month after that	The first day of the following month

Your clients can also request their coverage to become effective on a certain date. They may want to do this to line up the start of their Med Supp coverage with the end of their current form of coverage. If a Med Supp company won't provide a client with the effective date for the month they want, you or they should call their State Department of Insurance. Effective dates can't be sooner than the first of the month following the one during which your client is applying for a plan.

Med Supp Enrollment Methods

If you'd like to help your client enroll in a plan, you've got options on how you can do that! Frequently, carriers offer a combination of enrollment methods, but here's a general overview of how you can submit applications and get the ball rolling.

Mail	Fax	Scan & email	Electronic apps	Over the phone
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If you email an application, be sure to send it securely. You don't want your client's information getting into the wrong hands. Additionally, keep in mind that some states don't allow Med Supp sales over the phone. We recommend checking with your FMO or asking your carriers directly about the best way to submit applications.

Replacing a Client's Existing Med Supp Plan

From time to time, you may come across clients who'd like to change Med Supp plans. There are several reasons why they could want to switch things up, depending on their current coverage and changing needs. A few common ones are that they:

- Don't need all the benefits they're paying for
- Need more or different benefits than before
- Want to change insurance companies
- Want a new plan that costs less

When Your Client Can Switch Med Supp Plans

It's important to know your clients have a federal right to change their Med Supp plan if they are in their Med Supp Open Enrollment Period or have a guaranteed issue right. Your clients may also switch to a different Med Supp plan if they have a right through their state, they can pass underwriting, or the insurance company is willing to sell them a policy.

How to Switch a Client's Med Supp Plan

To start, you should collect an application for enrollment in a new Med Supp plan from the new insurance company. On the application, remember to indicate that the requested plan would replace another one, or include a completed Replacement Form for that company. You should put the effective start date for the new plan as the first of the following month in order to avoid leaving your client with a gap in their coverage.

If the carrier accepts the application, your client has 30 days to decide if they'd like to keep their coverage or return to their old plan. This is called a "free look period." Your client's free look period starts the day they get their new Med Supp policy, not the effective date of the policy. Your client will still need to pay both premiums for that month. If your client would like to keep their new plan, they should cancel their old one effective the first of the first of the month.

"If the carrier accepts the application, your client has 30 days to decide if they'd like to keep their coverage or return to their old plan."

As long as your client had their old policy for at least six months and it has the same specific benefits as the policy they're moving to, the new insurance company can't exclude your client's pre-existing condition. Insurers can only enact a six-month waiting period for coverage of the pre-existing condition to kick in for conditions that were diagnosed or treated within six months before the Med Supp plan start date.

ACTION STEP

Help Clients Apply for Plans

If your client is eligible to enroll in a Med Supp plan, provide them with an application. When you receive it back, submit it to the carrier and let your client know when their policy will be effective.



THE 2020 MED SUPP CHANGES

Some major changes have affected Med Supp coverage since 2020. It's wise to know them so you can provide your clients with the facts and the best plan recommendations possible.

What Changed & Why?

In 2015, Congress passed the Medicare Access and CHIP Reauthorization Act (MACRA), prohibiting Med Supp plans from providing first-dollar coverage to those who become eligible for Medicare on or after January 1, 2020. As a result, Plans C and F, which cover the Part B deductible, can no longer be offered to new Medicare enrollees. Additionally, plans in Med Supp waiver states (MA, MN, and WI) no longer cover the Part B deductible either. In nonwaiver states, Plans D and G replaced Plans C and F as guaranteed issue plan options for individuals newly eligible for Medicare on or after January 1, 2020. Newly eligible individuals and current beneficiaries also now have access to a high-deductible Plan G.

“Plans C and F, which cover the Part B deductible, can no longer be offered to new Medicare enrollees.”

Abolishing first-dollar coverage aims to encourage smarter use of health care services by consumers. The Congressional Budget Office has estimated the elimination of Plans C and F will reduce federal spending by \$400 million between 2020 and 2025.

What Do They Mean for Your Clients?

If your client became eligible for Medicare in 2020 or will become eligible for Medicare after 2020, Plans D, G, and N will offer the greatest Med Supp coverage available. They'll also be able to enroll in Plans D and G outside of their Med Supp Open Enrollment Period, without having to pass underwriting, as long as they have a guaranteed issue right.

With Plans D and G both recently becoming guaranteed issue, these plans' rates will probably go up within the next few years. Plan N should have healthier book of business, and therefore, should see lower premium increases moving forward. Generally speaking, increased cost-sharing obligations may cause Med Supp enrollees to use fewer covered services and prompt carriers to lower premiums.

What Do They Mean for You?

One of the greatest skills you can have as an insurance agent is the ability to adapt. We recommend reviewing, and potentially repositioning, your portfolio and seeking out strong carriers that offer Plans D, G, and/or N at competitive rates.

These three plans will be the next logical options for beneficiaries who might have been interested in Plans C or F. Minus the fact that Plans D and G don't cover the Part B deductible, Plan D offers the same protection as Plan C and Plan G mirrors Plan F. Plan N is the same as Plan D, except with Plan N, beneficiaries have to pay copays for doctor and ER visits.

“We recommend reviewing, and potentially repositioning, your portfolio and seeking out strong carriers that offer Plans D, G, and/or N at competitive rates.”

As usual, you should understand your clients' needs and financial situations before suggesting a plan. There are several Med Supp options for a reason, and depending on a client's circumstances, one plan may be a better fit than another. Help your clients choose wisely.

ACTION STEP

Familiarize Yourself With the 2020 Med Supp Changes

Do you know the 2020 Med Supp changes? Review them.





CROSS-SELLING TO MAXIMIZE YOUR SUCCESS

After you help a client enroll into a Med Supp, why stop there? A good agent helps clients with their immediate coverage needs. A great agent checks if they can round out their clients' coverage and limit their out-of-pocket spending even further. Your clients will likely appreciate the gesture, and you'll have opportunities to earn some extra commission!

Good Products to Cross-Sell With Med Supp Plans

Below are the products you should consider cross-selling to your Med Supp clients. Remember to stay compliant. While you don't need to collect an SOA prior to a Med Supp presentation, CMS requires that an SOA be obtained at least 48 hours prior to discussing PDP options with clients. **It is important to understand and follow the current Medicare Communications and Marketing Guidelines for PDP and MA plans.**

- For any cross-selling or marketing of PDP plans, they MUST have followed all the CMS marketing rules.
- Dental, vision, and hearing insurance
- Cancer or critical illness insurance
- Short-term and long-term care insurance
- Life insurance
- Annuities

With Med Supp, the most natural cross-sell is a strong PDP. Since your Med Supp clients have, or will have, Original Medicare, they'll likely need to enroll in a PDP to afford their medications and avoid paying a penalty for not having creditable prescription drug coverage. Dental, vision, hearing insurance is another great product to cross-sell to your Med Supp clients since Original Medicare and Med Supp plans don't cover routine dental, vision, and hearing services.

Keep in mind that your clients may not need or want all of these extra forms of coverage, but it never hurts to educate them about their options and try to fill in their coverage gaps. We'd be happy to chat and give you some more helpful resources and sales advice online, over the phone, or in person!

Strategies for Cross-Selling Success

If you want to boost your revenue and increase your chances of retaining clients, you'll want to try to be their one-stop shop for the other products they'll likely want and need. Follow the steps below and enjoy more sales!



Know Your Products

What happens if a client asks about dental or hospital indemnity coverage or life insurance and you only know their Medicare options? How can you sell a product even you don't understand?

The best agents have a basic, evolving understanding of the different insurance products out there that can supplement their clients' coverage. Your clients may not even know about their coverage gaps or their additional coverage options. But, if they find out about them from another agent, who do you think will be the one they ask for help?

Read (and LISTEN) to Your Clients' Needs

When you take the time to develop a relationship with your clients, you should be able to gain a basic understanding of which type of additional products they'd be interested in. The last thing you want to do is sound salesy. You want to approach cross-selling from the heart and let your clients know you're suggesting these products for their own good, not yours. The best way to do that is to develop a good idea of what's for their own good.

Completing a short fact-finder worksheet with clients can be a great way to get the whole picture of their financial, family, and coverage situations.

Have a Plan

Think about how you want to work certain products into the conversation at follow-up appointments. Also, consider which products and carriers you want to offer, how those products relate to each other, and why they work well together. You could wing it — but does that ever really go as well as we think it will?

Go the Extra Mile

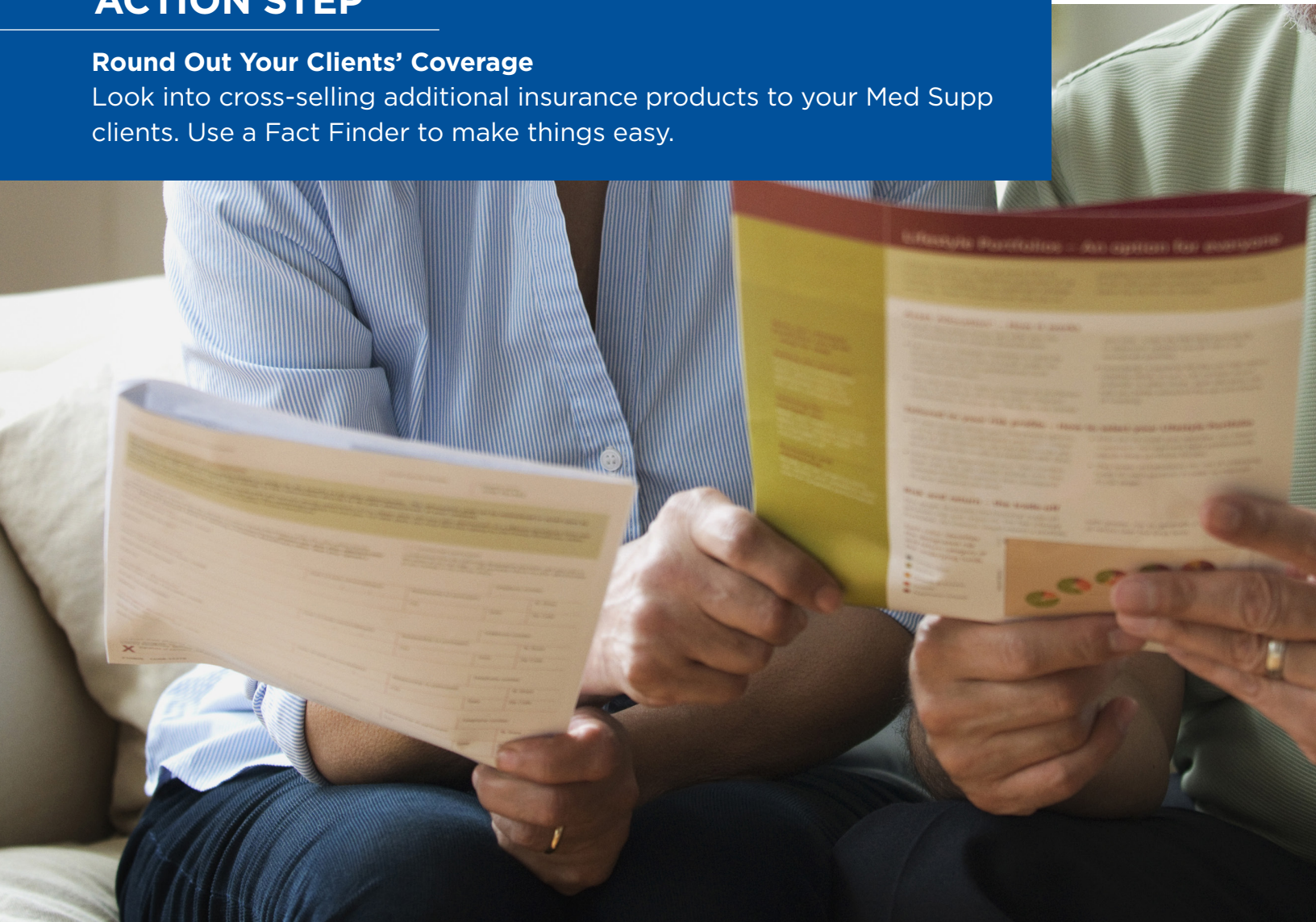
Anyone in sales knows that providing great customer service is paramount. If your client believes that you're a credible, trustworthy, caring, nice, and smart human being and agent, there's really no reason they shouldn't buy through you (provided they need or want the product you're trying to sell to them). Just giving your clients your time (and not looking like you need to be somewhere else) can go a long way. Next time you help a client, try offering to help them set up their first doctor's appointment or describe how their policy will work in future possible scenarios.

“If your client believes you're a credible, trustworthy, caring, nice, and smart agent, why shouldn't they buy a plan through you?”

ACTION STEP

Round Out Your Clients' Coverage

Look into cross-selling additional insurance products to your Med Supp clients. Use a Fact Finder to make things easy.





STAYING COMPLIANT

Compliance may not be the most exciting topic, but it's arguably the most important. Med Supp sales are not regulated in the same way as MA and Part D. Largely, Med Supp sales are subject to regulations issued by individual states and insurance plans. Additionally, **CMS does regulate Med Supp marketing.** You must abide by all of these regulations.

Guidelines for Bringing Up Med Supp Plans

When you introduce Med Supp into the conversation, there are a few rules you must follow. **If you attract a client by telling them you'll help them find a Med Supp plan, you must intend to sell them a Med Supp plan.** You cannot bait prospective clients with Med Supp and switch to talking about MA and PDPs. Avoid using Med Supp leads to generate MA sales.

“You can't bait prospective clients with Med Supp and switch to talking about MA and PDPs.”

Materials advertising Medicare Supplement insurance must adhere to the NAIC model rules as well as individual state DOI requirements and other consumer protection laws. Advertising must be truthful and not misleading or deceptive in either its content or creative format, and should not cause confusion or create fear or a false sense of urgency.

You must also avoid cold calling and door knocking if it's prohibited by your carriers or the state you're prospecting or selling in. Unlike with MA and PDP, you can cold call and knock on doors to try to get leads for Med Supp for many carriers in most states. However, there's at least one carrier that prohibits door knocking for Med Supp sales. At least one state, Ohio, prohibits door knocking and cold calling for Med Supp. Ohio even requires a Scope of Appointment for Med Supp sales. Some states, like Colorado and Florida, also have regulations about using certain types of dialers when cold calling. Regardless of location, you must always include TCPA consent language on lead forms and in calling scripts.



Additionally, it's important to remember that it's illegal to sell someone a Med Supp policy if they have an MA plan. The only case where it is allowed is if there would be no overlap in the MA and Med Supp coverage (i.e., the MA plan must end before the Med Supp plan's effective date). It's also illegal to sell someone a second Med Supp policy when they already have one. If your client currently has a Med Supp, they must cancel it to purchase a different policy.

Before you start selling Med Supp, we recommend checking out the **rules for agents on Medicare.gov** and researching your states' and carriers' regulations for sales. You can find these requirements through your states' departments of insurance and carriers, respectively. In addition, ensure your leads are not on the **federal Do Not Call registry** or **state Do Not Call registries** (not available in all states). During appointments, be sure not to misrepresent Med Supp insurance as a federal program, because it isn't.

Guidelines for Working Leads

Med Supp appointments are often easier to get than MA appointments, but they can't be turned into MA appointments for the sake of selling MA. It's not a sin to sell a PDP or an MA plan to someone who was initially interested in Med Supp for the right reasons, but you need to go about it in the right way. Your client must bring up MA and PDP products and say they want more information on them. Additionally, you must get a signed Scope of Appointment and then wait a minimum of 48 hours before meeting with the client to provide details on MA or PDP products.

As you work with clients and complete sales, remember you must stay compliant with the Health Insurance Portability and Accountability Act of 1996, aka HIPAA. There could be an issue if you send the wrong document to someone who isn't authorized to see that client's information.

Best Practices for Staying Compliant With HIPAA:

- Don't work on multiple applications at the same time.
- Encrypt all electronic devices containing Protected Health Information (PHI) and Personally-Identifiable Information (PII) with full-disc encryption and pre-boot authentication.
- Don't store PHI or PII on unsecured flash drives or mobile devices.
- Double-check email addresses to make sure the wrong client's email address didn't auto-populate.
- Don't give PHI or PII to a third party via phone without your client's consent.

Compliance Do's & Don'ts

In order to cut down on potential confusion, we've listed the do's and don'ts of selling Med Supp plans below. This list is not exhaustive, especially because it isn't carrier- or state-specific. For more information on how to stay compliant selling Med Supp plans, review the guidelines of the carriers you represent and the states you sell in.

Compliance Do's and Don'ts for Med Supp Sales	
Do	Explain Med Supp plans if clients are interested in these plans, and tell them about their Med Supp plan options
	Ask clients if they have other questions you can help them with on initial phone calls
	Establish an SOA 48 hours prior to a client meeting to discuss MA or PDP plans
	Ask clients for a list of their medications if they're interested in a PDP, so you can prepare their PDP options
	Make sure to keep your clients' data safe and secure at all times by following HIPAA rules
	Follow all Med Supp sales rules set forth by the carriers you represent and the states you're selling in
Don't	Try to force clients to bring up other options/products
	Just start discussing MA or PDP products during a Med Supp appointment without a completed SOA, plus the 48 hour waiting period
	Just hand clients an application to fill out for an MA plan or PDP if they ask about these products
	Bait clients with Med Supp and try to switch the sale to MA or PDP
	Attempt to get new Med Supp clients by door knocking and/or cold calling if the carrier or state you're selling in doesn't allow those solicitation methods
Call leads on the national Do Not Call registry or state Do Not Call registries	

ACTION STEP

Remember to Stay Compliant

Follow the guidelines for introducing Med Supp plans and working Med Supp leads and the compliance do's and don'ts.



PARTNERING WITH AN FMO

What if we told you **there's a way for you to earn the same commission you'd be earning on your own but have access to a whole lot more training, support, tools, and even more perks?** There is! It's all possible when you partner with a good field marketing organization (FMO).

What Is an FMO & Why Should I Work With One?

In its most basic form, an FMO is an entity that recruits agents to contract with carriers. Top FMOs view the relationship as a true partnership and do so much more than provide contracting. They realize they won't be successful unless their agents are successful. Instead of focusing on recruiting agents, leading FMOs focus on helping their existing agents grow their business.

We've already said FMOs provide training, tools, support, and other perks. But, admittedly, that's pretty vague. Check out the chart below to see an in-depth summary of all the benefits of working with an FMO!

Training

- Educational content
- Live and recorded webinars
- Training videos
- In-person events
- Notification of important updates

Sales Tools

- Quote engine(s)
- Lead-generating website(s)
- Customizable marketing materials
- Fact Finder to uncover coverage gaps

Sales Support

- Expert staff who can answer questions and provide advice
- Accessible via phone, email, in person
- Help with processing paperwork
- Lead programs and lists

Other Perks

- Competitive commissions
- Sales incentives (e.g., production-based bonuses and trips)
- Exclusive contracts
- Co-op marketing dollars
- Opportunities to give back to the community

How to Pick a Great Med Supp FMO

To make the process of picking an FMO easier for you, we've developed this checklist of things you should look for in a great Med Supp FMO. If you can check off all of these boxes, you've found a keeper!

Checklist for Picking a Great Med Supp FMO

- Competitive and fast contracting
- Good release policy if you want to leave
- FMO is "Top of Hierarchy"
- National and local marketing co-ops
- Stays in compliance with CMS regulations
- Top-notch sales support and training
- State-of-the-art sales tools, especially quote engines
- Policyholder data is encrypted and secure
- Fair and competitive commissions
- Lead programs and lists





OUR FINAL PIECES OF ADVICE

You've reached the end of our guide to selling Med Supp plans. It's time to put your knowledge and skills to good use and start selling! There's nothing like gaining real-world experience out in the field.

Remember, you can download and save or print this guide for future reference when you need it. Be sure to check out the tools and additional resources mentioned throughout this guide to maximize your sales. The Med Supp phone script templates, underwriting flow chart, and plan comparison chart provided on the remaining pages should come in handy. If you have any questions or need some advice on a tough case, we're always here to help!

We wish you the best of luck in your Med Supp sales career. You CAN do this!

ACTION STEPS

1. Familiarize Yourself With Med Supp Plans

Get to know the standard plans and benefits and how this type of insurance works.

2. Understand Why Med Supp Is Valuable to Sell

Know what makes them different than MA, what makes them easy to sell, and what kind of compensation and extras you could earn.

3. Get Licensed to Sell Med Supp Plans

Check with your state(s) to find out their licensing requirements, complete necessary education, take the test, and get your E&O insurance.

4. Add Med Supp Plans to Your Portfolio

Contract with stable, competitive, and brand-name carriers. Be sure to partner with carriers with various underwriting standards to provide options for all your clients — healthy and sick.

5. Develop a Marketing Plan

Define your business's function, appeal, identity, and audience and what you want to accomplish.

6. Start Prospecting and Generating Leads

Find potential clients by networking, advertising, going door to door, cold calling, referrals, and setting up your own CMS-approved, lead-generating website.

7. Know What Your Ideal Client Looks Like

Is your client a homebody who lives in a major city? A Med Supp plan may not be their best option. Refer to the infographic we provided for the characteristics of ideal Med Supp clients.

8. Assess Your Clients' Needs

What are your clients' health, lifestyle, medical needs, and budget like? Do they have any preferences about their plan? Will they pass underwriting?

9. Know How to Narrow Down the Right Letter Med Supp

Keep in mind what features set the differently lettered Med Supp plans apart. Be aware what plan type works best for certain types of clients.

10. Research and Recommend Good Carriers

Use MedicareCENTER to find the most competitive plans out there for your clients' unique situations. Recommend carriers that both you and clients approve of.

11. Help Clients Apply for Plans

If your client is eligible to enroll in a Med Supp plan, provide them with an application. When you receive it back, submit it to the carrier and let your client know when their policy will be effective.

12. Familiarize Yourself With the Current Med Supp Changes

Are you familiar with any recent Med Supp changes? Review them.

13. Round Out Your Clients' Coverage

Look into cross-selling additional insurance products to your Med Supp client. Follow the 48-hour SOA rule, if applicable.

14. Remember to Stay Compliant

Follow the guidelines for introducing Med Supp plans and working Med Supp leads and the compliance do's and don'ts.

15. Team Up With a Great FMO

FMOs can offer you free training, sales resources, and support. Do your research and pick the one that meets all your criteria!



MED SUPP PHONE SCRIPTS

Generic Med Supp Phone Script for Prospects Ages 64 to 69

Hi, this is **[your first and last name]** with **[your agency's name]**. How are you today? **[Great!/I'm sorry to hear that.]**

I'm an independent insurance agent in **[county or state]**, specializing in Medicare Supplement insurance. I help those who are eligible for a Med Supp plan pick the right one for their current budget and needs. Do you currently have a Med Supp or Medigap plan?

If Yes: Is it OK if I ask you some questions to make sure you're in the best plan for your current situation?

- What company is your plan with?
- May I ask your age and ZIP code?
 - I just did a quick search and noticed there are less expensive plans in your area.

If No: Is it OK if I ask you a few questions to see if you're eligible for one?

- Are you currently 65 or turning 65 soon?
- Do you plan on enrolling in Medicare Parts A and B?
 - If you have a few minutes, I could quickly explain how Medicare works and how a Med Supp plan can give you even more protection against your future health care expenses.

I'll be around **[county/town]** tomorrow. I'd be happy to meet and review your plan options, or answer any questions you may have, at no cost to you. How does the **[morning/afternoon]** work? Could we plan on meeting at **[time based on your schedule and your prospect's schedule]** or does another time work better? If you'd like, I can come to your home, or we could meet somewhere in town. Where would you like to chat?

Thank you for your time! I look forward to meeting with you tomorrow at **[place of meeting]** at **[time of appointment]**.

Generic Med Supp Phone Script for Prospects in Areas With Rate Increases

Hi, this is **[your first and last name]** with **[your agency's name]**. How are you today? **[Great!/I'm sorry to hear that.]**

I'm an independent insurance agent in **[county or state]**, specializing in Medicare Supplement insurance. The reason I'm calling today is that I've noticed some Medicare Supplement rate increases in your area. Do you currently have a Medicare Supplement plan?

If Yes: Is it OK if I ask you some questions to make sure you're in the best plan for your current situation?

- What company is your plan with?
- May I ask your age and ZIP code?
 - I just did a quick search and noticed there are less expensive plans in your area.

If No: OK, good. So, you don't have to worry about the rate increases. Have you considered enrolling in a Med Supp plan? If you have a few minutes, I could quickly explain how these plans work and what expenses they cover that Medicare alone doesn't.

I'll be in **[county/town]** tomorrow. I'd be happy to get together and go over your plan options, or answer any questions you may have, at no cost to you. How does the **[morning/afternoon]** work? Could we plan on meeting at **[time based on your schedule and your prospect's schedule]** or does another time work better? If you'd like, I can come to your home, or we could meet somewhere in town. Where would you like to chat?

Thank you for your time! I look forward to meeting with you tomorrow at **[place of meeting]** at **[time of appointment]**.

Note: These are basic Med Supp phone scripts. Feel free to tweak them to make them your own!

UNDERWRITING FLOW CHART

