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White House Addresses Medicare Marketing Practices

Washington, DC - NABIP CEO Jessica Brooks-Woods issued this statement today following the White House statement on Medicare marketing practices in Medicare Advantage plans:

“NABIP agrees that Medicare beneficiaries need to be protected from unscrupulous actors. Licensed and certified Medicare agents work directly with Medicare beneficiaries to combat these misinformation campaigns. They work with their clients throughout the plan year to ensure that they purchase the coverage that best meets their personal and financial needs.

“The CMS proposed rule targets administrative fees that General Agents or Field Marketing Organizations (FMOs) earn when assisting agents in numerous ways, including compliance with CMS regulations. Medicare agents struggled to comply with the recent CMS 10-year recording requirements, but FMOs were able to quickly provide a scalable solution.

“Without the general support of FMOs, insurance carriers would need to provide these services, raising their administrative costs and premiums to beneficiaries. Medicare agents are there to support Medicare beneficiaries throughout the entire plan year. FMOs help to make this possible by supporting agents with significant human resource and technology assistance.

“Medicare agents can offer Medicare-eligible individuals more coverage options thanks to connections made between FMOs and local and regional health plans — giving enrollees much more choice in their health insurance coverage beyond one-size-fits-all national plans.

“Through FMOs, Medicare agents conduct insurance carrier contracting, training and continuing education, regulatory requirements, and much more. These vital services protect Medicare enrollees by ensuring the benefits specialists they trust to guide them are up to date on insurance plans and in compliance with state and federal regulations.

“FMOs are an effective and efficient means to ensure that agents are properly trained, credentialed, and prepared to assist the beneficiary. Allowing FMOs to receive administrative fees from the insurance companies lowers their administrative costs and preserves the Medicare Trust Fund.”

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About The National Association of Benefits and Insurance Professionals

[NABIP](#) is the preeminent organization for health insurance and employee benefits professionals, working diligently to ensure all Americans have access to high-quality, affordable healthcare and related benefits. To meet that vital mission, NABIP advances the interests of its members and advocates for sound public-policy solutions. NABIP represents and provides professional development opportunities for more than 100,000 licensed health insurance agents, brokers, general agents, consultants and benefit professionals through more than 200 chapters across America.