



AMERICANS for Beneficiary Choice

SUBMITTED ELECTRONICALLY (<http://www.regulations.gov>)

To: Ms. Chiquita Brooks-LaSure
Administrator

Centers for Medicare & Medicaid Services
Department of Health and Human Services
Attention: CMS-4205-P
Mail Stop C4-26-05
7500 Security Boulevard
Baltimore, MD 21244-1850

Re: Proposed Rule – Medicare Program; Contract Year 2025 Policy and Technical Changes to the Medicare Advantage Program, Medicare Prescription Drug Benefit Program, Medicare Cost Plan Program, and Programs of All-Inclusive Care for the Elderly; Health Information Technology Standards and Implementation Specifications (CMS-4205-P) (the “Proposed Rule”)

We are deeply concerned that CMS’s proposed rule will have the effect of eliminating administrative payments to field marketing organizations (FMOs). This would lead to serious disruption in our healthcare industry and increased costs to beneficiaries in America.

FMOs work impartially with hundreds of insurance companies and a large network of independent agents across the United States to allow for consumers to have access to a wide variety of choices when it comes to their health care needs. We believe that a well-informed consumer and a well-informed, service and compliance-focused agent – with access to numerous competitive plans to choose from and the ability to leverage technology to learn about and help advise on the right plan that best fits the consumer’s individualized needs – is the formula for success. There are so many complexities involved in making, often for the first time as a beneficiary, vitally important health care decisions. FMOs simplify that process for agents, and ultimately consumers, by serving as critical intermediaries between insurance companies and millions of independent insurance agents across the country who work with their clients throughout the year to ensure they purchase the right Medicare coverage for their personal and financial needs.

FMOs are proven to be cost-effective and expert providers of numerous outsourced functions across the insurance industry. As a result, insurance companies have been able to fix their costs for administrative outsourced services, which has helped them manage their cost structures and keep costs down for the American consumer.

The technology tools, product support, and other services FMOs provide are crucial components in an agent's ability to present and recommend the plan that best meets the health and budgetary needs of their clients. Because of FMOs, agents are able to compare coverage options for their clients, taking into account a plan's available doctors, premiums, and prescription drug options to help ensure their client selects the health plan that is truly in their best interest.

Without FMO-provided technology and services, independent agents and consumers would be left to their own devices to understand the complex differences between available plans in a consumer's geographic area. In addition, without FMO services paid for by insurance companies, agents would experience higher costs to run their businesses, and consumers would experience higher premiums from insurance companies passing on their increased costs to consumers. Here is a just an example of all the numerous technology tools, product support and other services that FMOs provide to agents and brokers:

- Continuing education and training and on demand support and advice
- Technology tools including client relationship management, quoting and enrollment, and call recording and storage
- Discounted or fully paid E&O coverage
- Market research
- One on one mentorship and training
- Annual AEP product and compliance training
- Webpages and/or their design
- Commission payments or help with commission issues
- Preapproved and compliant presentations for community events and meetings
- Customer service and virtual assistant help
- Access to compliant leads and lead access tools
- Compliance reviews of communications and marketing materials

CMS's elimination of separate administrative payments under its Proposed Rule could have the effect of eliminating fair fees paid by insurance companies to FMOs.

Thank you for your consideration of our comments.

Sincerely,

[INSERT NAMES]