Participating Plan Marketing Guidelines

The California
Managed Risk Medical Insurance
Board

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Background and Purpose

The Managed Risk Medical Insurance Board (MRMIB) must approve of all marketing plans, marketing materials, and application assistance plans. All Knox-Keene licensed plans must be in compliance with the licensing statute, including all marketing requirements.

The purpose of this document is to provide instruction to plans participating in the Healthy Families Program (HFP) about marketing the HFP. Participating plans are encouraged to implement a variety of marketing strategies. In accordance with laws, such strategies must be restricted to promoting public awareness of the HFP, informing the public of the plan's participation in the program, and providing Healthy Families Program/ Medi-Cal for Families (HFP/MCF) application assistance under the circumstances allowed by Insurance Code Section 12693.325 (Attachment #1). All marketing activities must be in accordance with Insurance Code Sections; 12693.32, 12693.325, 12693.326, HFP regulations (Attachment #1) and each plan's HFP contract.

Marketing Guidelines

Participating plans must use the Healthy Families Program guidelines to develop HFP marketing materials, which are defined by using the HFP name and/or logo to promote and advertise. The following guidelines must be adhered to when submitting marketing materials to MRMIB for review and approval.

1. Information presented must be clear and it must be apparent to potential applicants that they are free to choose among plans and providers offered. Language steering potential applicants to a particular plan is prohibited. DMHC approved language: If you choose [CPP], your monthly premiums will be less than if you choose another Healthy Families plan in [name of county].

2. Plans must be in compliance with Section 1395 (a) (Attachment #5) of the Health and Safety Code (Knox-Keene Licensing Act) which states that "any price advertisement shall be exact, without the use of such phrases as 'as low as,' 'and up,' 'lowest prices,' or words or phrases of similar import." A Community Provider Plan may use passive language in highlighting their lower pricing structure.

3. When marketing materials include a HFP price range and the marketing material only provides information about the HFP, then it must include the full price range of the HFP per child or per household. When marketing materials include a HFP price range and the marketing material is regarding your plan in conjunction with the HFP, you may then use either the Community Provider Plan or the other health plan(s) range. For example, "Healthy Families Program coverage is available for $4 - $15 per child with a maximum of $45 per household." Or, "Since we are the Community Provider Plan for the Healthy Families Program, the cost is $4 - $12 per child with a maximum of $36 per household."

4. Marketing materials should reference only the benefits, or performance of your plan or the Program. Your plan must not make direct or indirect statements about other participating plans. Comparative language directed at, naming, or alluding to other HFP plans will not be approved for use. Specific price comparison between plans is unacceptable.

5. Any satisfaction information or "Best Plan" information must be substantiated by a credible third party entity and not based on one contracting plan's assessment of themselves. A credible third party entity is defined as a trustworthy, believable entity that is not affiliated with the plan.

6. All participating plan representations must be accurate and not misleading.

7. If the HFP is not the focus of a press or media advertisement the HFP logo and description may not be required. Contact the MRMIB Contract Compliance and Marketing Manager to ask for a waiver of the guidelines.

8. Any non-English materials must be accompanied by a statement from the plan confirming the translation was performed by a professional translator and is an accurate translation of the English document. Use the HFP name in English.

Acceptable Marketing Activities

Acceptable marketing activities include but are not limited to:

- participation in health seminars;
- participation in health fairs;
- contributing to event-sponsored raffles or drawings at health fairs or similar events with a prize cap limit of $250 per prize as long as participation in the raffle/drawing is not contingent on filling out a HFP/MCF application;
- participation in community outreach programs;
- provider newsletters;
- multi-media advertisements;
- printed materials;
- sponsorship of non-exclusive community events;
- billboard advertisements;
- participation in community events;
- participation in public awareness events; and
- assisting potential applicants in completing the HFP/MCF application under circumstances allowed by Insurance Code Section 1269.325 (Attachment #1).

Promotional Materials and Collateral Items Requirements

1. Promotional items developed for the HFP (e.g., cups and clothing) must use the program logo and may include the plan's logo and toll-free number. The HFP logo must be used in a prominent manner that makes it clear to the applicant that the marketing materials are for the HFP.

These items are acceptable as long as they are not used in exchange for application or enrollment in the program and meet the specifications for using the program logo as described in item 4 of this section. MRMIB does not review or approve promotional items that plans have developed for other product lines not related to the HFP. These other promotional items may not be used in exchange for application or enrollment in the HFP.

2. Flyers and printed marketing material must also use the program logo and may include the plan's logo and toll-free number. These items must meet the specifications for using the program logo as described in Item 4 of this section. MRMIB requests that the full name of the **Healthy Families Program** be used in all marketing materials. The HFP is a program offered through the State of California in conjunction with participating plans. We are not a "division" of any plan, or "small entity" of any plan.

3. The minimum approved reproduction size for the HFP logo is 1 inch in width by .45 of an inch in height. The HFP logo must be no less than 50 percent of the size of any other logo or plan name on any HFP marketing materials. There must be a ¼" clear all the way around the logo and nothing should encroach on the logo.

4. All logos must be reproduced with the service mark (SM) symbol. The Healthy Families Program logo is available in reproduction quality proofs or electronic files, which are available upon request from MRMIB. Xeroxed or poorly reproduced copies of the logo are unacceptable. The logo can be reproduced in a one-color process (black or purple, see item 7 of this section, on a white background. Color reproductions of the logo must receive MRMIB approval and meet the color and reproduction specifications. For color logo usage the following color specifications must be met with no deviations.

5. Four Color Process
   These builds must be used when reproducing the color logo in the four color process:

Green:	C=75, M=0, Y=80, K=10
Blue:	C=70, M=30, Y=0, K=0
Purple:	C=100, M=100, Y=0, K=0
Red:	C=0, M=100, Y=100, K=0
Orange:	C=0, M=70, Y=100, K=0
Yellow:	C=0, M=35, Y=100, K=0

6. PMS Color Process
   If solid pantone colors are used they are as follows:

Purple:	2617;
Blue:	279;
Orange:	158;
Red:	186
Green:	363;
Yellow:	130.

7. One Color Process
   If solid pantone color is used it is as follows:
   Purple: 2617
   This is to be done on a white background.

Press and Media Exposure Guidelines

1. We encourage marketing collaboration between plans in the various counties statewide.

2. We encourage collaboration with local media entities to do human interest stories about families who are utilizing the HFP Program. Plans must obtain written consent from the individuals or families portrayed in the stories for any disclosure of information in accordance with applicable law.

3. Radio ads should include the following:

    a) A brief HFP description of the Healthy Families Program. For example, "low-cost comprehensive health, dental and vision coverage for children from birth through their 19th birthday"; or "low-cost health coverage for kids"; or "comprehensive health coverage for children."
    b) Translated versions should use the HFP name in English. The HFP description and tagline should be translated.
    c) The HFP Tagline "A Healthier Tomorrow Starts Today" (Optional).
    d) The HFP Spanish Tagline "¡Un mañana con salud empieza hoy!" (Optional)
    e) For more information about the "Healthy Families Program," call 1-888-747-1222 (Optional).

4. Television ads should include all of the radio ad guidelines in addition to the following:

    a) HFP logo must be displayed with the technical four-color process specifications for on-air broadcast.
    b) Include voice-over "For more information about the Healthy Families Program, call 1-888-747-1222" (Optional).

Approved Language Suggestions

The following are recommended text:

- The HFP offers **comprehensive** health **coverage** (not insurance) to California's children. (Although the HFP provides a number of quality services, it is not considered "complete" health coverage.)
- The following children may qualify for the Healthy Families Program:
    - Children up to their 19th birthday
    - Children without employer paid health insurance in the last three months
    - Children not eligible for, or enrolled in, no-cost Medi-Cal
    - Children who are U.S. citizens, nationals or eligible qualified immigrants
    - Children who live in California
    - Children who meet the income guidelines
- The HFP is a program offered through the State of California in conjunction with participating plans.

- Community Provider Plans may use passive language in highlighting their lower pricing structure. The following statements are considered acceptable:
  - "If you choose [CPP], your monthly premium will be less than if you choose another Healthy Families Plan in [name of county]."
  - "Choose [CPP], and you will pay less than if you choose another Healthy Families Plan in [name of county.]"
  - By selecting [CPP] in [name of county], you will pay lower monthly premiums than if you selected another Healthy Families Plan in [name of county]."

  Substituting your plan name for "Community Provider Plan" in the aforementioned statements is unacceptable. However, identifying your plan as the Community Provider Plan on the same document is acceptable.

Language to Avoid

The following text has been previously denied by MRMIB for use:

- MRMIB cautions against the use of the word **join**. This may be misinterpreted to mean that potential HFP subscribers are automatically enrolled into the program by calling the HFP or plan partners toll free telephone number. Instead, prospective subscribers must **apply** for the program first before they are determined if they are eligible to be enrolled in the HFP. Use of the word "apply" is acceptable.
- The HFP, not the participating plan, charges the subscriber premiums for the services they use. Plans do not **offer** the HFP at a certain premium; plans are **available** to the subscriber at these premiums. Use of the word "available" is acceptable.
- "Call XYZ plan to get help in your language." This statement is misleading, unless all member services staff areas offer every language spoken and/or read. Instead MRMIB suggests that the plan describe or quantify how many languages are served or state "several languages".
- In describing eligibility the plan stated "Not eligible for no-cost Medi-Cal." This statement is not accurate; the correct description is "Not eligible for **or enrolled** in no-cost Medi-Cal."

Marketing Plan

All proposed marketing strategies must be submitted to MRMIB in the form of a comprehensive marketing plan that includes a mission statement, organizational chart, goals and objectives, a listing of all proposed marketing materials to be used and proposed locations for distribution, including ancillary components such as scripts. Included with new proposed materials, submittal of examples of all previously approved marketing materials that the plan intends to continue using during the remainder of the contract. These requirements are described in Exhibit A of the 2005-2008 MRMIB/HFP Plan Contract. The marketing plan must be submitted to MRMIB, by September 1, 2005, and shall remain in effect for the duration of the contract. Marketing plans may be updated throughout the contract duration by submitting a proposed marketing plan update to MRMIB for review and approval. All marketing materials must be submitted for review and approval by MRMIB as detailed in this guide.

If a participating plan has been previously approved for providing application assistance, please provide in the new marketing plan an overview of those activities for the 2005-2008 contract periods and indicate when the previous application assistance plan was approved by MRMIB.

Submission Requirements and Time Frames

Under the HFP Plan contract, MRMIB has sixty (60) calendar days to approve all marketing plans and marketing material submissions. MRMIB will send an e-mail confirmation to the plan upon receipt of the marketing material(s), including the receipt date and assigned staff. MRMIB staff will promptly review each submission and inform participating plans, in writing, of the decision as soon as feasible.

Resubmissions will be handled the same as original submissions and are subject to similar timeframes. Oral approvals of marketing materials will not be granted, nor be acknowledged as legitimate. In the event a plan has an expedited review request, the expedited approval date must be clearly stated on the Marketing Materials Submission Form (see Attachment # 6) or on the cover letter submitted with the materials. MRMIB staff will make every effort to work with the plan to process the marketing submission within the expedited approval date or notify the plan if the requested date can not be met.

In the situation where the participating plan has not received a written response from MRMIB within the sixty (60) day period, the marketing plan and/or marketing materials is deemed approved by default. In the event MRMIB subsequently provides feedback and request updates to the marketing plan or marketing materials, plans may be requested to revise the printed materials. However, the plans will only be required to re-print the material after depletion of the initial inventory. Marketing plans and materials should be submitted to:

Contract Compliance and Marketing Manager
Eligibility, Enrollment and Marketing Division
Managed Risk Medical Insurance Board
1000 G Street, Suite 450
Sacramento, CA 95814

Each marketing submission will be accompanied with the Marketing Materials Submission Form (see Attachment # 6) or a cover letter which includes the same information requested on the Marketing Materials Submission Form.

Electronic marketing submissions via e-mail and faxed submissions will be accepted, provided that a hard copy of the submission containing the exact same item is received via standard mail, courier, or fax shortly thereafter. The fax number for HFP Marketing Submissions is (916) 327-6560, Attention: Contract Compliance and Marketing Manager. The e-mail address for marketing related questions and submissions is hfpmarketing@mrmib.ca.gov.

The MRMIB will only accept attachments in the following file types with electronic submissions:

- Adobe PDF
- Microsoft Word
- Microsoft Excel
- Microsoft PowerPoint

MRMIB will provide a courtesy review, time permitting, of marketing materials for participating plans' provider networks. All such submissions will adhere to the same marketing guidelines as materials developed by HFP participating plans. Marketing materials submitted by individual providers will not contain language identifying the provider as an HFP plan nor as being in partnership with the HFP. Provider submissions should identify the HFP participating plan with whom they are associated. Courtesy reviews are not subject to contractual timeframes.

Response Process

Upon receipt of marketing materials submitted for review, a MRMIB staff member will be assigned to review and respond to the plan. An e-mail message will be sent to the plan acknowledging receipt of the submission, identifying the staff assigned to review the submission and date received. Upon completion of the review, an e-mail message will be sent with an electronic copy of the official response letter attached from MRMIB. A hard copy of the response letter, sent via mail, will follow shortly thereafter.

Unacceptable Marketing Activities

Sections 12693.31, 12693.32 and 12693.325 of the Insurance Code prohibit participating plans from directly or indirectly, or though their agents, conducting in-person, door to door, mail, or phone, solicitation of applicants for enrollment. Marketing activities that violate these or other laws include:

- soliciting, by door-to-door, mail or by telephone or in person,
- raffles, not sponsored by the event, conducted at plan's booth or table,
- obtaining or using names of persons attending a health fair, health seminar, community event, application activity or participation in a raffle to generate a lead list for potential HFP outreach or follow-up by plan,
- making false, misleading or deceptive claims or representations,
- charging a fee for application assistance,
- making written/oral statements, representations or comments that are aimed at competing participating plans. This includes using another plan's name, benefits, or performance data for comparison purposes in any marketing activity.
- enticing a potential applicant to apply for the program or to select a particular plan with "sign-up gifts," such as pens, cups, clothing, food, etc.,
- engaging in marketing practices that discriminate against an eligible individual because of race, creed, age, color, sex, religion, national origin, ancestry, marital status, sexual orientation, physical or mental handicap, or health status,

- paying any fees or providing any form of compensation to any potential applicant, Enrolling Entities or any Certified Application Assistants (CAAs) for enrolling children in the program, and
- title community event sponsorship that does not allow other plans' participation.

Community and Public Awareness Events

Participating plans may participate in Community/Public Awareness events such as health fairs, health seminars and outreach events as long as they limit their activities to promoting public awareness of the HFP, and of the plan's participation in the program and providing application assistance under the circumstances allowed by Insurance Code Section 12693.325 (Attachment #1). Participating plans may enter into title event sponsorships. A title sponsorship is one in which the plan's name appears as the lead sponsor in event announcements and advertisements such as "Happy Valley School and Plan X invite you to X Community event." If a plan participates in a title sponsorship the plan cannot have a contractual provision or other policy or practice that excludes other HFP plans in the county from having an opportunity to participate in the event. The plan participation may require an event sponsorship fee.

Application Assistance Participating Plan Requirements

During the budget process for FY 2000/2001 and FY 2001/2002, the Administration and the Legislature enacted Chapter 93, Statutes of 2000 and Chapter 171, Statutes of 2001. These were incremental expansions of participating plans' ability to market the HFP/MCF under certain limited circumstances and with periodic monitoring. Insurance Code Section 12693.325 (Attachment #1) permits HFP participating health, dental, and vision plans to assist a potential applicant in completing the HFP/MCF application under the circumstances summarized below. A participating plan employee or other representative who provides application assistance is required to complete a certified application assistant training class approved by MRMIB and Department of Health Services (DHS) and shall be referred to as "Certified Staff." Each participating plan must have an approved plan for Application Assistance on file with MRMIB before providing assistance to potential applicants and subscribers.

Each participating plan that assists applicants is required to submit a proposed plan for providing application assistance to MRMIB for approval. The proposed plan should include all scripts and materials that will be used during the application assistance sessions. A participating plan employee or other representative who provides application assistance is also required to complete a certified application assistance training class that is approved by MRMIB. Participating plan employees/representatives who have completed the training class and receive a certificate are referred to as "Certified Staff".

The proposed plan for application assistance by participating plans may be submitted as an addendum to the plan's marketing plan for the HFP. Plans that do not have a marketing plan on file with MRMIB must submit the information listed below and a marketing plan as described in Exhibit A of the 2005-2008 MRMIB/HFP Plan Contract.

MRMIB prefers that applicants receive their application and handbook from the program administrator, however, plans may mail out an application and handbook upon request by an

applicant. **Contents of the mailing must include both a current HFP/MCF joint application and a current HFP handbook.** Plans may also send approved materials with the application and handbook. The accompanying materials must be submitted to MRMIB for approval prior to distribution.

While providing application assistance, participating plans are prohibited from providing plan marketing materials with program application and handbook unless specifically requested by the applicant. If the applicant does request plan information, they must be sent out under a separate cover mailing from the application and handbook requested as part of the application assistance process.

The following are required when submitting to MRMIB for approval a participating plan's application assistance for HFP/MCF plan:

1. Scripts for each allowable circumstance in which the participating plan employees or representatives may provide application assistance for the HFP/MCF.

2. All materials used during the participating plan's application assistance sessions.

3. List of all participating plan's places of business where application assistance services will be offered, including addresses, telephone, fax numbers and supervising contact person at each location (outstation or contractor locations are not the plan's place of business). If there are any changes in business sites, the plan is required to submit an updated list to the HFP.

4. List of all participating plan employees and representatives who have been certified, trained, and are providing application assistance services on behalf of the participating plan. This list must be updated when there are staffing changes during the previous month. The revised list of active Certified Staff shall be submitted by the 10th of each month, and include the name and Certified Staff number of each employee or representative currently employed that may provide application assistance. Submit the updated monthly Certified Staff list to ee-caaliaison@maximus.com.

5. A photocopy of all badges of employees or representatives providing application assistance. All participating plans providing application assistance shall provide their employees or representatives with laminated photo ID badges that identify their health, dental or vision plan, the employee's or representative's name and Certified Staff number, and the participating plan's name and plan number.

6. An organization chart for the participating plan which includes the reporting relationship between participating plan Certified Staff and their supervisor.

7. The plan's Application Assistance Request Form (Attachment #3). This form is used to verify that (1) the applicant requested application assistance from the participating plan and that (2) the participating plan's Certified Staff (a) provided written explanation of the Certified Staff's relationship with the plan, (b) provided complete information on available plan choices in the county of residence (specifically naming those plans), (c) provided the toll-free number for the HFP, and (d) provided the most recent version of the HFP handbook.

8. Samples of the plan's documentation and logging systems to track all requests for application assistance by potential applicants and outreach to individuals with whom the participating plans have an existing relationship. The documentation system and accompanying forms must document telephone, written, in-person, and community public awareness event applicant requests for application assistance from the plan. The plan's documentation system shall also compile the signed Application Assistance Request Form (referenced in #7 above) once the application assistance session has been completed and must track the original request for application assistance. The plan's documentation system shall also log and track all Certified Staff related grievances/complaints filed with the plan. The participating plan shall notify MRMIB of each and every grievance/complaint filed and the circumstances of each and every grievance/complaint filed.

9. A signed Plan/Certified Staff Code of Conduct Agreement (attachment #4) signed by each participating plan's Management Staff (as designated in #6 above) and Certified Staff (see attached Plan/Certified Staff Code of Conduct Agreement). The agreement documents that the participating plan management staff and Certified Staff agree that they will abide by the code of conduct for providing application assistance. These practices are detailed during the application assistance training class. The agreement has a provision to terminate participating plans and Certified Staff's ability to provide application assistance for violations of the code of conduct for providing application assistance.

All participating plans must have an approved plan for providing application assistance on file with MRMIB and all plan employees or representatives must have completed the State approved participating plan Application Assistance training course and become Certified Staff prior to starting application assistance activities.

While providing application assistance, participating plans are prohibited from providing plan marketing materials with program application and handbook unless specifically requested by the applicant. If the applicant does request plan information, they must be sent out under a separate cover mailing from the application and handbook requested as part of the application assistance process.

Allowable Circumstances for HFP Participating Plans to Provide Application Assistance

Note: Circumstances are referenced in Insurance Code Section 12693.325 (Attachment #1)

The HFP participating plans' assistance is limited to:

- Situations in which applicants telephone, write or contact the plan in person at the plan's place of business; or a community public awareness event that is open to all participating plans in the county; or at any other site approved by MRMIB, and requests application assistance.

- Situations described in the law, in which the Plan has an existing relationship with the applicant through the Healthy Families Program, Medi-Cal Managed Care, COBRA continuation coverage or employer sponsored coverage.
- Situations in which applicants are completing the HFP's Annual Eligibility Review (AER) process in order to retain health, dental and vision care coverage for subscribers enrolled in that participating plan.
- Situations in which applicants have authorized a government agency, school, or school district to make a referral requesting application assistance from a participating health, dental, or vision plan. The referral must be in compliance with State law, including use of a State approved authorization form. Government agencies, schools and school districts making such referrals must invite all plans in the geographic area to participate.

Prohibited Activities for HFP Participating Plans that Provide Application Assistance

The HFP participating plans and their employees may not:

- Conduct door-to-door marketing, or conduct mail, telephone or in-person solicitations.
- Influence the selection of a plan or select a plan or health, dental, or vision care provider for the potential applicant while providing application assistance.
- Receive an application assistance fee.
- Sponsor a person eligible for the program by paying family contribution amounts or co-payments.
- Offer applicants any inducements such as gifts or monetary payments to apply for the program.
- Charge for any application assistance.

Application and Enrollment Events

Participating plans may assist in coordinating, administering and implementing application and enrollment events. Participating plans may participate at these events, as long as activities are limited to promoting public awareness of the HFP, and of the plan's participation in the program.

Participating plans that have been approved by the MRMIB may provide application assistance under the circumstances allowed by the Insurance Code Section 12693.325. **Insurance Code Section 12693.325 (d) (3) prohibits participating plans that provide application assistance from directly, indirectly, or through its agents, from influencing the selection of plan, in selecting a plan or health care provider for a potential applicant. The Insurance Code Section instead requires the participating plan certified staff to inform the potential applicant of the choice of plans available within the applicant's county of residence, to specifically name those plans to the potential applicant and to provide the potential applicant with the most recent version of the program handbook.** Participating plans that will provide application assistance at an enrollment event are required to notify in writing all HFP participating plans in that county that they will be providing these services 2 weeks in advance of the event.

Participating plans may enter into title event sponsorships; however, all HFP plans in the county must have an opportunity to participate. This plan participation may require an event sponsorship fee. **Participating plans are prohibited from paying any fees or providing any form of compensation to any potential applicant, Enrolling Entity and any CAAs for enrolling in the program.**

HFP regulations, Title 10 California Code of Regulations, section 2699.6629 (f), prohibits CAAs from assisting applicants in choosing a health, dental or vision plan for person for whom an application is being made. CAAs may provide factual information comparing, contrasting and explaining the differences between plan and/or provider networks. CAAs may refer applicants to the most recent program handbook that describes health, dental and vision plans, and compares contrasts and explains the differences between plans. CAAs may also refer applicants to plan provider directories that describe each plan's provider network. **In no instance may a CAA suggest or select which plan or healthcare provider an applicant should choose.**

Marketing Violations and Disciplinary Action

The participating plan is responsible for all marketing activity conducted on behalf of the participating plan. **Participating plans will be held responsible for any and all violations of Insurance Code Section 12693.21 and 12693.32, Article 2, Section 2699.6629 (g) of the HFP regulations and other applicable laws by any plan marketing representatives and subcontracting plans.** These violations may result in the withdrawal of the plan's ability to market the HFP or marketing sanctions by the Department of Managed Care. Plan sanctions for marketing violations include, but are not limited to, cease and desist orders, marketing activity suspension, suspension of new enrollment and termination of the HFP Contract. Public disclosures of all marketing sanctions and violations of applicable laws are required. **Participating plans will be held responsible for any and all violations of Insurance Code Section 12693.325 regarding assisting potential applicants in completing the HFP/MCF application by any health, dental or vision plan marketing representatives and subcontracting plans.** MRMIB will compile, conduct preliminary reviews and may refer allegations of abusive and fraudulent application assistance practices to the DHS for formal review and to the Department of Managed Health Care for disciplinary action in accordance with the law.

Monitoring, Oversight & Disciplinary Action Process

- MRMIB tracks applications assisted by HFP/MCF participating plans.
- HFP Welcome Call Survey queries applicants assisted by HFP/MCF participating plans regarding application assistance practices.
- MRMIB periodically surveys new subscribers assisted by HFP/MCF participating plans.
- MRMIB conducts preliminary reviews of all allegations of questionable application assistance practices by HFP/MCF participating health plans.
- When deemed appropriate, MRMIB may refer participating health plans to the Department of Managed Health Care or the Department of Health Services for review or investigation of their application assistance practices.

- The Department of Managed Health Care has disciplinary authority for violations of the law concerning application assistance practices (for example, fines of $500.00 for each violation) and may revoke a HFP/MCF participating plan's ability to provide application assistance. As the licensing authority for health care service plans, the Department of Managed Health Care also has authority to revoke a plan's license.

Additional Information

The Managed Risk Medical Insurance Board reviewed, analyzed and reported to the Legislature on the impact of the HFP participating plan application assistance expansion in March 1, 2002. This report is available at http://www.mrmib.ca.gov/MRMIB/HFP/CAALegRpt0402.pdf.

Insurance Code Section 12693.325 (Attachment #1) has been amended to indefinitely allow participating plans to provide application assistance directly to applicants under the conditions of that section.

If you have any questions concerning these requirements and guidelines, please contact the Contract Compliance & Marketing Manger, Eligibility, Enrollment and Marketing Division, MRMIB at (916)324-4695.

INSURANCE CODE
SECTION 12693.31-12693.326

12693.31. No participating health, dental, or vision plan shall, in an area served by the program, directly, or through an employee, agent, or contractor, provide an applicant, or a child with any marketing material relating to benefits or rates provided under the program unless the material has been both reviewed and approved by the board.

12693.32. (a) The board may pay designated individuals or organizations an application assistance fee, if the individual or organization assists an applicant to complete the program application, and the applicant is enrolled in the program as a result of the application.

(b) The board may establish the list of eligible individuals, or categories of individuals and organizations, the amount of the application assistance payment, and rules necessary to assure the integrity of the payment process.

(c) The board, as part of its community outreach and education campaign, may include community-based face-to-face initiatives to educate potentially eligible applicants about the program and to assist potential applicants in the application process. Those entities undertaking outreach efforts shall not include as part of their responsibilities the selection of a health plan and provider for the applicant. Participating plans shall be prohibited from directly, indirectly, or through their agents conducting in-person, door-to-door, mail, or telephone solicitation of applicants for enrollment except through employers with employees eligible to participate in the purchasing credit mechanism. However, information approved by the board on the providers and plans available to prospective subscribers in their geographic areas shall be distributed through any door-to-door activities for potentially eligible applicants and their children.

(d) (1) All assistance offered to an individual applying to the program shall be free of charge. Except as provided in subdivision (a) or by a regulation adopted by the board, no individual or organization offering or providing assistance to an applicant to complete the program application shall solicit or receive any fee or remuneration from the applicant or subscriber for offering or providing that service.

(2) A person who violates this subdivision or a regulation adopted by the board pursuant to this subdivision, shall be assessed a civil penalty of five hundred dollars ($500) for each violation. For this purpose, a violation occurs each day a solicitation is published on an Internet Web site or is otherwise circulated to the public. This penalty is in addition to any other remedy or penalty provided by law. All penalties collected under this paragraph shall be deposited in the State Treasury to the credit of the Healthy Families Fund.

(3) A civil or administrative action brought under this article at the request of the board may be brought by the Attorney General in the name of the people of the State of California in a court of competent jurisdiction, or in a hearing through the Office of Administrative Hearings conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government **Code**, except that when a civil action is to be filed in small claims court, the board may bring the action. The action shall be filed within three years of the date the board discovered the facts indicating a violation of this subdivision.

12693.325. (a) (1) Notwithstanding any provision of this chapter, a participating health, dental, or vision plan that is licensed and in good standing as required by subdivision (b) of Section **12693**.36 may provide application assistance directly to an applicant acting on behalf of an eligible person who telephones, writes, or contacts the plan in person at the plan's place of business, or at a community public awareness event that is open to all participating plans in the county, or at any other site approved by the board, and who requests application assistance.

(2) A participating health, dental, or vision plan may also provide application assistance directly to an applicant only under the following conditions:

(A) The assistance is provided upon referral from a government agency, school, or school district.

(B) The applicant has authorized the government agency, school, or school district to allow a health, dental, or vision plan to contact the applicant with additional information on enrolling in free or low-cost health care.

(C) The State Department of Health Services approves the applicant authorization form in consultation with the board.

(D) The plan may not actively solicit referrals and may not provide compensation for the referrals.

(E) If a family is already enrolled in a health plan, the plan that contacts the family cannot encourage the family to change health plans.

(F) The board amends its marketing guidelines to require that when a government agency, school, or school district requests assistance from a participating health, dental, or vision plan to provide application assistance, that all plans in the area shall be invited to participate.

(G) The plan abides by the board's marketing guidelines.

(b) A participating health, dental, or vision plan may provide application assistance to an applicant who is acting on behalf of an eligible or potentially eligible child in any of the following situations:

(1) The child is enrolled in a Medi-Cal managed care plan and the participating plan becomes aware that the child's eligibility status has or will change and that the child will no longer be eligible for Medi-Cal. In those instances, the plan shall inform

the applicant of the differences in benefits and requirements between the Healthy Families Program and the Medi-Cal program.

(2) The child is enrolled in a Healthy Families Program managed care plan and the participating plan becomes aware that the child's eligibility status has changed or will change and that the child will no longer be eligible for the Healthy Families Program. When it appears a child may be eligible for Medi-Cal benefits, the plan shall inform the applicant of the differences in benefits and requirements between the Medi-Cal program and the Healthy Families Program.

(3) The participating plan provides employer-sponsored coverage through an employer and an employee of that employer who is the parent or legal guardian of the eligible or potentially eligible child.

(4) The child and his or her family are participating through the participating plan in COBRA continuation coverage or other group continuation coverage required by either state or federal law and the group continuation coverage will expire within 60 days, or has expired within the past 60 days.

(5) The child's family, but not the child, is participating through the participating plan in COBRA continuation coverage or other group continuation coverage required by either state or federal law, and the group continuation coverage will expire within 60 days, or has expired within the past 60 days.

(c) A participating health, dental, or vision plan employee or other representative that provides application assistance shall complete a certified application assistant training class approved by the State Department of Health Services in consultation with the board. The employee or other representative shall in all cases inform an applicant verbally of his or her relationship with the participating health plan. In the case of an in-person contact, the employee or other representative shall provide in writing to the applicant the nature of his or her relationship with the participating health plan and obtain written acknowledgment from the applicant that the information was provided.

(d) A participating health, dental, or vision plan that provides application assistance may not do any of the following:

(1) Directly, indirectly, or through its agents, conduct door-to-door marketing or telephone solicitation.

(2) Directly, indirectly, or through its agents, select a health plan or provider for a potential applicant. Instead, the plan shall inform a potential applicant of the choice of plans available within the applicant's county of residence and specifically name those plans and provide the most recent version of the program handbook.

(3) Directly, indirectly, or through its agents, conduct mail or in-person solicitation of applicants for enrollment, except as specified in subdivision (b), using materials approved by the board.

(e) A participating health, dental, or vision plan that provides application assistance pursuant to this section is not eligible for an application assistance fee otherwise available pursuant to Section **12693**.32, and may not sponsor a person eligible for the program by paying his or her family contribution amounts or copayments, and may not offer applicants any inducements to enroll, including, but not limited to, gifts or monetary payments.

(f) A participating health, dental, or vision plan may assist applicants acting on behalf of subscribers who are enrolled with the participating plan in completing the program's annual eligibility review package in order to allow those applicants to retain health care coverage.

(g) Each participating health, dental, or vision plan shall submit to the board a plan for application assistance. All scripts and materials to be used during application assistance sessions shall be approved by the board and the State Department of Health Services.

(h) Each participating health, dental, or vision plan shall provide each applicant with the toll-free telephone number for the Healthy Families Program.

(i) When deemed appropriate by the board, the board may refer a participating health, dental, or vision plan to the Department of Managed Health Care or the State Department of Health Services, as applicable, for the review or investigation of its application assistance practices.

(j) The board shall evaluate the impact of the changes required by this section and shall provide a biennial report to the Legislature on or before March 1 of every other year. To prepare these reports, the State Department of Health Services, in cooperation with the board, shall **code** all the application packets used by a managed care plan to record the number of applications received that originated from managed care plans. The number of applications received that originated from managed care plans shall also be reported on the board's Web site. In addition, the board shall periodically survey those families assisted by plans to determine if the plans are meeting the requirements of this section, and if families are being given ample information about the choice of health, dental, or vision plans available to them.

(k) Nothing in this section shall be seen as mitigating a participating health, dental, or vision plan's responsibility to comply with all federal and state laws, including, but not limited to, Section 1320a-7b of Title 42 of the United States **Code**.

(l) Paragraph (2) of subdivision (a) shall become inoperative on January 1, 2006.

12693.326. Notwithstanding any other provision of this part, a new subscriber in the program shall be allowed to switch his or her choice of plans once within the first three months of coverage for any reason.

Excerpt from
Healthy Families Regulations

TITLE 10: CALIFORNIA CODE OF REGULATIONS

CHAPTER 5.8 Managed Risk Medical Insurance Board

Healthy Families Program

ARTICLE 2. Eligibility, Application and Enforcement

2699.6629. Payment for Application Assistance.

(a) The program shall pay an application assistance fee to an eligible entity that assists an applicant in completing a program application or assists an applicant in completing annual eligibility review, if the following conditions are met:

(1) A child or a child-linked adult are enrolled or requalified as a result of the application;

(2) The request for payment is made in writing and specifies the entity to which the payment shall be made and includes:

(A) The certified application assistant identification number of the person who assisted the applicant.

(B) The entity identification.

(3) The application includes a signed and dated declaration by the applicant stating that the certified application assistant helped the applicant complete the application.

(4) The certified application assistant has successfully completed a state-sponsored or approved training course, which may include continuing education courses.

(b) The following entities are eligible to receive application assistance fees:

(1) an insurance agent as defined in Section 31 of the Insurance Code, or a broker as defined in Section 33 of the Insurance Code;

(2) a licensed health care provider;

(3) a tax preparer as defined in Section 22251 (a)(1)(A) of the Business and Professions Code;

(4) a licensed health care institution;

(5) a licensed health care clinic;

(6) a county department of public health, a city health department, or a county department that delivers health services;

(7) an Indian Health Service Facility;

(8) a school;

(9) a faith-based organization;

(10) a licensed day-care provider;

(11) a direct state Maternal and Child Health Contractor;

(12) a WIC Supplemental Food and Nutrition program for Women, Infants and Children;

(13) a Parent Teacher Organization;

(14) An organization meeting all of the following criteria:

(A) The organization has significant interaction with children or parents of children who represent the target market for the program or for children's Medi-Cal;

(B) The organization is not a licensed health, dental or vision plan, or an organization providing health, dental or vision care to children; and

(C) The organization has a federal tax identification number and is a bona fide non-profit entity as determined by the Internal Revenue Service.

(c) An incomplete request will not be processed for reimbursement; missing information cannot be submitted at a later date.

(d) The amount of the application assistance fee shall be as follows:

(1) Fifty ($50.00) dollars per successful application made pursuant to Section 2699.6600 where a child successfully enrolls in no-cost Medi-Cal or the program.

(2) Fifty ($50.00) dollars per successful application made pursuant to Section 2699.6600 where a child-linked adult successfully enrolls in no-cost Medi-Cal or the program when a request for enrollment is made at the same time for the child through whom the subscriber parent became eligible as a child-linked adult as defined in Section 2699.6500.

(3) If children or child-linked adults on one application are enrolled in no-cost Medi-Cal and the program, a $50.00 payment will be made for each program pursuant to (1) and (2).

(4) For the first year beginning with the parental coverage start date, twenty-five ($25.00) dollars per successful application made pursuant to Section 2699.6600, Section 2699.6617, or Section 2699.6631 where a child-linked adult successfully enrolls in the program when the child through whom the subscriber parent became eligible as a child-linked adult as defined in Section 2699.6500 is already enrolled in no-cost Medi-Cal or as a subscriber child in the program.

(5) Payment will only be made on one successful application for no-cost Medi-Cal and one successful application for the program for a household in a year except when a child is re-enrolled in the program after a break in coverage.

(6) Twenty-five ($25.00) dollars for a successful Annual Eligibility Review for the program.

(e) The program shall monitor the payment of application assistance fees to assure the integrity of the process.

(1) The program may determine at any time that an individual will no longer be eligible to be a certified application assistant and/or an entity will no longer be eligible to receive application assistance fees.

(2) Notice of such determination shall be provided within five (5) calendar days.

(f) Entities applying for application assistance fees and certified application assistants are prohibited from assisting applicants in choosing a health, dental, or vision plan for persons for whom application is being made. The person or entity may direct the applicant to that part of the program materials that describes health, dental, and vision plans. Nothing in this subdivision shall be construed to prohibit an application assistant or entity from providing factual information comparing, contrasting, and explaining the differences between plans and/or provider networks when assisting an applicant. In no instance may an application assistant or entity suggest which plan or provider an applicant should choose.

(g) Participating dental and vision plans shall be prohibited from directly, indirectly, or through their agents conducting in-person, door-to-door, mail, or phone solicitation of applicants for enrollment, or from assisting

applicants to apply for the program except as permitted by California Insurance Code Section 12693.325.

(h) Participating health plans shall be prohibited from directly, indirectly, or through their agents conducting in-person, door-to-door, mail, or phone solicitation of applicants for enrollment, or from assisting applicants to apply for the program except as permitted by California Insurance Code Section 12693.325.

(i) Nothing in this section shall prohibit licensed health, dental or vision care providers who are not claiming an application assistance fee from otherwise distributing program applications and providing assistance to applicants.

NOTE: Authority cited: Sections 12693.21 and 12693.755, Insurance Code.
Reference: Sections 12693.21, 12693.32, 12693.325 and 12693.755, Insurance Code.

Attachment # 3

Application Assistance Request

Healthy Families/ Medi-Cal for Families Programs

My name is:_____*(Certified Staff Name/Number should be here)*

I am an employee of:_____(Plan name should be pre-printed on form)

I have assisted you to fill out the Healthy Families/Medi-Cal for Families Application.
As an applicant to the Healthy Families /Medi-Cal for Families programs:

1. **You saw my photo identification badge identifying my name and plan**. I have shown you this ID badge.

2. **You have the right to select your child's health, dental, and vision plan**. You have the right to understand the health, dental, and vision plan choices available to your child in the county where you live. I have given you unbiased, neutral information to help you choose a plan and named all of the health, dental, and vision plan choices available in the county where you live. I have not steered you to any particular plan and you have the right to select any plan available.

   In the Healthy Families Program, health, dental, and vision plan choices must be made before the child is enrolled. I have given you a current Healthy Families Program Handbook to keep, if you are applying for the Healthy Families Program. In the Medi-Cal for Families Program most children have a choice of health plans. The choice of plans can be made after the child is determined to be eligible for Medi-Cal.

3. **You have been assisted with your application FREE of CHARGE**. I have not charged you a fee for application assistance. (If you apply for the Healthy Families Program an initial premium payment must be enclosed.) I have told you that assistance with your application is also available by calling the Healthy Families Program toll free at **1-800-880-5305**.

To be sure your applicant rights are protected; **I am prohibited** from doing any of the following:

- I **may not** offer you a gift or any monetary payment to apply for the programs or to influence your decision of which health, dental, and vision plan to select for your child before, during or after the application assistance session.
- I (and the plan I work for) **may not** offer to pay your child's monthly premiums, if your child is applying for the Healthy Families Program.
- I (and the plan I work for) **may not** call or come door to door to ask you to request application assistance from the plan.

By signing below, you are certifying that you have read and understand the information on this form. You also are certifying that you requested application assistance from the above named plan.

Applicant Signature:_____ Date:_____

Applicant Name: _____

Applicant Address:_____

Applicant Phone Number:_____

*Certified Staff Signature:*_____ *E-Mail:*_____

*Plan Log Number:*_____

Healthy Families & Medi-Cal for Families Programs Plan's Certified Staff Code of Conduct Agreement

The Plan and Certified Staff agree that they will:

- Act in a professional and courteous manner as a representative of a plan that participates in a State-sponsored health program;
- Wear a badge that identifies the Plan name and plan number and Certified Staff name and number. The badge can NOT identify the Certified Staff as an employee of the State of California or of the Healthy Families or Medi-Cal for Families Programs;
- Provide an open invitation to all participating plans in a county 2 weeks prior to any community events at which application assistance will be provided;
- Comply with Managed Risk Medical Insurance Board and Department of Health Services fraud prevention policies and safeguards against fraudulent actions;
- Report all violations of application assistance rules and code of conduct to Managed Risk Medical Insurance Board;
- Ensure Section 9 of the application is complete: family signature and date, Certified Staff signature and date, Plan number (5 digits) and Certified Staff number (9 digits ending with "H"). Section 9 MUST be completed correctly, using an ink pen or typewriter, and must contain original signatures;
- Act in an independent capacity and not as officers or employees or agents of the State of California in the performance of this Agreement;
- Never accept money or premium payments from applicants;
- Never mail the application for the applicant;
- Never coach the applicant on what information to include on the application regarding income, residency, immigration status and other eligibility rules;
- Never steer Medi-Cal eligible applicants to the Healthy Families Program by improperly including or excluding income deductions;
- Not divulge to any unauthorized person, any information obtained while assisting individuals with the applications;
- Never coach or recommend one plan/provider over another;
- Never invite or influence an employee or his or her dependents to separate from employer-based group health coverage, or arrange for this to occur;
- Not conduct door-to-door marketing, or conduct mail, telephone or in-person solicitations;
- Not receive or request an application assistance fee from the State of California for assisting Healthy Families Program/Medi-Cal for Families Program applicants;

- Never refer an applicant who requests assistance from your plan to an Enrolling Entity that is eligible for reimbursement unless the plan does not have the capacity to provide application assistance to the requesting applicant;
- Not sponsor a person eligible for the programs by paying family contribution amounts or co-payments; and
- Not use another person or surrogate to recruit potential applicants.

TERMINATION AND CANCELLATION

The Managed Risk Medical Insurance Board and the Department of Health Services are not liable to any person for any harm resulting from the actions of the undersigned individual or plan, or of anyone else acting on behalf of the plan. The State may terminate your participation in the program without cause immediately by a written notice thereof. A Certified Staff Number is not transferable under any circumstances.

As Plan Management and Plan Certified Staff, we acknowledge that we have received, read and agreed to comply and abide by the application assistance rules and code of conduct agreement. We also understand that we can lose the privilege of providing application assistance, both individually and organizationally, for violating the law concerning application assistance.

Also, we agree to provide an updated monthly listing of the active Certified Staff's in the Plan by the 10th of each month to ee-caaliaison@maximus.com.

Certified Staff Name:_____

Certified Staff #:_____

Certified Staff e-mail: _____

Certified Staff Signature:_____

Plan Name:_____

DATE:_____

Plan Mgmt Name: _____

Title: _____

Plan Mgmt Signature:_____

DATE: _____

CALIFORNIA CODES
HEALTH AND SAFETY CODE
SECTION 1395

1395. (a) Notwithstanding Article 6 (commencing with Section 650) of Chapter 1 of Division 2 of the Business and Professions **Code**, any health care service plan or specialized health care service plan may, except as limited by this subdivision, solicit or advertise with regard to the cost of subscription or enrollment, facilities and services rendered, provided, however, Article 5 (commencing with Section 600) of Chapter 1 of Division 2 of the Business and Professions **Code** remains in effect. Any price advertisement shall be exact, without the use of such phrases as "as low as," "and up," "lowest prices" or words or phrases of similar import. Any advertisement that refers to services, or costs for the services, and that uses words of comparison must be based on verifiable data substantiating the comparison. Any health care service plan or specialized health care service plan so advertising shall be prepared to provide information sufficient to establish the accuracy of the comparison. Price advertising shall not be fraudulent, deceitful, or misleading, nor contain any offers of discounts, premiums, gifts, or bait of similar nature. In connection with price advertising, the price for each product or service shall be clearly identifiable. The price advertised for products shall include charges for any related professional services, including dispensing and fitting services, unless the advertisement specifically and clearly indicates otherwise.

(b) Plans licensed under this chapter shall not be deemed to be engaged in the practice of a profession, and may employ, or contract with, any professional licensed pursuant to Division 2 (commencing with Section 500) of the Business and Professions **Code** to deliver professional services. Employment by or a contract with a plan as a provider of professional services shall not constitute a ground for disciplinary action against a health professional licensed pursuant to Division 2 (commencing with Section 500) of the Business and Professions **Code** by a licensing agency regulating a particular health care profession.

(c) A health care service plan licensed under this chapter may directly own, and may directly operate through its professional employees or contracted licensed professionals, offices and subsidiary corporations, including pharmacies that satisfy the requirements of subdivision (d) of Section 4080.5 of the Business and Professions **Code**, as are necessary to provide health care services to the plan's subscribers and enrollees.

(d) A professional licensed pursuant to the provisions of Division 2 (commencing with Section 500) of the Business and Professions **Code** who is employed by, or under contract to, a plan may not own or control offices or branch offices beyond those expressly permitted by the provisions of the Business and Professions **Code**.

(e) Nothing in this chapter shall be construed to repeal, abolish, or diminish the effect of Section 129450 of the Health and **Safety Code**.

(f) Except as specifically provided in this chapter, nothing in this chapter shall be construed to limit the effect of the laws governing professional corporations, as they appear in applicable provisions of the Business and Professions **Code**, upon specialized health care service plans.

(g) No representative of a participating health, dental, or vision plan or its subcontractor representative shall in any manner use false or misleading claims to misrepresent itself, the plan, the subcontractor, or the Healthy Families or Medi-Cal program while engaging in application assistance activities that are subject to this section. Notwithstanding any other provision of this chapter, any representative of the health, dental, or vision care plan or of the health, dental, or vision care plan's subcontractor who violates any of the provisions of Section 12693.325 of the **Insurance Code** shall only be subject to a fine of five hundred dollars ($500) for each of those violations.

(h) A health care service plan shall comply with Section 12693.325 of the **Insurance Code** and Section 14409 of the Welfare and Institutions **Code**. In addition to any other disciplinary powers provided by this chapter, if a health care service plan violates any of the provisions of Section 12693.325 of the **Insurance Code**, the department may prohibit the health care service plan from providing application assistance and contacting applicants pursuant to Section 12693.325 of the **Insurance Code**.

Attachment #6

Marketing Materials Submission Cover Memo

To: Contract Compliance and Marketing Manager
Managed Risk Medical Insurance Board (MRMIB)

From: Plan Representative
Plan Name

Date:

The attached marketing submission is being submitted to MRMIB for review and approval. The following is an overview of the marketing submission.

1. Describe the method of distributing the marketing materials and timeframe.	
2. Describe the target audience.	
3. Was the marketing submission approved in the past by MRMIB?	
4. Do you have a print or broadcast deadline? If so, what is the date?	