



## **Guardian Healthcare, Inc. Marketing Change/Updates**

On June 4, 2010, CMS issued a revised Medicare Marketing Chapter 3 to include the latest provisions in the current guidance relative to PFFS plans (non-network and network requirements) and Agent/Broker Compensation. CMS provided additional guidance to the current guidelines in addition to changing various regulations in the current Medicare Marketing Guidelines for Medicare Advantage Plans.

In 2011 PFFS will be broken into three different segments based on CMS regulations in regions. Those three segments are PFFS non-network, PFFS partial network and PFFS network plans.

According to CMS regulations for 2011, we are required to have networks for all of Guardian's Healthcare plan service areas.

For 2011, Guardian Healthcare plans will be converting and/or changed as follows:

- H4917 Tribute and Tribute Enhanced to H7341 Tribute Plan
- H4917 Pride Plan to H7341 Pride Plan
- H9779 Select Plan will be expanded to additional counties
- H9779 Premier Plan will be a new plan added for 2011
- H9779 (D-SNP) Honor will be a new plan added for 2011
- H7341 Tribute and Pride Plans will be segmented into two different regions
- H9779 Premier and Select Plans will have distinct selling counties
- H9779 (D-SNP) Honor will be available in all Guardian Healthcare service areas

Guardian Healthcare will be reducing its' service area from 46 counties in South Carolina to 19 counties.

***All new changes in plans and service areas are based on CMS approval.***

### **For Your Members:**

For your existing members in the counties that will not be renewed for 2011, there will be no visible impact to them. Coverage will continue through December 31, 2010 with no changes to benefits, premiums or administration. Contacts as well will remain the same as well.

Keep in mind your customers will need to make decisions this fall about their Medicare coverage by December 31<sup>st</sup>. Otherwise, your customers may only have original Medicare coverage starting January 1, 2011.

**Brokers/Agents:**

Guardian Healthcare is now asking that you stop marketing all Guardian Healthcare products in the non-renewal counties.

Guardian Healthcare will not pay commissions for any applications in the affected counties (see below) beginning with a September 1<sup>st</sup> effective date. Any applications received prior to August 1<sup>st</sup> will be honored.

In accordance with the **new** CMS guidelines (Chapter 3, Section 120, Agent/Broker Commissions), applications received for the H4917 Tribute, Tribute Enhanced, Tribute Pride and Tribute Select PPO in the renewed counties for 2011 will be paid based on the plan year (not fiscal year). The following outlines the new commission schedule:

Effective Month	Commission Paid
September 1 <sup>st</sup>	4-months
October 1 <sup>st</sup>	3-months
November 1 <sup>st</sup>	2-months
December 1 <sup>st</sup>	1-month

For 2011 commission, the following example applies to the new commission schedule:

Effective/Renewal Month	Commission Paid
January 1, 2011	Renewals –New Plan Year

Guardian Healthcare appreciates your continued support and dedication to excellent service. We thank you very much for your time and attention.

**Affected Counties:**

- Aiken
- Allendale
- Barnwell
- Beaufort
- Chester
- Chesterfield
- Clarendon
- Darlington
- Dillon
- Edgefield
- Fairfield
- Florence
- Georgetown
- Greenwood
- Hampton
- Jasper
- Kershaw
- Lancaster
- Laurens
- Lee
- Marlboro
- Newberry
- Orangeburg
- Saluda
- Sumter
- Williamsburg
- York