

MIPPA MEANS GOOD MARKETING
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It's a new year, several months have gone by since CMS released the Medicare Improvements for Patients and Providers Act (MIPPA) and I'm still hearing some grumbling about the new rules. Some say that MIPPA is a whole new ballgame while others say they're not sure if they can comply, wary if their systems can do what the government is mandating.

While I'm a minimalist when it comes to government intervention or regulatory meddling, I'm not sure MIPPA is as much of a concern as some may think. If you read between the lines, is it doing nothing more than "regulating" the adoption of sales and marketing best practices. Over the last decade, some health plans got sloppy with their marketing, trying to do the quick and easy - from farming out their sales activities, generating impressions at any cost and losing track of their distribution channel. When the dust settles, I think we'll find that MIPPA actually helps more than hurts.

I find it hard to believe that any company would think that call centers doing cold calls or having poorly managed brokers in the field is as effective as adopting marketing practices where the prospects come to you looking for information. I'm sure that the success rate per lead will be much higher under the new MIPPA rules. With proper controls and management, the opportunities are much bigger with the ever-expanding market of retiring Baby Boomers.

And while I'll agree that MIPPA will require most insurers to make some sort of change, it isn't drastic. The clients that I speak with soon discover that most of the "changes" required by MIPPA are actually things they've been doing all along, they just need to codify it.

Only a year ago, several large insurers were questioned by CMS about their marketing practices. So I can understand why MIPPA mandates a back-to-basics approach for marketing. Insurers will now have to actually draw up a game plan for their marketing and adopt systems that allow them to stay on that plan.

For example, outbound calling is virtually eliminated by MIPPA. You cannot call someone who hasn't requested you to call them. You can't call former members without their express approval. The only way to get permission to do an outbound call is to have a signed business reply card and even then, the call must be made in a time-sensitive manner. Does this mean the use of the telephone is dead? Not quite. It just means you have to track and manage your relationships better with good databases and no call or op-out lists.

It's not new, but it is time to again start tracking what prompted the inbound call. Why are they interested? What was the reason for them taking action? What are their problems that they think you might help them solve? Taping of calls has gone on forever as a quality control tool. Now I guess it's time to make it bit more formal and improve the quality of all calls. Nothing wrong with that. All of this is quite simple with good technology and has been available for years.

MIPPA also means you need to keep good written records. The Business Reply Card is key to starting the relationship. Without a signed BRC or some type of returned correspondence, you cannot directly contact a prospect. You can send a letter asking a person to sign a BRC that they may have sent in but neglected to sign, but otherwise direct mail is severely curtailed. This means you need to implement systems that allow you to track and record the BRCs so you have proof that you are properly managing the relationship. The same holds true with referrals, where you now need to have the prospect respond with a BRC before starting the enrollment process. All of these changes will result in building a better, longer-lasting relationship with your customers. Again, not a bad thing.

You also need to make sure that all of your broker and agent information is on file for immediate retrieval should the information be requested by a client or CMS. Tracking their skills, certifications, continuing education and overall performance isn't a bad thing. In fact, good marketing people have done it for years.

Do you sense a theme here? It all boils down to maintaining a data trail and holding your marketing team accountable. For most companies, large and small, they've been doing

this to some extent for years. For some, they just have to ratchet it up a notch, and for others, it's old hat. For those insurers who don't have such systems, I would venture to say that MIPPA is a good thing because it's going to bring their marketing tactics into the 21st Century.

Let's face it. As the drive to market products has become more intense, consumers have been flooded with unwanted phone calls, loads of direct mail, and other annoyances. The government created the national no-call list a few years ago, followed by the CAN-SPAM anti-spam email marketing act, and now is continuing its efforts with MIPPA. And make no doubt about it, CMS is watching closely and will turn off your company's ability to sell if you do not comply with the new rules. They'll have mystery shoppers out there just waiting for the first company to "accidentally" contact a lead by phone without a signed BRC. My hunch is that they're just looking for their first poster child to show others that they are serious about the new rules.

But the threat of fines isn't why companies should welcome the changes outlined in MIPPA. Instead, we should see the new rules as bringing insurance marketing into the 21st Century, helping us market smarter and use marketing dollars wiser. Gone are the days of infinite impersonal cold calls and constant direct mail campaigns, replaced by tactics that will build relationships. And this is the best way to build a business and deliver quality service.

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