



This document is for agent use only, and does not replace or supersede the Agent’s Contract, the Member’s Evidence of Coverage, nor the IRS tax code. Please refer to these documents for further details. Nothing in this document should be considered “Tax Advice” and your client should consult the IRS or their Tax Professional in matters involving the taxation and/or penalties (or lack thereof) associated with the use of their Medical Savings Account. From time to time, CMS or the IRS may change or update guidance, and while we will endeavor to update this document, we hold no obligation to advise you when or if this document is updated.

1. How do I get appointed to sell Lasso Healthcare MSA?
Visit the [Agent Section](#) and click on the button at the top which says, “Get Contracted Now.” One of our downstream Field Marketing Organizations (FMOs) will contact you shortly. You can also check with your upline to see if they are a contracted distributor of Lasso Healthcare.
2. How do I complete certification?
First, you must return your contract along with a copy of your 2020 AHIP certificate to your upline. Once your contract is processed, you will receive an email with the training and a unique link to take the online certification test. Questions are scored shortly after completion and an email containing the results is sent with additional steps to complete.
3. Is AHIP required?
Yes.
4. Is there a discount on AHIP?

Lasso Healthcare offers an educational bonus for 2020 AEP of \$150. Write 3 MSA apps for January 1, 2020 effective dates, and, as long as you remain an appointed agent in good standing and the members are still enrolled in March 2020, you receive \$150.
5. Is face-to-face training required?
No
6. When will I get my writing number and supplies?
After you have passed the product certification test and we have completed your background check, Lasso Healthcare will process your state appointments. Once your state appointments are confirmed, you will receive a welcome letter containing your writing number. All appointed agents will receive a starter kit of 3 printed/paper enrollment kits, plus links to electronic tools like presentation materials, marketing materials, etc.
7. How do I request additional supplies?
We highly encourage you to try out our online enrollment in the [Enroll Section](#). It’s quick and easy, not to mention environmentally-friendly. An electronic, PDF version of the enrollment kit is also available for download in the [Documents Section](#). Paper enrollment kits can be requested from the [Agent Section](#).



8. What is included in an enrollment kit?

- Lasso Healthcare MSA Scope of Appointment Form
- Lasso Healthcare MSA Pre-Enrollment Checklist
- Lasso Healthcare MSA Summary of Benefits
- Lasso Healthcare MSA Enrollment Form
- Optum Bank Medicare Advantage MSA Authorization Form
- Lasso Healthcare MSA Plan Overview
- Lasso Healthcare MSA Provider Guides

9. Where do I submit my applications?

Paper applications should be faxed to 888-638-6943 as soon as possible, but never later than 48 hours from completion. Include a Cover Sheet, the Lasso Healthcare MSA Enrollment Form and the Optum Bank MSA form. Scope of Appointment (SOA) forms no longer need to be submitted to us, however you should retain the signed SOAs per CMS requirements and be able to produce it to Lasso Healthcare upon our request.

10. Does Lasso offer online enrollments?

Yes, and we highly encourage you and your clients to enroll online. The client can complete the online enrollment form in the [Enroll Section](#), using your writing number; as your NPN is included on the online enrollment form, commission will still be paid for online enrollments. Agents must collect a signed Scope of Appointment (SOA) and present the product to the prospective member prior to initiating an online enrollment. The agent must retain the signed SOA for 10 years, per CMS requirements and be able to produce it upon request by Lasso Healthcare.

11. Is there somewhere I can track my submitted applications?

Lasso Healthcare will provide daily updates to enrollment status to the FMOs. You may also contact Lasso Healthcare Support Unit at 800-918-3859 or call your upline.

12. When will I get paid my Lasso Healthcare commissions?

MSA commissions will be paid no later than the end of the month the member is effective. Per CMS guidelines, commissions must be paid in the calendar year the member is effective.

13. How will my Lasso Healthcare commissions be paid to me?

Commissions are based on the contract you sign. If your commissions are assigned to another agent or agency, they will be paid to that agent or agency. If you are paid directly, they will be paid electronically to the account you indicated in your contracting paperwork. Lasso Healthcare has contracted Ritter Insurance Marketing as a "First Tier Entity," so commissions will be deposited from them.

14. Where can I view my commission statement?

Lasso Healthcare has contracted Ritter Insurance Marketing as a "First Tier Entity" to pay commissions, so commission statements will be provided by them for you to view online or through your upline.

15. Are commissions advanced?



Commissions are based on the contract you sign. If your commissions are assigned to another agent or agency, they will be paid to that agent or agency and your agreement with them will dictate terms of payment. If you are paid directly, they will be advanced in full for the calendar year. The Medicare Communication and Marketing Guidelines (MCMG) dictate agent compensation regarding full year (12 month) commission for members who enter our plan mid-year. The MCMG also dictates when commissions are considered “initial” or “renewal.”

16. Are commissions prorated for members who join mid-year?

Commissions are only prorated when required by the MCMG. Under current MCMG guidelines, if a member is joining the Lasso Healthcare MSA plan mid-year using the ICEP, they are in cycle year 1 and there is no prior plan history, the full Initial commission (12 months) would be paid without proration. Under current MCMG guidelines, if there is prior plan history, the Initial commission MUST be prorated for only the months the member is enrolled in the plan.

17. If my client has an issue, who can they call?

Members with inquiries should call Lasso Healthcare Member Services at 866-766-2583.

18. Is there a way I can help my client with any issues they have?

Agents are welcome to follow up on Member issues by [contacting](#) Agent Services at 877-293-2792.

19. Does Lasso Healthcare MSA include Prescription Drug coverage?

By law, MSAs are not allowed to include prescription drug coverage. The member is able to enroll in any stand-alone Medicare Prescription Drug Plan (PDP) offered in their service area.

20. Does Lasso Healthcare have any contracted providers in my client’s area?

There are no contracted providers with an MSA. The member can visit any Medicare participating provider. We include multiple copies of provider guide brochures in the enrollment kits, and ask that you and your clients work with the local providers prior to enrollment to minimize situations where providers decline to see the MSA member.

21. How can I or my client find out if a health care provider is a Medicare-participating provider?

You can search for Medicare-participating providers on the **Medicare Physician Compare Page** located at <https://www.medicare.gov/physiciancompare/>.

22. Can a Medicare-participating provider decide whether or not to treat an MSA plan member?

Any Medicare-participating provider accepting new patients is required to see the MSA member. Providers can view the provider guide, available in our [Documents Section](#), or can call the Lasso Healthcare Provider Service number at 800-579-0254, for further information.

23. Can Lasso Healthcare provide first-dollar coverage for preventive services?

No. By law, no services, including preventive services, are allowed to be covered by Lasso Healthcare before the member satisfies their deductible. As Lasso Healthcare believes in proactive preventive care, we offer an optional health incentive program, called For Your Health, that allows members to earn up to \$250 in gift card rewards to major retailers by completing a series of preventive health activities:



- Complete a health survey - \$75 gift card
- Obtain a full lab panel and discuss the results with a provider - \$75 gift card
- Conduct an Annual Wellness Visit/Welcome to Medicare Visit with a provider - \$100 gift card

24. Do excess charges charged by non-participating physicians count toward the deductible?
If the member sees a Medicare non-participating provider, that provider may (where allowed by state law) balance bill the member up to a limiting charge. The limiting charges are not reimbursed by Lasso Healthcare and do not count toward the deductible.

25. If Lasso Healthcare does not have a network of providers what protections, if any, does a member have against accidentally using a provider that is on the CMS/OIG Sanction/Reinstatement list?
The member should always confirm that the provider is a Medicare-participating provider. Additionally, the member can search providers at the **Medicare Physician Compare Page** located at <https://www.medicare.gov/physiciancompare/>.

26. What happens if my member sees a provider who has opted out of Medicare?
The member is 100% responsible for any charges from providers who have opted out of Medicare. Further, none of these charges count toward the member's deductible.

27. Does Lasso waive the 3-day hospital stay requirement for Skilled Nursing Facility (SNF) benefits?
No.

28. If someone leaves the plan mid-year, what happens to the money in the MSA account?
The member is required to pay back the prorated unearned portion of their MSA deposit for that plan year only. Any funds accumulated from prior years in the MSA bank account are their funds to keep. IRS rules still apply for the balance left in the MSA account.

Keep in mind, unlike most other Medicare Advantage plans, there are very few allowable instances where the member can leave the plan voluntarily. In some cases, the plan would terminate if the member was no longer qualified for the plan (examples include leaving the plan's service area or becoming entitled to Medicaid). Additionally, if the member died during the plan year, the estate would be responsible to repay the unearned deposit.

Example: Let's assume the member permanently leaves the service area, is disenrolled on July 1st and owes Lasso \$1,620 for the pro-rated portion of the current year deposit. In this example, the member has \$2,000 still in their MSA account. The member can pay back Lasso \$1,620 and the remaining balance of \$380 in the MSA account can be kept by the member.

The 2020 training guide appendix included the 2019 and 2020 deposit, deductible and member responsibility amounts by month, to assist you with any proration calculations.

29. Can the member choose a custodial account other than Optum Bank?
Upon initial enrollment, the member must select Optum Bank. After the funds are deposited into the Optum Bank account, the member is free to move their funds to a custodial account of their choosing. However, any custodial fees, minimum balance amounts, other fees and reporting requirements become the member's responsibility.



30. Does Optum Bank charge an administrative fee?
Optum Bank does not charge any custodial fees while the member holds the account as a Lasso Healthcare MSA plan member.
31. Is the Optum Bank MSA account interest bearing?
While the member holds the account as a Lasso Healthcare MSA plan member, the account will be interest bearing. The member can also invest funds in excess of \$2,000 in various investment vehicles offered through Optum Bank. For current rates and investment options, visit Optum Bank's website at www.optumbank.com.
32. Does Optum Bank provide online statements or paper statements?
Under the Lasso Healthcare MSA, Optum Bank will have monthly statements showing account activity available to view online. Should the member prefer a paper statement, these would be mailed out on a quarterly basis.
33. If someone is enrolled in the MSA and a standalone PDP, can they use their deposit to pay for the Part D deductible and copays or coinsurance? Does it qualify toward their Lasso Healthcare MSA plan deductible?
Per the IRS, they can use the MSA funds on a tax-free basis to pay for their Part D deductible, copays and/or coinsurance. However, the funds used to pay for these expenses **will not** count toward the Lasso Healthcare MSA plan deductible. Only Medicare Part A & Part B qualified expenses count toward the plan deductible. The member may not pay the premium on the PDP plan with the MSA funds on a tax-free basis (taxes and penalties would apply), and, this, of course, would also not count toward the Lasso Healthcare MSA plan deductible.
34. Is the deposit an annual deposit or a one-time deposit?
The deposit is an annual deposit, provided the member renews with Lasso Healthcare. Unused funds remaining at the end of the calendar year are rolled over to the next year, provided the member remained in the plan through year-end. If the member renews the Lasso Healthcare MSA, the new year's deposit is added to their MSA account, per the terms of that future year's benefit design. If the member leaves the plan during the calendar year, they must repay a prorated portion of that year's deposit back to Lasso Healthcare. Any balance accrued from previous year(s) is theirs to keep.
35. Can a member contribute to the MSA bank account?
No, the member is not allowed to contribute to the MSA bank account, per IRS rules.
36. What happens to the MSA funds upon death of the MSA plan member?
If the member should pass away during the plan year, the deposit would go to their beneficiary which could either be a spouse or some other designee. The plan is required to collect any unearned deposit amounts for the current calendar months following the member's death. Any remaining funds would be passed to their named beneficiary. If the beneficiary is the spouse, there would be no tax implications. If the beneficiary is not the spouse, ordinary income would apply, subject to IRS rules. Custodial fees would be charged by Optum Bank; however, the account could also be moved to a custodial account of the beneficiary's choosing.



37. When can I enroll or disenroll?

AEP and ICEP are the only two times a beneficiary is able to enroll into the MSA. Except for rare cases, AEP is the only time a member can disenroll from an MSA plan. SEP65 is not available for enrollment or disenrollment. OEP is not available for enrollment or disenrollment. OEP NEW is not available for enrollment or disenrollment. Moving into the plan's service area does NOT allow a member to join mid-year. If a member permanently leaves the plan's service area, Lasso Healthcare must disenroll the member and the member must repay the unearned portion of the current year of their deposit. The member can also be disenrolled if they no longer meet the qualifications of an MSA plan (for example, gaining Medicaid eligibility).

38. Is the trial right allowed with an MSA for Guaranteed Issue Medicare Supplement?

The trial right is allowable, but since disenrollment options are severely limited (including no SEP65 disenrollment), its use is limited. If they otherwise qualify for the "Trial Right" guarantee issue for Medicare Supplement, the member would need to disenroll during the VERY FIRST AEP OPPORTUNITY following their initial enrollment into the MSA plan.

Example 1: If the member used their ICEP to enroll in the MSA in March of 2019 for an April 1st, 2019 effective date, they would need to disenroll during the next AEP (October 15th through December 7th, 2019) to save their Guarantee issue rights for Medicare Supplement. The trial right allows them to enroll in any Medigap plan that's available in their area. There are time restrictions, as well, as to when the applications must be submitted. See [Choosing a Medigap Policy: A Guide to Health Insurance for People with Medicare](#), section 3, Your Rights to Buy a Medigap Policy, for more details.

Example 2: If the member dropped their Medicare Supplement to enroll for the very first time in Medicare Advantage and chose the MSA during the AEP (October 15th through December 7th, 2018), they would need to disenroll from the plan during the AEP the following year (October 15th through December 7th, 2019) to save their Guarantee issue rights for Medicare Supplement. In this case, their Guarantee issue would be to return to the plan that they had previously, if still available. If that plan was not available, the Guarantee issue would be for any available plan A, B, C, F, K or L. There are time restrictions, as well, as to when the applications must be submitted. See [Choosing a Medigap Policy: A Guide to Health Insurance for People with Medicare](#), section 3, Your Rights to Buy a Medigap Policy, for more details.

39. Is someone on Medicare Disability allowed to enroll into the MSA?

There are no rules excluding this, so if the beneficiary meets all of the eligibility criteria, they would be able to enroll into an MSA. Keep in mind, if any Medicare beneficiary is dual-eligible (qualified for both Medicare and Medicaid), they are NOT eligible to join a Medicare MSA plan.

40. Can the member use the MSA tax free to pay for Part A and B type services they receive outside of the continental US?

Yes, but it would not count toward the deductible.

41. Can the member do a 1035 exchange and roll their HSA into the MSA account?



No. Only Medicare, through authorized MSA plans, can deposit money into an MSA account. A member who had funds in a previous Medicare MSA account is allowed to combine MSA accounts. There are options with Optum Bank to host both the HSA and MSA accounts “side-by-side” to make managing the accounts easier, but they cannot be combined.

42. If a member uses the MSA funds for prior year expenses how is that treated?
See IRS form 8853 for details on how to submit prior year expenses for qualified medical expense use. No expenses can be submitted prior to the initial MSA plan effective date.
43. If a member uses the MSA funds for non-medical uses what is the tax penalty?
See IRS form 8853, but generally, an individual will be taxed at their nominal tax rate + a 50% penalty.
44. Can a member use the money tax-free to pay for Part A and B premiums?
IRS rules start with IRS publication 969, which refers individuals to IRS publication 502 on qualified medical expenses. For MSAs, individuals need to consult at least two additional sources: IRS code 220 (Archer MSA) and IRS code 138 (Medicare MSA, which is a subset of an Archer MSA). Inside these codes are the specifics that disallow using Medicare MSA funds for all premiums other than tax-qualified long-term care insurance premiums.
45. Can the member use their MSA tax-free to pay for balance billing charges?
Yes, but it does not accrue to the Lasso Healthcare MSA deductible amount.
46. Can the member use their MSA tax-free to pay for services from an opt-out provider?
Yes, if it is a qualified medical expense. No portion of the opt out services are reimbursed by Lasso Healthcare, nor do they accrue to the Lasso Healthcare MSA deductible amount.
47. Can the member use their MSA tax-free to pay for someone else’s medical expenses?
No. This is different than health savings accounts, but see question 44 for IRS references. Only qualified medical expenses of the MSA account holder are allowed.
48. Can the member use their MSA tax-free to pay for their concierge “fees”?
There is no exclusion in any of the IRS rules governing qualified medical expenses. Please consult the IRS and/or a tax advisor to confirm.
49. What if a doctor prescribes something like a service pet, etc.?
Each of these will need to be handled on a case by case basis with the IRS. Just because a doctor prescribes it does not supersede IRS exclusions for qualified medical expenses.
50. Can a member use their MSA tax-free to pay for prescribed medical marijuana?
There is no exclusion in any of the IRS rules governing qualified medical expenses. Please consult the IRS and/or a tax advisor to confirm.
51. What if a member visits a non-participating provider, and there is a chance the provider is on the OIG sanctioned provider listing?
Lasso Healthcare members are encouraged to utilize the Medicare Physician Compare Tool at <https://medicare.gov/physiciancompare/> which will provide them with a complete listing of physicians and facilities participating with Medicare. If a member elects to utilize a non-par provider and it is later identified that provider is on the OIG sanction list, the provider would



be handled as a sanctioned/opt-out provider. Any claims submitted will be reviewed to ensure the date of service (DOS) falls outside of the exclusion period and will be processed accordingly. If the services were performed during the exclusion period, Lasso Healthcare will follow Original Medicare guidelines for processing the claim.

52. Since Lasso Healthcare doesn't charge a monthly plan premium, how is Lasso Healthcare funded, claims paid and agents paid commission?

All Medicare Advantage insurance companies receive a capitated monthly per member payment from CMS that is a combination of county level benchmark rates (large variation across states and urban to rural areas), STAR ratings and risk severity of each individual. Other companies can supplement their CMS monthly capitated payment through charging premiums for their products, although many choose to offer \$0 premium Medicare Advantage options; MSA plans are required by law to have \$0 premium. All other Medicare Advantage plans have strict guidelines from CMS, but do get to choose their own combination of how to offer Medicare A/B services:

- Premium
- Deductible
- MOOP
- Co-pays
- Co-insurance
- Narrow to broad network (out of network options)
- Prior authorizations

MSA plans bring insurance back into insurance products by having only two components: deposit and deductible, which have to be the same for all members in the same plan (e.g. region 1, 2, or 3) – 100% individual responsibility below the deductible and catastrophic coverage of 100% Medicare A/B covered services by the MSA insurance company above the deductible. Combine the clean catastrophic insurance + annual deposit with clinical access that works exactly like Original Medicare and it is hard to beat the Lasso Healthcare MSA value proposition unless an individual knows they are truly out of control with their disease states.

53. Who is Lasso Healthcare and what is their financial background?

Lasso Healthcare Insurance Company is a privately-owned company with the necessary capital to meet and exceed our agreed upon 300% risk based capital (RBC) requirements. Anything lower than 200% is when oversight and required action occurs and due to the new product offering, we agreed to higher RBC limits for financial assurance to all parties. Our financials are reported and supplied to each of our 27-state regulators on a quarterly basis + annually to CMS, our federal regulator.

54. What happens if Lasso Healthcare goes out of business?

Lasso Healthcare intends to rapidly expand the Medicare MSA product offering to all 50-states + Washington DC within 5yrs; however, if we had to discontinue the MSA plan offering for any reason, CMS ensures MSA plan members will be protected. The member will always receive a guarantee issue to choose any available Medicare insurance plan in



their service area and never be liable for any financial risk that was the insurance company's responsibility.

55. Are Native Americans eligible for Lasso Healthcare MSA?

There are no exclusions with the MSA specifically around Native Americans. Everyone has to meet normal Medicare Advantage enrollment requirements along with additional MSA specific requirements, but no exclusions related to Native Americans. To clarify, there can be no medical insurance that covers below the deductible amount (other than allowed complementary types such as hospital indemnity, critical illness, disease specific, accident, etc.).