



Normative Letter 18-0826

September 26, 2018

To: All Managed Care Organizations contracted by the Puerto Rico Health Insurance Administration (PRHIA) to provide benefits and services for the New Government Health Plan

Subject: Guidelines for marketing activities for the Launch of the Government Health Plan

As of November 1, 2018, Management Care Organizations (hereinafter MCO's) and the Insurance Administration of Puerto Rico (hereinafter ASES) will launch the New Model for the Government Health Plan. ASES expects that, as a result, there will be strong marketing competition from each MCO aimed at the beneficiaries of the Government Health Plan, which to some extent is healthy and an inherent part of a free market economy.

Notwithstanding the foregoing, ASES has a ministerial duty to protect beneficiaries of the Government Health Plan from marketing practices that could be misleading, oppressive and/or in clear violation of Marketing Regulation 18-0807, better known as Marketing and Educational Materials. This Normative Letter is an integral part of the Contract of each of the MCOs and ASES (refer to attachment 13 of the Contract).

In addition to regulating the marketing activities of the MCOs, ASES will also regulate that MCOs do not use their provider network to carry out marketing activities that violate the aforementioned Regulation. ASES will monitor and audit all marketing campaigns aimed at beneficiaries of the Government Health Plan. It is advised that if any MCO or provider violates marketing regulations or engages in questionable marketing practices, they will be sanctioned according to the provisions of the Contract or, in the case of providers, may be excluded from the network.

In addition to what is established in the Normative Letter, it is emphasized that the following practices are prohibited during the launch of the new health model:

1. The offering of products, gifts, souvenirs, merchandise or any other valuable item in exchange for changing MCOs or affiliating with a certain MCO.
2. No MCO, its representative, or health care provider shall make, announce, disclose, publish or induce a false, critical or detrimental statement regarding another MCO, its

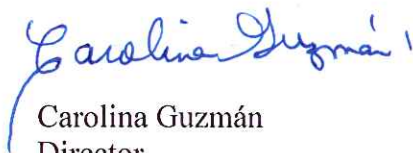
Guidelines for marketing activities for the Launch of the Government Health Plan

Page 2 of 2

representative, or health service provider contracted by ASES for the Government Health Plan.

3. No MCO, its representative, or health care provider, will allow, make, issue or circulate in any way, marketing materials that are a false representation, false statement, misleading or incomplete comparison in relation to the terms, benefits, services or advantages of affiliation with to a certain MCO.
4. No MCO, its representative, or health care provider, will allow any false representation or incomplete or fraudulent comparison of benefits and products to induce or knowingly intent to induce, or tend to induce, the beneficiaries of Government Health Plan to encourage the affiliation or disaffiliation with an MCO.
5. No MCO, its representative, or health service provider shall incur in, or allow any method of marketing that has the effect of or tendency to induce membership with an MCO through force, fear, threat (whether explicit or implied), or undue pressure for membership or recommend disaffiliation from other MCO.
6. Comparative or superlative terms such as: "better, superior, supreme, great, terrific, and words with similar meanings shall not be used in advertisements addressed to the beneficiaries of the Government Health Plan. Such statements or declarations may imply that the benefits and services of the MCO are better than those of another MCO. The promotion can be considered an unfair or incomplete comparison.
7. No MCO or its representative may request, or require in any way, from any of their health service providers to pay or contribute to carry out the MCO's marketing strategies.

Cordially,



Carolina Guzmán
Director
Compliance and Integrity Office

C. Angela M. Ávila	Executive Director
Yolanda García	Deputy Director
Marla Hadad	Legal Director