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The Honorable Administrator
Centers for Medicare & Medicaid Services (CMS)

Subject: Request for CMS Review and Enhanced Safeguards Regarding Offshore Outsourcing, Beneficiary Data Protection, and Third-Party Operations Within the Medicare Advantage Program

Dear Administrator,

On behalf of Advantage Plus Insurance Agency, our affiliated licensed insurance professionals, healthcare partners, and the Medicare beneficiaries we collectively serve throughout the United States, we respectfully submit this request for CMS to conduct a comprehensive review of the growing use of offshore vendors and international subcontractors within the Medicare Advantage program.

The Medicare Advantage program has become one of the nation's most important healthcare programs, serving more than 68 million Americans. As enrollment continues to grow, Medicare Advantage Organizations increasingly rely on third-party vendors to perform a wide range of operational functions, including information technology, software development, broker portal administration, customer service, member outreach, appointment scheduling, claims support, and other administrative services.

While we recognize that outsourcing may be permissible under existing federal law when appropriate safeguards are in place, we believe the increasing involvement of overseas contractors presents significant policy questions that warrant additional oversight by CMS.

Medicare beneficiaries entrust health plans with highly sensitive personal, financial, and medical information. They deserve confidence that this information is protected by the highest possible standards of privacy, cybersecurity, transparency, and accountability.

Likewise, licensed Medicare agents devote substantial time and resources to educating beneficiaries, assisting with plan selection, and providing ongoing service throughout the year. When third-party vendors acting on behalf of Medicare Advantage Organizations communicate directly with beneficiaries for scheduling, administrative outreach, or other plan-related activities, beneficiaries should clearly understand who is contacting them, where those services are being performed, and how their personal information is being protected.

As cybersecurity threats continue to evolve across the globe, the Medicare program must continually evaluate whether existing oversight mechanisms remain sufficient to protect one of our nation's largest repositories of healthcare information.

Accordingly, Advantage Plus respectfully requests that CMS evaluate whether additional safeguards should be implemented for Medicare Advantage Organizations and all first-tier, downstream, and related entities with access to Medicare beneficiary information.

Recommended CMS Policy Initiatives

1. Beneficiary Right to Know

Require Medicare Advantage Organizations to clearly disclose when beneficiary information may be accessed, processed, stored, or supported by contractors located outside the United States.

Beneficiaries should have meaningful transparency regarding where their personal information may be handled.

2. Annual Vendor Disclosure to CMS

Require every Medicare Advantage Organization to submit an annual report identifying all domestic and international vendors with access to:

- Protected Health Information (PHI)
- Personally Identifiable Information (PII)
- Enrollment platforms
- Broker management systems
- Member service platforms
- Claims processing systems
- Customer relationship management systems

3. U.S. Data Residency Standards

CMS should evaluate establishing a requirement that identifiable Medicare beneficiary information be stored within the United States and routinely accessed only through U.S.-based infrastructure unless a narrowly defined exception is approved and subject to enhanced oversight.

4. Enhanced Cybersecurity Certification

Require all vendors with access to Medicare beneficiary information to undergo independent annual cybersecurity assessments, penetration testing, vulnerability testing, and compliance certifications that meet CMS-established standards.

5. Comprehensive Audit Logging

Require Medicare Advantage Organizations to maintain immutable audit logs documenting every instance of third-party access to beneficiary information, including:

- Identity of the contractor
- Geographic location of access
- Purpose of access
- Systems accessed
- Date and time
- Records viewed or modified

These records should be retained and made available to CMS upon request.

6. Data Minimization Requirements

Require organizations to limit vendor access to only the minimum information necessary to perform authorized contractual duties through role-based access controls and least-privilege security principles.

7. Strengthened Oversight of Member Outreach

Require Medicare Advantage Organizations to disclose when beneficiary outreach is conducted by third-party contractors and clearly identify:

- The organization making the call
- The entity on whose behalf the call is being made
- The purpose of the communication

This would improve transparency while reducing beneficiary confusion.

8. Protection of Licensed Agent Relationships

CMS should evaluate standards governing plan-initiated outreach to existing members to ensure beneficiaries clearly understand the distinction between their licensed Medicare agent and contractors performing administrative services on behalf of a health plan.

This recommendation is intended to improve transparency and reduce confusion—not to restrict appropriate member communications.

9. Expanded CMS Audit Authority

Expand CMS program audits to include:

- International subcontractor oversight
- Vendor cybersecurity programs
- Cross-border data governance
- Third-party risk management

- Offshore access controls
- Vendor breach response procedures

10. Public Transparency Report

CMS should publish an annual report summarizing:

- Industry trends involving third-party contractors
- Aggregate use of offshore vendors
- Significant cybersecurity findings
- Corrective actions
- Best practices for beneficiary data protection

Greater transparency will strengthen public confidence in the Medicare Advantage program.

Additional Areas for CMS Review

Advantage Plus respectfully encourages CMS to evaluate whether additional safeguards should be considered for:

- Offshore access to broker management platforms
- Enrollment and eligibility systems
- Member portals and mobile applications
- Appointment scheduling vendors
- Remote technical support involving beneficiary information
- Artificial intelligence tools processing Medicare beneficiary data
- Data retention and destruction requirements for subcontractors
- Breach notification requirements involving downstream vendors
- Continuous monitoring of international contractor compliance

Preserving Public Confidence in Medicare

Our purpose in submitting this request is not to discourage innovation or responsible use of qualified service providers.

Rather, we believe the continued success of the Medicare Advantage program depends upon maintaining the highest standards of beneficiary privacy, cybersecurity, operational transparency, and public trust.

As technology evolves and healthcare operations become increasingly interconnected, CMS has an opportunity to modernize its oversight framework and establish clear expectations for how Medicare beneficiary information should be protected regardless of where supporting services are performed.

We respectfully request that CMS initiate stakeholder discussions and evaluate these recommendations through future guidance, rule making, or other appropriate policy mechanisms.

Advantage Plus Insurance Agency appreciates CMS's ongoing commitment to protecting Medicare beneficiaries and strengthening the integrity of the Medicare program. We would welcome the opportunity to participate in future stakeholder meetings or provide additional recommendations as CMS evaluates these important issues.

Respectfully,
Bobby Bakhshandeh
Chief Executive Officer
Advantage Plus Insurance Agency
Advocate for Medicare Beneficiary Protection and Regulatory Compliance

On behalf of licensed Medicare professionals, coalition partners, healthcare providers, caregivers, and Medicare beneficiaries nationwide.