

State of Idaho
DEPARTMENT OF INSURANCE

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BULLETIN NO. 25-06

DATE: October 15, 2025
TO: Health Insurance Companies operating in Idaho
FROM: Dean L. Cameron, Director
SUBJECT: Unfair Trade practices in marketing insurance products to Idahoans eligible for Medicare

1. Purpose

The purpose of this bulletin is to clarify the Idaho Department of Insurance's (the Department) perspective on unfair trade practices that lead to manipulation of the insurance market and withholding or denying access to products from Medicare-eligible consumers, and the applicability of Idaho Code § 41-1321 to such practices.

2. Applicability

This bulletin applies to all carriers and producers who offer any health insurance plans to Idahoans eligible for Medicare, including Medicare Advantage and Medicare Supplement plans.

It has been brought to the Department's attention that some insurance carriers, including those offering Medicare Advantage plans have attempted to restrict access by either removing the enrollment application from their website, encouraging producers to avoid selling their products, or changing or discontinuing producer compensation.

The Department views these practices as an unfair trade practice or method of competition under Idaho Code § 41-1321, which prohibits any method of competition or act in the business of insurance that is unfair or deceptive, even if not specifically enumerated in statute.

It is an inappropriate and unfair practice, with the potential for great harm to Idaho insurance consumers, for carriers to restrict access or dissuade consumers from buying a product that was filed to market in Idaho and priced accordingly. To maintain fair competition in these markets, carriers must:

- make available and easily accessible their applications for enrollment in all forms, including printed, on-line on their website, and through their appointed agents;
- not engage in convincing or suggesting their products not be sold, marketed or discouraging enrollment;
- not change compensation or commissions mid-year.
- provide compensation or commissions if the product they filed had built compensation into its rate development.

Compensation or commissions is not a buffer against a bad market or a method to bolster profits. Discontinuing commissions on any insurance products disincentivizes producers from marketing these products to those who need them. This practice is especially concerning when the carrier has appointed independent agents, has historically paid commissions for the same products, the rate development for the products included commissions, or the carrier did not provide advanced notice that the plans would be “zero commission only.”

3. Conclusion

All carriers and producers operating in Idaho that offer insurance products to people eligible for Medicare are to act in good faith. All products filed and approved for sale must be made similarly accessible and marketed without artificial barriers or disincentives. If such products were filed or developed with an expectation to pay commissions, they should compensate producers accordingly. Only those carriers who expressly filed plans with a clear statement that the plan would provide zero commission are permitted to avoid compensating an appointed agent. Carriers are strongly cautioned against any other artificial manipulations of the Idaho insurance market which would harm Idahoans eligible for Medicare.

All producers have an ethical and legal duty to put the best interest of the consumer first and are to assist the consumer in finding and acquiring the plan that best suits the consumer. Considerations of prescription drug coverage, provider access, overall cost, and affordability should be the priority.

The Department will closely monitor compliance and may take enforcement action under Idaho Code § 41-1321 against any carrier engaging in practices that manipulate the market or harm consumers.

This Bulletin is not new law but is an agency interpretation of existing law, except as authorized by law or as incorporated into a contract. Requests for additional information or other inquiries regarding this Bulletin can be directed to Market Oversight Bureau Chief Shannon Hohl at 208-334-4315 or shannon.hohl@doi.idaho.gov.