Healthcare Reform Scams & Fraud (09-2010) – Many people are confused about changes resulting from healthcare reform. Scammers are using consumers’ confusion and uncertainty to take their money. Several popular scams regarding healthcare reform include:

New or Updated Insurance or Prescription Plans – Scammers contact consumers about obtaining new or updating current health insurance or prescription plans. Scammers claim that under the new healthcare reform laws, consumers must obtain new health insurance or new prescription coverage or update current plans. Scammers apply high-pressure tactics, insisting coverage is going to expire or that there is a limited open-enrollment period to take advantage of the offers. Most of the plans the scammers are selling are fakes, such as “ObamaCare.” For those legitimate plans, read the terms carefully as they may either contain coverage that is not needed or wanted, or require high out-of-pocket premiums and fees to be paid up front.

Discount Insurance or Prescription Cards – Scammers contact consumers offering discount medical plans or prescription cards. Scammers claim that the discount plans and cards will provide similar or improved coverage, but with reduced out-of-pocket costs and expenses. Most of the discount plans and cards are fakes. For those legitimate plans and cards, read the terms carefully as they may require high out-of-pocket premiums and fees to be paid up front, have few available providers, offer extremely limited benefits, or actually cover little to no services or medications.

Medicare and Social Security Benefit Verification – Scammers contact consumers pretending to be with Medicare or the Social Security Administration. Scammers claim that under the new healthcare reform laws, consumers’ personal information must be verified so that benefits may be updated or so that a new benefits card may be issued. They ask to be provided or to verify personally identifying information, which is ultimately collected and used to commit identity theft.

It is important to be a knowledgeable healthcare consumer. Being informed and proactive is the best way to help protect yourself against healthcare scams and frauds.

- Always talk with your existing health insurance provider first about your current coverage and other available options and choices.
- Do not be pressured into purchasing something you have not looked into or do not want. Shop around and compare. Take time to think before acting.
- Take your time and make an educated decision. Ask for detailed information in writing about what they are selling and who they represent, including the company, the plan, the providers, and the coverage.
- Be sure to thoroughly research the company, plan, providers, and policy. Check with the Better Business Bureau to see if the company is legitimate and/or if any complaints were filed against it. Check to see if the company is registered and licensed with your state (Contact the Florida Department of Financial Services Helpline at 1-877-693-5236).
- Ask the company for a list of who are the providers of the plan, and contact the providers to verify coverage. Be suspicious of anyone who refuses to provide you with requested information about the company, the plan, the providers, or the coverage.
- Be suspicious of fliers, ads, or e-mails that have offers that seem “too good to be true.”
- Never give out your Social Security Number, date of birth, bank account information, or credit card number unless you are absolutely sure that the company is legitimate. Be particularly cautious as some scammers and fraudsters have started using technology that allows the caller ID or the e-mail address to look legitimate.
- If someone calls you unsolicited and asks for personal information, hang up and call the office back using a verified and trusted phone number that you get from the phone book. Remember, Medicare and the Social Security Administration generally never telephone individuals unsolicited. The number for Social Security is 1-800-772-1213 and Medicare is 1-800-633-4227.