

Protect Yourself from Fraud

CONSUMER ALERTS

Your best protection against fraud is being informed! Hawaii's DCCA Insurance Division alerts consumers about potential scams and a few tips to keep consumers safe.

BEWARE OF HEALTH CARE REFORM SCAMS

There are potential scams that aim to use the passage of health care reform to defraud the public.

Generally, insurance companies will market the availability of their health plans, but usually do not actively solicit sales by phone or at your door. If a stranger initiates contact and seeks to sell you health insurance, you should be wary.

KEEP YOUR INFORMATION SAFE ON THE WEB

When using websites, it is important to try to verify that the website is an official site or at least a reliable source of information. Some scammers will use fake websites to try to obtain your personal information or otherwise get money from you.

If a website doesn't look secure, don't enter any personal information. Only enter your personal information into websites that are encrypted and secure. The standard features that show a website is secure, like HealthCare.gov, are a padlock symbol and an "https" web address.

For more information, read the Federal Trade Commission's tips on computer security at onguardonline.gov.

DISCOUNT HEALTH CARDS

With health care premiums on the rise, many people are searching for more affordable health insurance. There has been an increase in discount health plans being marketed. It is important to know the difference between health insurance and discount health cards and to be able to distinguish between legitimate and fraudulent discount cards. Discount health cards are not insurance. Legitimate discount health cards offer discounts on services from doctors, pharmacists, etc., who accept those cards. Because discount cards are not insurance, fewer consumer protections exist for buyers.

Double-Check the Company and Agent

Some insurance carriers offer discount card at little or no cost as an added value to their members. Certain employers and organizations provide discount cards. However, there is the potential for confusion and fraud with

respect to discount cards. Beware of salespeople and advertisements that use words like “co-payments” or “premiums” to deceive consumers into thinking a discount plan is insurance. Avoid sales personnel or companies of discount plans that insist on debit or credit card information and may pressure you to make quick decisions.

Check the Benefits

While some deceptive discount health card issuers claim that their product is insurance, discount cards do not pay medical claims. Instead, enrollees are responsible for paying for services at the time care is received. Some discount plans may exaggerate the savings potential and promise discounts that might not be available. Also, many of these misleading discount plans do not cover all types of services or conditions.

Check with the company to make sure that there is a provider in its network that meets your needs and double check directly with the provider that the plan is accepted. Even if the card produces the discounts it claims, you could still be out thousands of dollars if you are hospitalized. Make sure that the discount plan has a toll-free phone number for customer service, a reasonable complaint procedure and clear refund and cancellation policy.

Discount Card “Red Flags”

Here are some warnings against possible fraudulent plans:

- The discount plans are often advertised through blast faxes, spam emails, Internet pop-ups or signs posted on telephone poles.
- The company claims you can save a considerable amount on health insurance.
- The company or agent will not give you a list of providers until after you purchase the discount card.
- The company uses high-pressure marketing and an extreme sense of urgency, telling you that you “must act now” or “this one-time offer.”
- You are asked for debit or credit card information or large up-front fee. Legitimate discount cards will not mandate large application fees or up-front costs.
- Legitimate discount cards issuers will state on all their marketing material “This is not insurance.”
- Legitimate discount card issuers will never suggest you drop your health insurance.
- If it seems too good to be true, it probably is!

BE INFORMED

Do not be pressured to buy an insurance policy or other financial product that you don’t understand or from someone who says you must act immediately. Take time to do some research and check out the facts.

- Compare insurance plans and products carefully before making your decision.
- Always check the plan’s provider network before buying a health insurance policy. Discounted health care is not a deal if there are no approved providers in your area.
- Look for official government seals or logos. If you’re getting help from a Marketplace assister, ask to see certifications.

- Know the Marketplace Open Enrollment dates. No one can enroll you after it ends unless you have a qualifying life event or are eligible for a Special Enrollment Period.
- Know that if you have Medicare, it's against the law for someone to sell you a Marketplace plan.
- Ask questions and verify the answer you get. Ask questions if any information is unclear or confusing.
- Write down and keep a record of a salesperson's name or names of anyone who helps you, who they work for, and their phone number, street address, mailing address, email address, and website.
- Don't sign anything you don't fully understand.

REPORT ANYTHING SUSPICIOUS

If you suspect fraud with the Health Insurance Marketplace, report it by calling:

- The Marketplace Call Center at 1-800-318-2596. TTY users should call 1-855-889-4325.
- Your local, state, or federal law enforcement agencies.

If you suspect identify theft, or feel like you have your personal information to someone you shouldn't have:

- Call your local police department.
- Call the Federal Trade Commission's ID Theft Hotline at 1-877-438-4338. TTY users should call 1-866-653-4261.
- Visit ftc.gov/idtheft to learn more.