

INSURANCE SCAMS

WARNING SIGNS

SUSPECT A HEALTH INSURANCE SWINDLE IF:

1. The policy costs 15 percent or more below the norm yet promises generous benefits and a large provider network.
2. It readily covers those with serious illnesses and medical conditions that other plans normally reject.
3. The plan has few, or no, underwriting guidelines.
4. An agent appears eager to sign you up right away.
5. You're approached directly by an agent, phone call or direct mail. Legal plans are sold this way, but unless the plan is sponsored by your employer, verify that plans sold by solicitation are legitimate.
6. The plan isn't licensed in/by the state. If the agent says federal ERISA law exempts the plan from state licensing, he's lying!
7. The agent avoids calling it "insurance" and instead uses evasive terms such as "benefits".
8. The agent doesn't have clear answers to your questions or avoids sharing information.
9. You've never heard of the insurance company. Watch for slight differences in names; phony names often closely resemble those of legitimate insurers.
10. You have to join an association or union to get coverage, but you get no voting rights, receive no bylaws and are not involved in the group's activities.
11. Your hospital or doctor calls to complain that your health plan isn't paying your medical bills.

Source: Coalition Against Insurance Fraud

BEFORE YOU SIGN--STOP

Before signing anything, be sure you are dealing with a reputable, licensed insurance provider. Here are warning signs that you are not:

- Aggressive marketing, a high-pressure sales pitch or a policy with lots of fine print and disclaimers.
- Premiums that are 15 percent or more under the average price for comparable insurance.
- Few coverage limitations.

CALL the State Insurance Department at 877-881-6388 or visit www.insurance.state.pa.us.

CONFIRM with the State Insurance Department that the company is licensed to do business in Pennsylvania.

Source: Pennsylvania Insurance Department

DISCOUNT CARDS AREN'T INSURANCE

Many companies sell discount health cards to consumers seeking affordable health care.

- Usually for a monthly fee, the cards claim to save subscribers money by offering discounts on physician visits, hospital stays, prescription drugs, dental work, eye care and other treatments.
- Some do offer valuable, money-saving benefits for people without insurance.
- But discount health cards aren't insurance.
- You still must pay the medical bills yourself.
- The cards simply offer lower prices on services from providers who honor the cards.
- A growing number of discount cards also are deceptive or fraudulent.

Source: Coalition Against Insurance Fraud