

Scammers exploit confusion over health care overhaul

By: David Goldstein,
McClatchy Newspapers

WASHINGTON: In Winfield, Kan., south of Wichita, a man who claimed to be with "ObamaCare" recently visited an elderly woman to talk to her about the new health care law.

In reality, he was an insurance agent who just wanted to get in the door to try to sell her a policy.

In St. Louis, a man who said he was with the government was going door to door to sell "ObamaCare" policies.

Reports out of Idaho, Illinois, Vermont, New York, Alabama and elsewhere around the country tell similar stories.

"We're always getting some kind of scam," said Darrell Elliott, a Medicare fraud specialist with the Kansas Department on Aging. "Now we're getting ones related to health reform."

Indeed, scam artists are working overtime.

They're hawking fake insurance policies by preying on the fears and confusion that surround the nearly \$1 trillion program, consumer advocates said.

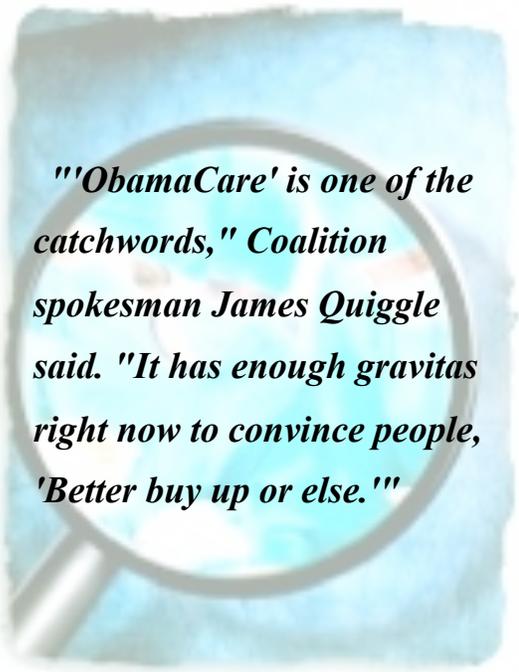
For the record, there is no government health insurance program called ObamaCare, and federal employees aren't out selling it door to door or by telephone.

Health care fraud experts say that if you hear that kind of pitch, shut the door, hang up the phone, then call your state insurance department or Better Business Bureau.

"You've got the perfect storm for people to be taken advantage of," said Kim Holland, the Oklahoma state insurance commissioner and co-chair of the Antifraud Task Force for the National Association of Insurance Commissioners.

"The economy being what it is and health care so expensive, people are finding it difficult to afford medical care, and they are persuaded by low-cost plans," Holland said. "You've got these really unscrupulous people, and they are savvy in identifying the people who're most likely to be persuaded."

Older people are popular targets. Fraud experts said they were generally more polite and would listen to a salesperson.



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They're also less likely to report being scammed, out of embarrassment or fear that their independence might be taken away.

Some scammers have set up toll-free phone lines, and they warn their prospective customers that there's a "limited enrollment" period - not true - for the new health insurance program, so they better act quickly.

Even before President Barack Obama signed the bill last month, health insurance fraud had been increasing, according to a survey last fall of 37 states by the nonprofit **Coalition Against Insurance Fraud**. Bogus health plans were the No. 1 reason for complaints.

Few consumer or health insurance groups are surprised that the new health care law has become a rip-off tool.

The changes it triggered are complex, and making things up is easy.

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