

National healthcare reform sparks concern about scams

Especially at risk when enrollment begins in October, experts say, are seniors, people who speak limited English and those who have never had insurance before.

By: Anna Gorman

The national health reform law is expected to open the door for identity theft and insurance scams when millions of uninsured Americans begin enrolling in coverage this fall, officials and advocates warn.

The Federal Trade Commission said dozens of consumers have reported fraud since last summer's Supreme Court ruling upholding the law, and officials predict widespread abuse when enrollment begins in October.

One scam already making the rounds involves a caller promising to send a healthcare card if the person reveals personal and financial information. There are also false enrollment websites, and at least one company has used the health reform law to promise huge savings on medical costs and swindle consumers into buying fake insurance.

"Fraudsters read the paper too, and where there is confusion in the marketplace, they see opportunity to make money," said Lois Greisman, associate director of the commission. "This is unfortunately going to be an area where there is confusion."

Greisman said her staff was ramping up for the Affordable Care Act, which takes full effect in January. "We have lots of eyes on this," she said.

The **Coalition Against Insurance Fraud**, a Washington-based nonprofit, has issued a national alert and has been working closely with the federal government and the media to get the word out, said spokesman James Quiggle.

"The sea change in how America provides health insurance has created a breeding ground for so-called Obamacare swindles," he said.

Under healthcare reform, millions of Americans who lack insurance will become eligible for Medicaid and subsidized coverage through state-based health exchanges. More than 2.6 million people may be eligible for subsidized coverage in California's exchange, known as Covered California, and an additional 1.4 million low-income residents will be eligible for an expanded Medi-Cal program.

Federal and state health officials are directing consumers to the official websites — <http://www.healthcare.gov> and <http://www.coveredca.com>. The Centers for Medicare & Medicaid Services is also warning consumers not to disclose private medical or financial information in response to unsolicited calls, e-

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**Coalition Against
Insurance Fraud**

mails or visits and to beware of offers that seem too good to be true.

Those especially at risk for fraud are seniors, people who speak limited English and those who have never had insurance before. In California, large numbers of those newly eligible for insurance are Spanish-speaking.

"Language can create a special vulnerability," said Maricela Rodriguez, program manager at the California Endowment, which has launched a Latino media campaign to help spread the word about how to enroll. "Addressing this with the Latino community is so important."

There is also concern about the potential for fraud among those being hired by states to tell consumers about their options and potential tax penalties. Covered California plans to hire more than 20,000 enrollment counselors, many of whom are part of community groups.

Covered California officials said the counselors would attend training, agree to a code of conduct and undergo background and fingerprint checks. Field monitors will supervise their work, and secret shoppers will ensure their compliance.

But fraud is inevitable, said spokesman Dana Howard.