

## Affordable Care Act brings benefits, fraudsters

By: George Chamberlain

The much-anticipated launch of a key provision of the Affordable Care Act takes place Tuesday with the beginning of open enrollment at health benefit exchanges.

Covered California is the state's exchange where consumers can shop for health insurance products and determine whether they are eligible for federal premium subsidies designed to make coverage more affordable.

While the overall health care reform program remains in flux, with changes to the initial provisions of the law still occurring, there are growing concerns consumers may be at risk for bogus programs designed to use reform as a way to steal identities and money.

"Health care reform has brought and will continue to bring many new benefits to Californians, but unfortunately, as with any new program, there are those who will use the new system to take advantage or rip off consumers. I have zero tolerance for anyone that takes advantage of consumers or preys on the vulnerable. My enforcement teams will continue to investigate complaints and tips, and work with local district attorneys to prosecute anyone who violates the law," said Dave Jones, California's insurance commissioner.

Jones says the department already has denied licenses to more than 150 applications for business names designed to market health coverage services because the proposed names could mislead consumers into believing they were actually part of California's benefit exchange.

The confusion about the provisions of the Affordable Care Act as well as the changes in the plan already in place create a perfect storm for fraud. The Consumer Federation of America suggests this is not an unusual situation.

"Whenever there is a new government program or benefit, fraudsters will look for ways to take advantage of it by tricking people into giving them money or personal information. There is no doubt that con artists will be using lots of different pitches to exploit the health care law. Their creativity is boundless, so consumers need to be careful," said Susan Grant, CFA's director of consumer protection.

The Federation notes that most people don't have to do anything when it comes to health care coverage. In a report on how to avoid fraud, it says, "If you already have health insurance through your employer, Medicare, Medicaid, your school, the Veterans Administration, or some other program, you don't have to sign up, get a

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insurance card or make any changes." new

It is also important to note, despite what some scams imply, there is no rush to make a health care insurance decision. People who are eligible to buy coverage through the exchanges have until March 31, 2014, to make a choice.

Another provision of the Act potentially opening the door for fraud is the assistance program making "navigators" available, through the exchange, to help consumers make insurance decisions. The Coalition Against Insurance Fraud warns that crooks may forge legitimate credentials for invent official-looking identification.

These knockoff navigators may tell consumers that they are required to provide bank account, Social Security and credit card information supposedly to enroll. Fake navigators also might illegally charge an enrollment fee or expensive insurance premiums, sites the coalition in its report.

And, regulators have emphasized that consumers are never contacted by any government agency with phone calls, email messages or, obviously, by a home visit to discuss health care reform or any other issue.

"These scammers may be able to convince some uninformed consumers that their calls are