



# OFFICE OF THE ATTORNEY GENERAL NEVADA DIVISION OF INSURANCE

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## ***Attorney General Masto and Commissioner Kipper Warn Nevada Consumers to be Wary of Affordable Care Act Fraud***

**Las Vegas, NV** – Now that open enrollment has begun for health insurance plans affected by the Affordable Care Act (ACA), Nevadans need to be wary of scammers looking to take advantage of consumer's uncertainty surrounding this law. Posing as navigators, insurance agents, representatives of the federal government or the Nevada Health Link, these scam artists try to sell fraudulent policies or obtain sensitive information like Social Security and bank account numbers. Attorney General Catherine Cortez Masto and Insurance Commissioner Scott Kipper are warning Nevada consumers about common red flags and providing tips on how to avoid being the victim of a scam.

"I urge Nevadans to be vigilant and to keep an eye out for these common red flags as they purchase insurance for 2014 during open enrollment season," said **Insurance Commissioner Kipper**. "We urge anyone that suspects fraud or who has a complaint related to a person or company selling them insurance to contact our office immediately. We can then investigate the situation, take administrative action if necessary, and work together with our partners at the Attorney General's Office if we suspect criminal activity."

"With any new program, con artists try to take advantage of the change and potential confusion," said **Nevada Attorney General Catherine Cortez Masto**. "In some cases, these criminals will try to collect personal or financial information to steal one's identity and their money. Nevadans must use caution to avoid scam artists."

### **Exchange Enrollment Facilitators and Insurance Agents**

Exchange enrollment facilitators (EEFs), also known as "navigators", "enrollment assisters" and "certified application counselors" are a new type of professional created by the ACA to provide education and outreach about the ACA and [Nevada Health Link \(www.nevadahealthlink.com\)](http://www.nevadahealthlink.com) to potentially underserved communities. They can help you apply for coverage through the Nevada Health Link, but they cannot steer you to a specific plan or carrier. EEFs are certified by the Nevada Division of Insurance and like traditional insurance agents they must undergo pre-certification education and testing as well as background checks. Insurance agents, agencies and companies must also be licensed by the Nevada Division of Insurance.

Before you share any personal or financial information remember to always verify with the Nevada Division of Insurance that the person or company you are working with is licensed, certified or authorized to conduct business in this state. You can do this at [doi.nv.gov](http://doi.nv.gov) or you can contact the Division in Northern Nevada at 775-687-0700 and in Southern Nevada at 702-486-4009.

### **Purchasing Insurance on the Exchange**

Nevada Health Link is a new online marketplace where Nevada residents and small businesses can compare and enroll in medical and dental insurance. The insurance plans available through Nevada Health Link are approved by the Nevada Division of Insurance and are compliant with all state and federal laws, including the ACA. Nevada Health Link, also known as the Silver State Health Insurance Exchange, is the only place that consumers in Nevada can purchase private health insurance while also applying for government subsidies to reduce the cost of coverage. Nevadans can also use it to apply for Medicaid or to determine whether they qualify for tax credits to help offset their insurance premium payments. Nevada Health Link asks consumers to enter personal information about themselves, including their income and Social Security Number as they shop for coverage and apply for assistance.

Open enrollment on Nevada Health Link began Oct. 1, however bogus websites that purport to be part of the exchange have been appearing online. Do not enter any personal or financial information into a website that is not [www.nevadahealthlink.com](http://www.nevadahealthlink.com) that claims to be related to Nevada's Exchange or a way to apply for subsidies.

### **New "Obamacare" Insurance or Medicare Cards**

Another common ploy involves unsolicited calls from scammers who claim to have your new "Obamacare" insurance card – they just need to get some information before they can send it to you. The caller then asks for credit card numbers, bank account information or your Social Security number. A variation of this trick specifically targets seniors on Medicare; the caller claims that in order for them to get their new Medicare card and continue receiving their benefits, they must verify their bank account and routing numbers. Some callers ask for their Medicare numbers, which are identical to Social Security numbers. Nevada Health Link does not offer Medicare. Medicare is not affected by the ACA, and you cannot enroll in Medicare through Nevada Health Link. You should not share your Medicare number with anyone who contacts you uninvited. If you have Medicare questions, please call Medicare at 1-800-MEDICARE (1-800-877-9392).

**You are not required to obtain a new insurance or Medicare card under the ACA.** Also, anyone who is a legitimate representative of the federal government will already have your personal and financial information and should not ask you to provide it.

### **Don't Be Misled**

Here are some additional "red flags" to watch out for:

- The salesperson says the premium offer is only good for a limited time.
  - For 2014 open enrollment runs from Oct. 1 to March 31, and rates for plans have been approved by the Nevada Division of Insurance for the entire enrollment period. Be skeptical of someone who is trying to pressure you into buying a policy because the rate is only good for a short time. **Remember: if the offer sounds too good to be true, it probably is.**
- The salesperson says you could go to jail for not having health insurance.
  - Starting in 2014, all Americans will be required to have health insurance. You will not face jail time if you do not purchase health insurance. However, those who remain uninsured and do not qualify for any exemptions will face a penalty of \$95 (for each adult) or 1% of family income, whichever is greater. This penalty will be collected by the Internal Revenue Service through income tax filings, not by callers requesting payment. This penalty will increase every year. For more information on the individual shared responsibility provision of the ACA, visit [doi.nv.gov](http://doi.nv.gov).

- You receive an unsolicited phone call, email, visit from someone trying to sell insurance.
  - Neither the federal government, Nevada Division of Insurance nor the Nevada Health Link will contact individual consumers to sell them insurance. Do not give any sensitive information to anyone who contacts you claiming to be associated with these organizations.
- The salesperson asks you to pay them for help.
  - Neither the State of Nevada nor the federal government will charge for services related to the Affordable Care Act. **You never have to pay to receive help.** If you receive an offer to sign up on Nevada Health Link for a fee, you should hang up, delete or walk away. Do not give cash, your credit card or banking information to someone you do not know or did not contact.
- Discount medical plans, while not illegal, are not insurance and do not fulfill the coverage requirement of the individual mandate. It is however illegal to sell discount medical plans as insurance.

### **What to do if you suspect fraud**

Consumers in Nevada who suspect fraud or have questions or complaints about an insurance product, agent, agency, company or exchange enrollment facilitator are urged to contact the Nevada Division of Insurance immediately. The Division can be contacted at [doi.nv.gov](http://doi.nv.gov) or by phone in Northern Nevada at 775-687-0700 and in Southern Nevada at 702-486-4009.

To report identity theft, consumers should first call their local police and then report it to the Attorney General's Office at the following numbers: 702-486-3420 in Las Vegas, 775-685-1100 in Carson City, 775-688-1818 in Reno, or on the web at [aq.nv.gov](http://aq.nv.gov).

Finally, remember to always verify with the Nevada Division of Insurance that the person or company you are working with is licensed, certified or authorized to conduct business in this state. You can do this at the Division of Insurance phone numbers above or online at [doi.nv.gov](http://doi.nv.gov).

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