Seniors Face More Scams as Obamacare Launches

Seniors have been sold plenty of lies about health reform since the Affordable Care Act (ACA) became law in 2010. They've been told it will slash their benefits and create "death panels" to weed out those too old and sick to be worthy of medical care; that it will crush the popular Medicare Advantage program; and that government will get between them and their doctors.

Falsehoods, all. But with key provisions of Obamacare kicking off Tuesday, seniors finally have something real to be concerned about: fraud. Consumer advocates and legal experts say they are seeing a rise in ACA-related identity theft and other scams targeting seniors on Medicare.

Medicare is a chronic focus of scam artists because of its huge size and many moving parts. The program identified $44 billion in improper payments last year alone, according to the U.S. Government Accountability Office, and the ACA includes funds for beefed-up fraud prevention initiatives. But the ACA has added a layer of vulnerability, much of it playing off political attacks on the law.

"Many seniors already think the worst about the law, so they're ready for some of these false pitches," says Joe Baker, president of the Medicare Rights Center, a nonprofit consumer services group. "They'll tell you Obamacare means you need to change your Medicare or that you need to reapply for Medicare—or that if you don't buy a new kind of insurance, you're going to get fined or go to jail."

Consumer protection advocates worry scammers will falsely tell seniors they need to renew their Medicare coverage or sign up in the new exchanges, getting them to divulge critical personal information on application forms. They've also received reports of fake websites purporting to offer Obamacare insurance policies. The sites often will display an official-looking government seal.

"There hasn't been a vehicle like this in a long time that can be used to steal Social Security numbers and bank account information," says Dennis Jay, executive director of the Coalition Against Insurance Fraud, a national alliance of insurers, government agencies and consumer groups.

Seniors also are hearing a wave of marketing messages and publicity about the ACA insurance exchanges, which will have their first open enrollment starting Tuesday and running through the end of March. Coincidentally, that ACA enrollment season overlaps with the annual fall Medicare enrollment period (Oct. 15-Dec. 7).

For consumers, the challenge is sorting out scams from the massive, legitimate outreach now under way to promote the new law. That outreach includes state health care "navigators" who are supposed to help people sign up for legitimate coverage, as well as privately funded efforts to promote ACA enrollment. For example, Enroll America, a nonprofit funded by foundations and health insurance companies and others with an interest in making the ACA a success, is running a legitimate outreach campaign called "Get Covered America."

You Can Ignore the Exchanges

Baker and other advocates have a simple message for seniors this year: You don't have to make any changes in your Medicare coverage because of Obamacare.

Anyone who is already on Medicare has no need to use the Obamacare health insurance exchanges; in fact, it is illegal for insurers to sell an exchange policy to anyone on Medicare.

"If anyone tells you that you have to do that, they're lying," Baker says.

Older Americans younger than 65 who don’t have group insurance coverage will be shopping for policies on the new ACA exchanges.

Here are some ways both groups can avoid getting hit with a health care scam:

- **Be suspicious of solicitations.** “Medicare will never call or knock on doors to solicit you,” says Jay. “Don’t give sensitive personal information to anyone who solicits you. Legitimate enrollment outreach personnel won’t ask you for it; they’ll simply point you to places where you can sign up for insurance.”
- **Look to a source you already know and respect.** “If you already have a trusted financial adviser or an insurance agent who can help you, use that person,” says James Napoli, Washington, senior counsel at the law firm Proskauer Rose.
- **Seek legitimate counsel.** You can get additional counseling and assistance from the State Health Insurance Assistance Programs (SHIPs), which operate in every state.
- **Use official websites only.** Seniors using the fall Medicare enrollment to shop for prescription drug or Medicare Advantage plans should sign up only through the official Medicare Plan Finder website or by phone at 1-800-MEDICARE.
- **Don’t sign up for new cards of any kind.** “You don’t need a new Social Security or Medicare card,” says Leslie Fried, director of the National Center for Benefits Outreach and Enrollment at the National Council on Aging. “And you don’t need an ‘Obamacare card’—there’s no such thing.”
- **Report suspected fraud.** The new federal health care marketplace call center can field questions about suspected fraud related to the ACA (800-318-2596), and

the Federal Trade Commission can field complaints online. If you have questions about fraud and Medicare, call 1-800-MEDICARE.

(The writer is a Reuters columnist. The opinions expressed are his own.)

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