



Senior Scams

How universal healthcare may bring an increase in cons targeting the elderly.

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Starting in January 2014, everyone will be required to purchase health insurance. If you are someone whose company already provides you with insurance, you can probably skip this article. But if you are elderly, purchase your insurance privately, or are one of the 24.2 percent of Texans without health insurance, you might want to read on.

The information included in this column is for educational and informational purposes only.
Please consult an attorney regarding specific legal questions.

The Affordable Care Act

The Affordable Care Act (ACA) and universal healthcare both refer to a piece of legislation that was signed into law three years ago. The gist of the legislation is something like this:

1. Everyone will have to purchase health insurance, or pay a fine. The first year, the fine will be \$95 or one percent of income, whichever amount is higher. In 2016, the fine will increase to \$695 or 2.5 percent of income. The penalty is half that amount for children under 18.
2. The ACA will provide a new way to buy insurance through a government agency.

A large number of people buying health insurance to avoid penalties, mixed with the creation of a new marketplace that may be complex and difficult to understand, spells opportunity for scammers looking to take advantage of people who may not be familiar with the process.

Scammers

Everyone should be aware of potential scams. New procedures and regulations naturally create confusion in any marketplace. Health insurance is especially vulnerable because victims may not even know they have been duped until they actually need the insurance, or are hit with an IRS fine. Senior citizens are often targeted more vigorously by crooks and are especially vulnerable to the following fraudulent schemes:

Fake health insurance exchanges and insurance products

Many states will have their own insurance marketplace where you can purchase health coverage. (The State of Texas has opted out of creating its own exchange.) Be on the lookout for fake websites offering the new products and asking you to pay for insur-

ance—they may be stealing your credit card information. Be sure that the website is an official state website, and that the company is properly licensed to sell insurance. If you are uncertain, you can call the Texas Department of Insurance at (800) 252-3439 or go to tdi.texas.gov.

Fake insurance cards

The ACA does not require you to have new insurance or Medicare cards. Be wary of scammers offering new cards, by phone and in person, and attempting to steal personal information, including Social Security details. Also, be on the lookout for people trying to give you something in exchange for your Social Security information.

Identity theft and bank account information theft

Scammers will likely go after your information and your wallet. Their main advantage over you is that they know you are facing a new process and utilizing new agencies to accomplish a new task. If something doesn't feel right, hang up the phone. Never reply to an email asking you to disclose personal or financial information. The Texas Department of Insurance has an online complaint form for reporting insurance fraud. Go to tdi.texas.gov/fraud/tdifraud.html.

Navigators

The U.S. Department of Health and Human Services has funded “navigator” community organizations that will provide information on how the new insurance market will work and answer any questions that people might have. Texas will receive approximately \$8.1 million from the federal government to develop a navigator program, resulting in thousands of navigators throughout the state. Navigators will also facilitate the enrollment of people into health plans.

It is important to know that navigators are not the same as insurance agents or brokers and are not licensed

by the Texas Department of Insurance. However, navigators will have to follow certain standards established by the federal government and the State of Texas. For additional information on the navigator standards, watch for new postings at healthinsurance.org/texas.

Recently, Texas Attorney General Greg Abbott sent a letter to the federal government expressing concern that patients' personal information, including Social Security numbers and tax information, may not be kept private by the navigators. As a reminder, navigators will be giving out health insurance plan information and facilitating the enrollment of persons into health plans. Additionally, navigators are prohibited from being health insurers. They cannot be paid by a health insurance company, and they should not have access to your personal information.

It is important for all individuals, especially senior citizens, to be careful in giving out their Social Security number and bank account information to people who claim to be government employees or to work for health insurance companies. Do not accept unsolicited insurance offers by phone or plans that are sold door to door. Contact the Texas Department of Insurance at (855) 839-2427 or go to texashealthoptions.com for information on the new ACA insurance products and to learn more on how the ACA programs will work. **TBJ**



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