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Beware: Health reform insurance scams

Salem, Oregon – The Oregon Department of Consumer and Business Services is asking consumers to report any attempts by salespeople to use federal health care reform to pressure them into buying insurance.

National reports indicate that fraudulent sales representatives are going door-to-door claiming to be with the federal government and peddling phony policies. There are also reports of licensed agents telling people they need to enroll quickly in a policy because of a non-existent “limited enrollment” period.

Oregon law prohibits agents from using deception to sell insurance, and the federal government closely regulates marketing to people in Medicare. Agents, for example, are prohibited from making unsolicited phone calls or visits to people to market Medicare.

To report any improper sales tactics, call the department’s Insurance Division consumer advocates: 1-888-877-4894 or 503-947-7984 in the Salem area.

“There is no need for you to change policies because of federal health reform,” said Teresa Miller, Insurance Division administrator. “It is important for us to know if Oregonians encounter anyone trying to use health reform to sell insurance, so we can stop dishonest individuals from preying on consumers.”

The Insurance Division will be providing detailed information on its Web site about health care reform and what it means to Oregonians. You can find an initial fact sheet discussing some of the protections that start in September 2010 at: <http://tinyurl.com/Orinsreform>.

Meanwhile, consumers should beware of policies that advertise themselves as necessary because of health insurance reform. Here are a few key ways to guard against scams:

- Be wary if someone shows up at your home or calls you and claims to be with the federal government. Medicare representatives do not visit your home or call you unless you request information. U.S. Census workers, however, will begin going door-to-door on May 1 to collect information from people who did not return the 10-question survey, and they will have official government badges.
- In some states, fraudulent salespeople are attempting to sell a non-existent product called an “ObamaCare Insurance Policy.” There is no such thing. Health insurance policies are issued by insurance companies, not through legislation.
- Do not give out personal information (bank account or Social Security numbers) to strangers.
- Always verify that an insurance agent and company are licensed by the Oregon Insurance Division. The division’s advocates can help you with this information (1-888-877-4894), or you can use the search feature of the division’s Web site: www.insurance.oregon.gov

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