

# Medicare & You

## Understanding & Protecting Yourself from Predatory Sales practices

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**Consumers** 1-800-686-1526 | **Medicare** 1-800-686-1578 | **Fraud & Enforcement** 1-800-686-1527

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### **Overview of Medicare and predatory sales practices:**

Medicare is a federally funded health insurance program for people 65 and older or people of any age with certain disabilities.

People enroll in Medicare through the Social Security Administration. Most people then choose private plans to supplement what Medicare does not cover. Others choose a type of private plan called Medicare Advantage. While most insurance agents who sell Medicare Advantage plans match their clients with suitable plans, some agents have used questionable sales tactics to sell products.

#### **Such documented cases include:**

- Removing beneficiaries from traditional Medicare without their knowledge.
- Enrolling beneficiaries in plans they can't afford.
- Misleading enrollees to believe their physician or hospital accepts their plan.

### **What agents CAN do:**

When marketing Medicare products, agents can:

Distribute information and forms in a retail setting or while participating at a health fair or promotional event.

Travel to meet Medicare beneficiaries in their home - provided they have been invited.

Provide consumers information about public assistance programs and help individuals apply for government subsidies.

Call potential enrollees - as long as they follow federal and state calling hours and the FTC Telemarketing Sales Rules/National Do-Not-Call Registry.

### **What Agents CANNOT do:**

When marketing Medicare products, agents cannot:

- Engage in high-pressure sales tactics.
- Send unsolicited e-mails.
- Solicit door-to-door.
- Use fraudulent or dishonest practices.
- Collect names, addresses and enrollment applications or conduct sales presentations at health fairs, educational or promotional events.

- Sell products which are not health-related during a Medicare Advantage or prescription drug plan sales or marketing presentation.
- Provide meals at promotional and sales events.
- Sell products in health care settings (doctors offices, pharmacies, etc.).
- Make misrepresentations or omit information about a comparative Medicare product to induce a person to buy or change their insurance.

### **Avoid becoming a victim of predatory sales tactics.**

- Be wary of individuals who claim they work for Medicare. Medicare representatives do not make house calls or solicit beneficiaries by telephone.
- Be cautious of individuals selling Medicare products door-to-door. If someone comes to your home without a scheduled appointment, do not let the individual in your home or provide him or her with personal information.
- Beware of insurance agents who tell you it is free to enroll in a Medicare program. Premiums are associated with all Medicare products.
- Be leery of insurance agents who tell you your enrollment in a Medicare Advantage Plan will not affect your Medicare coverage. When you sign up for a Medicare Advantage Plan you will be removed from your traditional Medicare plan and may incur more expenses in terms of deductibles and co-payments.
- Do not be persuaded by an insurance agent who tries to scare you into believing your Medicare rates are going to increase if you do not switch plans immediately.

### **Consumer tips:**

- Protect your personal information. Do not give out your Social Security or bank account numbers.
- Before you purchase a Medicare product, contact the Ohio Department of Insurance to see if any consumer complaints have been filed against the company.
- Do not sign any paperwork until you have a trusted advisor confirm the product will meet your needs.
- Contact your healthcare providers to verify they participate in the plan or accept the plan you're considering.

### **Questions or concerns?**

If you believe you have been the victim of a deceptive sales practice, we encourage you to contact the Enforcement Division of the Ohio Department of Insurance immediately:

#### **Ohio Department of Insurance**

Fraud & Enforcement

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