Known ID Theft and Fraud Scams Using the Affordable Care Act as Bait

October 8, 2013 - For several months now we've been warning our readers about various scams involving the Affordable Care Act (ACA or Obamacare). To date, we are unaware of any resource that provides a list of all of them in one place. That's what we're going to do here. If you are aware of other scams that don't appear on the list, please let us know. We'll try to keep this list updated.

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ACA vs. Obamacare Signup

A surprisingly large portion of the population doesn't know that the Affordable Care Act and Obamacare are the same thing. Scam artists are using this ploy to get personally identifiable information out of people who think they might like one program over the other. Victims may be contacted by phone or in person and told that if they sign up for one of the programs now, they can avoid the other.

Whether it is referred to as the Affordable Care Act, the ACA or Obamacare, there is just one law mandating that individuals get health insurance by next year. Nobody should be tempted to sign up for one program thinking that they can avoid a more onerous program that is yet to be enacted into law.

ACA Card Program

This is a variation of another scam involving Medicare. Victims are contacted (either in person or over the phone) and told that they are in a select group of individuals who have been picked to receive their Affordable Care Act Card prior to the beginning of the new year. They are then asked to provide their most personal information - including SSN - during the sign-up process.

There is no Affordable Care Act Card and there is no provision in the law to ever provide such a card.

Fake ACA Online Sign-up

Scam artists are using several methods to get consumer to sign up for fraudulent health insurance in what appear to be online marketplaces similar to those being run by the federal government and several states. Victims may be contacted by phone, in person or by email (phishing) and asked to sign up.

The sites victims are directed to run the gamut from unsophisticated with misspelled words to those that appear to be very official. Anyone falling victim to this scam is likely to wind up a victim of fraud or ID theft very quickly.

Anyone interested in getting information about the ACA online should visit www.healthcare.gov; the federal government's official sight. The sight is handling inquiries for 34 states that don't have their own exchange. If the state you reside in does have its own exchange, this is still the right place to start looking. You will be directed to your state exchange if one is available.

A special word of warning here. If you receive any email messages that contain links to the healthcare.gov website, don't click on them. Even if the links look correct, and even if the site you are directed to looks legitimate, scam artists who use phishing to snare victims have become quite sophisticated. The only way to insure that you are actually on the healthcare.gov website is to manually type the address into your internet browser.

Healthcare Application Fees

This is predominantly a door to door scam but there is no reason that it can't be handled by phone either. Some victims are being contacted by people claiming to be "healthcare navigators" and are asked to sign-up for healthcare. Not only do the crooks involved in this scam get all of your personal information, they also charge an up-front fee for doing so.

There are no up-front fees, or application fees, under the ACA.

Fake IRS/Government Employee Phone Calls

This one is simple and effective. Victims - predominantly the elderly - receive a phone call in which they are told that the government is checking their "eligibility" for healthcare under the ACA.

Anyone who is an American citizen or a legal US resident, and who does not receive employer provided healthcare is eligible under the ACA. But there is an important caveat here. Elderly Americans are eligible for Medicare and do not have to purchase insurance under the ACA. Anyone currently receiving Medicare doesn't have to do anything. And anyone who is about to become eligible for Medicare will be able to sign up for it just as they always have.

Unfortunately, many recipients of these calls are being told that their Medicare coverage may be cancelled if they don't agree to go through eligibility screening. The elderly tend to be quite susceptible to this type of manipulation.

Caregivers who are responsible for elderly adults should take the time to sit down with them and explain that they will not see any change to their Medicare coverage. And they should tell them to hang up on anyone who contacts them in regard to the ACA. The federal government is not making this type of phone call.
Fake ACA Navigators

The ACA created a new non-government job for people who are called "navigators". People who have these jobs work predominantly for nonprofit organizations but there is no requirement in the federal law for them to go through background checks or to be licensed. This can make is very difficult for prospective insurance buyers to know if the person they are revealing their SSN and bank information to is legitimate or if they are actually crooks.

Fortunately, some states are requiring navigators to be licensed or certified by the state. Among them are Arkansas, Florida, Georgia, Indiana, Illinois, Iowa, Louisiana, Maine, Maryland, Montana, Nebraska, Ohio, Tennessee, Texas, Utah, Virginia, and Wisconsin. Michigan, Missouri, North Carolina, and Pennsylvania are considering such laws and other states are likely to follow. Check with your insurance commissioner to find out the current licensing requirements in your state. If a license or certification is required, then before speaking with any navigator, consumers are urged to ask anyone claiming to be a navigator to provide a copy of their license. In addition, your state may allow you to check the licensing status of navigators online. Again, check with your state insurance commissioner to see if this option is

available and, if it is, then consumers should proactively check the license of any navigator that they are dealing with prior to revealing any personal information to them.
Conclusion

Anyone who believes that they have been targeted by one of these scams is urged to call the HeathCare.gov hotline, 1-800-318-2596 to file a report.

If you know of any additional scams, you can send us details by clicking here. We love to hear from our readers.
byJim Malmberg
Note: When posting a comment, please sign-in first if you want a response. If you are not registered, click here. Registration is easy and free.
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