



Marketing Fraud: How to Avoid Getting Taken For a Ride



Companies that offer Medicare private health and drug plans must follow certain rules when promoting their products.

The guidelines are meant to prevent plans from deceiving you—through marketing materials or through someone representing the plan—about what the plan offers and how much it costs. That is called **marketing fraud**.

Plans can market their plan through direct mail and radio, television and print advertisements. Plans can even call your house (telemarketing). However, agents for Medicare private plans must follow certain rules.

Plans cannot

- **enroll you over the telephone if they called you.** If you would like to enroll, you should call the plan back yourself;
- **ask for your financial or personal information if they call you.** Beware if you are asked for your Social Security or Medicare number or your bank information;
- **request payment over the telephone;**
- **visit you in your home or nursing home room without an invitation.** You can ask the plan to send someone, but they cannot just knock on your door uninvited;
- **provide gifts or prizes worth more than \$15 to encourage you to enroll.**
- **disregard the National Do-Not-Call Registry and “do not call again” requests.** Plans must comply with federal and state consumer protection laws for telemarketing.
- **send you unsolicited e-mails.** You must have specifically requested information in order for a plan to e-mail you;
- **compare their plan to another plan by name** in advertising materials;
- **include the term “Medicare Endorsed” or suggest that it is a preferred Medicare drug plan.** Plans can use “Medicare” in their names as long as it follows the plan name (for example, the Acme Medicare Plan) and the usage does not suggest Medicare endorses that particular plan above any other Medicare plan;
- **use information that they have obtained from you to market non-health-related products** and services without your written consent.

See flip side for more tips on avoiding marketing fraud →

How do I know if a plan or broker is giving me misleading information?



It can sometimes be difficult to tell. You can avoid being misled if you know the rules that plans must follow, and **double check everything the broker tells you.**

Get the plan's benefits in writing, make sure it covers your preferred doctors, hospitals and prescriptions, and find out how joining a plan will affect your other health benefits.

A broker absolutely cannot tell you that :

- you must sign up for a Medicare private health plan (like an HMO) **to get Part D drug coverage** (really, you can keep Original Medicare and get a stand-alone drug plan—a PDP);
- **you will lose your Medicaid benefits** unless you sign up for a certain plan;
- **you will pay a higher Medicare Part B premium** unless you sign up for a plan;
- a plan representative must come to your home;
- the plan covers certain drugs when it does not;
- certain doctors, hospitals and pharmacies are in the plan's network, when they are not;
- the plan offers additional benefits, such as dental or vision, that are actually covered by Medicaid, not the health plan;
- the plan covers certain services and make it sound like it is an additional benefit of the plan, when it is actually a Medicare-covered service (like mammography screenings);
- you can always return to Original Medicare if you are dissatisfied with the plan, without advising you about **strict enrollment periods** when you can change Medicare health and drug plans.

If you feel an insurance agent is committing fraud, you should save all proof (such as a business card or marketing materials) and report the activity. You can contact

- **Health and Human Services Office of Inspector General's TIPS Hotline:**
Call 800-HHS-TIPS (1-800-447-8477)
- **For Drug Plan (Part D) Marketing Fraud, the Medicare Drug Integrity Contractors:**
Call 877-7SAFERX (877-772-3379)
- **To register for the Do-Not-Call Registry:** Call 888-382-1222 (TTY call 866-290-4236)

Note: If you find out that your plan has made fraudulent claims about your health or drug coverage **after the enrollment period has ended**, you may be able to get a Special Enrollment Period (SEP) to disenroll from your plan and switch to another one.