

# Have You Been A Victim Of Health Insurance Fraud?

Contributed by Donald Saunders

Health insurance fraud is an everyday occurrence and it can be extremely difficult to protect yourself against it. Indeed, the majority of policyholders who fall victim to health insurance fraud are not aware of the fact until it comes to make a claim. It's not until that claim is denied that they realize that they have joined the growing number of victims of this particularly nasty form of fraud.

So, is it possible to stop yourself from becoming a victim of health insurance fraud?

The problem is that there are almost as many different forms of insurance fraud as there are victims and so spotting it can be very difficult. There is however one thing that should always make you suspicious and that is the offer of excellent coverage and a very low price. Medical costs are rising alarmingly and so is the cost of health insurance so, when somebody offers you a policy at a very low cost, tread warily.

Be particularly suspicious of unsolicited mail that offers discounted health insurance, especially if you do not recognize the name of the company that is making the offer. At this point your first step should be to do a little research on the company and you will find that health insurance companies are both listed and rated at <http://www.ambest.com/>. It is also a good idea to check with your State Insurance Commission to see whether the company has been granted a license to operate in your state.

If the offer appears to be genuine then read it in its entirety and pay particular attention to the fine print. The fine print, covering such things as exclusions, may turn a seemingly great offer into one that is potentially very costly. If a salesperson calls with an offer then you should also be very suspicious of any request to pay by cash or to pay the total amount of your premium in advance.

If you discover that you have become a victim of health insurance fraud then you should take the following steps without delay:

- Contact your State Insurance Commissioner to discover if he has had any other complaints about the company in question and to file a health insurance fraud complaint.
- Contact your bank or credit card company and put a stop on any future payments that may be scheduled.
- Contact your local law enforcement agency.

Unfortunately this may not be the end of the matter but could be just the start, as many people who perpetrate health insurance fraud also use your personal information to steal your identity and to commit other fraudulent acts. So, you should also get a copy of your personal credit report from all three major credit reporting agencies as soon as possible and watch carefully for any signs of irregular financial transactions being carried out in your name.

Identify fraud is a major subject in its own right and beyond the scope of this article but, if you have been the victim of health insurance fraud, it is an area on which you should seek further advice.

Be careful and check out any health insurance company before you sign on the dotted line. You can never be too careful and, in addition to the checks suggested above, you should think about such things as asking others if they have ever heard of the company in question. This might include asking your doctor or local hospital. If they say that they won't accept insurance from the company, and indeed have never heard of it, then this should set bells ringing.

State governments take an especial interest in health insurance companies and often have their own rules for the sale of insurance within the state. In many cases this is particularly advantageous to policyholder as is the case with affordable California health insurance so, if you are looking for a low cost health insurance plan then it's often a good idea to check out your own state's policy first.