

Four Medicare Open Enrollment Scams to Avoid

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Below are some common tactics that scammers use on Medicare beneficiaries around the open enrollment period each year. This information will help you avoid falling victim to identity theft and/or Medicare fraud and allow you to warn others about these schemes.

1. Bogus Medicare Representatives

This tactic involves an “official Medicare agent or department” either cold-calling a senior or knocking on their door. The phony agent says they’re selling Medicare insurance that can save the senior thousands of dollars in health care costs next year, but the offer is only good during the open enrollment period. Sounds tempting, right?

The fact is that the Centers for Medicare and Medicaid Services (CMS) does not employ any Medicare sales representatives and typically issues all communications in writing. CMS is only authorized to call beneficiaries in two specific situations:

- A Medicare health or drug plan can call you if you’re already a member of the plan. (The agent who helped you join can also call you.)
- A customer service representative from 1-800-MEDICARE can call you if you’ve called and left a message or a representative said that someone would call you back.

Ignore cold calls and be wary of anyone who shows up unannounced at your home offering products or services of any kind. **If you haven’t asked for an agent to contact you, federal law prohibits an insurance agent from trying to sell to you, whether it’s via a phone call, an e-mail or a knock on your front door.** If an “agent” tries to sell you something on behalf of Medicare, you should report that person to the authorities immediately.

Keep in mind that there are legitimate insurance agents and brokerage firms that sell Medigap plans, Part D plans and Advantage Plans on behalf of private insurance companies. Some of these entities work with marketing and lead generation companies that advertise heavily online and on television. Legitimate firms and licensed brokers are not scammers. They sell real Medicare policies, but be aware that they may only offer a limited number of plans from certain carriers, they may charge fees and they receive commissions for the sales they make.

2. Threatening a Loss of Coverage

This scam usually begins with a senior receiving a call that says they must have a prescription drug coverage plan (also known as Medicare Part D) or they will lose their other Medicare benefits. If the senior doesn't purchase a plan during enrollment time, then their Medicare benefits will be "terminated." Of course, this caller claims to offer just the right Rx plan for the senior to increase their coverage and safeguard their benefits.

Sound a little too good to be true? That's because it is. If someone says you must join a plan or buy some sort of coverage to avoid losing your other Medicare benefits, it's a scam. The Medicare prescription drug benefit is an entirely optional addition to your coverage under Original Medicare (Parts A and B). The same goes for Medicare Supplement Insurance, which is often referred to as "Medigap."

3. Fake Rebate Notices

In this scenario, a scammer calls a Medicare beneficiary to notify them that they are owed a substantial refund because they've reached the prescription drug coverage gap known as the "[donut hole](#)." Of course, the catch is that the senior must provide their birth date, Social Security number, bank account and Medicare numbers so the refund can be automatically deposited into their checking account.

The important takeaway here is that Medicare will NEVER call and ask for a beneficiary's Medicare number or Social Security number. Guard your personal information. Treat Medicare, Medicaid and Social Security numbers like a credit card number, and never give these out to a stranger. If someone claims to be with Medicare and asks for sensitive information like this over the phone, hang up and report it to 1-800-MEDICARE.

4. Counterfeit Sales Materials

Scammers sometimes create and circulate very official-looking brochures and sales materials for new Medicare products that are available at a "discounted price" during the open enrollment period. They then count on seniors to contact them about enrolling and collect their personal information, payment information or both.

Don't be fooled by sales materials that look like they're from a government agency. Private insurance companies like Cigna, Kaiser Permanente, Aetna, Humana, UnitedHealthcare and Blue Cross Blue Shield sell Medicare Advantage Plans, Medicare

Supplement Plans and Medicare Prescription Drug Plans. CMS approves and standardizes these plans, but they do not directly promote or sell any of these options.

Be skeptical of promotional materials claiming to come from the government. If you're not sure if the materials you've received are legitimate, you can access a full list of the kinds of notifications and information that CMS and your existing plan(s) may send out via mail on the [Medicare.gov website](#).

If you receive any mail or digital communication about Medicare products that you are interested in acting on, do not use the contact information listed on these materials. Instead, call Medicare directly at 1-800-MEDICARE (1-800-633-4227) or look up and compare available plans in your area using [Medicare's Plan Compare Tool](#).

Going through CMS directly at the [Medicare.gov website](#) is the safest way to explore your options and make changes to your coverage. If you need help comparing plans and finding the best one for your situation, contact your local [Area Agency on Aging](#) (AAA) and make an appointment with the [State Health Insurance Assistance Program](#) (SHIP) to get free health insurance benefits counseling (phone number for your state is on the back cover of the Medicare & You white book)..