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**DMHC bars Folsom health insurance agent from selling  
Medicare Advantage plans**  
*Deceptive, misleading and aggressive sales tactics illegal under California law*

**(Sacramento)** – The California Department of Managed Health Care (DMHC) has issued an order barring a Folsom health insurance agent from selling Medicare Advantage plans, due to unscrupulous and deceptive practices against nearly a dozen local senior citizens. The agent, Nadia King, cancelled the Medicare coverage of elderly consumers without their consent or knowledge, and then enrolled them in private Medicare Advantage plans she represented, causing some to unknowingly incur unexpected medical bills.

“Almost everyone is a little confused about the type of coverage that is, or will be, available with federal health reform. Regulators must be even more vigilant in protecting healthcare consumers from con artists who shamefully rip off vulnerable seniors for their own financial gain,” said Cindy Ehnes, Director of the DMHC. “The DMHC is committed to protecting Medicare recipients from these abusive tactics.”

Deceptive marketing of Medicare Advantage products to senior citizens is already a growing problem in California and across the nation. In April 2009, the DMHC began receiving complaints from elderly Medicare recipients who claimed they had been subjected to deceptive marketing of Medicare Advantage products. Although insurance agents are licensed by the California Department of Insurance, state law allows the DMHC to bar an agent from selling certain products if it is determined that a solicitor makes misrepresentations to consumers or acts in a manner that may expose them to substantial risk.

In this case, the DMHC has indefinitely barred Nadia King of Folsom from operating as a solicitor of Medicare Advantage plans to individuals eligible for Medicare. The order alleges that King solicited unsuspecting Medicare enrollees, using deceptive sales tactics to enroll them into the particular Medicare Advantage plans that she was selling.

**(more)**

Eleven local victims are identified in the order. In most cases, unsolicited contacts with elderly Medicare recipients either in their homes, by telephone, or some other means, resulted in Ms. King enrolling the victims in various Medicare Advantage plans, often without their knowledge or consent. Some of these victims experienced delays in medical treatment as a result of the unwanted change to their health coverage, or unexpected out-of-pocket charges, of up to \$6,000 in one case.

This legal action is part of the DMHC's ongoing efforts to protect consumers from fraudulent health products. The DMHC is actively investigating Medicare Advantage marketing abuse cases, issuing sanctions against two other insurance agents earlier this year. In addition, the DMHC has also been ordering unlicensed and fraudulent discount health plans to cease operation or seek licensure to ensure that the plans are selling a legitimate product, and has shut down a phony labor union health coverage scheme that put hundreds of consumers at risk of losing coverage.

Consumers can contact the DMHC Help Center for assistance in identifying legitimate health products. Two consumer alerts have also been issued recommending actions that senior citizens and others can take to avoid deceptive health care marketing schemes:

- Do not give personal information, such as Social Security numbers, bank account numbers, or credit card information.
- Be wary of unsolicited calls or visits at home, or an approach by someone at your doctor's office, pharmacy or hospital.
- Do not take calls from someone claiming to be from Social Security or Medicare. Legitimate representatives from these programs will not call or come to your home unless you have contacted them to request it.
- Read and understand the health plan information.
- Consult family and friends before purchasing any health plan.

The California Department of Managed Health Care is the only stand-alone HMO watchdog agency in the nation, touching the lives of more than 21 million enrollees. The DMHC has assisted more than a million Californians resolve their health plan problems through its Help Center, educates consumers on their health care rights and responsibilities, and works closely with health plans to ensure a solvent and stable managed health care system.

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