

Illinois Department of Insurance Warns Consumers of Possible Medicare “Doughnut Hole” Rebate Check Scams

Urges Medicare Part D enrollees to not provide personal information such as Social Security numbers to receive rebate check

CHICAGO—May 27, 2010. While insurance regulators across the country work to implement the Patient Protection and Affordable Care Act, or national health insurance reform, con artists and predators are attempting to scam consumers into providing Social Security numbers and other personal information, according to the Illinois Department of Insurance.

Recent reports indicate that Medicare Part D participants and nursing home residents have received calls from scammers pretending to be federal government agents. The scammers ask for Social Security numbers and other personal information so that the victim's Medicare prescription drug coverage gap rebate check can be processed. The primary target for these fake agents appears to be older Americans.

"The \$250 Medicare prescription drug rebate check included in the Affordable Care Act will be automatically sent to eligible enrollees," said Michael T. McRaith, Director of the Illinois Department of Insurance. "Unsolicited contact from anyone claiming to need a Social Security number or other personal information in order to process your \$250 rebate check is nothing more than a ruse to steal an identity or money or both."

Medicare Part D currently pays 75 percent of the costs for covered prescription drugs up to an initial coverage limit (\$2,830 for the 2010 plan year), and 95 percent of the costs for prescription drugs above a catastrophic coverage level (\$6,440 for the 2010 plan year). The gap between the initial coverage limit and the catastrophic coverage level is known as the "doughnut hole," and Medicare enrollees must pay 100 percent of the costs for prescription drugs in that gap.

Beginning in June 2010, the U.S. Department of Health and Human Services will provide a \$250 rebate check to Medicare Part D enrollees who reach the "doughnut hole" and aren't already receiving Medicare Extra Help. An enrollee who reaches the coverage gap should expect to receive the one-time rebate check at her home address within 45 days.

The checks will be automatically mailed on a monthly basis as enrollees enter the coverage gap - Medicare Part D enrollees do not need to fill out any forms or provide any personal information like a Medicare, Social Security or bank account number to receive the rebate check.

The Department offers the following information for Medicare Part D enrollees:

How will I know if I've reached the coverage gap?

The Explanation of Benefits notice, which your drug plan mails to you each month when you fill a prescription, will tell you how much you've spent on covered drugs and whether you've entered the coverage gap.

Will I need to do anything to get the rebate check?

No. There are no forms to fill out. Medicare will automatically send a check that's made out to you. You do not need to provide any personal information like your Medicare, Social Security, or bank account numbers to get the rebate check. Do not give your personal information to anyone who calls you about the \$250 rebate check. Call 1-800-MEDICARE (1-800-633-4227) to report anyone who asks for your personal information. TTY users should call 1-877-486-2048.

What if I don't get the rebate check when I should?

Medicare Part D enrollees who hit the "doughnut hole" should expect to receive her check within 45 days. Your rebate may be delayed if Medicare doesn't have information from your Medicare drug plan showing that you reached the coverage gap in time to include you in the next monthly mailing. You should call your Medicare drug plan to make sure all of your information has been sent to Medicare. If you don't get your rebate check, contact Medicare. Individuals receiving Medicare Extra Help will not receive a rebate check. You can also check to make sure Social Security has your correct home address. Call 1-800-772-1213 or your local Social Security office. TTY users should call 1-800-325-0778.

Through its staff and a network of approximately 900 trained volunteers in more than 150 sites throughout the State, the Department's Senior Health Insurance Program (SHIP) assists Illinoisans with questions or problems related to Medicare, Medicare supplemental insurance, long-term care insurance and prescription drug coverage. Please call the SHIP toll-free hotline at 1-800-548-9034 with questions about the \$250 prescription drug rebate check or with any other Medicare-related questions.

For more information about how to protect yourself against possible [insurance fraud](#) or [identity theft](#), please visit the Department's web site at <http://insurance.illinois.gov> or call the Department toll-free at (877) 527-9431. Remember to never give out personal information – including Social Security numbers, insurance-related documents, credit cards, checking or other bank account information – over the phone or internet, by email, mail, or fax unless you know the person you are dealing with.

More Information

The Department's mission is to protect consumers by providing assistance and information, by efficiently regulating the insurance industry's market behavior and financial solvency, and by fostering a competitive insurance marketplace. The Department assists consumers with all insurance complaints, including health, auto, life, and homeowner. Consumers in need of information or assistance should visit the Department's Web site at <http://insurance.illinois.gov> or call our toll-free hotline at (877) 527- 9431.

This document was posted on the website of Illinois State Representative Randy Ramey (55th Dist),
www.randyramey.org