

## Before You Buy...

When you shop for affordable health insurance, it is important you know the difference between health insurance and discount health or medical "cards."

**Discount health cards are not insurance.** These cards simply offer lower prices on services from doctors, pharmacists, etc., who accept the cards. Some cards are authentic or "legal", while others are not.

These cards may offer money-saving benefits for people without health insurance, but discount cards are not always what they appear to be.

Because discount cards are not insurance, there are fewer consumer protections. The Kansas Insurance Department does not regulate discount companies and cannot take legal action against them, but we can provide general information and answer questions about discount card plans and health insurance policies. Please call us at 1-800-432-2484 if you have questions.

### Buyer Beware!

If you do decide to purchase a discount health card you should be aware of the following:

- **You should NEVER cancel any health insurance that you have.** A health discount card is not the same as health insurance.

- **Slippery sales pitches.** Be wary of the following statements: "Save up to 60 percent on healthcare;" or "Affordable health coverage." Calling it coverage could deceive you into thinking you have real insurance or "Guaranteed" benefits. Not all cards can deliver on their promises;
- **"Long-term care" discounts.** Do not mistake this for true long-term health insurance policies.
- **Fine print.** READ the fine print CAREFULLY and make sure it agrees with the promises you hear in the sales pitch.
- **Your treatments?** Find out exactly what medical conditions, medicine, treatments and other services are included. Do they match your needs? Do your health care providers honor the card?
- **Clearly listed?** Are the discounted prices for goods and services clearly listed? Do they offer a clear reduction over fees you now pay?
- **Frequently providers don't even know they've been listed** by the discount card company, and thus may not give you the promised discounts. If you plan to use a specific doctor, hospital, pharmacy or other provider, be sure to contact the providers to find out whether or not they will honor the card's advertised discounts.
- **Does the network of providers include your city?**



- **Hidden fees.** Are large administrative fees hidden in the fine print? Especially, watch for fees that will be charged for each use of your discount card.
- **Evasive pitches.** Be wary if the telemarketer or other sales person seems evasive, ill-informed or is reluctant to provide you detailed material about the card or the company.
- **Ask specific questions,** and demand specific answers.
- **Ask to See The List of Providers.** If one isn't available, or isn't available until AFTER you purchase the card, DO NOT BUY.
- **Refundable?** Know whether your membership fee is refundable. Can you cancel at any time? What are the procedures for canceling? Will there be a refund of advance payment?
- **Ask if the company has a license** with the Kansas Secretary of State to sell products in Kansas.

If you are considering the purchase of a discount health card, please do the following first ...

### Stop...

before signing anything or writing a check, authorizing an automatic bankdraft or giving your credit card information to anyone.

### Call...

the Kansas Insurance Department to...

### Confirm...

the company you are considering is legitimate and authorized to do business in Kansas.

## The price you may pay...

You may lose all of your health coverage if you give up your health insurance, mistakenly believing you are finding a better deal with a discount card.



**You may be saddled with large medical bills that you'll have to pay yourself** if you're fooled into believing

a discount health card provides insurance coverage.

**Promised discounts may be exaggerated or may not exist at all** and hidden administrative fees and other hidden costs can eat up any savings you might get with a discount card.

**Your health care may be compromised,** because the medical providers and treatments the cards promise you may not exist, and many healthcare providers do not accept the discount health cards.

**Your money, identity and financial information could be stolen.** Avoid giving your credit card and checking account numbers to strangers selling discount cards over the phone or the Internet. Fees for the card, for example, may be charged to your credit card even if you only called for information. **Before you buy anything, STOP and CALL** the Kansas Insurance Department to **CONFIRM** that the company you are considering is legitimate.

### **If You Have Questions Or Suspect Fraud Call:**

the Kansas Insurance Department Toll-free Hotline at 1-800-432-2484. We can help you determine if the company you are considering doing business with is registered in the State of Kansas or if the coverage you are considering will really meet your needs.

The Kansas Insurance Department does not regulate discount health cards, but does keep a listing of companies authorized to do business in Kansas and can refer you to the right authorities if you suspect fraud has occurred.

**This Information is Provided By:  
The Kansas Insurance Department  
Sandy Praeger, Commissioner  
420 SW 9th Street  
Topeka, KS 66612  
Consumer Assistance Hotline  
1-800-432-2484**



**— Discount Health Cards —  
What You Need to Know  
To Protect Yourself**