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FOR IMMEDIATE RELEASE

COMPANY OFFERING BOGUS HEALTH INSURANCE ORDERED TO CEASE BUSINESS IN MARYLAND

Baltimore, MD (June 7, 2010) – Acting Insurance Commissioner Elizabeth “Beth” Sammis has issued a cease and desist order to stop a group of companies and individuals from selling bogus health insurance to Maryland consumers. ATA, SDS, and SAA, companies, based in Tennessee, conducted business in Maryland under many names including, but not limited to, American Trade Association, Real Benefits Association, Smart Data Solutions and Serve America Assurance, Ltd. (Refer to the Order on the agency website www.mdinsurance.state.md.us).

“Everyone wants affordable health insurance,” said Sammis. “But the action of these unscrupulous companies and individuals is a reminder that consumers need to be sure they are buying coverage from a legitimate, licensed insurer.”

To get and keep a license, an insurer must annually demonstrate it has the financial resources to pay claims. And if something unforeseen happens to the insurer, there is a robust process in place to protect consumers to be sure their claims are paid. None of these protections exist for unlicensed companies.

The Maryland Insurance Administration believes about 700 Maryland residents fell prey to the scams of this company. Any Maryland resident harmed by this company should file a reimbursement claim by August 31, 2010 through a website <http://www.americantradeliquidation.com/> as a result of the State of Tennessee’s liquidation proceedings. Affected consumers should also contact the MIA at 410-468-2200 (toll free 800-492-6116 ext. 2200) or email enforcement@mdinsurance.state.md.us

Below are some tips for consumers to help avoid scams like this.

1. **Be wary of unsolicited offers.** If you receive an unsolicited offer in the mail, or by fax or email offering you coverage for your health care costs, proceed carefully.
2. **Verify that the offer is real.** You should look up the company’s phone number in your phone book and call them directly to verify the legitimacy of the offer and the existence of an office.
3. **Don’t make payments or give out credit card or bank account information until you have verified that it is a legitimate offer.** Do not provide credit card or bank account information to

anyone or sign any agreements before you know all of the details of the plan, review all plan documents carefully and are certain that you want to join.

4. **Verify the license status of the person selling the product.** You can verify that the person selling you the product is licensed by checking on <https://www.mdinsurance.state.md.us/pls/jsp/pia/PIARequest.jsp?mode=true> or calling us at (888) 204-6198.
5. **Ask if the product is health insurance.** Ask for the name of the insurer, nonprofit health service plan or health maintenance organization underwriting the product and verify it is licensed to do business in Maryland by using the MIA's "Company Search" portal, <http://www.mdinsurance.state.md.us/iq/jsp/interactiveQuery/CompanySearch.jsp?mode=true> or calling us at (800) 492-6116, ext. 2104.
6. **Ask if you are purchasing a discount plan.** Discount plans typically provide cardholders with discounted health care services in exchange for a membership fee and are required to register with the MIA. You can verify the registration status of a discount plan on the MIA's website, <http://www.mdinsurance.state.md.us/sa/documents/medicaldiscountplans07-08.pdf> or by calling (800) 492-6116, ext. 2217.
7. **Check for a history of complaints.** To find out if any complaints have been filed against a discount plan, call the Maryland Attorney General's Health Advocacy Division at (877) 261-8807 or the Maryland Insurance Administration at (800) 492-6116, ext. 2007.
8. **If you suspect fraud,** contact the Maryland Attorney General's Consumer Protection Division at (888) 743-0023.
9. **For more information about:**
 - Health insurance and things to consider when purchasing health insurance, refer to "A Consumer Guide to Health Insurance" available at <http://www.mdinsurance.state.md.us/sa/documents/CGHealth-09-09-web.pdf>
 - Discount medical plans and why these are not health insurance, refer to "What Consumers Need to Know about Discount Medical and Discount Drug Plans," available at <http://www.mdinsurance.state.md.us/sa/documents/discountplansbrochure08-09.pdf>
 - Health insurance premium and complaint volume, "Health Insurance in Maryland: Premiums and Complaints 2007 and 2008" <http://www.mdinsurance.state.md.us/sa/documents/Healthinsurance-premiumscomplaints-final11-03-09.pdf>
 - or call 800-492-6116 ext. 2360 for copies.

The Maryland Insurance Administration (MLA), founded as the Maryland Insurance Division in 1872, is an independent State agency located in downtown Baltimore. This agency regulates Maryland's \$26 billion insurance industry and makes certain that insurance companies, health plans and producers (agents and brokers) comply with Maryland insurance law. The MLA also licenses over 110,000 producers and approximately 1,500 insurance companies, regulates insurance rates, monitors insurer solvency, investigates consumer complaints and travels across the State providing consumers with educational materials on insurance. These materials may also be found at www.mdinsurance.state.md.us.