



Maryland
INSURANCE ADMINISTRATION

CONSUMER ADVISORY

BEWARE OF UNAUTHORIZED HEALTH INSURANCE PLANS IN MARYLAND

CONTACT THE MARYLAND INSURANCE ADMINISTRATION IF YOU BELIEVE YOU WERE MISLED BY A BROKER OR AGENT

The Maryland Insurance Administration has become aware of several entities offering unauthorized health insurance plans in Maryland.

The latest complaints involve people posing as insurance agents or brokers and offering Marylanders health coverage that makes them “limited partners” or “part owners” in the company selling the plan. In many cases, people buying the plans thought that they had contacted the official Maryland Health Connection, but reached a different site instead.

In most cases, it is illegal to sell an unauthorized insurance policy in the State of Maryland. Unlicensed companies may offer policies with low premiums that appear to provide extensive healthcare coverage, but in reality offer you limited or no coverage. The groups may not pay your claims, and the Maryland Insurance Administration may have limited authority to force them to do so.



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The sale of unauthorized health insurance is one of the most common insurance fraud schemes. A fraudulent agent may claim their plan is exempt from state regulation because it's a "self-funded" plan authorized by the federal Employee Retirement Income Security Act (ERISA). While it is true that ERISA plans are exempt from most state laws, they are generally created by businesses and organizations to cover their own employees or members.

Information about the "limited partnership" or owner arrangement is often only disclosed in the policy documents, and the person posing as an agent or broker may not explain the alleged arrangement to the consumer.

If you are a Maryland resident interested in buying health insurance, use the Maryland Health Connection, the state's official health insurance exchange. Maryland Health Connection can be reached online at marylandhealthconnection.gov or by calling 1-855-642-8572.



If you believe you have purchased an unauthorized health insurance plan, check your documents and/or insurance cards and reach out to the Maryland Insurance Administration's Health Coverage Assistance Team (H-CAT) at hcat.mia@maryland.gov, 410-468-2442, or visit: <https://qrco.de/hcat> for assistance.



hcat.mia@maryland.gov



410-468-2442



<https://qrco.de/hcat>



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