

PRESS RELEASE

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For Immediate Release

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HEALTH INSURANCE SCAM ORDERED TO CEASE

CONCORD, NH – **April 15, 2010** - New Hampshire Insurance Commissioner Roger Sevigny has issued a cease and desist order barring several companies and individuals from illegally selling health insurance products in New Hampshire.

“With the decline of the national economy we have seen an increase in insurance fraud,” said Sevigny. “It is outrageous that hardworking New Hampshire citizens, in their time of need, are being preyed upon by scam artists who purport to offer legitimate health insurance.”

The company, American Trade Association (ATA), and its various affiliated organizations, are under investigation in at least twenty other states for selling insurance products without a license and for failing to pay claims.

Sevigny said ATA and its unlicensed third-party administrator, Smart Data Solutions, fax unsolicited advertisements and use unlicensed agents and the internet to market their unlicensed products to potential customers throughout the United States. ATA also falsely claims affiliations with licensed insurance companies in its solicitations.

One New Hampshire woman, Mari Godzyk, who has custody of a disabled grandson, had been sending hundreds of dollars to the company each month only to learn, after she had surgery and her bills were mounting, that her insurance policy was fake. “The insurance I bought from ATA was expensive enough that I thought it was real,” Godzyk said. “People need to do a little research before they buy insurance from companies they haven’t done business with before.”

The New Hampshire Insurance Department encourages all consumers to call or visit the New Hampshire Insurance Department website (www.nh.gov/insurance) to confirm that any company offering insurance or insurance-like products is properly licensed to do business in New Hampshire. The New Hampshire Insurance Department toll-free consumer hotline is (800) 852-3416.

Here are some tips to help you protect yourself from health insurance scams:

- Be wary of anyone who calls or comes to your home uninvited offering to sell you health insurance. The only federal employees who might come to your home are Census workers.
- Be wary of anyone who tries to pressure you into signing anything, or says there is a limited enrollment period.
- Do not give bank account numbers, social security numbers, Medicare numbers or other personal information to someone you don't know.
- Call the Insurance Department, toll-free at (800) 852-3416 to make sure the person or company is licensed before doing business with them.

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ABOUT THE NH INSURANCE DEPARTMENT

The first insurance regulator in the US, the NH Insurance Department was created in 1851 and charged with enforcing and administering New Hampshire's insurance laws. The department, an agency of the executive branch of New Hampshire state government, conducts safety and soundness and market conduct examinations of licensees, licenses insurance companies and insurance producers, reviews premium rates and policy forms, provides assistance, information and referral services to New Hampshire insurance consumers, and administers the filing and collection of New Hampshire's insurance premium tax. For more information, visit the Insurance Department's web site at: www.nh.gov/insurance.