

- Ask these questions:

- ✓ Whom do I call if I have a problem using the card?
- ✓ What guarantees do I have as part of this plan? For example, is there a guarantee that I will receive the discount each time I use my card?
- ✓ Will I get a regular statement outlining my savings?
- ✓ Will services have to be preauthorized to get the discount?
- ✓ Will my medical or personal information be kept private?
- ✓ If the plan offers a 24-hour "nurse" help line, confirm its hours of operation, and ask if those answering the help line have medical training.

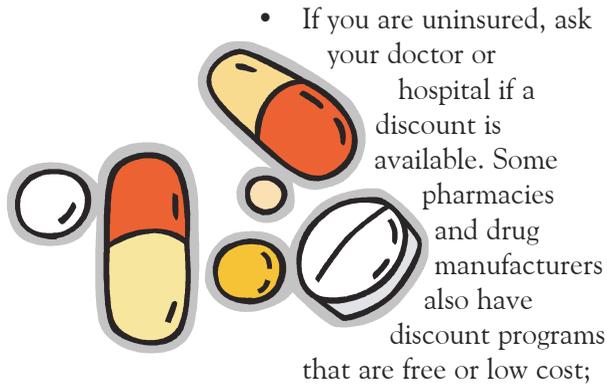
## MAKE A SMART PURCHASE

- Never give your credit card number or bank account information unless you are sure you want to enroll in the discount card program;
- If you shop through the Internet, be careful about disclosing personal information such as your mother's maiden name, your Social Security number, and your date of birth; opt out of possible information sharing. Be sure to get a phone number and address for the discount card program and keep copies of everything you submit.

## ALTERNATIVES TO DISCOUNT CARDS

Remember, you can explore alternative options to save money on health and Rx costs:

- If your doctor prescribes a brand name drug, ask if the generic is just as effective;
- Comparison shop for prescription drugs; prices can vary greatly. For more information, visit [www.oag.state.ny.us/health/health\\_care.html](http://www.oag.state.ny.us/health/health_care.html);
- Find out if you qualify for EPIC, a New York State-sponsored prescription plan for seniors, by calling toll-free at 1-800-332-3742 or visiting [www.health.ny.state.us](http://www.health.ny.state.us);



- Try to get health insurance. For more information on insurance coverage in New York State call toll-free at 1-866-432-5849 or go to [www.ins.state.ny.us/healthny.htm](http://www.ins.state.ny.us/healthny.htm). For information about Family Health Plus or Child Health Plus, New York's health insurance programs for eligible families, go to [www.health.state.ny.us/nysdoh/fhplus/index.htm](http://www.health.state.ny.us/nysdoh/fhplus/index.htm) or call your local Department of Social Services office.

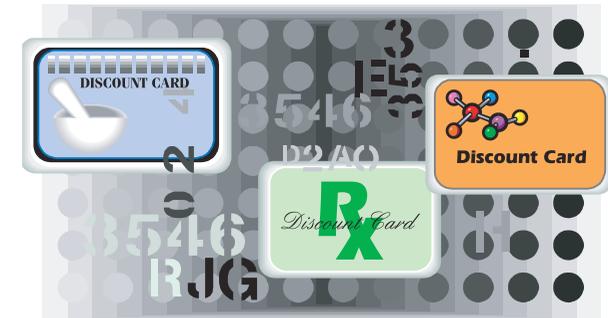
## MAKE A SMART DECISION

Here are some tips to consider before you decide to enroll in a discount card program:

- ❑ **Discount cards are not health insurance.** You are responsible for paying out-of-pocket, with a debit or credit card or cash, for the health care services you receive. The card only entitles you to a discount on health care costs, and not health coverage.
- ❑ **Your savings may not be significant.** You may find, in some cases, that if you add up the cost of the discount card including any enrollment and administration fee, your actual "savings" are wiped out. Try to figure out how and where you spend your health care dollars and whether a discount card would really save you enough to be worthwhile.
- ❑ **Your consumer protections are limited.** Discount card programs don't have the consumer protections usually found in health insurance. For example, there is no guarantee of access to health care services, and discount card sales people, unlike insurance brokers, do not need to be licensed.
- ❑ **If you already have health insurance coverage, a discount card won't be worthwhile if it merely duplicates your coverage.** For example, if you have insurance coverage for hospital and doctor visits, a discount card for those services will probably not provide you with any additional benefits or savings. However, if your insurance doesn't cover prescription drugs, a discount card limited to prescription drugs may save you some money.
- ❑ **If you drop your health insurance to buy a discount card, watch out!** You may face a waiting period for pre-existing conditions if you decide to buy a new health insurance plan in the future.



# HEALTH AND Rx DISCOUNT CARDS



**ANDREW M. CUOMO**  
ATTORNEY GENERAL

**FREE AT LAST...NO MONTHLY CHARGES, NO PREMIUMS, NO CO-PAYMENTS, NO LIMITS OR MAXIMUMS, FREE...**

**SAVE UP TO 80% ON ALL HEALTHCARE AND Rx COSTS**



**Over 50,000 healthcare providers, more than 100 board-certified specialties and 150 Metro area hospitals to choose from. Plus, all major chain drug stores and pharmacies nationwide...**

**SIGN UP FOR [NAME OF DISCOUNT CARD] AND START SAVING**

Have you seen this ad?

Ms. C, a 67-year-old wheelchair-bound heart patient, saw an ad like it. She paid \$110 to enroll in a prescription drug discount card program that listed her neighborhood drugstore in its network of pharmacies. When Ms. C went to use her card, however, her pharmacist refused to accept it, saying that he had never heard of it. Ms. C's complaint along with several others triggered an investigation by the Attorney General's office. The company agreed to discontinue its deceptive practice of listing pharmacies as members of its network when they were not.

In another case, a telemarketer described a health discount card program to Mr. W, a 45-year-old uninsured Brooklyn resident. Mr. W agreed to review more information after being told that a packet would be mailed to him if he gave his checking account number. Two weeks later, Mr. W discovered a withdrawal of \$349 without his authorization. Mr. W repeatedly called the company to demand a refund. The company denied Mr. W a refund, saying he had signed up for the program, and played back a recording of Mr. W providing his checking account number to support its claim. Mr. W called the Attorney General's Health Care Bureau, which intervened on his behalf. The company gave Mr. W a full refund.

Recently, the number of companies offering discount card programs for health care services and prescription drugs has increased dramatically. New Yorkers, especially seniors and the uninsured, are being bombarded with ads, direct mail or telephone solicitations by companies that claim to offer savings up to 80% on prescription drugs, dentist and doctor office visits, hospital and emergency room visits, eye glasses, hearing aids – even veterinary care. At a time when consumers are looking to save on their health care bills, these offers may sound too good to be true. And they sometimes are - the Attorney General has found that some companies' claims of savings of up to 80% are misleading.

However, reputable discount cards can provide savings on health care services and prescription drugs. This guide can help you decide whether a discount card program fits your health needs. And, if you choose to enroll in one of these programs, this guide also provides tips to help you get the best value for your money.

### **HOW DO DISCOUNT CARDS WORK?**

Discount card programs usually offer a "membership" for a monthly or annual fee and members are typically required to have a debit or credit card. In return for the fee, you get a discount card that is accepted by a network of doctors, hospitals, pharmacies, and other health care providers. The network providers accept the reduced rates to reach more customers. Typically, when you see a doctor or other provider in the network, you present your discount card and pay a discounted fee-for- service with a debit or credit card or cash. Sometimes you pay the doctor's full fee, but receive the discount as a credit to your credit card account. The amount of discount can vary by provider and service. For example, one dentist may discount a check-up by 20% and a filling by 10% but another may only discount the same services by 15% and 5%, respectively.

### **THE CONSUMER FRAUDS AND PROTECTION BUREAU**

The Attorney General's Bureau of Consumer Frauds and Protection is dedicated to prosecuting businesses and individuals engaged in fraudulent, misleading, deceptive or illegal trade practices. The Bureau also provides mediation services to New Yorkers to help resolve their individual complaints against businesses. Additionally, the Bureau conducts statewide community outreach programs to increase consumer awareness and provides educational assistance through informational brochures. The Bureau also drafts legislation, studies emerging consumer problems and releases in-depth reports on issues affecting consumers. In 2001, the Bureau received over 55,000 complaints and successfully recovered \$7,666,380 for consumers.

To obtain a complaint form to begin your mediation process, call the Attorney General's Consumer Helpline at 1-800-771-7755 option 2 or visit [www.oag.state.ny.us](http://www.oag.state.ny.us)

### **THE HEALTH CARE BUREAU**

The Attorney General's Health Care Bureau protects - and advocates for - the rights of all health care consumers statewide. The Bureau operates a toll-free Health Care Helpline that assists New Yorkers with individual problems. Helpline mediators and intake staff are trained in alternative dispute resolution and work directly with all parties to assist consumers in receiving the care they are entitled to under state law. The Bureau tracks consumer complaints statewide and investigates systemic problems in the operation of the health care system. Where appropriate, the Bureau's attorneys bring law enforcement actions against health care entities. The Bureau also drafts and proposes legislation to enhance health care quality and availability in New York State. The Bureau has successfully obtained access to health care for thousands of New Yorkers and estimates that it has helped consumers save over \$5 million by resolving their coverage disputes with health plans.

To obtain direct assistance in resolving disputes with your health plan or to file a complaint, contact the Attorney General's Health Care Helpline at 1-800-771-7755 option 3.

### **MAKE A SMART SELECTION**

Here are some tips to help you shop smartly:

- Shop around – the cost of a discount card membership could range from \$0 or \$5 to \$100 or \$120 for a similar discount card program, plus additional charges like administrative fees. Keep in mind that some marketing companies take an existing card, package it under a new name, and charge double for the new card.
- Be wary of paying large sums in advance for a discount card. The fees for most discount cards are usually fairly low. Always check the refund policy.
- Ask your doctor, local hospital, pharmacy and other providers if they accept the card before you sign up.



• Watch out for any claims that suggest a discount card is sponsored by a government agency or a well-known organization. Some discount cards use names or "seals of approval" that closely resemble such organizations. Remember, most discount card programs are run by private for-profit businesses.

- Carefully read all materials - especially the fine print. Unlike insurance, discount cards are largely unregulated. Check if you can cancel your membership at any time and get a refund. Also, some cards offering discounts on hospital care require you to make a deposit ranging from several hundreds to thousands of dollars before you can get any discount on hospital services.