

Draft Pending Adoption

Attachment One
Antifraud (D) Task Force
3/17/24

Draft: 4/1/24

Improper Marketing of Heo If H5(n)TD(e Commis4(.2(Working Group of the Antifraud (D) Task Force
AZ, March 17, 2024. The following Working Group members participated: Martin Swanson, Chair
Buono, Vice Chair (PA); Maria Ailor (AZ); Kurt Swan (CT); Susan Jennette (DE); Erica Weyhenmeyer (IA);
(IA); Joseph Garcia (MI); T.J. Patton (MN); Marjorie Thompson (MO); Patrick Smock (RI); Jill Kruger
Jordan (SD); John Haworth (WA); and Bryan Stevens (WY).

1. Adopted its 2023 Fall National Meeting Minutes

Kruger made a motion, seconded by Swan, to adopt the Working Group's Dec. 2, 2023, minutes (*see NAIC Proceedings – Spring 2024, Antifraud (D) Task Force*). The motion passed unanimously.

2. Discussed its Agent Transfer Issues

Swanson said the Working Group began discussing agent transfer issues during the 2023 Fall National Meeting. During this meeting, the Working Group heard a presentation from Heather Widler (Insurance Care Direct) and John Doak (Insurance Care Direct) concerning the issues consumers are encountering with agent transfers.

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4. Discussed the FTC Judgement on Simple Health Plans

Swanson said the government has obtained a \$195 million judgement against Simple Health Plans after a federal judge agreed that the Florida company deceived tens of thousands of consumers into purchasing “sham” health insurance. Swanson said the FTC filed a complaint against Simple Health Plans in 2018, arguing that the issuer misled consumers into believing they were purchasing comprehensive insurance coverage that would cover preexisting medical conditions, prescription drugs, hospital care, and other important medical services. He said instead, consumers paid as much as \$500 a month for what was essentially a medical discount membership with limited benefits, leaving consumers on the hook for thousands in unexpected bills. Swanson said a federal judge banned Simple Health Plans; its CEO, Steven Dorfman; and related entities from selling or promoting health care products in the future.

Having no further business, the Improper Marketing of Health Insurance (D) Working Group adjourned.

[IMHIWG 3.17.24 Minutes](#)