



Get the Crowne Plaza Sleep Advantage™

[» CLICK HERE](#)

LATEST NEWS

[RSS Feeds](#) | [Reprints](#) | [E-mail Alerts](#) | [Printable Version](#) | [Email Story](#)

April 26, 2004

Division of Insurance to strengthen investigations unit

The [Colorado Division](#) of Insurance is beefing up its investigations unit to combat health insurance fraud, Insurance Commissioner Doug Dean said Monday.

CompuChicks, Inc. got a Sprint makeover & increased revenue by 188%.

> With Sprint, CompuChicks, Inc. is beautiful.

"Fraudulent insurance plans are becoming more prevalent in every line of insurance and have cost consumers billions in unpaid claims," he said. "As the price of insurance rises, the number of insurance scams increases. ... These policies have lower prices, usually because they do not pay claims."

Bogus health plans have exploited employers and individuals seeking affordable insurance, according to a recent report by the U.S. General Accounting Office.

Between 2000 and 2002, there were 15 to 24 "unauthorized entities" operating in Colorado, the report said. Nearly 150 bogus plans operated nationwide. Every state had at least five; Texas had the most with 31. At the time of the 2003 survey, the plans hadn't paid at least \$252 million in medical claims.

These types of plans have been shut down for not paying claims; others have been criticized for marketing themselves as insurance when they are really discount plans.

Having faced several years of double-digit premium increases, employers are cutting health benefits and increasing the share workers must pay. Colorado consumers, looking for a cheaper way to pay for everything from doctor visits to eye care, have sometimes paid for coverage that was too good -- or too affordable -- to be true.

The state Division of Insurance is dedicating more staff to the investigations section. It encourages consumers who have doubts about an insurance policy to hold off on signing a contract or check until they can contact the division, which can be reached at 1-800-930-3745 or www.dora.state.co.us/insurance. The division will help confirm the legitimacy of an agent or company.

Featured Services

- » [Sales Force Automation](#)
- » [Business Insurance](#)
- » [Financial Planners](#)
- » [Limousines](#)
- » [Executive Coaching](#)
- » [Life Insurance](#)

[More Categories:](#)

- » [Subscribe](#)
- » [Book of Lists](#)
- » [Advertising Information](#)
- » [Sales Leads](#)

Entrepreneur



The language of success: Growing up in a small country led him to big success
[» Find out how](#)

Businesses for Sale



- [Find A Business](#)
- [Sell Your Business](#)

» Considering Selling? [List your business for sale](#) and your ad will be viewed by millions...GLOBALLY!

Sponsored Links

Oak Street Mortgage - 1-888-638-5408.
 Serving Your Area.
 Loan products for your unique needs.
 You're closer than you think(SM).

Best Rate Funding - 1-888-692-9269.
 Serving Your Area.
 Direct lender offers low rates and quick approvals on mortgages, refi's, home equity.

Alerio, LLC - 1-877-885-0773.
 Serving Your Area.
 Consolidate your debt and pay off bills.
 Refinance your home today!

Today's Featured Jobs

powered by [bizjournalsHir](#)

Warning signs include low rates with practically no underwriting standards, such as pre-existing conditions. Plans that avoid the word "insurance" and refer to premiums as "contributions," should also raise red flags.

Colorado companies also have fallen victim to fraud. American Benefit Plans sold "unauthorized" insurance to professional employer organizations and to insurance agencies. The scam left Colorado consumers, primarily small businesses, with more than \$1 million in unpaid claims. The division targeted the people marketing the plan and has collected more than \$1 million in unpaid claims from those agents.

- Financial Analyst - South Denver, CO
 - PROJECT MANAGER 2 - Denver, CO
 - Internal Auditor - Denver, CO
 - Service Account Manager - NATIONWIDE, NY
 - Education Specialist/EAI Trainer - Nationwide, CA
- » **Search Jobs** » **Quick Job Post**
» **Recruiters:** Sign up for a free guest account today!

© 2004 American City Business Journals Inc.

Recent Company News

» Colorado Division

MORE

» Companies in the News
» People in the News

LATEST NEWS

» Crown Resources to restate 2003 numbers
» Coyote Ugly sets March 23 tentative opening
» Qdoba, Moe's settle 'naked' lawsuit
» CET Services' revenue, loss grow
» DIA sets another passenger record in January

Sponsored Links

GEICO - Get a Car Insurance Quote Today

How much could you save on auto insurance by switching to GEICO? Get a detailed rate quote and start a policy within minutes at GEICO.com. It's quick, simple and secure.



Health Insurance Quotes Instantly!!

Why wait days for health insurance quotes when you get them from us instantly. One click can save you money on your health insurance plan.



Health Insurance Savings

Affordable health insurance for you and your family ideal for self-employed, small business owners fill out our form for a competitive quote.



Health Insurance - eHealthInsurance

Compare affordable health insurance plans side-by-side online. Free instant quotes. Choose, apply and buy online.



Additional Service Providers Powered by FindWhat.com

[Real Estate](#) [Travel](#) [Technology](#) [Insurance](#)
[Construction](#) [Finance](#) [Health](#) [Professional Services](#)

Microsoft

Take the complexity out of everyday business processes.

See the Streamline Your Business videos.

[View Videos](#)

[Home](#) | [Subscribe](#) | [Book of Lists](#) | [Reprints](#) | [Email Alerts](#) | [Classifieds](#) | [Latest News](#) | [Print Edition](#) | [Services](#)
[Sales Power](#) | [Money Center](#) | [Entrepreneur](#) | [Community](#) | [Search](#) | [RSS Feeds](#)

The Denver Business Journal email: denver@bizjournals.com

[bizjournals](#) | [Contact Us](#) | [Site FAQ](#)

Our brands:



Search Engine Optimization by



Use of, or registration on, this site constitutes acceptance of our [User Agreement](#)
Please read our [Privacy Policy](#)

©2005 American City Business Journals, Inc. and its licensors. All rights reserved. [Contact us here.](#)

The material on this site may not be reproduced, distributed, transmitted, cached or otherwise used, except with the prior written permission of bizjournals.