

**Dear New Yorkers,**

Health care is expensive and many people look for ways to make it more affordable. That is why discount cards offering “big savings” seem so attractive.

Be wary! While many discount health cards offer savings on certain services or products, some wrongly imply they are a form of health insurance, while others may be scams designed to steal your identity.

It is important to read the material carefully, ask questions, do the math, and never give out your personal information to any business or individual you do not know.

This brochure provides tips to help you decide whether a health and prescription discount card works for you. Please don't hesitate to call my office if you run into a company that isn't what it claims to be.

Sincerely,



Attorney General  
of New York  
**Letitia James**

## Resources

### **New York State Office of the Attorney Health Care Bureau**

The Capitol  
Albany, NY 12224  
(800) 428-9071  
[ag.ny.gov](http://ag.ny.gov)

### **New York State Health Department** [health.ny.gov](http://health.ny.gov)

**Child Health Plus**  
(800) 698-4KIDS

### **Compare Prescription Drug Prices** [apps.health.ny.gov/pdpw /SearchDrugs/Home.action](http://apps.health.ny.gov/pdpw/SearchDrugs/Home.action)

### **EPIC - AN.Y.S Prescription Plan for Seniors** (800) 332-3742 [health.ny.gov/health\\_care/epic](http://health.ny.gov/health_care/epic)

### **NYS Department of Financial Services** (800) 342-3736 [dfs.ny.gov](http://dfs.ny.gov)

**Healthy NY**  
(866) 432-5849  
[dfs.ny.gov](http://dfs.ny.gov)

### **US Dept. of Health & Human Services** [healthcare.gov](http://healthcare.gov)

### **Better Business Bureau** [bbb.org](http://bbb.org)

# Discount Health & Prescription Cards

What You Need to Know  
Before Buying In



Office of the New York State  
Attorney General  
**Letitia James**



# Health and Prescription Discount Plans

Health and prescription discount card programs claim to offer savings on a variety of services and drugs, usually as part of a membership for a monthly or annual fee. Members receive a discount card that is accepted by a network of doctors, hospitals, pharmacies, and other healthcare providers, who offer discounted rates on some services or products.

## How They Work:

How the cards work varies, but usually a member pays a discounted fee at the time of service. The discount offered is usually set by the provider, so the amount of savings can vary between providers, and even between services from the same provider. For example, a dentist may offer a 10% savings on a cleaning, and 15% on filling cavities. Another dentist may offer discounts only on cleaning and exams.

## A Discount Card IS NOT Health Insurance

Some discount program advertise their “health coverage” or “affordable health care,” leading people to believe this is health insurance. It is not.

A discount card only reduces the amount you pay for some services. It does not pay your medical providers for covered services or pay any claims.

The patient must pay the medical bills in order to receive the discount. It will not protect you from catastrophic medical costs associated with serious illness. Discount cards are not regulated and do not provide the consumer protections that insurance policies do, including confidentiality and mandatory coverage.

***It is not advisable to replace your health insurance with a discount plan.***

## Use Good Consumer Sense

Get the rules in writing. Be wary of sales pitches. Read the offer carefully, including any fine print or terms of agreement. Make sure all the details agree with the sales pitch.

### Shop Around

Legitimate programs are up front about their cost and fees. Compare all the costs, including administrative charges and monthly or annual membership fees.

### Check the Company's Credentials

Before you sign up, find out what other people are saying about the company. Check with organizations like the Better Business Bureau to make sure the business is legitimate and reputable.

### Ask About the Card's Cancellation Policies

Can you cancel at any time? Will your membership fee be refunded or prorated?

### Keep Personal Information Private

Never give credit card or other personal information to strangers who contact you. These may be efforts to steal your money or your identity.

## Before You Decide to Join Consider the Alternatives

### Health Insurance

If you don't have health insurance, try to get it. The New York State Department of Health offers insurance for those who are income-eligible and do not have access through an employer program. In addition, EPIC is a prescription drug program for income-eligible senior citizens. (Contact information is listed on the back.)

### Free Prescription Discount Cards

NYS residents have access to a free statewide prescription discount card at [NewYorkRXCard.com](http://NewYorkRXCard.com). Many municipalities offer free prescription discount cards to residents -- some are income-based, others are available to everyone. Contact your city, town, or county to see if there is a program near you. Many pharmacies and department stores also have their own discount programs.

### Shop Around

Prices for drugs, eyeglasses and many services can vary greatly in the same community. Compare costs of prescription drugs in your community on the Health Department's website: [apps.health.ny.gov/pdpw/SearchDrugs/Home.action](http://apps.health.ny.gov/pdpw/SearchDrugs/Home.action)

## Talk to Your Provider

Make sure the health care professionals and businesses you want to use will honor the card. Ask providers specifically about discounts they offer on the services or products you need. Find out how the card would work with your insurance.

## Do the Math

Add up all the costs of the discount plan, including membership and administrative fees, compare them to the total value of the discounts you are likely to receive. If you have insurance, the discount cards may not provide you with significant savings, unless you have a large deductible. Compare your savings with what you might save by taking advantage of alternatives.