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California Insurance Commissioner Warns of 'Real Disaster' from Obamacare

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The California insurance commissioner, a Democrat, is warning that Obamacare could be disastrous. "We can have a real disaster on our hands," David Jones, the commissioner, [tells the Associated Press](#).

"His department regulates more than 300,000 insurance agents and brokers statewide," reports the AP.

"Starting Oct. 1, the state is embarking on an ambitious effort to enroll an estimated 5.3 million Californians who lack health insurance, about half of whom will be eligible for tax credit subsidies."

The real concern is fraud:

As California prepares to launch its health care exchange, consumer groups are worried the uninsured could fall victim to fraud, identity theft or other crimes at the hands of some of the very people who are supposed to help them enroll.

The exchange, known as Covered California, recently adopted rules for a network of more than 21,000 enrollment counselors who will provide consumers with in-person assistance as part of the federal Affordable Care Act. In some cases, they will have access to personal and financial information, from ID cards to medical histories.

But the state insurance commissioner and anti-fraud groups say the exchange is falling short in ensuring that the people hired as counselors are adequately screened and monitored.

Insurance Commissioner Dave Jones also said the exchange does not have a plan for investigating any complaints that might arise once the counselors start work. That means consumers who might fall prey to bogus health care products, identity theft and other abuses will have a hard time seeking justice if unscrupulous counselors get hold of their Social Security number, bank accounts, health records or other private information, he said.

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