

Medical card sales promotion raises questions

By Ron Wylie

Emergency Medi-Card, a Columbus, Neb., sales operation, has been seeking distributors on the UNL campus in recent weeks. But, according to the State Attorney General's office, the Medi-Card operation may be against the law.

The state attorney general's office has declared the Medi-Card plan "a multilevel sales promotion scheme," and advises that such plans are illegal under a recently-enacted Nebraska law (LB327) which prohibits "referral, chain referral or chain distribution schemes."

"Medi-Card's operation violates Nebraska statutes on multilevel sales," Jerry Fennel, who heads the anti-trust division at the attorney general's office said Tuesday.

Classified ads

Medi-Card promoters placed classified ads in the Daily Nebraskan promising a chance to earn \$3,000 before the end of the school year. Interested persons were to call a telephone answering service where they could leave their names and telephone numbers. Medi-Card promoters then visited these prospective clients and presented the plan.

The Medi-Card itself is a small engraved card listing the medical history, allergies, current medications and physicians of the holder. It sells for \$15 and purchase of the card, according to the promotional sales tape, entitles the holder to a one-year accidental death

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insurance policy in the amount of \$1,000, underwritten by W. Clement Stone's Chicago-based Combined Insurance Co. of America.

The promoters also say the cardholder is entitled to privileges accorded the holder of a National Rent-A-Car credit card.

Set up business

The sales plan, similar to many multiple-level operations, offers the prospective distributors the Medi-Card at a wholesale rate several dollars less than the \$15 retail price. As the distributor finds salesmen and expands his business, the discount rate is enlarged.

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The card is manufactured by Emergency Medi-Card of Columbus. According to the Lincoln Better Business Bureau (BBB), the firm is owned by Dell D. Miller of Columbus, former president of the Dell Investment Co.

Dell Investment was involved in mortgage brokerage and securities sales until 1972 when the Security and Exchange Commission allegedly filed an injunction action against the firm claiming fraud and forbidding the sale of securities, according to a BBB report.

Operation cleared

Medi-Card's president, Dell Miller, said in an interview Tuesday that the card's sales operation had been cleared through the attorney general's office. But a check with that office revealed no approval of the project.

Inquiries and complaints on the Medi-Card plan have been received by the BBB, but Deputy County Atty. John Hurd said no requests for criminal complaints have been made to his office. Fennel said there have been no prosecutions.

Fennel said he wants to stop the operation through injunctive relief, a process ordering violators of the law to cease business or be prosecuted.

Lincoln promoters of the Medi-Card operation are Thomas Moore of 2501 South St. and Carl L. Bartlett of 542 W. Lakeshore Dr.

Former detective

Moore, 27, a former private detective, placed the advertisement in the Daily Nebraskan, claiming that the Medi-Card program was endorsed by the American Medical Association (AMA).

Moore is also a salesman for the Thunderbird Clothing Co. of Pendleton, Ore., according to his family, and holds a real estate broker's license to act as an agent for a realty company.

Previously, a family member said Moore handled land promotion for the defunct McCulloch Land Co. His home-based detective service ended this month when Moore's bond was cancelled by the State Surety Co., according to Secretary of State Allen Beermann.

Postal inspectors confirmed Moore's involvement with the detective service, and reported cancellation of Moore's professional bond.

Attempts to reach Moore for comment were unsuccessful. His relatives and business associates said he is out of town.

Moore's superior in the Lincoln Medi-Card operation, Carl Bartlett, is a former Lincoln insurance man.

Lost license

Bartlett lost his license to sell insurance, according

to the state Insurance Commission, after it alleged that his actions violated section 44-339 (3) RRS 1943, which deals with fraud, misrepresentation and dishonest practices. Bartlett contends that he has a valid license to sell insurance in Nebraska.

Bartlett, listed in the Lincoln City Directory as the head of Bartlett Realty, also works for the state oil allocation agency. It was Bartlett who arranged the Medi-Card answering service with the Executive

EMERGENCY

Medi-Card ATTENTION: DOCTORS AND HOSPITAL PERSONNEL

The reverse side of this Medi-Card contains vital Emergency Medical Information.
Can be read with any magnifying equipment.

NAME: JOHN R. DOE
ISSUED: March, 1975

CONTACT LENS

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Answering Service, according to Dan Roth, manager of the answering service.

During an interview Tuesday, Bartlett said the Medi-Card plan was being received successfully across the United States. He said Emergency Medi-Card has established offices in Denver, Grand Rapids, Detroit and Kansas City.

Both Bartlett and Duane Munson, a Columbus resident and director of Medi-Card, said they were aware that the attorney general's office had declared their operation illegal, but they expressed confidence that the ban would be lifted.

'Aware of illegality'

"I'm aware of the illegality," Munson said, "but Dell (Miller) will work something out with the attorney general."

Miller, reacting to allegations of fraudulent advertising and pyramid operations, said, "If you run that story, you'll be doing humanity a great disservice."

"You should be writing about the humanitarian service we are creating," he said. "We feel that this card will help save thousands of lives."

Miller said he was sorry the classified advertisement was placed in the paper, adding "none of those names are going to be followed up."

Clingenpeel unexcited by ASUN campaign

ASUN president Ron Clingenpeel called this year's ASUN campaign "very unexciting" and says he does not expect good voter turnout.

"I don't expect the election turnout to be as good as last year," he said in an interview Wednesday with the Daily Nebraskan. "I don't think any party has shown any enthusiasm. The parties aren't trying hard enough."

Clingenpeel, whose term as president ends April 2, said he is supporting the USE party for the election. USE, he said, "has the best-educated senators on their ticket." Also, the USE candidates were chosen in an organized process, he said, which means a better party than a group of students who "just decided to run."

Clingenpeel said he supported the Student Court decision to uphold the constitutionality of the policy requiring 500 signatures for a party to be placed on the ballot, but said he did not agree with the policy itself.

"I support the decision because the senate discussed the issue very carefully, and anyone who didn't like it had ample time to say so," he said.

Next year's campaign rules will probably be changed by the senators because of the feeling of the candidates, he said.

"The candidates feel they have been inhibited by the rules," he said, "so next year they will probably be changed."

The student fees issue, which questions the composition of the Fees Allocation Board and the allocation of fees, is the main campaign issue, Clingenpeel said, but added, "All the parties are pretty naive about it."

"The parties don't understand who sets up the board, what they control or how the whole operation works," he said.

The candidates who support a major change in the board are "shouting in the dark," he said. "No one has offered any concrete plan."



Ron Clingenpeel, ASUN president and student regent

Voting sites for ASUN

ASUN elections will be held from 8 a.m. to 8 p.m. today at Nebraska Union on City Campus, East Campus Union, Ferguson Hall, Selleck Quadrangle and the Harper-Schramm-Smith, Neihardt-Cather-Pound, Abel-Sandoz and Burr-Fedde residence halls.

Each student is required to present his student identification card before voting.