

# No secret bank accounts to pay your bills

August 17, 2017

By Colleen Tressler

Consumer Education Specialist, FTC

Another day, another scam. Case in point: the Federal Reserve Bank of New York reports that scammers are telling people they can pay their bills using so-called “secret accounts” or “Social Security trust accounts” and routing numbers at Federal Reserve Banks. In exchange for personal information, like Social Security numbers, people get what they think is a bank account number at a Federal Reserve Bank. But this really is just a way to get your personal information, which scammers can then sell or use to commit fraud, like identity theft.

It’s good to keep in mind that people do not have accounts at Federal Reserve Banks. Only *banks* can bank at the Federal Reserve. But what happens if you try to use this “secret” account? Well, the Federal Reserve Bank will deny the payment, since you don’t really have an account there. Once the payment is rejected, you’ll be notified that you still owe the money – which is about when you might figure out that this was a scam. At that point, you may owe a late fee or penalty to the company you thought you were paying. You also may owe fees to your bank for returned or rejected payments.

If you see a video, text, email, phone call, flyer, or website that describes how you can pay bills using a Federal Reserve Bank routing number or account, report it to the FTC. It’s a scam. And remember: never give your credit card, bank account, or Social Security number to anyone who calls or emails and asks for it – no matter who they say they are.

Source: [www.consumer.ftc.gov](http://www.consumer.ftc.gov)

# Payments you didn't authorize could be a scam

August 16, 2017

By Rosario Méndez

Attorney, Division of Consumer & Business Education, FTC

Usually, when I pay with a check, I write it out and sign it, or I direct my bank to send it on my behalf. But what if a check is drawn on my account but I didn't write it, sign it, or tell my bank to send it? It can happen if someone has your bank account number: they can use your number to create a check that takes money out of your account. Now, if you'd already agreed to the charges, there's no problem. But what if you didn't? That means this check is part of a scam – which is what the FTC says happened in a case announced today.

The FTC sued several companies and individuals for allegedly taking millions of dollars out of people's accounts using remotely created checks – without the account owners' authorization. The defendants had websites and made telemarketing calls that offered short-term loans and cash advances to people with bad credit. To get access to that money, people gave their bank account information. But the FTC says the defendants actually signed people up for online discount membership clubs – and charged for them. People had not agreed to that, and it only made their situations worse. When people complained to the company, the FTC says the defendants lied to confuse people into thinking they had, in fact, approved those charges.

Here are three things you can do to outsmart scammers.

1. **Stop before you put your account information in a website.** Ask yourself: who, exactly, am I dealing with? Can I trust them? What will they do with my information? Dishonest people may use your bank or credit card information to take your money, or sell your information to others who'll do the same.
2. **Review your bank account and credit card statements carefully.** Check for charges you don't recognize, remember agreeing to, or that you didn't authorize – especially if you recently applied for a loan or credit.
3. **Tell your bank or credit card company immediately** if you see a check or charge you don't recognize. If the unauthorized charge is part of a scam, telling your bank and the FTC might help stop the scammers.

Source: [www.consumer.ftc.gov](http://www.consumer.ftc.gov)

# “I have an emergency and need money”

April 13, 2017

by Jennifer Leach

Assistant Director, Division of Consumer and Business Education

If you’ve ever gotten one of those calls, you know how alarming they can be. And that’s exactly what the scammers count on. They want you to act before you think – and acting always includes sending them money: by wiring it or by getting a prepaid card or gift card, and giving them the numbers on the card. Either way, your money’s gone.

Here’s the story of Pablo Colón from Bridgeport, Connecticut, and his family. When both his sister and his father got a call about a family “emergency,” Pablo spotted the scam. And, luckily for the good people of Bridgeport, Pablo’s family owns a radio station – so he put the story on the air and warned his community.

Talking about a scam is important – even if only one person is listening, instead of the thousands who heard Pablo’s story. So watch this video. And then pass it on. Today, tell someone about this scam, about Pablo’s story, about why we should all talk about the scams we see. And, whenever you spot a scam, please tell the FTC.

Source: [www.consumer.ftc.gov](http://www.consumer.ftc.gov)

# Don't bank on that check

March 17, 2017

by Lisa Lake

Consumer Education Specialist, FTC

Scammers know how to design phony checks to make them look legitimate. In fact, the Council of Better Business Bureaus just released a list of the most “risky” scams, based on how likely people are to be targeted, how likely to lose money, and how much money they lost. Fake checks were number two.

Fake checks drive many types of scams – like those involving phony prize wins, fake jobs, mystery shoppers, online classified ad sales, and others. In a fake check scam, someone asks you to deposit a check – sometimes for several thousand dollars – and, when the funds seem to be available, wire the money to a third party. The scammers always have a good story to explain the overpayment – they’re stuck out of the country, they need you to cover taxes or fees, you’ll need to buy supplies, or something else. But when the bank discovers you’ve deposited a bad check, the scammer already has the money, and you’re stuck paying the money back to the bank.

**So don’t deposit a check and wire money or send money back in any way.** Banks must make funds from deposited checks available within days, but uncovering a fake check can take them weeks. If a check you deposit bounces – even after it seemed to clear – you’re responsible for repaying the bank. Money orders and cashier’s checks can be counterfeited, too.

Want to avoid the latest rip-offs? Sign up for free scam alerts from the FTC at [ftc.gov/scams](http://ftc.gov/scams).

Source: [www.consumer.ftc.gov](http://www.consumer.ftc.gov)

# Government imposters want to get to know you

March 9, 2017

by Lisa Lake

Consumer Education Specialist, FTC

The Office of the Inspector General (OIG) for the Department of Health and Human Services (HHS) and the FTC want you to know about a scam in which callers posing as federal employees are trying to get or verify personal information. This is a government imposter scam.

Sometimes, the caller asks you to verify your name, and then just hangs up. Other times, he or she might ask for detailed information — like the last digits of your Social Security or bank account number. Imposters might say they need this information to help you or a family member. But their real reason is to steal from you or sell your information to other crooks.

Your caller ID might even read “HHS Tips” or “Federal Government” when they call. The phone number could have the “202” Washington, DC area code, the headquarters for many federal agencies. The phone number may even be for a real government agency. But don’t be fooled: Scammers know how to rig their caller IDs to show false information.

So how can you tell the caller is an imposter?

- The federal government typically will contact you by U.S. Mail first, **not by phone or email**.
- Federal agencies **will not demand personal information** like your Social Security Number or bank account number over the phone. Also, just because the caller knows details about you, doesn’t mean she is trustworthy.
- The caller typically asks you to send money – often via wire transfer, by using a prepaid debit card, or maybe by sending you a fake check to cash. Federal agencies **will not** ask you to use *any* of these methods to send money for *any* reason.

...and what should you do?

- **Hang up.** Do not give out any personal or financial information.
- **Contact the Department of Health and Human Services OIG** at 1-800-HHS-TIPS (1-800-447-8477) or [spoof@oig.hhs.gov](mailto:spoof@oig.hhs.gov)
- **File a complaint with the FTC** at [ftc.gov/complaint](http://ftc.gov/complaint) or 877-FTC-HELP.
- **Learn more** about government imposter scams and sign up for the FTC’s Scam Alerts.
- Pass on what you’ve learned to older consumers and others.

# A government program that pays your bills?

January 24, 2017

by Sana Chriss

Attorney, Southeast Region, Federal Trade Commission

Have you heard about a government program that will pay your monthly bills for an up-front payment or processing fee? Here's a short version of the rest of this post: It's a scam. Don't do it.

We've heard that this scam is happening in some African-American church communities: people approach church-goers with this so-called deal. And, because it comes up in church, the scam might seem like it could be legit. But take it from me – and the FTC: there is **no** federal program that pays your monthly bills in exchange for payment of any kind.

What really happens if you pay these scammers? They look real for a minute because they “pay your bills” electronically – but then they cancel the payment. You think your bill is paid, but you're stuck with not only the original bill, but also a late fee because your payment wasn't actually processed. And now the scammers have your bank or credit information. Doesn't sound like much of a deal at all.

If you need help paying bills, or know someone who does, there are some legitimate government sites that can connect you with programs that help with things like medical bills and energy services for people who are eligible. But they won't ask **you** to pay **them**. Also check out how to make a budget or find a credit counselor who can help you manage your money.

Source: [www.consumer.ftc.gov](http://www.consumer.ftc.gov)

# IRS warns of a new tax bill scam

November 17, 2016

by Seena Gressin

Attorney, Division of Consumer & Business Education, FTC

We certainly understand if the latest IRS imposter scam makes you queasy: it involves a fake IRS tax notice that claims you owe money as a result of the Affordable Care Act.

The IRS says the fake notices are designed to look like real IRS CP2000 notices, which the agency sends if information it receives about your income doesn't match the information reported on your tax return. The IRS says many people have gotten the bogus notices, which usually claim you owe money for the previous tax year under the Affordable Care Act.

It's one of many IRS imposter scams that have popped up. As tax season nears, we'll see more. The good news? There are red-flag warnings that can help you avoid becoming a victim. For example, the IRS will never:

- Initiate contact with you by email or through social media.
- Ask you to pay using a gift card, pre-paid debit card, or wire transfer.
- Request personal or financial information by email, texts, or social media.
- Threaten to immediately have you arrested or deported for not paying.

In the new scam, the fake CP2000 notices often arrive as an attachment to an email — a red-flag — or by U.S. mail. Other telltale signs of this fraud:

- There may be a "payment" link within the email. Scam emails can link you to sites that steal your personal information, take your money, or infect your computer with malware. Don't click on the link.
- The notices request that a check be made out to "I.R.S." Real CP2000s ask taxpayers to make their checks out to "United States Treasury" if they agree they owe taxes.

In the version we saw, a payment voucher refers to letter number LTR0105C, and requests that checks be sent to the "Austin Processing Center" in Texas. But scammers are crafty. They could send messages with a variety of return addresses.

Source: [www.consumer.ftc.gov](http://www.consumer.ftc.gov)

# Empowering Latinos to know their rights and avoid scams

September 9, 2016

by Alvaro Puig

Consumer Education Specialist, FTC

Hispanic Heritage Month is a time to celebrate the contributions so many Latinos have made throughout history. It's also a time for us to celebrate **you** for the vital role you've played in helping Latino communities avoid scams.

In the past year, you:

- visited [consumidor.ftc.gov](http://consumidor.ftc.gov) almost 1.3 million times to do things like learn about financing a car; look into the cost of funeral services; find out how to order a free copy of your credit report; investigate if opportunities to make money working from home are legit or a scam; decide if home equity lines of credit are right for you; find out what to do if your credit or debit card is blocked; learn about your rights when a debt collector contacts you; find out what to do about illegal robocalls; and how to get a sample complaint letter to send to a company.
- took to social media to spread the word about scams like at-home medical billing and fake international driver's licenses
- signed up to get our free email updates— a whopping 10,000 of you became new subscribers
- ordered more than 1.6 million free publications in Spanish like a guide for parents about talking with kids about online safety and a booklet for kids about how to socialize online safely; an identity theft bookmark and a tip sheet that tell you what to do right away if someone is using your information; and our series of fotonovelas in Spanish with tips on how to avoid a notario scam, a government imposter scam, an income scam and a debt relief scam; how to deal with debt collectors; and how to avoid financing trouble when you buy a car.

Thank you for being an informed consumer, and for helping your community!

This Hispanic Heritage Month, and year-round, we invite you to order publications and share them. The cost of the publications and the shipping is on us! That's right, they're free.

You know where to find us, so please tell your friends they can visit us and find free tips at [consumer.ftc.gov](http://consumer.ftc.gov), get free email alerts, follow us on Twitter and Facebook, and watch our videos on YouTube.

Source: [www.consumer.ftc.gov](http://www.consumer.ftc.gov)



# Voicemail from an IRS imposter?

September 1, 2016

by Andrew Johnson

Division of Consumer and Business Education, FTC

You get a call or voicemail from someone claiming to be from the IRS. You're being sued and this your final notice. Don't panic. And don't return the call. It's a scam.

Here are a few facts about the IRS to keep in mind if you get a similar call:

- If the IRS needs to contact you, they'll do it by mail first.
- The IRS won't demand personal information like credit card or Social Security numbers over the phone.
- The IRS won't threaten to arrest or sue you, or demand that you pay right away. The IRS also won't tell you to use a specific form of payment like a money transfer from MoneyGram or Western Union, a cash reload from MoneyPak or Reloadit, or a gift card from iTunes or Amazon. Scammers ask you to use those ways to pay because they're hard to track or cancel payments.

If you or someone you know receives a call like this, report it the FTC and the Treasury Inspector General for Tax Administration (TIGTA). Include the caller's phone number, along with any details you have. If you're not sure whether a call is really from the IRS, you can double-check by calling the IRS directly at 1-800-829-1040. For more, check out this IRS imposter scams infographic. Share with friends and family. They may get the call next.

Source: [www.consumer.ftc.gov](http://www.consumer.ftc.gov)

# The top three ways to avoid fraud

August 26, 2016

by Jennifer Leach

Assistant Director, Division of Consumer and Business Education

In pretty much every article and blog post we put out, you'll find tips to help you avoid scams. The idea is that, if you can spot a scam, and know how to avoid it, you and your money are more likely to stay together.

Today, we're releasing a brochure that distills those tips down to the top 10 ways to avoid fraud. This brochure – available online and in print – is your one-stop resource to help you spot imposters, know what to do about robocalls, and how to check out a scammer's claims.

Here are three things that can help you avoid scammers who try to call you:

1. **Hang up on robocalls.** If you pick up the phone and hear a recorded sales pitch, hang up and report it to the FTC. These calls are illegal. And plentiful. Don't press 1, 2 or any number to get off a list or speak to a person. That just means you'll get even more calls.
2. **Don't trust your caller ID.** Scammers can make caller ID look like anyone is calling: the IRS, a business or government office...even your own phone number. If they tell you to pay money for any reason, or ask for your financial account numbers, hang up. If you think the caller might be legitimate, call back to a number you know is genuine – not the number the caller gave you.
3. **Talk to someone.** Before you give up money or information, talk to someone you trust. Scammers want you to make decisions in a hurry. Slow down, check out the story, search online – or just tell a friend. We find that people who talk to someone – anyone – are much less likely to fall for a scam.

For seven more tips to help protect yourself and loved ones from fraud, read on – or order your free copies of 10 Things You Can Do to Avoid Fraud to share in your community. And if you spot something that looks like a scam, report it to the FTC.

Source: [www.consumer.ftc.gov](http://www.consumer.ftc.gov)

# Unauthorized Banking: Banc of Omaha

August 25, 2016

Office of the Comptroller of the Currency

The Office of the Comptroller of the Currency (OCC) has been informed that an entity calling itself Banc of Omaha purports to be a lender specializing in business capital. Banc of Omaha is not a licensed or chartered bank but is using a logo similar to that of Mutual of Omaha Bank, which is a chartered financial institution regulated by the OCC.

Business owners and consumers (who may not be business owners) are receiving letters by fax and mail stating that their company has been approved for up to \$250,000 in working capital. The letter pressures the recipient to respond by a deadline because of limited funds. The correspondence is signed by Sam Thomas and includes a telephone number of (800) 706-7712 and a website address of [www.BancofOmaha.com]. When the telephone number is dialed, an automated recording announces itself as Banc of Omaha; however, the individual who then answers the line provides the names of "Business Services" and "U.S. Business Capital." No physical addresses are available for these entities.

Additional information concerning this matter that should be brought to the OCC's attention may be forwarded to:

Office of the Comptroller of the Currency

Special Supervision Division

400 7th St. SW, Suite 3E-218; MS 8E-12

Washington, DC 20219

Phone: (202) 649-6450

Fax: (571) 293-4925

[www.occ.gov](http://www.occ.gov)

[occalertresponses@occ.treas.gov](mailto:occalertresponses@occ.treas.gov)

# Scams, Too

June 24, 2016

by Lisa Lake

Consumer Education Specialist, FTC

What's worse than losing money to a scammer? Losing more money to another scammer claiming to help you recover from the first one.

Yep; this really happens. It works like this: Con artists contact you because you're on their lists of people who lost money to scams. For a "small fee" or "donation" upfront, they promise to recover the money you lost from a prize scheme, bogus product offer, or some other scam.

Sometimes, they try to get you to contact *them* by putting their offers of "help" in the comments section of blog posts or online articles about scams. Some crooks claim to be from a government agency to appear trustworthy. Others pretend to be actual victims who got (supposed) help from some (fake) agency or company.

But it's all just a scam, too — another way for a scammer to profit from your loss. They're after your money, and if you share your payment information, they've got it.

Here's how you can avoid these recovery scams:

1. **Don't pay upfront for a promise.** Someone might ask you to pay in advance for things – like help with recovering from a scam. Consider it a no-go if they ask you for money before they provide any "help".
2. **Don't send money or give out personal information** in response to an unexpected text, phone call, or email.
3. **Do online searches.** Type the name or contact information into your favorite search engine with the term "complaint" or "scam."
4. **Sign up for the FTC's free scam alerts at [ftc.gov/scams](http://ftc.gov/scams)** for the latest tips and advice about scams.

And if you find yourself scammed after being scammed, file a complaint with the FTC.

Source: [www.consumer.ftc.gov](http://www.consumer.ftc.gov)

# Learn how to fight fraud – at your library!

June 1, 2016

by Carol Kando-Pineda

Counsel, FTC's Division of Consumer & Business Education

Book lovers flock to their local library to pick up a favorite classic or the latest bestseller. But today library visitors also want and need a whole lot more. In addition to providing traditional services, librarians help diverse groups of people navigate a complicated world, including how to avoid scams.

As for scams, there's one thing we know for sure: we're all consumers – and we're all targets for fraud. Scammers are good at what they do. They're professionals who know how to create confusion and prey on emotions to throw people off-balance just long enough to take advantage. Our job is to give people a heads-up so that maybe they don't get knocked off balance and they don't get ripped off.

What does that heads-up look like? It depends on the topic and the community. The FTC wants to help librarians help all their patrons. That's why we asked legal services lawyers, librarians, ESL teachers, military counselors and others working in various communities: What kinds of scams do your folks experience? What do they need to know? What's the best way to reach them? Then we developed resources to address those needs for: people with challenges reading English, older patrons, Spanish-speakers, identity theft victims, new arrivals, and families looking to start a conversation with kids about digital literacy and living life online. Coming soon are tips and tools to address the particular consumer challenges military families face.

We've gathered these resources in one convenient spot, [FTC.gov/Libraries](https://www.ftc.gov/libraries). It's a great place to start exploring ways to fight fraud. Librarians can:

- Use the content in library programming.
- Order free copies of bookmarks and other print resources.
- Add information to your newsletters, sites, or social networks. We have about 100 videos – they make great snackable tips for your social media!

Take a look around [FTC.gov/Libraries](https://www.ftc.gov/libraries) – we'd love to hear what think.

Source: [www.consumer.ftc.gov](http://www.consumer.ftc.gov)

# Scammers can fake caller ID info

May 4, 2016

by Andrew Johnson

Division of Consumer and Business Education, FTC

Your phone rings. You recognize the number, but when you pick up, it's someone else. What's the deal?

Scammers are using fake caller ID information to trick you into thinking they are someone local, someone you trust – like a government agency or police department, or a company you do business with – like your bank or cable provider. The practice is called caller ID spoofing, and scammers don't care whose phone number they use. One scammer recently used the phone number of an FTC employee.

Don't rely on caller ID to verify who's calling. It can be nearly impossible to tell whether the caller ID information is real. Here are a few tips for handling these calls:

- If you get a strange call from the government, hang up. If you want to check it out, visit the official (.gov) website for contact information. Government employees won't call out of the blue to demand money or account information.
- Don't give out — or confirm — your personal or financial information to someone who calls.
- Don't wire money or send money using a reloadable card. In fact, never pay someone who calls out of the blue, even if the name or number on the caller ID looks legit.
- Feeling pressured to act immediately? Hang up. That's a sure sign of a scam.

Want more tips for avoiding scams? Check out [10 Ways to Avoid Fraud](#).

If you've received a call from a scammer, with or without fake caller ID information, report it to the FTC and the FCC.

Source: [www.consumer.ftc.gov](http://www.consumer.ftc.gov)

# Bogus debts, bogus collections

April 21, 2016

By Christopher Koegel

Assistant Director, Division of Financial Practices, FTC

At the FTC, we sue abusive debt collectors and try to do right by people who've been harmed by unlawful practices. But we also try to protect people from being harmed in the first place. That's exactly why I'm here: to warn you about debt collectors calling about debts that the FTC knows are bogus.

The bogus debts supposedly are payday loans from these companies: USFastCash, 500FastCash, OneClickCash, Ameriloan, United Cash Loans, AdvantageCashServices, or StarCashProcessing. The companies are real, but if you're hearing from anyone other than those companies, the debts are fake and you don't need to pay.

Sometimes, if they can't collect money owed to them, companies sell lists of those debts to debt collectors. But, in this case, we know that didn't happen. The company that processed and serviced loans from these companies told the FTC that it never sold any customer or account information to debt collectors. Their lawyer even filed a legal declaration saying that.

Even so, we've still heard about abusive calls from debt collectors claiming to be collecting money owed to the companies listed above – and we already know that's not true. But we also know that many of the people who have been called never even had a loan with those lenders in the first place – so the debts themselves also are bogus.

What to do if you get a call from a debt collector who says you owe money to one of those companies? You have rights. Ask for a validation notice, which says what you owe and to whom. After you get it, consider sending a letter saying that you don't owe the debt. If you're getting debt collection calls, check your free credit report at [annualcreditreport.com](http://annualcreditreport.com). If a debt you don't recognize shows up there, follow the instructions to dispute the debt. And, as always, report any problems to the FTC.

Source: [www.consumer.ftc.gov](http://www.consumer.ftc.gov)

# Here's what snow days are great for

February 3, 2016

By Cristina Miranda

Consumer Education Specialist, FTC

Snowed in? Here's a cabin-fever buster – catch up on FTC videos, games, and audio tips! It's the quickest way to learn how to protect yourself, and your family, from fraud and scams.

Our videos can tell you how to detect identity theft, spot money-wiring scams, or deal with debt collectors. You can also learn how to evaluate online reviews and recommendations when shopping, or gather tips for dealing with robocalls.

In the mood for something interactive? Play the Weight Loss Challenge game to learn how to tell fact from fiction when it comes to weight-loss claims. For some family fun, teach your kids how to identify ads and understand their messages with Admongo.gov.

Short on time (because you've got to shovel)? Tune in to our one-minute audio tips, and learn how to avoid government imposter, charity, or online dating scams.

Source: [www.consumer.ftc.gov](http://www.consumer.ftc.gov)



# Report identity theft and get a personal recovery plan at IdentityTheft.gov

January 28, 2016

By Nicole Fleming

Consumer Education Specialist, FTC

Millions of people are affected by identity theft each year. It might start with a mysterious credit card charge, a bill you don't recognize, or a letter from the IRS that says you already got your refund — even though you didn't.

If someone uses your information to make purchases, open new accounts, or get a tax refund, that's identity theft. Recovering from identity theft often takes time and persistence. That's why today's announcement from the FTC is a big deal: New features at [IdentityTheft.gov](https://www.identitytheft.gov) make it easier to **report** and **recover** from identity theft.

When you use [IdentityTheft.gov](https://www.identitytheft.gov) to report a problem, you'll get a **personal recovery plan** that:

- walks you through each recovery step
- tracks your progress and adapts to your changing situation
- pre-fills letters and forms for you.

No matter what your specific identity theft situation is, [IdentityTheft.gov](https://www.identitytheft.gov) can help. The website has information — and recovery plans — for more than 30 types of identity theft, including child identity theft and tax-related identity theft.

In fact, this announcement comes in the midst of Tax Identity Theft Awareness Week, a national campaign that raises awareness about criminals who try to steal your tax refund. Visit [ftc.gov/taxidtheft](https://www.ftc.gov/taxidtheft) to learn more about this week's events.

Source: [www.consumer.ftc.gov](https://www.consumer.ftc.gov)

# Veterans: Don't let scammers bilk your benefits

November 9, 2015

By Carol Kando-Pineda

Counsel, FTC's Division of Consumer & Business Education

According to the U.S. Census Bureau, the nation had more than 9.3 million veterans aged 65 and older in 2013. For most of us, Veterans Day means a time to thank all our former servicemembers. But it's a sad truth that scammers operate out of greed, not gratitude. Not-so-honest people target older veterans and their families to cheat them out of their hard-earned benefits.

In one type of scam, unscrupulous advisers claim to offer free help with paperwork for pension claims. But these attorneys, financial planners, and insurance agents persuade veterans over 65 to make decisions about their pensions without giving them the whole truth about the long-term consequences. They tell veterans to transfer their assets to a trust – or to invest in insurance products – so they can qualify for Aid and Attendance benefits. What they don't say? The transaction could cause the veterans to lose eligibility for Medicaid services or the use of their money for a long time.

For veterans experiencing cash flow trouble, there's a different pitfall. Some companies offer an advance on your pension to get you the funds you need fast. You sign over your monthly pension checks for, say, five or 10 years, in exchange for a lump sum payment of a lesser amount. Pension advances aren't a cheap way to get cash; fees can be high. And what's more, the company often requires retirees to buy a life insurance policy – with the pension advance company named as the beneficiary – to make sure that the repayments continue.

If there are veterans in your life, fill them in about these scams. Encourage them to pass it on to their friends, family, and community to help more veterans dodge a bad deal.

Source: [www.consumer.ftc.gov](http://www.consumer.ftc.gov)

# Medicare ‘Open Enrollment’ scams

November 5, 2015

By Colleen Tressler

Consumer Education Specialist, FTC

The 2015 Medicare open enrollment period runs from October 15 to December 7. It’s the time when Medicare recipients can comparison shop and make changes to their plans. It’s also a time when scammers take advantage of older consumers with ruses like these:

- Someone calls and says you must join their prescription plan or you’ll lose your Medicare coverage. Don’t believe it. The Medicare prescription drug plan (also known as Medicare Part D) is voluntary and does not affect your Medicare coverage.
- Someone calls or emails claiming they need your Medicare number to update your account, get you a new card, or send you Medicare benefit information. It’s a scam. If you need help with Medicare, call 1-800-MEDICARE or go to [medicare.gov](http://medicare.gov).
- Someone claiming to be a Medicare plan representative says they need “to confirm” your billing information by phone or online. Stop. It’s a scam. Plan representatives are not allowed to ask you for payment over the phone or online.
- Dishonest companies may offer you free medical exams or supplies. Be wary. It may be a trick to get and misuse your personal information.

Whenever someone asks for your bank account number or your Medicare number, stop. Only give personal or financial information when you have verified who you’re talking to. Call 1-800-MEDICARE to make sure you’re talking to a legitimate representative.

If you believe you or someone you know is a victim of Medicare fraud, report it to the U.S. Department of Health and Human Services. Call 1-800-447-8477 or visit [stopmedicarefraud.gov](http://stopmedicarefraud.gov).

If you gave out personal information, call your banks, credit card providers, health insurance company, and credit reporting companies immediately. The FTC’s website has more information on health care scams and medical identity theft.

Need help deciding on a plan? For free personalized counseling services, contact your State Health Insurance Assistance Program at [shiptacenter.org](http://shiptacenter.org) or call 1-877-839-2675.

Source: [www.consumer.ftc.gov](http://www.consumer.ftc.gov)