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# CONSUMER ALERT

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ATTORNEY GENERAL

The Attorney General provides Consumer Alerts to inform the public of unfair, misleading, or deceptive business practices, and to provide information and guidance on other issues of concern.

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## Telemarketing Fraud Recent Medicare Prescription Drug Twist

### **MEDICARE STORIES FUEL RECENT TWIST TO TELEMARKETING FRAUD**

The Attorney General's office recently received several reports that telemarketers are targeting Michigan seniors with lies and half truths about Medicare. Reports indicate receipt of a call claiming to offer assistance enrolling in Medicare's prescription plan, claiming that a Medicare card will expire or a similar story, and ultimately asking for personal information. Callers reported being asked for a bank account, credit card, or a social security number.

For general Medicare information, ordering Medicare booklets, and information about health plans, contact 1-800-MEDICARE (1-800-633-4227) or access the Medicare Web site at [www.medicare.gov](http://www.medicare.gov).

### **TELEMARKETING FRAUD LIMITED ONLY BY CRIMINAL'S IMAGINATION**

The stories change and morph over time but the purpose and result of the call to the victim remains the same. Claims of new government programs, recent news events, tragedies, and that the call recipient has won a prize are a few of the current schemes criminals use to lure information from their victims. The thief gains the victim's confidence and the victim divulges personal information. Victims are ashamed they fell for the bait and often do not report the crime to law enforcement, family, or even friends.

### **NEVER GIVE PERSONAL INFORMATION TO SOMEONE WHO CALLS**

Con artists will lie, cheat, steal, and make up plausible stories to convince you to divulge sensitive information. Armed with the numbers off of the bottom of your personal check, thieves can drain your bank account. Your social security number will allow a crook to obtain credit and charge thousands of dollars to your good name. Even information as simple as your maiden name or birthday can be used to rob you.

## **IF YOU HEAR A STORY YOU BELIEVE . . .**

If you receive a call that convinces you divulging personal information is necessary, **STOP!** If you feel you must divulge information, take the following steps:

- 1) Confirm the identity of the caller (your bank, credit card company, governmental agency, police department, etc. . .);
- 2) Hang up!
- 3) Go to a reliable source for the phone number of the caller (a billing statement or your phone book – **do not rely on the number the caller provides**);
- 4) Call the identified source to confirm whether the prior call you received was legitimate;
- 5) If it was not legitimate, report the attempted fraud to the Attorney General so we can update our consumer warnings.

## **TRADITIONAL WARNING SIGNS**

A caller may tell you:

- You've won a "free" gift, vacation, or prize. But you have to pay for "postage and handling," "taxes," "insurance," or other charges. If a caller tells you the payment is for taxes, he or she is violating federal law.
- You must act "now" or the offer will expire.
- You must mail or wire transfer money, give a credit card or bank account number, or have a check picked up by courier.
- You don't need to check out our company, the offer is "guaranteed" and "risk-free."
- You can't afford to miss this "high-profit, no-risk" offer.

If you hear these (or similar) pitches just say "NO" and hang up the phone.

## **ADDITIONAL TIPS TO AVOID TELEMARKETING FRAUD**

It's very difficult to get your money back if you've been cheated over the phone. Before you buy anything by telephone, remember:

- Don't buy from an unfamiliar company. Legitimate businesses understand that you want more information about their company and are happy to comply.
- Always ask for, and wait until you receive, written material about any offer or charity. If you get brochures about costly investments, ask someone whose financial advice you trust to review them. But, unfortunately, you still must be cautious as not everything written down is true.
- If you insist on purchasing over the phone, obtain a salesperson's name, business identity, telephone number, street address, mailing address, and business license number before you transact business. Some con artists give out false names, telephone numbers, addresses, and business license numbers. Verify the accuracy of these items and use a credit card so you can dispute the charge if necessary.
- Before you give money to a charity or make an investment, find out what percentage of the money is paid in commissions and what percentage actually goes to the charity or investment.
- Before you send money, ask yourself a simple question, "What guarantee do I really have that this solicitor will use my money in the manner we agreed upon?"
- Do not pay in advance for services. Pay for services only after they are delivered.
- Some criminals will send a messenger to your home to pick up money, claiming it is part of their service to you. In reality, they are taking your money without leaving any trace of who they are or where they can be reached.
- Always take your time making a decision. Legitimate companies won't pressure you to make a snap decision.
- It's never rude to wait and think about an offer. Be sure to talk over big investments offered by telephone salespeople with a trusted friend, family member, or financial advisor.

## **WHAT TO DO IF YOU FALL VICTIM**

If you mistakenly provide personal information to somebody who calls, you should immediately place an initial fraud alert on your credit report for at least 90 days. When you place an initial fraud alert on your credit report, you are entitled to one free credit report from each of the three nationwide consumer reporting companies.

You can place the initial fraud alert by contacting the toll-free fraud number of any of the three consumer reporting companies below. You only need to contact one of the three

companies to place an alert. The company you call is required to contact the other two, which will place an alert on their versions of your report, too.

**Equifax:** 1-800-525-6285; [www.equifax.com](http://www.equifax.com); P.O. Box 740241, Atlanta, GA 30374-0241

**Experian:** 1-888-EXPERIAN (397-3742); [www.experian.com](http://www.experian.com); P.O. Box 9532, Allen, TX 75013

**TransUnion:** 1-800-680-7289; [www.transunion.com](http://www.transunion.com); Fraud Victim Assistance Division, P.O. Box 6790, Fullerton, CA 92834-6790

Once you get your free credit report, review it carefully. Look for inquiries from companies you haven't contacted, accounts you didn't open, and debts on your accounts that you can't explain. Check that personal information, like your social security number, address(es), name or initials, and employers are correct. If you find fraudulent or inaccurate information, get it removed. See the "Correcting Credit Reports" section of the Federal Trade Commission's booklet, "Take Charge: Fighting Back Against Identity Theft" available at [www.ftc.gov/idtheft](http://www.ftc.gov/idtheft) or by calling toll free 1-877-ID-THEFT (877-438-4338); TTY: 866-653-4261.

For more information on your right to obtain annually one free credit report from each credit reporting agency, regardless of circumstances, see the Attorney General's alert "Free Annual Credit Reports – What Consumers Should Know" available on the Attorney General's Web site or by using the contact information provided below. Free annual reports are available by calling toll free 1-877-322-8228.

### **REDUCE TELEMARKETING CALLS**

To reduce telemarketing calls, consumers should put their phone number on the Federal Trade Commission's Do Not Call Registry. Register by phone toll free (1-888-382-1222; TTY 1-866-290-4236 from the phone number you want to put on the registry) or online at [www.donotcall.gov](http://www.donotcall.gov).

### **REPORT TELEMARKETING FRAUD**

Contact the Attorney General's Consumer Protection Division at:

Consumer Protection Division  
P.O. Box 30213  
Lansing, MI 48909  
517-373-1140  
Fax: 517-241-3771  
Toll free: 1-877-765-8388  
[www.michigan.gov/ag](http://www.michigan.gov/ag) (online complaint form)

