

TELEMARKETER FRAUD

Volume 4

HOW TO SPOT AND STOP TELEMARKETING FRAUD

Many over the phone sales pitches are made by legitimate organizations offering genuine products and services. Unfortunately, scammers pretending to be legitimate marketers also use the phone to commit fraud. To help you tell the difference and avoid falling for a phone fraud, the Federal Trade Commission (FTC) has launched a new consumer education campaign—**Who's Calling? Recognize & Report Phone Fraud.**

Anyone can be a victim of a telemarketing scam. Ask yourself these questions, and if you doubt a caller's intentions or don't like the caller's methods, end the call.

- ◆ **Who's calling—and why?** Telemarketers have to let you know it's a sales call. They also have to tell you the name of the seller and what it is they are selling—before they make their pitch. If they don't, say "no thanks".
- ◆ **What's their hurry?** Fast talkers who use high-pressure tactics may be hiding something. Take your time. Most busi-
- nesses will give you time to think it over, and most will have written information available.
- ◆ **If it's free, why are they asking me to pay?** You shouldn't have to pay anything to to redeem a prize or gift. Free is free. If you have to pay, it is a purchase.
- ◆ **Why am I "confirming" my account info—or giving it out at all?** Sometimes callers already have your billing info and just want you to say OK. They keep the recording as "proof" that you approved the charge. Other times scammers are trying to get personal or financial info so they can steal your identity.
- ◆ **What time is it?** The law allows telemarketers to call only between 8 a.m and 9 p.m. A seller calling earlier or later than that is ignoring the law.
- ◆ Do I want more calls like this one? If you don't want a business to call you again, say so. If



they call back when you've asked them not to, they're breaking the law.

- ◆ **Isn't there a National Do Not Call Registry?** Yes, and putting your number on the Registry will stop most telemarketing calls. You'll still get calls from charities and companies you already so business with, unless you ask them to stop calling you, too.
- ◆ Visit DoNotCall.gov Enter your phone number and email address. Click Submit. Confirm your information and click Register. Open your email message from Registrar@donotcall.gov. Click on the link to complete your registration.
- ◆ Call 1-888-382-1222 from the number you wish to register

ALARMINGLY, THE ELDERLY ARE A MAJOR TARGET

Telemarketing fraud affects millions of people every year, and many of these scams target the elderly. Scammer's wares include worthless medical discount packages, costly trial offers, and phony prescription drug plans. The Federal Trade Commission offers these tips to help you determine a caller's intentions and avoid these scams:

Misleading Medical Discount Packages-

Some medical discount plans are legitimate ways to save money. But others claiming to provide big discounts from hundreds of providers for a wide range of services, from doctor visits and dental exams to hospital stays and prescription drugs, fail to make good on those claims. To make sure a discount plan isn't just a waste of money:

- ◆ Ask for a list of providers who participate in the plan.
- ◆ Ask for a website where you can get more information. If your medical or dental providers participate,

see whether other doctors in your area accept the plan and will give you the discount the plan promises.

- ◆ Investigate the details of any plan carefully. Pay special attention to the refund policy.
- ◆ Do the math. Try to calculate what your total payment for a discount plan will be for a given amount of time.
- ◆ Call your local consumer protection office, state Attorney General, or Better Business Bureau to find out whether other consumers have complained about the business offering the discount plan.

Prescription Drug Plan Pressure -

Scam artists claiming to represent Medicare Part D prescription drug plans may call and talk to you about a plan. But what they really want is personal information they can use to steal your identi-

ty. Or, sometimes actual plan providers call and use high-pressure sales tactics or make false claims to sign you up for a plan that may not even cover the drugs you take. If you're considering a Part D pitch, you should:

- ◆ Know the rules. The law spells out what Medicare Part D providers may and may not do. For example, they can't ask you for payment over the phone or charge you a fee to enroll in the plan. If a caller breaks these rules or makes you uncomfortable, end the call.
- ◆ Keep all personal information safe. Don't give out until you're sure that a company is working with Medicare and is approved by Medicare. That includes your credit card, bank account, Medicare, or Social Security number.

“FREE” TRIAL OFFERS

Free trials may not end up free. You may be automatically enrolled in a program that you're charged for later on, or find out you've agreed to pay for other products and services because you didn't cancel your membership or subscription first. Before you sign up for a free trial, make sure you"

- ◆ Pay close attention to the offer's terms and conditions. Understand who you're dealing with and what you're agreeing to. By accepting the trial offer, you may be agreeing to let the company give your credit card account information to another seller or to charge you for products and services you didn't order.
- ◆ Take timely action to avoid future obligations. You may have to con-

tact the company to cancel during the trial period to avoid receiving more goods or services. Or by not cancelling, you may be agreeing to let the company enroll you in a membership, subscription, or service contract, and to charge the fees to your credit card.

- ◆ Ask questions. Ask the person on the phone:
 - * Do you have to contact the company to avoid receiving more merchandise or services?
 - * Who do you contact to cancel?
 - * How can you cancel?
 - * Will you get products with the free item? If so, will you have to pay for

them or send them back if you don't want them?

- * How long do you have to decide before they charge you for the item?
- * How do you stop getting additional merchandise or services?
- * Is there a membership fee? If so, is it refundable?
- * Will the company automatically bill your credit card for anything?

