

Federal Trade Commission Webinar

A white silhouette of a diverse crowd of people is positioned above the main title box. The figures vary in age and appearance, representing a cross-section of the population.

Fighting Consumer Fraud & Identity Theft in Northern California

October 16, 2019

TO HEAR THE WEBINAR CALL 1-800-230-1059

Access Code: 470752

Welcome!

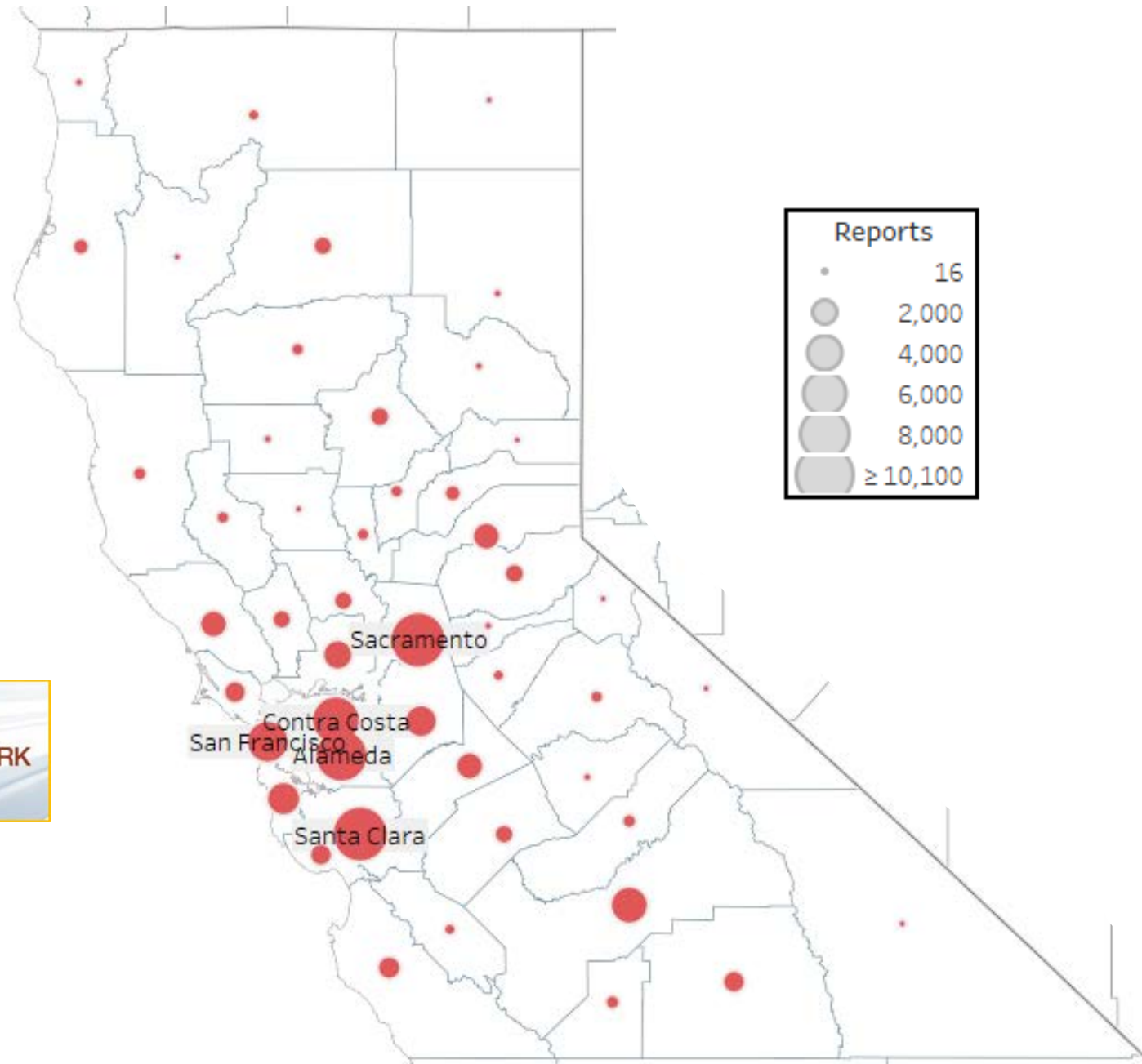
Presenters:

- **Kerry O'Brien**, FTC Western Regional Office
- **Mike Elisofon**, Office of the California Attorney General
- **Doug Whaley**, Sacramento County District Attorney's Office
- **Jennifer Anders-Gable**, Legal Services of Northern California
- **Steve McFarland**, Better Business Bureau serving Los Angeles, San Jose, Silicon Valley
- **Kirk Sadur**, Centers for Medicare & Medicaid Services
- **Patti Poss & Lisa Schifferle**, FTC

Overview

- The Northern California landscape
- The latest scams
- Identity theft
- Working together to fight fraud and identity theft

Fraud & Identity Theft Reports in Northern California for 2018

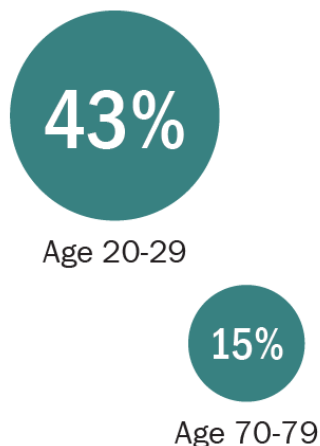


Northern California Top Reports - 2018

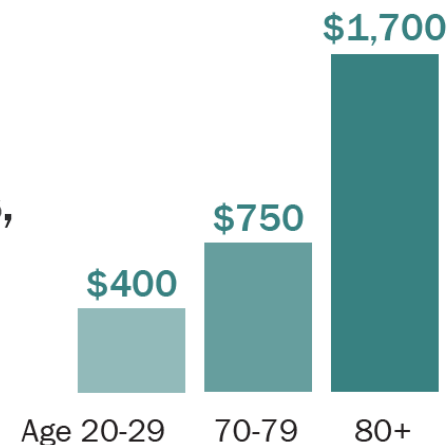
1. Imposter Scams	18,186	6. Credit Bureaus, Information Furnishers and Report Users	4,066
2. Debt Collection	6,392	7. Prizes, Sweepstakes and Lotteries	4,021
3. Telephone and Mobile Services	5,952	8. Auto-Related	3,459
4. Banks and Lenders	5,847	9. Internet Services	2,895
5. Shop-at-Home and Catalog Sales	5,307	10. Credit Cards	2,373

Consumer Sentinel Network Data Book 2018

Younger people reported losing money to fraud more often than older people.



But when people aged 70+ had a loss, the median loss was much higher.



For Consumers Who Have Been Scammed:

- **Contact the payment provider**
 - Tell them the transaction was fraudulent
 - Ask for the money back
- **Report the fraud to law enforcement:**
 - [FTC.gov/complaint](https://www.ftc.gov/complaint) or [FTC.gov/queja](https://www.ftc.gov/queja)

THE LATEST SCAMS

Government Imposter Scams

IRS Impersonation

The Internal Revenue Service (IRS) is the government agency that collects federal taxes.

Scammers pretend to be IRS officials to get you to send them money.



You owe us
taxes



IRS Imposters

Tips for Consumers:

- Never send money to anyone who asks
- Requests to wire money or send prepaid cards or gift cards are always scams
- The IRS will never threaten to arrest or deport

www.consumer.ftc.gov/articles/0519-irs-imposter-scams-infographic

Fake Social Security Administration Calls

- Scammers claim a person's SSN has been suspended because of suspicious activity, or it's been involved in a crime.

Here's what to tell consumers:

- Your SSN is not about to be suspended!
- Don't trust Caller ID.
- What the SSA Scam sounds like at www.consumer.ftc.gov/blog/2018/12/what-social-security-scam-sounds
- Growing number of reports: <https://www.ftc.gov/news-events/blogs/data-spotlight/2019/04/growing-wave-social-security-imposters-overtakes-irs-scam>

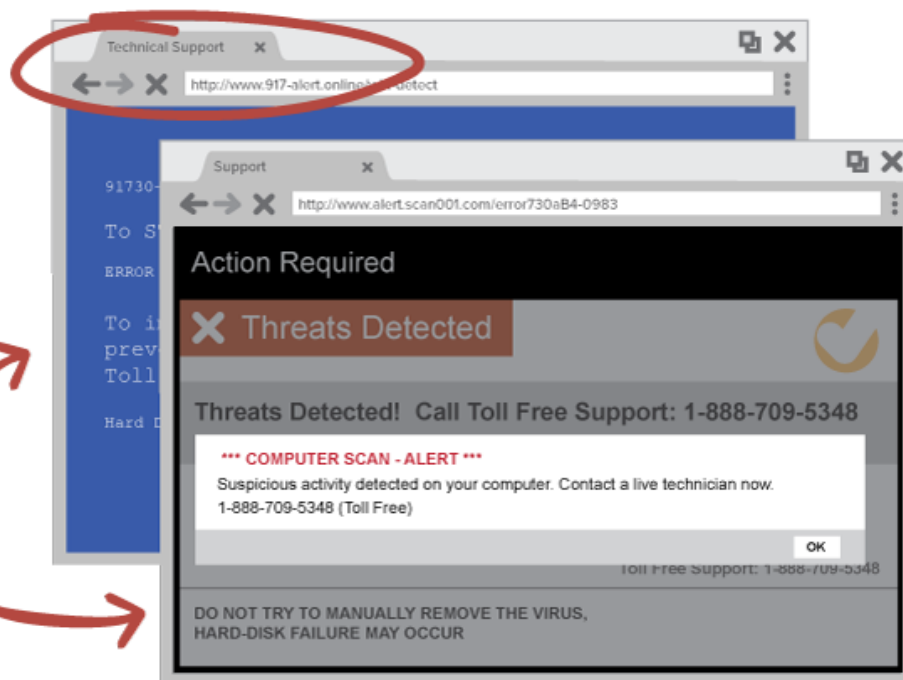
HOW TO SPOT A TECH SUPPORT SCAM

It often starts with a pop-up . . .

Shows up
within your
**internet
browser**

Might
imitate a
blue error
screen

or trusted
antivirus
software



CALL	NOW	OR ELSE...
Wants you to call a toll-free number	Urges you to call immediately	Threatens that you may lose personal data if you don't call

Tech Support Scams

Tips for Consumers:

- Legitimate tech companies won't contact you by phone, email or text message to tell you there's a problem with your computer.
- Security pop-up warnings from real tech companies will never ask you to call a phone number.

<https://www.consumer.ftc.gov/articles/how-spot-avoid-and-report-tech-support-scams>

Sweepstakes & Grant Scams

CONFIRMED PRIZE NOTIFICATION LETTER • CONFIRMED PRIZE NOTIFICATION LETTER • CONFIRMED PRIZE NOTIFICATION LETTER

With Winner Identification and
Claimant Transfer Paper

CASH CLAIM REQUEST
DATE: 07/15/2014

KELLER, SLOAN & ASSOCIATES
P.O. Box 208, CE Bonnik, The Netherlands

PROMPT REPLY REQUESTED

Pending Full Amount:

\$1,943,543.54

ISSUED TO:

ANITA

ASSIGNMENT OF THIS MAIL TO
ANOTHER PARTY IS:
PROHIBITED

PRINTOUT INDIVIDUAL ONLY
ANITA

V/P REFERENCE
70146312017

CONFIRMED SENDER
ORGANIZATION
KSA

ANITA – Substantive information contained herein for a Major Cash Prize. Please respond immediately!

CASH CLAIM VERIFICATION LETTER MESSAGE: JULY 15, 2014

Dear ANITA:

Pursuant to the headline above and through which we are now contacting you via the dated correspondence, please understand that this is NOT a preliminary or qualification letter of cash prize status; **YOU HAVE WON A CASH PRIZE!**

This letter constitutes actual designation of ANITA as a cash prize winner! May we offer our warmest wishes at this moment from the management and executive offices, as well as our entire organization and staff.

Please be assured of the accuracy of this documentation!

Your name was identified among a tiny percentage of ALL eligible individuals who could have received this notice. The fact that you have won a cash prize must be thrilling and somewhat overwhelming - we ask that you read carefully. Do not skip ahead. Your response to this letter is **MANDATORY** to claim the cash prize you have been selected to receive.

To initiate issuance of your Prize Check, you must **RETURN THE ACCOMPANYING DOCUMENT** before the deadline date specified on the enclosed according to the rules and terms herein. Failure to do so will invalidate the prize confirmation and result in forfeiture of the Check awaiting dispatch to you directly by secured mail.

We would like to proceed with resolution of your cash prize quickly!

(1) Your cash prize will be drawn and paid in single lump sum (Section A / page 2);

(2) Sweepstakes report documentation for the total aggregate funds amount of \$1,943,543.54 as noted above is awaiting your reply with premeditated fee (Section 9 / page 2) for outright access to the amount noted above. [This is not a mistake.]

The total amount, \$1,943,543.54, being awarded by independent prize sponsors is confirmed and will be resolved at final proceedings pending. We are delighted to provide notification of the winners total entitlement amount, in writing, and to issue upon your reply and payment of the processing fee, full report documents and claim procedures for the maximum aggregate funds as filed by this recorded letter and validated at \$1,943,543.54.

Please take a moment to read and complete the accompanying paperwork carefully. We are prepared to process and make delivery of the cash prize within 10 days upon receipt of all instructions and correspondence and insure that your name and address is correct as it

Sweepstakes Scams

- Never pay to collect a so-called prize or grant
- Legit sweepstakes don't make you pay a fee
- www.consumer.ftc.gov/articles/0199-prize-scams

Grant Scams

- No surprise government grants
- No charge for a government grant or for a list of government grants-making agencies
- Grants.gov – one place to apply
- www.consumer.ftc.gov/articles/0113-government-grant-scams

Family Emergency Scams



Family Emergency Scams

Tips for Consumers:

- SLOW DOWN
- Get off the phone and check with a family member or friend. (Even if they say it's a secret)
- Do not wire money or buy a prepaid card or a gift card and give someone the card's numbers
- www.consumer.ftc.gov/articles/0204-family-emergency-scams

Fake Check Scams



www.consumer.ftc.gov/blog/2018/09/anatomy-fake-check-scam

FTC.gov/giftcards

ftc.gov/giftcards

Gift cards and reload cards are the
#1 payment method
for imposter scams.

More scammers are demanding payment with a gift card. The percentage of consumers who told the FTC they paid a scammer with a gift card has increased **270%** since 2015.



Reports to the FTC say scammers are telling people to buy gift cards at **Walmart, Target, Walgreens, CVS and other retail shops.**

42%

of people who paid a scammer with a gift card used **iTunes** or **Google Play**.

How to **donate wisely** and **avoid scams**



Look up a charity's report & ratings:

- give.org • charitywatch.org
- guidestar.org • charitynavigator.org



Never pay by **gift card** or **wire transfer**.
Credit card and **check** are safer.



Watch out for names that only
look like **well-known** charities.



Search the charity name online.

Do people say it's a scam?



Ask **how much** of your
donation **goes to the program**
you want to support.



Donating online?

Be sure where that money is going.

Federal Trade Commission • [ftc.gov/charity](https://www.ftc.gov/charity)

Charity Scams

Other tips at:

www.consumer.ftc.gov/articles/0074-giving-charity

Unwanted Calls

- Telemarketing robocalls are more than just annoying: ***they are illegal***
- The FTC has sued operations selling:
 - medical alert and home security systems
 - interest rate reduction services
 - auto warranties
 - free vacations

Unwanted Calls

www.ftc.gov/calls

- Hang up. It's okay to be rude!
- Sign Up for the Do Not Call Registry at www.donotcall.gov
- Don't trust caller ID — it can be faked
- Report robocalls to the FTC at donotcall.gov
- Ask your carrier about call blocking
 - <https://www.consumer.ftc.gov/articles/how-block-unwanted-calls>

Opportunity Scams

- Investments
- Job scams
- Business opportunities



Real People
Achieving Real Results

- ✓ **BE YOUR OWN BOSS**
- ✓ **NO EXPERIENCE NEEDED**
- ✓ **EARN THOUSANDS MONTHLY**
- ✓ **BECOME PART OF A WINNING TEAM**
- ✓ **WORK FROM ANYWHERE IN THE WORLD**

**CALL TODAY AND START
EARNING TOMORROW!**

Small Business Scams

- Unordered supplies
- Business directory listings
- Domain name/website registrations
- Payment processing
- Charity scams

www.FTC.gov/SmallBusiness



IDENTITY THEFT

Someone uses your personal information to

- Open accounts
- File taxes
- Buy things



Examples of Misuse

- Open Credit Cards
- Open Utility Accounts
- Apply for a Tax Refund
- Get a Loan
- Apply for Employment
- Get Medical Care



Impact on Victims

- Denial of credit/loans
- Denial of public benefits
- Denial of medical care
- Denial/loss of employment
- Harassment by debt collectors
- Legal issues/arrest
- Stress/anxiety
- Recovery time/expense



Reduce the Risk

- Review mail, especially financial statements
- Check credit report every year:
 - Free report from AnnualCreditReport.com
- Protect Social Security and Medicare numbers
- Store documents securely and shred before discarding
- File taxes early

New Law, New Credit Rights

- **FRAUD ALERTS** now last one year rather than 90 days
- **CREDIT FREEZES** are free for all
 - Also for kids under age 16
 - Also for incapacitated adults
- **FREE CREDIT MONITORING** for active duty military
- For more information, go to ftc.gov/newcreditlaw

Data Breaches

- What to do?
 - Check credit reports
 - Review payment card statements carefully
 - Consider a fraud alert or credit freeze
- To learn more about steps to take after a data breach, visit IdentityTheft.gov/databreach

Equifax Data Breach Settlement

The Equifax Breach – A Global Settlement



\$575,000,000+ settlement



Free credit monitoring
and identity theft services



Strong **data security** requirements

➔ **Learn more: ftc.gov/Equifax**

Source: Federal Trade Commission | [FTC.gov](https://ftc.gov)



Report identity theft and get a recovery plan

Get Started ➔

or browse recovery steps

IdentityTheft.gov can help you report and recover from identity theft.

HERE'S HOW IT WORKS:



Tell us what happened.

We'll ask some questions about your situation. Tell us as much as you can.



Get a recovery plan.

We'll use that info to create a personal recovery plan.



Put your plan into action.

If you create an account, we'll walk you through each recovery step, update your plan as needed, track your progress, and pre-fill forms and letters for you.

New Medicare Cards



MEDICARE HEALTH INSURANCE

Name/Nombre

JOHN L SMITH

Medicare Number/Número de Medicare

1EG4-TE5-MK72

Entitled to/Con derecho a

HOSPITAL (PART A)
MEDICAL (PART B)

Coverage starts/Cobertura empieza

03-01-2016
03-01-2016

Don't Have Your Medicare Card?

To get your Medicare card or number:

- Sign in to your **MyMedicare.gov** account. If you don't have an account yet, visit **MyMedicare.gov** to create one. You can sign in to see your Medicare Number or print an official copy of your card.
- Call **1-800-MEDICARE** (1-800-633-4227). TTY users can call 1-877-486-2048. There might be a problem that needs to be corrected, like updating your mailing address.
- Ask your doctor or other health care provider if they can look up your number when you get care.

Tips to Avoid Medicare Fraud

www.medicare.gov/fraud

General Tips to Protect Yourself:

- Don't share your Medicare number or other personal information with anyone who contacts you by telephone, email or by approaching you in person, unless you've given them permission in advance.
- Review your Medicare Summary Notice to be sure you and Medicare are only being charged for actual services that you received.

Report Anyone Who:

- Sends you products through the mail that you didn't order, and your doctor didn't prescribe for a medically necessary reason.
- Contacts you about Medicare plans unless you gave them permission.
- Offers you "early bird discounts" or "limited time offers." There are no early bird discounts with Medicare.
- Offers you free expensive gifts, free medical services, discount packages or any offer that sounds "too good to be true."

Reporting Suspected Medicare Fraud

- Call the HHS fraud hotline: Toll Free: 1-800-447-8477 (which is 1-800-HHS-Tips) or;
- Call and report it to 1-800-Medicare, which is 1-800-633-4227 or;
- Call the nationwide toll-free number of the Senior Medicare Patrol program (SMP) and ask them for your state's phone number at 1-877-808-2468

Report Fraud to the FTC



**FTC.gov/complaint or
FTC.gov/queja
1-877-FTC-HELP**

**State of California
Department of Justice
Office of the Attorney General**



Consumer Law Section

Law-enforcement Tools

- False Advertising Law
- Unfair Competition Law
 - Unlawful
 - Unfair
 - Fraudulent/Deceptive
- Criminal prosecutions

Immigration Consultants



Retail Stores



For-profit Schools



Everest



Heald
COLLEGE

Everest College Phoenix
PHOENIX • MESA • ONLINE

QuickStart
A Corinthian Colleges Company

The AG's Role in Protecting Consumers

- Law enforcement
 - Stop the illegal activity
 - Deter/punish
 - Get money back for consumers
- Represent the People, not the people

California AG Resources for Consumers

- Get information online

<https://oag.ca.gov/consumers#topics>

- File a complaint online

<https://oag.ca.gov/contact/consumer-complaint-against-business-or-company>

- Call 800-952-5225

- English or Spanish

Sacramento County District Attorney's Office



- Consumer and Environmental Protection Unit
(916) 874-6174
- Online information and Consumer Complaint Form
<http://www.sacda.org/services/special-prosecutions/consumer-protection/consumer-unit/>
- Investigations Referrals Civil and Criminal enforcement
- Represent “The People” (public at large) not Individuals

Legal Services of Northern California

- Legal aid provider for 23 northern California counties. We have eight field offices, most of which have special funding to provide services to older adults (60+). We provide free legal advice and assistance on many issues, including:
 - Tenant Rights/housing issues – reasonable accommodations
 - Affordable and Accessible Healthcare services
 - Public Benefits – access and maintenance
 - Elder Abuse/Financial Exploitation – including identity theft, or situations where older adults are targeted by unlicensed professionals, salespeople, etc.
 - Consumer Disputes and Scams, including credit and medical debt issues

For more: <https://www.lsnc.net>

Western States Pension Assistance Project

Goal: Help ensure older adults stay out of poverty by protecting and defending the hard-earned employer-sponsored retirement benefits of workers, retirees, and their beneficiaries.

Eligibility: Live or worked in California, Arizona, Hawaii or Nevada.

Any age, any income level!

Any employer-sponsored retirement benefit issue:

Overpayments, lost pensions, survivor/former spouse benefits, disability benefits, proving work history, correcting benefit errors, claims/appeals, etc.

Recoveries to date: over \$26 million of earned retirement benefits recovered.

How to Refer: Toll-free: (866) 413-4911, or: (916) 930-4911. Email through website:

<http://lsnc.net/pension>.

Scams, Fraud and Trends



BETTER BUSINESS BUREAU
Steve McFarland, CEO



BBB's Role in the Marketplace – Since 1912

- > BBB Business Reviews® bbb.org
- > BBB AUTO LINE®
- > BBB Military Line®
- > National Advertising Review Services
- > Ongoing monitoring of various consumer issues, including scams
- > Consumer education
- > BBB Wise Giving Alliance give.org
- > BBB Charity Reviews



What do scammers want?

Client or staff personal identity information leading to:

- Bank account details
- Social security numbers
- Personal health records
- Tax reports, FEINs
- Competitive Information
- Credit card info, DMV records, account numbers
- Leases, loan applications, credit reports, confidential 3rd party information, rental agreements, title reports, payroll data



BBB CA 2018 Top 10 Fraud Categories



	CATEGORY	# OF REPORTS	% REPORTING \$ LOSS	MEDIAN \$ LOSS
1	Imposter Scams	347,829	19%	\$500
2	Telephone and Mobile Services	149,578	4%	\$223
3	Prizes, Sweepstakes and Lotteries	142,870	9%	\$511
4	Shop-at-Home and Catalog Sales	126,387	58%	\$261
5	Internet Services	45,093	14%	\$183
6	Foreign Money Offers & Counterfeit Check Scams	31,980	33%	\$1,008
7	Travel, Vacations, and Timeshare Plans	22,264	18%	\$1,710
8	Business and Job Opportunities	18,702	34%	\$1,063
9	Advance Payments for Credit Services	17,762	74%	\$318
10	Health Care	10,321	8%	\$175

Younger people reported losing money to fraud more often than older people.



But when people aged 70+ had a loss, the median loss was much higher.



HOW CAN WE WORK TOGETHER TO FIGHT FRAUD AND IDENTITY THEFT?

Keep up with the latest scams and share with your community

- Follow us on social media and share:
 - @FTC
 - @laFTC
 - @MilConsumer
 - Facebook.com/FederalTradeCommission
 - Facebook.com/MilitaryConsumer

Sign up for FTC's Consumer Alerts

GET EMAIL UPDATES

- Sign up for Consumer Alerts at [FTC.gov/Subscribe](https://www.ftc.gov/Subscribe)
- Share these alerts on your website, in your newsletter or emails, or on social media

Use and Share Free FTC Resources

- [Consumer.FTC.gov](https://consumer.ftc.gov): hundreds of fraud articles
- [Consumer.gov](https://consumer.gov): consumer protection basics, plain and simple
- [FTC.gov/PassItOn](https://ftc.gov/PassItOn): helping older adults protect others from fraud
- YouTube.com/FTCVideos: view and share videos

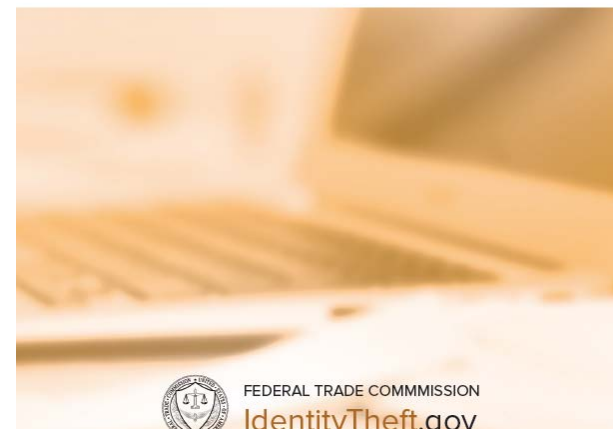
Use and Share Free FTC Resources

Bulkorder.FTC.gov



Identity Theft

What to know, What to do



Talk to Us

- **Help for California's Congressional delegation**
 - Derick Rill, FTC's Office of Congressional Relations
drill@ftc.gov or 202-326-3007
- **Consumer Sentinel Network**
www.ftc.gov/enforcement/consumer-sentinel-network
 - Law enforcement groups can obtain access to complaints by contacting Nick Mastrocinque at
nmastrocinque@ftc.gov

Thank you for joining us!

Speakers:

- **Kerry O'Brien**, FTC Western Regional Office
- **Mike Elisofon**, Office of the California Attorney General
- **Doug Whaley**, Sacramento County District Attorney's Office
- **Jennifer Anders-Gable**, Legal Services of Northern California
- **Steve McFarland**, Better Business Bureau serving Los Angeles, San Jose, Silicon Valley
- **Kirk Sadur**, Centers for Medicare & Medicaid Services
- **Patti Poss & Lisa Schifferle**, FTC

Thank you for joining us!

Slides available at: Consumer.gov/StateWebinars

Please spread the word to fight fraud and identity theft throughout Northern California!

Feedback about the webinar:
everycommunity@ftc.gov

