

Federal Trade Commission Webinar

A white silhouette of a crowd of people is positioned above the main title box. The figures are of various heights and are arranged in a line, creating a sense of a large gathering.

Fighting Consumer Fraud & Identity Theft in Illinois

March 22, 2018

TO HEAR THE WEBINAR CALL 1-800-230-1092

Welcome!

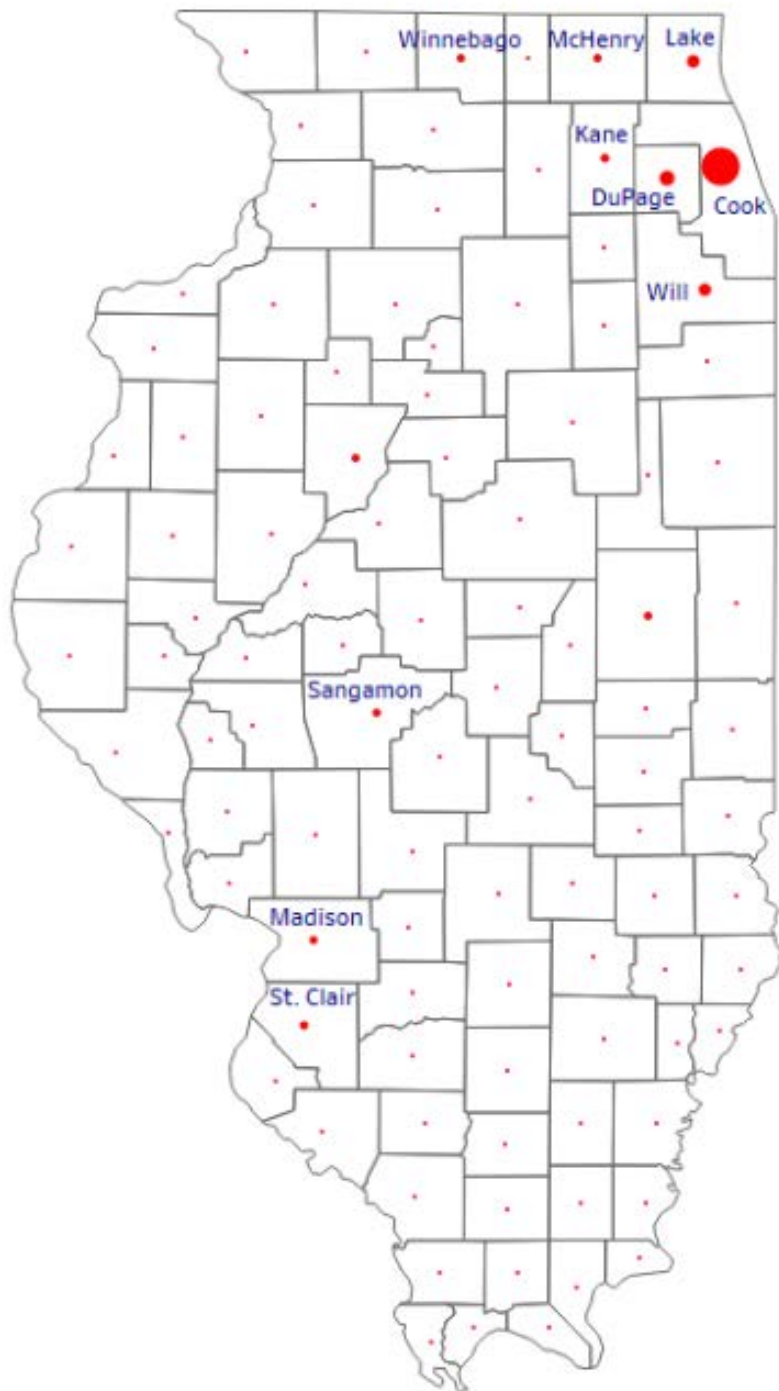
Speakers:

- **Todd Kossow**, FTC Midwest Regional Office
- **Elizabeth Blackston**, Illinois Office of the Attorney General, Consumer Protection Division
- **Steve Bernas**, Better Business Bureau of Chicago and Northern Illinois
- **Michelle Weinberg**, Consumer Practice Group at LAF
- **Amy Hennessy**, Centers for Medicare & Medicaid Services
- **Patti Poss & Lisa Schifferle**, FTC

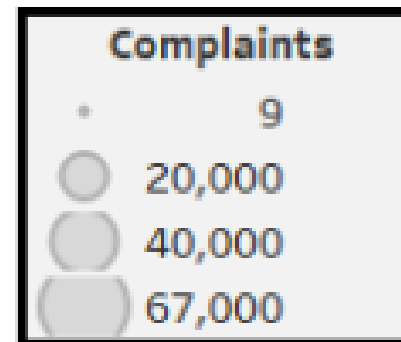
Overview

- **The Illinois landscape**
- **The latest scams**
- **Identity theft**
- **Working together to fight fraud and identity theft**

TO HEAR THE WEBINAR CALL 1-800-230-1092



Fraud & Identity Theft Reports in Illinois for 2017



Illinois Top Reports - 2017

| | | | |
|--|--------|--------------------------------------|-------|
| 1. Debt collection | 14,236 | 6. Shop-at-home/Catalog sales | 3,695 |
| 2. Imposter scams | 9,466 | 7. Prizes, Sweepstakes and Lotteries | 3,514 |
| 3. Banks and lenders | 5,631 | 8. Auto-related Complaints | 3,076 |
| 4. Telephone and Mobile services | 4,938 | 9. TV and electronic media | 2,253 |
| 5. Credit bureaus, info furnishers, report users | 4,852 | 10. Credit Cards | 1,879 |

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

IRS IMPOSTER SCAMS

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

IRS Imposters: Twists

- Private debt collection for old IRS debts
- Get a letter first with name of debt collector & authentication number
- *Always pay the IRS directly*
- www.consumer.ftc.gov/blog/2017/04/irs-now-using-private-debt-collectors
- Scammers make IRS deposits, then demand the money
- *Follow the IRS's instructions to return money*
www.consumer.ftc.gov/blog/2018/03/watch-out-these-new-tax-scams

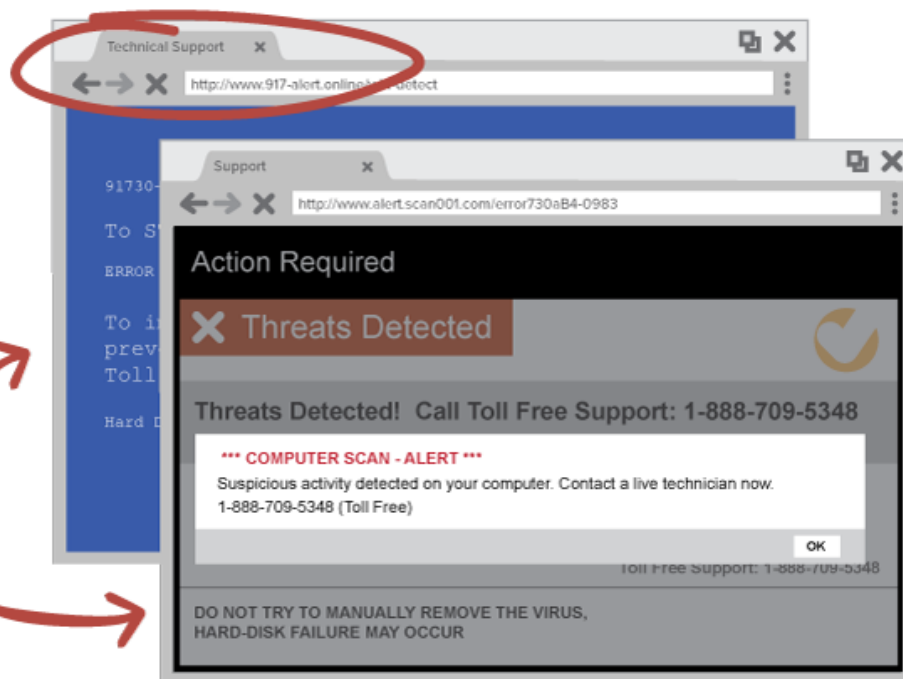
HOW TO SPOT A TECH SUPPORT SCAM

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:

- Hang up on callers who say you have a computer problem
- Ignore pop-ups that say to call tech support
- Never share passwords or give remote access
- Questions? Call the legitimate company **before** you do anything

<https://www.consumer.ftc.gov/articles/0346-tech-support-scams>

Sweepstakes & Grant Scams

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

With Winner Identification and Claimant Transfer Paper

CASH CLAIM REQUEST

Pending Full Amount:

\$1,943,543.54

ISSUED TO:

[REDACTED]

ASSIGNMENT OF THIS MAIL TO ANOTHER PARTY IS: **PROHIBITED**

PRINTOUT INDIVIDUAL ONLY

ANITA [REDACTED]

VIP 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 this 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 [REDACTED] 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 proceeding fee (Section B / page 2) for outright access to the amount listed 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 documentation 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 your state upon to follow all instructions and requirements, and inspect 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

Charity Scams



“... thank you for your kind and generous donation on behalf of the Children’s Cancer Fund of America. You’re helping these children with their hospice equipment, medical supplies, and medication ...”

LIES

Charity Scams

Tips for Consumers:

- “No thanks” and hang up; or “I don’t give money over the phone. If you send something in writing, I’ll consider it”
- Do some research:
 - [give.org](https://www.give.org); [charitynavigator.org](https://www.charitynavigator.org); [charitywatch.org](https://www.charitywatch.org); [guidestar.org](https://www.guidestar.org)

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

- Report them:
 - [DoNotCall.gov](https://www.donotcall.gov) or 1-888-382-1212
- FTC shares information about reported unwanted calls with phone companies
 - Helps them block numbers
- Don't trust caller ID: easy to spoof
- Just hang up! It's ok to be rude
- Call-blocking technology
 - www.consumer.ftc.gov/articles/0548-blocking-unwanted-calls

Debt Collection and Debt Scams

Fair Debt Collection Practices Act

Prohibits debt collectors from using abusive, unfair, or deceptive practices to collect

www.consumer.ftc.gov/articles/0149-debt-collection

Debt Collection and Debt Scams

- **Fake Debt Collection Scams**

www.consumer.ftc.gov/articles/0258-fake-debt-collectors

- **Mortgage Relief & Foreclosure Rescue Scams**

www.consumer.ftc.gov/articles/0100-mortgage-relief-scams

www.consumer.ftc.gov/articles/0193-facing-foreclosure

- **Student Loan Debt Scams**

www.StudentAid.gov/repay

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

Equifax Data Breach

- Check if you're affected: equifaxsecurity2017.com
- What can you do?
 - Monitor your accounts
 - Fraud alert or credit freeze
 - File taxes early
- Visit ftc.gov/equifax



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.

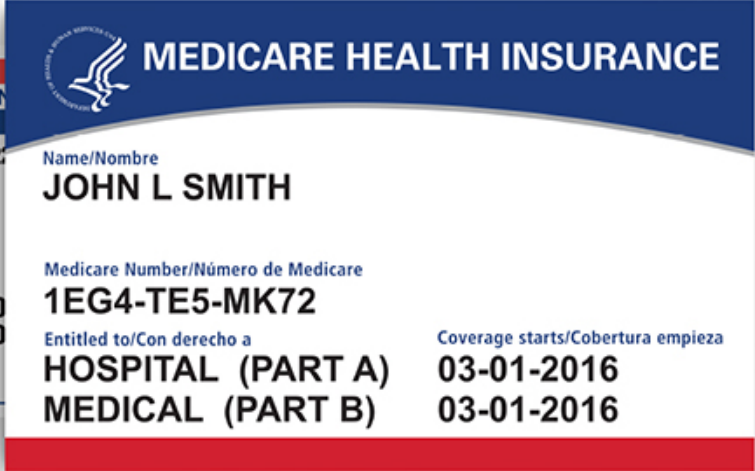
If you create an account, we'll walk you through each recovery step, update your plan as needed, track your progress, and pre-fill forms and letters for you.

New Medicare Cards Starting In April 2018

New Card! New Number!

Mailing in 2018

NEW Medicare Card



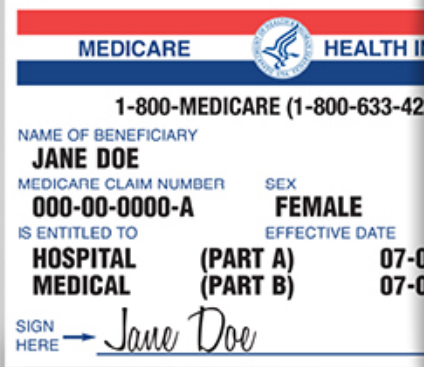
MEDICARE HEALTH INSURANCE

Name/Nombre
JOHN L SMITH

Medicare Number/Número de Medicare
1EG4-TE5-MK72

| | |
|---------------------------|-----------------------------------|
| Entitled to/Con derecho a | Coverage starts/Cobertura empieza |
| HOSPITAL (PART A) | 03-01-2016 |
| MEDICAL (PART B) | 03-01-2016 |

Current Medicare Card



MEDICARE HEALTH INSURANCE

1-800-MEDICARE (1-800-633-4227)

NAME OF BENEFICIARY
JANE DOE


MEDICARE CLAIM NUMBER
000-00-0000-A

SEX
FEMALE

IS ENTITLED TO
HOSPITAL (PART A)
MEDICAL (PART B)

EFFECTIVE DATE
07-01-2016
07-01-2016

SIGN HERE → *Jane Doe*



CMS Product No. 12000-P
September 2017

New Medicare Cards – Stay Connected

- Find more technical information, detailed updates, training opportunities, and materials to share on the web:
 - [CMS.gov/newcard](https://www.cms.gov/newcard)
- Comments and questions are always welcome! Send to:
NewMedicareCardSSNRemoval@cms.hhs.gov
 - Information for people with Medicare:
 - go.medicare.gov/newcard

Report Fraud to the FTC



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

Illinois Department of Attorney General

Consumer Protection Division

- Website: www.illinoisattorneygeneral.gov
English, Spanish and Polish Online Complaint Forms can be accessed and completed through “Consumer Complaint Submission Form” Link located in middle of homepage.
- Email: www.ag.state.il.us/consumers



Consumer Fraud Hotlines

- Chicago 1-800-386-5438 and 1-800-964-3013 (TTY)
- Springfield 1-800-243-0618 and 1-877-844-5461 (TTY)
- Carbondale 1-800-243-0607 and 1-877-675-9339 (TTY)
- Spanish Language . . 1-866-310-8398
- ID Theft 866-999-5630
- Mortgage Fraud 866-544-7151
- Student Loan 800-455-2456
- Veterans 800-382-3000

Better Business Bureau



Our Mission: BBB's mission is to be the leader in advancing marketplace trust. We do this by: Setting standards for marketplace trust and ethical business behavior.

What We Provide: For over 100 years, BBB has helped people make smarter decisions!

- Published profiles on 5.2 million businesses
- Provided reports on over 11,000 charities
- Processes customer reviews and complaints
- BBB sets the standard and evaluates thousands of advertisements each year

Better Business Bureau



RECENT STUDIES

- Puppy Scams = bbb.org/puppyscam
- Online Romance Scams = bbb.org/romancescam
- Tech Support Scams = bbb.org/techsupportscam

Better Business Bureau



BBB SCAMTRACKER

- Over 100,000 Scam Reports in just 2 years
- Top Illinois Scams in 2017, phishing, online purchases, employment scams
- Total reported dollars lost was over \$553 million, and media dollars lost was \$189.
- Identifies top scams as they happen, allowing us to work with both partners and media to try to stop scams.
- Please report scams to BBB.ORG/scamtracker

Better Business Bureau



To check out or report a business or charity:

Find your local Better Business Bureau at www.bbb.org

BBB of Chicago & Northern Illinois

Main Branch -330 N. Wabash, Ste. 3120

Chicago, IL 60611-7621

(312) 832-0500

BBB of Central Illinois Servicing Central Illinois

Peoria, IL (309) 688-5124 bbb@hoibbb.org

BBB of Eastern & Southwest Missouri & Southern Illinois

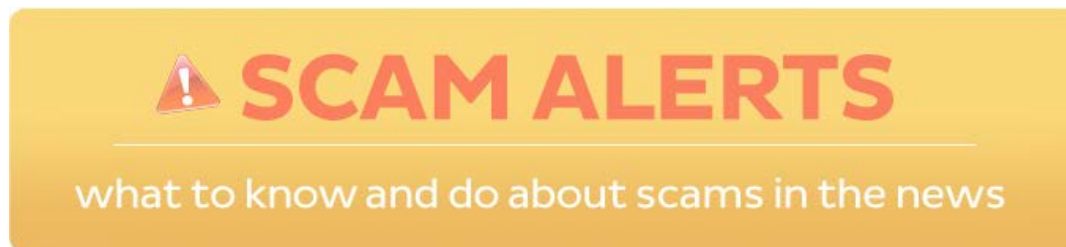
St. Louis, MO bbb@stlouisbbb.org

Consumer Practice Group at LAF

LAF (Legal Assistance Foundation)
120 S. LaSalle Street, Suite 900
Chicago, Illinois 60603
312-341-1070

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

Keep up with the latest scams and share with your community



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

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

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

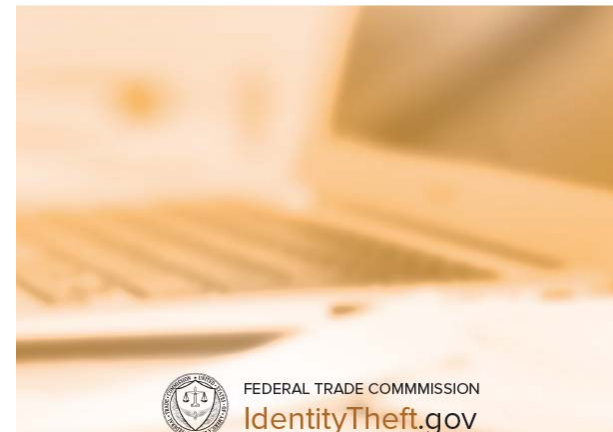
Use and Share Free FTC Resources

Bulkorder.FTC.gov



Identity Theft

What to know, What to do



Talk to Us

- **Help for Illinois'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!

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Thank you for joining us!

Slides available at: [Consumer.gov/StateWebinars](https://consumer.gov/StateWebinars)

***Please spread the word to fight fraud and
identity theft throughout Illinois***

Feedback about the webinar:
everycommunity@ftc.gov

