



# North Central Health Care

Person centered. Outcome focused.

## PROTECT YOURSELF FROM FINANCIAL SCAMS!

You're already doing the right thing by staying informed about the latest consumer scams. Here are important tips to help you stay safe and protect your pocketbook.

Scammers use a variety of tactics to make their offers seem legitimate. Their initial contact may occur by telephone, mail, door-to-door solicitations, fliers, e-mails, or phony websites. They often try to convince consumers to send them money or give personal information, such as bank account numbers and Social Security numbers. Be aware of the common signs of a scam.

**RESEARCH BUSINESSES AND CHARITIES:** Before doing business with a company, check its reputation with the Wisconsin Department of Justice and the Better Business Bureau. Ask family and friends for recommendations. Never pay money to a person or a company that refuses to give you written information, a phone number, a physical address, or references.

**READ THE FINE PRINT:** Read all the terms and conditions of any agreement before you sign. Get warranties and all verbal promises in writing. Review contracts with a trusted attorney, friend, or family member. If a fraudulent charge appears on your bank or credit card statement, immediately notify your bank.

**REMEMBER YOUR RIGHTS:** Wisconsin consumer laws protect you from unfair, deceptive, and unconscionable practices in consumer transactions including laws that prohibit deception, fraud, misrepresentation, or concealment of facts in the sale or advertisement of goods and services. Visit [www.doj.state.wi.us](http://www.doj.state.wi.us) online to learn more about consumer protections.

**RECONSIDER THE PURCHASE:** Don't give in to high-pressure sales tactics. If it's a "good deal" today, it should be a good deal tomorrow, too. Never give personal information to someone you don't know or trust. Ask companies how they will use your personal information. Never sign anything you do not understand. Ask questions and demand answers.

**REPORT SCAMS AND UNFAIR PRACTICES:** If you have a problem with a purchase you made, notify the company in writing. Explain your complaint and give a deadline for resolution.

## BEWARE OF THESE COMMON SCAMS

### Advance Fee Loans

In this ploy, scam artists trick you into paying money to qualify for a loan or credit card. Scam artists may "guarantee" a line of credit or promise to deposit money in your bank account once you pay an initial fee. Despite these claims, however, you will not receive a loan, credit card, or any money. Never pay in advance to qualify for a loan or credit card.

### Grandparent Scams

In this scam, con artists pose as grandchildren. They call with a false story, explaining that they are in trouble in another city or country and need you to send money via wire transfer. Of course, any money you send will go to the scammer, not to your grandchild. When in doubt, ask the caller a question only your family members would know how to answer and call your son or daughter to confirm the location of your grandchild.

### Credit Repair Scams

These scams promises that bad credit can be erased, interest rates can be lowered, and debts can be consolidated. Many of these companies charge hundreds or thousands of dollars but do little or nothing to improve your credit. The reality is that they cannot erase accurate negative information from your credit report. With certain exceptions, negative information will remain on your credit report for up to seven years. If you want to improve your credit, contact a nonprofit credit counseling agency or your creditor. You may be able to arrange a payment plan yourself — at no or very little cost.

## Fake Check Scams

For this swindle, someone sends you a realistic-looking check or money order. You are asked to deposit it in your bank account and wire transfer the sender a portion of the money, minus a nice bonus for you as a “thank you” for helping out. Regardless of the pitch, the result is the same: The check or money order you receive will be counterfeit. It will be returned to your bank unpaid and the full amount will be deducted from your account, usually along with an additional bank fee. Ultimately, you are responsible for the checks or money orders you deposit or cash. Never wire transfer money to a stranger.

## Foreclosure Rescue Scams

These scams target homeowners who are having trouble making their house payments. A phony foreclosure rescue company might contact you and promise to negotiate with your lender. You pay thousands of dollars, but the company makes little or no contact with your lender. Never pay an advance fee for a loan modification.

In some cases, a phony “investor” offers to buy your house and lease it back to you until you can afford your mortgage payments. The investor takes your money, but does not transfer the mortgage loan or pay your lender. As a result, you risk losing your equity and your home.

## Family and Caregiver Scams

Sadly, family members, caregivers, and friends are the offenders, in many cases, of financial abuse involving the elderly. They might use your credit cards without permission, pressure you to sign over your power of attorney, or forge your signature. Beware of such behavior and watch for signs of a family or caregiver scam, including bills going unpaid, a new “best friend,” exclusion from other family members or friends, unusual banking activities, or missing belongings.

## COMMON SIGNS OF A SCAM

- You’re asked to wire money or send a pre-paid gift card to a stranger.
- You’ve won a contest you’ve never heard of or entered.
- You’re pressured to “act now!”
- You have to pay a fee to receive your “prize.”
- Your personal information is requested.
- A large down payment is requested.
- A company refuses to provide written information.
- A company has no physical address, only a P.O. box.

## Prizes/Sweepstakes Scams

Someone may fictitiously claim that you have won the lottery, a contest, or a prize that you have never signed up to win. To collect your winnings, however, you’ll be asked to pay a fee. Often, you’ll be instructed to send money via wire transfer or money order, possibly to a foreign country. They’ll tell you to expect your winnings once you pay, but the prize never arrives. Remember that legitimate sweepstakes are free and require no up-front payment. Be cautious of your social media “friends” or contacts stating that you have won a prize or sweepstakes; these messages may not really be from your friends.

## Imposter Scams

Someone may contact you pretending to be from a government agency, such as the IRS or the local court. The person demands immediate payment for back taxes or an old court fee, and threatens to arrest you if not paid immediately. The scammer may also request personal information, like your Social Security number. Hang up, and if you’re concerned, look up the phone number for the individual or agency and call that number verify.

## Identity Theft

This occurs when someone fraudulently uses your personal information, such as your bank account number or Social Security number, to obtain credit, take out a loan, receive medical treatment, get identification, or otherwise pretend to be you. Identity thieves may open new accounts in a consumer’s name, purchase products, and then leave the consumer to pay the bill. Never give personal information to anyone you don’t know or trust.



## Romance Scams

Someone you meet online or over the phone claims to be temporarily located overseas — perhaps due to a military assignment or mission trip. After developing a relationship, perhaps over weeks or months, the person will have a “hardship” and ask you to send money to pay for something like airfare, medical expenses, or military fees. In reality, the person is a con artist who is probably pursuing several other victims and following a script.

## Phishing

Some scammers “phish” for your personal information using cleverly designed calls or e-mails. They often pretend to be an employee of your bank or a government agency and ask you to update or confirm your account information by submitting your bank account number, password, or Social Security number. Never respond to unexpected requests for your personal information.

## Work-at-Home & Business Ploys

These scams use sales pitches claiming that you can make good money working from home or getting involved in a business opportunity. You will be urged to pay in advance for materials or start-up costs. Ultimately, the only people who will profit are the scam artists. Beware of seminars that promise money-making advice but deliver only high-pressure sales pitches.

## Phony Charities

Someone pretending to represent a charity calls or sends you a letter asking you to make a charitable donation. Always ask how much of your donation would actually go to the charity. Charitable organizations must register with the State. Before you donate, verify that the charity is legitimate with the Department of Financial Institutions or search online at [wdfi.org/CharitableOrganizations/](http://wdfi.org/CharitableOrganizations/).

## Reverse Mortgage Abuse

A reverse mortgage is not a scam; it is a loan accruing interest that allows older consumers to convert home equity into cash. However, some unscrupulous salespeople might pressure you into taking out a reverse mortgage that has very high fees. Others tempt you to use money from the loan to buy annuities or investments that may not benefit you.

## Veterans' Benefits Misinformation

Some companies will offer information about veterans' benefits to gain your trust. They may falsely imply that they work for the U.S. Department of Veterans Affairs (VA), make exaggerated claims about your benefits, or encourage you to buy financial products you don't need. For reliable information about VA benefits, contact your county veterans service office.

Do not take out a reverse mortgage unless you fully understand all the costs, terms, and conditions. Keep in mind that reverse mortgages substantially reduce your home equity, and the total amount you owe will grow over time.

## Home Improvement Fraud

This occurs when contractors or companies do little or no work they were paid to do. Door-to-door contractors may offer to repair your roof, pave your driveway, or trim your trees for a good price. After you pay, however, the contractor disappears without doing any work or after doing a poor job.

- Scam artists may say they will give you a discount or that they have leftover supplies from repairing another house in the neighborhood. These false promises are tricks to steal your money. To avoid scams:
- Beware of contractors who show up at your door. Some states require that sellers give you a right to cancel period for most door-to-door sales, and no work should begin before those days expire.
- Research a contractor by calling your Attorney General's Office or Better Business Bureau.
- Don't make large down payments or pay in full until the work is complete.
- Get the exact cost in writing. Don't accept verbal estimates.

