



# Scam Gram!

Keep the sharks at bay

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SCAM GRAM is Consumer Action's monthly e-newsletter alerting you to the dirtiest players in the world of tech fraud, credit card scams, ID theft and general con-artistry. Don't be fooled by liars, cheats and crooks—wise up with SCAM GRAM!

## Scams and fraud are coming to town

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While you're sipping the eggnog or lighting the menorah, con artists are perfecting the seasonal scam. What scams are big during the holidays? AARP lists the top three as:

- Online shopping through impostor websites (designed to look like the real thing);
- Gift card fraud (where thieves record the number on a gift card they see in, say, a grocery store and then call to find out if someone has activated it so that they can drain the funds); and
- Fake charities (scammers create a bogus organization or solicit donations from you in the name of a real one).

AARP even conducted a study to see how many people could pass a “holiday shoppers” quiz that tested their scam awareness. Alarmingly, 70 percent failed and reported that they had engaged in the types of behaviors that could make them a victim (example: “purchasing gift cards from potentially risky locations”). The best cure is prevention, but if you fall for a holiday scam, AARP's [Fraud Watch Network](#) instructs you on how to gather evidence and report it to the appropriate parties.

## Tragic, in more ways than one

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While the world was still reeling from the horrific terrorist attacks in Paris, the *Washington Post* [issued a warning](#) that scammers may try to exploit the concerned public's sympathy and goodwill—a common occurrence when tragedy strikes. A Better Business Bureau representative said that's when scammers come out and prey on people ready to help in any way that they can. The FBI has pointed out that solicitations “can come in many forms, such as crowdfunding platforms, e-mail campaigns or cold calls.” The agency added that “crowdfunding—soliciting money from a large number of people primarily through the Internet—offers scammers a new venue to easily seek funds with minimal oversight.” Thankfully, the *Post* listed some of the legitimate ways you can help attack victims.

## *The monsters that prey on Medicare recipients*

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The open enrollment period for Medicare recipients (when they're able to comparison shop and make changes to their plans) just wrapped up. Unfortunately, seniors are often targeted for scams during this time. If you ever get a phone call or email from someone claiming to be with Medicare, *don't* give the caller any information. (If you're too young for Medicare, pass this information on to your grandma.) Real Medicare agents typically contact recipients who log in at Medicare.gov or via good, old-fashioned snail mail. Scammers who call typically pressure seniors to join bogus prescription drug programs or change their plans. They might also ask for your Medicare number or for "updated information" (all the usual tricks to get your money or steal your identity). *U.S. News* has created a [handy guide](#) to Medicare-related scams. If you've gotten a sketchy call and/or have questions about your coverage, call 800-Medicare (800-633-4227). You can also report Medicare fraud [here](#).

## *More money, more problems*

**\$8 billion** is the amount that ad fraud, "malvertising" and other assorted illicit online activities cost the U.S. marketing and media industry annually, according to a new [study](#). Makes one wonder what the cost is to the consumers who click on these fake ads and accidentally download computer-destroying viruses...

**\$600 million** is the amount in fraudulent billings that five people—including two surgeons and one former hospital chief financial officer (oh, the irony!)—generated from thousands of spinal surgery cases that were illegally referred to a hospital that gave the referring doctors kickbacks. The defendants are now cooperating in a federal investigation dubbed (no joke) [Operation Spinal Cap](#).

**\$200 million** is the amount that two Staten Island men cost the financial institutions that issued them credit. The industrious con artists created [hundreds of thousands](#) of fake identities to secure thousands of credit cards in what a federal judge deemed "one of the largest credit card fraud schemes ever prosecuted by the federal government." Talk about racking up debt!

## *Tips!*

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● **What's #Trending Now?** Have you ever wanted your own personal consumer issues consultant? USA.gov is encouraging Twitter users to #AskMarietta—a consumer protection expert and editor of the government's official [Consumer Action Handbook](#)—about everything from credit card fraud to online shopping safety.

● **Swipe right on this new book.** Consumer advocate extraordinaire Senator Elizabeth Warren of Massachusetts took to social media last month to promote a paperback book on scams that she described as "fascinating and a little frightening." [Swiped: How to Protect Yourself in a World Full of Scammers, Phishers, and Identity Thieves](#), written by Consumer Action advisory board member Adam Levin, founder of Credit.com, offers "practical ways that you can protect yourself while still enjoying your holiday shopping," says Warren. Something to add to your wish list?

● **We won't be fooled again.** The feds have [banned](#) telemarketers from using several shady over-the-

phone payment methods. Now you can be confident that if callers ask you for a money transfer, they're not from a legitimate business.

● **There's a month for everything.** Someone has dubbed December "National Identity Theft Prevention and Awareness Month." In honor of this, we bring you a new [list](#) of the states most vulnerable to identity theft.

● **Only YOU can prevent tax fraud.** The IRS is asking for [your help](#) this season in keeping scammers from filing phony tax returns with your personal data. Get involved and spread the word!

Thanks for reading SCAM GRAM and, as always, feel free to send us your questions, comments and tips. [Click here to email us.](#)

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*Consumer Action empowers low- and moderate-income and limited-English-speaking consumers nationwide to financially prosper through education and advocacy.*

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