COVID-19-RELATED SCAMS
Working Together to Protect Area Consumers and Businesses

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WE ARE OPEN

Now more than ever – Consumers need to find businesses they can trust.

BBB has stood for trust in the business marketplace for over 100 years etc.
Business Email Compromise (BEC) Scams

• Be careful and suspicious of any email relating to your work responsibilities asking you to provide information or be involved in a wire transfer

• Confirm the authenticity of the sender

• Is it really your boss? Don't proceed until you verify!

• Make a phone call to confirm the authenticity of the sender.
Working From Home: Hackers & Scammers

- Makes you more vulnerable; Ensure security of company devices.
- Implement firewalls, security software.
- **NEVER** click on any links or emails, even if they look legitimate.
- Be wary of all "urgent" alerts.
Computer Malware

Remember: scammers can infect computers!

• Malware can be delivered in COVID-19 themed emails

• Installs viruses or steals personal information

• **IMPORTANT: DO NOT** click on any links or open attachments from unknown senders.
Beware: There is no online test for coronavirus!

- Phony text messages claiming to be a government agency
  - Offering "free COVID-19 tests"
  - Asks for personal information & credit card number for shipping

- **DO NOT CLICK!**
- Ignore any instructions to text STOP or NO to prevent future texts. This is a common ploy by scammers to confirm they have a real, active phone number.
Fraudulent Health Products and Websites

• Scam websites claim to sell face masks, cleaning products, medical supplies, health products, but never deliver.

• Look authentic

• Scammers may even impersonate the WHO, CDC, and others.
Fake Phone Calls & Phishing Emails

Fake Phone Calls and E-mails
• Offering "free COVID-19 tests"
• Pitching coronavirus treatments
• Asks for credit card number for shipping

Phishing Emails
• Asks for charitable donations, financial relief, airline refunds, testing kits and some are offering products for fake cures.
Puppy Scams

- Puppy scams are surging
- Over 300 reports coming in to the BBB Scam Tracker
If you’ve spotted a scam please report it to www.BBB.org/scamtracker

Over 90% of all reports to the BBB Scamtracker in April were COVID-19 or Fake Website related.
Resources & Links

Important links:

Find a business: BBB.org
Report a scam: BBB.org/ScamTracker
Tell us about a bad ad or price gouging: BBB.org/AdTruth
BBB information about coronavirus: BBB.org/coronavirus
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Director, Midwest Region
Federal Trade Commission
Scammers follow the headlines

- As headlines change, so will the scams
- Help the FTC and law enforcement partners know what you’re seeing
- Report scams to ftc.gov/complaint
Treatments & Cures

- Vaccine offers
- Test kit offers
- Miracle cures
- Medicare-related scams
Email/text scams & malicious websites

- Phishing emails & texts
  - Get your money
  - Get your information
  - Links to malware sites

- Malicious websites
  - Lots of domains including “Coronavirus”
  - Stick with known, trusted sites

- Don’t click links from sources you don’t know
Robocalls

- Health-related calls
  - Cures! Prevention! Test kits! Telemedicine! Health insurance!
- Cleaning supplies
- Social Security Administration scams
- Mortgage relief scams
- Student loan debt relief scams
- More every day
- Report to [ftc.gov/complaint](http://ftc.gov/complaint)
The government will not ask you to pay up front to get any money.

The government will not ask for your SSN, bank account, or credit card number.

Anyone who tells you they can get you money NOW is a scammer.
Who is eligible for full payments?

- “Single” tax filers who earn up to $75,000 and “Married” filers who earn up to $150,000 are eligible for the full payment
- “Head of Household” filers who earn up to $112,500 are eligible for the full payment
- Adults who receive Social Security or Supplemental Security Income (SSI) are eligible
- Adults who have no taxable income are eligible
How much will payments be?

• Eligible adult individuals will receive up to $1,200 (or $2,400 per couple)
  ○ This amount gradually reduces as income level increases
• For every qualifying child age 16 or under, the payment will be an additional $500
How will you get your payment?

• Most people will automatically get their payment from the IRS
  o Direct deposit
  o Checks mailed
• To give or update your direct deposit information, you will use the “Get My Payment” portal at [irs.gov/coronavirus/economic-impact-payments](https://irs.gov/coronavirus/economic-impact-payments) (available in April)
Non-filers: How will you get your payment?

- Non-filers: people with gross income below $12,200 ($24,400 married) or who were not required to file taxes in 2018 or 2019
- You must provide:
  - Full name, current mailing address, email address, DOB, SSN
  - Bank account number, if you have one
  - Identity Protection Personal Identification Number (IP PIN) you received from the IRS earlier this year, if you have one
  - Driver’s license or state-issued ID, if you have one
Stimulus Checks and Medicaid

Did a nursing home or assisted living facility take your stimulus check?

May 15, 2020
by Lois Greisman
Elder Justice Coordinator, FTC

Do you or a loved one live in a nursing home or assisted living facility? Are you (or they) on Medicaid? If you said “yes” to both, please read on and prepare to get mad. We’ve been hearing that some facilities are trying to take the stimulus payments intended for their residents on Medicaid. Then they’re requiring those people to sign over those funds to the facility. Why? Well, they’re claiming that, because the person is on Medicaid, the facility gets to keep the stimulus payment.
The FTC’s law enforcement

- The FTC has been sending warning letters to those making cure, treatment and prevention claims, sometimes in conjunction with the FDA.
  - Nearly 120 warning letters sent thus far
  - Give sellers 48 hours to fix the problem

- The FTC sued a California company that claimed a Vitamin C supplement could treat or prevent the coronavirus.
  - Obtained injunction prohibiting such claims
FTC law enforcement

• The FTC sent warning letter to VoIP companies that:
  
  o Transmit or carry illegal robocalls for telemarketers
  
  o Or give the phone numbers scammers use for people to call them back
Stay informed

• Get the FTC’s Consumer Alerts: ftc.gov/subscribe

• Report scams or questionable claims: ftc.gov/complaint

• Know the latest on the Coronavirus
  
  o Health info: www.coronavirus.gov
  
  o COVID-19 Scams: ftc.gov/coronavirus
  
  o Federal gov’t response: usa.gov/coronavirus
Resources

• To file a complaint, visit www.ftc.gov/complaint

• For general questions and guidance, call 1-877-FTC-HELP

• For Covid-19 specific scams and information, visit www.ftc.gov/coronavirus
Rosa Escareno
Commissioner at Chicago Department of Business Affairs & Consumer Protection
Consumer Fraud Enforcement

- BACP has a team of investigators and attorneys that responds to complaints and takes action against fraudulent businesses.
- If you believe you are a victim of consumer fraud, call 3-1-1
- Fines for businesses can range up to $10,000 per violation

BACP has seen an increase in consumer fraud complaints during the COVID-19 outbreak
There is currently no vaccine to protect against COVID-19 and no medications approved to treat it.

The sale of products or services with intentionally false guarantees or statements can constitute consumer fraud and can be enforced by BACP
COVID-19 Price Increases

A reasonable price increase due to increased demand or decreased supply can be acceptable.

HOWEVER: An intentional price increase beyond what would be consider fair or reasonable may constitute PRICE GOUGING. Each case is evaluated on its unique circumstances. Some of the factors considered are prices prior to the outbreak and prices at nearby competitors.

We have received over 600 price gouging complaints in 2020…compared to two in 2019.
COVID-19 Surcharges:

- Any price increase must be disclosed **prior to purchase**
- Businesses cannot claim that a COVID-19 surcharge is a tax
- Surcharges would be considered taxable and cannot be added after the tax is applied.
Other Consumer Fraud Advice

Read contracts closely before signing
   Pay close attention to cancellation protocols

Ignore unsolicited calls, texts and emails
   Scammers know that many people received a stimulus check, creating an environment ripe for fraud

Safeguard your personal information
   Do not provide your SSN, credit card number, or bank account numbers over the phone, especially to anyone claiming to be the government

Carefully vet any organization before making a donation

Are you a victim of Consumer Fraud? Call 3-1-1
Resources

Chicago.gov/BACPCOVID19

Chicago.gov/coronavirus

BACPoutreach@cityofchicago.org
Questions?
THANK YOU
FOR JOINING US!