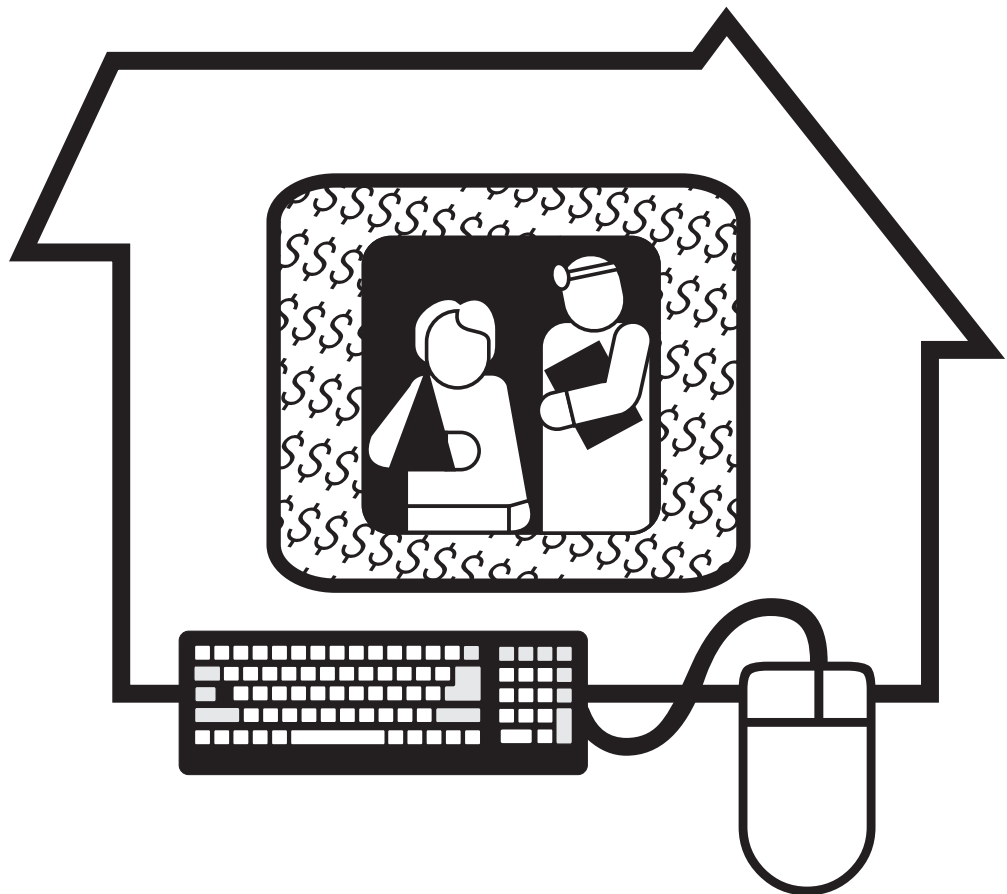


FTC FACTS for Consumers

Medical Billing Opportunities: Worth a Second Opinion



If you're looking for a home-based business that can help you pull in \$20,000 to \$45,000 a year using your computer, a work-at-home opportunity doing medical billing may sound like the perfect choice. But before you part with your money, consider this: The Federal Trade Commission (FTC) has brought charges against promoters of medical billing opportunities for misrepresenting the earnings potential of their businesses and for failing to provide key pre-investment information required by law.

Facts for Consumers

MEDICAL BILLING SCAMS



Ads for medical billing business opportunities appear on the Internet and in the classified sections of local newspapers and “giveaway” shopper’s guides.

In the “Help-Wanted” classified sections, the ads may appear next to legitimate ads for hospital medical claims processors, leading consumers who respond to think they’re applying for a job, not buying a business opportunity.

The ads lure consumers with promises of substantial income working from home full- or part-time — “no experience required.” They direct consumers to call a toll-free number for more information.

If you call, a sales representative will entice you to sign up by telling you that the processing of medical claims is a lucrative business, that doctors are eager for help with electronic claims processing, and that you — even without any experience — can do this work from the comfort of your home.

Medical billing scammers charge a fee of hundreds, even thousands, of dollars. In exchange, they claim to provide everything you supposedly need to launch your medical billing business: the software program to process the claims and a list of potential clients.

But the reality is that few consumers who pay for medical billing opportunities find clients or make any money, let alone earn the promised substantial income. Competition in the medical billing market is fierce, especially for those who are new to it. Many doctors’ offices process their own medical claims. Doctors who contract out their medical billing often use established firms, not individuals working from home.

Promoters of fraudulent medical billing opportunities are not interested in helping

consumers, either. They only want their money. Many times, the client lists they provide are based on out-of-date databases of doctors who haven’t asked for medical billing services. The software they send may not work or may not have been properly authorized and so is useless. And the money-back “guarantees” often prove worthless. Even after making repeated calls to the promoter or complaining to their credit card companies, government agencies or consumer groups, only a few people actually get refunds.



HOW TO PROTECT YOURSELF

To avoid losing your money to a bogus medical billing business opportunity, the FTC advises you

to:

- Ask the promoter to give you the names of many previous purchasers so that you can pick and choose who to call for references. Make sure you get many names from which to choose. If the promoter provides only one or two names, be careful: The contacts may be “shills” — people hired to give favorable testimonials. Interview the references, preferably where the business operates, to get a better sense of how the business works. Ask for the names of their clients and a description of their operation.
- Consult with organizations for medical claims processors or medical billing businesses and with doctors in your community. Ask them about the medical billing field: How much of a need is there for this type of work? How much work does medical billing entail? What kind of training is required? Do they know anything about the promotion or promoter you’re interested in?
- Check with the state Attorney General’s office, consumer protection agency and the Better Business Bureau in your area and the area where the promoter is based to learn whether there are any unresolved

complaints about the business opportunity or the promoter. While complaints may alert you to problems, the absence of complaints does not necessarily mean the company is legitimate. Unscrupulous companies may settle complaints, change their names or move to hide a history of complaints.

- If the medical billing opportunity sells another company's software, check with the software company to find out whether company representatives know of any problems with the medical billing promoter.
- Consult an attorney, accountant or other business advisor before you sign any agreement or make any payments up front. An attorney can review the promoter's contract and advise you on how best to proceed.



WHERE TO COMPLAIN

If you think you've been defrauded in a medical billing business opportunity scheme, contact the company and ask for your money back. Let the company representatives know that you plan to notify law enforcement and other officials about your experience. Keep a record of your conversations and correspondence. If you send documents to the company, send copies, not originals. Send correspondence by certified mail — and request a return receipt — to document what the company received.

If you can't resolve the dispute with the company, file a complaint with:

- the Federal Trade Commission. Call 1-877-FTC-HELP (1-877-382-4357) or visit ftc.gov.
- the Attorney General's office in your state or in the state where the company is located. The office will be able to tell you whether you're protected by any state law to regulate

work-at-home programs.

- your local consumer protection offices.
- your local Better Business Bureau.
- your local postmaster. The U.S. Postal Service investigates fraudulent mail practices.
- the advertising manager of the publication that ran the ad. The manager may be interested to learn about the problems you've had.

The FTC works for the consumer to prevent fraudulent, deceptive, and unfair business practices in the marketplace and to provide information to help consumers spot, stop, and avoid them. To file a complaint or to get free information on consumer issues, visit ftc.gov or call toll-free, 1-877-FTC-HELP (1-877-382-4357); TTY: 1-866-653-4261. The FTC enters Internet, telemarketing, identity theft, and other fraud-related complaints into Consumer Sentinel, a secure, online database available to hundreds of civil and criminal law enforcement agencies in the U.S. and abroad.

Facts for Consumers

The Federal Trade Commission (FTC) is the nation's consumer protection agency. Here are some tips from the FTC to help you be a more savvy consumer.

1. Know who you're dealing with. Do business only with companies that clearly provide their name, street address, and phone number.
2. Protect your personal information. Share credit card or other personal information only when buying from a company you know and trust.
3. Take your time. Resist the urge to "act now." Most any offer that's good today will be good tomorrow, too.
4. Rate the risks. Every potentially high-profit investment is a high-risk investment. That means you could lose your investment - all of it.
5. Read the small print. Get all promises in writing and read all paperwork before making any payments or signing any contracts. Pay special attention to the small print.
6. "Free" means free. Throw out any offer that says you have to pay to get a gift or a "free" gift. If something is free or a gift, you don't have to pay for it. Period.
7. Report fraud. If you think you've been a victim of fraud, report it. It's one way to get even with a scam artist who cheated you. By reporting your complaint to 1-877-FTC-HELP or ftc.gov, you are providing important information to help law enforcement officials track down scam artists and stop them!

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| FEDERAL TRADE COMMISSION | ftc.gov |
| 1-877-FTC-HELP | FOR THE CONSUMER |

Federal Trade Commission
Bureau of Consumer Protection
Office of Consumer and Business Education