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**Press Release**  
For Immediate Release

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### **State Officials Warn of Potential Tax Refund Scam - Caution New Yorkers to be Vigilant**

State officials have been tipped off that there are potential fraud risks to New York residents during this tax season and they are taking steps to alert citizens to be vigilant. The Centers for Medicare & Medicaid Services, the federal agency that oversees those programs, is aware of information involving groups of individuals who are engaged in a scheme to commit tax refund fraud using the stolen identities of Medicare beneficiaries. Unfortunately older citizens are often targets of fraud and are vulnerable to the financial and emotional damages that result from most fraudulent schemes.

According to information received from two Medicare Advantage Organizations and the Federal Bureau of Investigations (FBI), individuals are obtaining the identities of Medicare beneficiaries through employers, schools, hospitals, and prisons. Typically, the information stolen is the member's name, Social Security Number, address, and date of birth.

The individuals use a beneficiary's information to electronically file a fraudulent tax claim (using a program such as Turbo Tax or other computer based filing software). The tax refund is loaded onto a "Green Dot Card," that is a prepaid MasterCard or Visa debit card. The true taxpayer is not aware of the scam until they are rejected when they attempt to file their taxes.

Due to the allegation of tax fraud, the Internal Revenue Service (IRS), Secret Service, FBI, and Postal Inspection Service are involved in the investigation of these reported cases.

State Officials are alerting citizens to this information so that they are aware of this scheme and can take appropriate measures. The most important step is to be aware, recognize schemes such as this, and not fall victim. This type of scam is a growing problem in the central Florida area and is believed to be shifting nationwide.

Greg Olsen, Acting Director of the New York State Office for the Aging noted, "Consumer fraud knows no season- only victims. However those that prey on potential victims use whatever advantage they can to access and scam their victims. This scheme is using the tax filing period as an opportunity to defraud citizens who can least afford the pain and suffering that results from identity theft."

"Identity theft is one of the fastest growing crimes in America. As identity thieves find increasingly innovative ways to commit fraud it is crucial that we provide the public with timely and useful information to help them avoid becoming victims. I encourage all consumers to visit our website ([www.dos.ny.gov](http://www.dos.ny.gov)) to learn more about the steps you can take to keep your personal information secure," stated Secretary of State Cesar A. Perales.

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"The New York State Tax Department has staff dedicated to identifying questionable returns. We use a comprehensive case identification system that combines a robust data matching and verification process with auditors who carefully examine and verify tax information," said New York State Tax Commissioner Thomas H. Mattox. "I want to assure New Yorkers that we do everything we can to identify questionable returns, and protect confidential tax information. We are committed to actively pursuing prosecution of criminals committing tax fraud. Taxpayers who suspect they have been the victim of tax fraud should contact the New York State Tax Department immediately."

Medicare beneficiaries who suspect their identity has been compromised or have information related to this scheme, should contact Health Integrity, the National Benefit Integrity Medicare Drug Integrity Contractor (NBI MEDIC) at 1-877-772-3379.

In addition, you may take the following steps to protect your Medicare beneficiary information:

Call the Federal Trade Commission's Identity Theft Hotline, toll-free: 1-877-ID-THEFT (438-4338).

Call your local police department and tell them that you want to file a report about your identity theft.

Continue to review your Medicare summary notices to ensure no one is using your Medicare number to file false claims with Medicare.

Place a fraud alert on your credit reports, and review your credit reports. Call at least one of the credit reporting agencies such as Experian to let them know about the identity theft.  
1-888-EXPERIAN (397-3742)

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