



ND SMP Scam of the Month – December 2021

Veterans Avoid the Benefits Buyout Scam

Scammers are calling unsuspecting Veterans to ask if they would be interested in receiving an immediate lump sum “buyout” of their VA benefits. What the scammer doesn’t say is that there are plenty of strings attached to this offer. **Here is the catch:** they must sign over their right to FUTURE disability/pension payments from the Department of Veterans Affairs and by agreeing to the buyout, the Veteran is “locked” in to the offer. The scammer may also require the Veteran to buy a costly life insurance policy which guarantees payment in case the Veteran should die.

There may also be tax implications for the Veteran with a buyout of benefits. The lump sum payment may place them in a higher tax bracket; and the temporary boost in income may disqualify the Veteran from other government benefits.

Before considering a buyout, the Veteran should do the following:

- Don’t feel pressured to make an immediate decision. **NEVER** sign or agree to a benefit buyout contract before you see the offer in writing.
- Ask a trusted person to review the offer before agreeing to the contract.
- Check out the company or individual making the offer, are they licensed in your state to offer financial services?
- Confirm that the person or company making the offer is a VA-accredited representative:
<https://benefits.va.gov/vso/>
- If you need financial assistance, consider taking a loan from a reputable financial institution or lender, such as a credit union or bank, instead of committing to one of these shady offers.

In recent conversation with a ND County Veterans Service Officer, they shared that a ND Veteran received a call saying that it was time for an evaluation for their prostate cancer. The call came from the number 713-255-5655, which was from a company in the United Kingdom called Invesco. **This is surely a scam.** The Veteran took the time to call their VSO to ask about it before agreeing to anything.

While any one of us may feel ashamed for being scammed, don’t let that stop you from reporting it and asking for help.

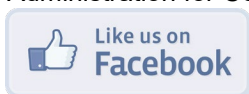
Reporting Medicare fraud: If you think you have spotted fraud, report it right away. ND SMP will help seniors prevent, detect and report Medicare fraud. If you see anything suspicious, contact the ND SMP at ndsmp@minotstateu.edu or call 1-800-233-1737 or 701-858-3580. For non-Medicare fraud issues, contact the ND Attorney General’s Office at 1-800-472-2600.

The information provided is intended to be a general summary only. Source of information: National Council on Aging (Nov. 9, 2021). *How veterans can avoid the benefits buyout scam.* Article retrieved from <https://www.ncoa.org/article/how-veterans-can-avoid-the-benefits-buyout-scam>

North Dakota Senior Medicare Patrol Phone: 800-233-1737 or (701) 858-3580

For more information or to locate your SMP, visit <https://ndcpd.org/smp/>

This project was supported, in part, by grant number 90MPPG0021, from the Administration for Community Living, Department of Health and Human Services. Points of view or opinions do not necessarily represent official Administration for Community Living policy.



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