



Kansas Insurance Department

Sandy Praeger, Commissioner of Insurance

FOR IMMEDIATE RELEASE
May 30, 2008

For more information, contact:
Bob Hanson
Public Information Officer
785-296-7807

Consumer Alert

Older Kansans should beware of “company settlement” scam

TOPKEA, Kan. — Older Kansans should be wary of a phone solicitation promising settlement money supposedly offered by a large insurance company, Kansas Insurance Commissioner Sandy Praeger said today.

Commissioner Praeger’s department has identified at least one Wichita-area woman who sent money to persons in Canada and Texas for release of so-called settlement funds from a lottery scam. Through phone calls from a purported insurance agent of a large national company, the woman was told 11 times to send money. The woman was not a policyholder of the company but had been a victim of the lottery scam several years ago. Nine of the 11 wire transfers were to the same address in Canada.

The same “agent” made the calls to the woman each time. A man with the same name has been identified on a consumer alert in the state of New York on a similar type of solicitation. The woman reported the solicitation after the wire company identified one of the fund receivers in Canada as being listed on a scam alert.

“It is essential for Kansans to be alert and vigilant against these fraudulent activities,” Commissioner Praeger said. “In this case the perpetrators came back to a victim of another scam and used that to defraud her again.”

“We urge people to follow the ‘Stop.Call.Confirm’ method for evaluating any insurance solicitations you believe are suspect,” Commissioner Praeger said. “**Stop** the call until you can find out more by **Calling** our department’s Consumer Assistance Hotline to **Confirm** the information you received over the phone.”

The department’s Consumer Assistance Hotline is 800-432-2484. More about fraudulent insurance activities can be found on the department’s Web site, www.ksinsurance.org, under the “Anti-Fraud” link at the top of the home page.

The Kansas Insurance Department, established in 1871, assists and educates consumers, regulates and reviews companies and licenses agents selling insurance products in the state. More about the department is online at www.ksinsurance.org.