

Money for Life

April 2005

Dear Readers,

The new Fair and Accurate Credit Transactions Act (FACTA) which provides consumers with a free copy of their individual credit reports on an annualized basis also gives consumers the right to one free report prepared by a "nationwide specialty consumer reporting agency." This month's newsletter includes information from the "Privacy Rights Clearinghouse" on specialty reports.



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"Specialty" consumer reports compile files on consumers relating to:

- Medical records or payments
- Residential or tenant history
- Check writing history
- Employment history
- Insurance claims

Specialty consumer reporting agencies operate much like the credit bureaus. The agencies collect information about you from a variety of sources, including:

- Public records of criminal or civil cases
- Your credit history
- Bankruptcy filings
- Companies with which you have an existing or prior business relationship, such as insurance companies or banks
- Your medical information
- Driving records

Even though it's free, there is probably no need to expend the time and effort to get every report available to you. There are, however, certain times when you should take advantage of this new right.

1. If you are shopping for new homeowner's or automobile insurance, order a copy of your CLUE or A-Plus claims report. And if you have filed claims on existing policies, it's a good idea to check the report to make sure the information is accurate. Sometimes, simply calling an insurance agent with a question can result in a "black mark" to your CLUE or A-Plus report. You will want to make sure that such inquiries are removed. To order your automobile or homeowner's CLUE report, call ChoicePoint's toll-free number, (866) 312-8076.



2. If someone has fraudulently cashed checks against your account or you have for some reason had problems with your checking or savings account, order your ChexSystems report. ChexSystems is a nationwide specialty consumer reporting agency that collects and maintains information from member financial institutions such as banks and credit unions. If a bank closes your checking account because of insufficient funds, for example, it will make a report to ChexSystems that other banks will check when you apply for new accounts. For more information call their toll-free number: (800) 428-9623.



3. If a potential or existing employer asks your permission to run a background check, ask for the name of the screening company. You can only get free disclosure if the company maintains a file on you. Some employment screeners may simply evaluate you and then issue a one-time report without maintaining a file.

The national standard, set by the FCRA, does not require an employer to tell you the name of the screening company or tell you how to get a copy of your report. The employer need only give you a copy of the report if he or she decides not to hire you or denies you a promotion if you are a current employee. But it's important that you keep in mind -- your right to a free employment report does not hinge on the employer's action.

4. If you have been a victim of identity theft, order all available reports. Information in your specialty report may overlap information in your credit report. It is important to correct inaccuracies no matter where they appear.

5. If you want to rent an apartment or home, ask the landlord for the name of the tenant screening company he or she uses, if any. There are many companies involved in this market and you will need to know where to look to exercise your right to a free report. ChoicePoint has information on its web site about how to get a free copy of your tenant report.



6. If you are applying for private health, life, long-term care, or disability insurance, order your MIB report from the Medical Information Bureau. Generally, you will have an MIB file only if you



have applied for one of these insurance products within the last seven years, and only if you've applied as an individual rather than as a member of a group. The report includes information that you have reported on an insurance application or that the insurance company has obtained from your healthcare provider indicating a medical condition that insurance companies consider significant. If your MIB report contains erroneous or outdated information, you will want to make sure it is corrected before you apply for insurance.

Specialty Report Websites:

CLUE

www.choicetrust.com/

ChexSystems

<https://www.consumerdebit.com/>

MIB Report

www.mib.com/html/request_your_record.html

Choicepoint

www.choicepoint.com/

For a fact sheet on specialty reports:

<http://www.privacyrights.org/fs/fs6b-SpecReports.htm>

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