

Member Insights



**MERCK EMPLOYEES
FEDERAL CREDIT UNION**

From the desk of the President/CEO:

New Newsletter Focused on IRAs Coming Soon, Pay Close Attention to Mail Timing



Your credit union continues to look for new ways to ensure all members are well-informed on how to get the most out of their membership. To that

end, our IRA account holders will soon see a new newsletter coming their way. IRA accounts have a number of unique nuances and rules and regulations. This newsletter will focus on these nuances and ensure our IRA accountholders have all the information they need to best manage their IRAs.

As always, when it comes to IRAs, having up-to-date beneficiary information is vital. Unfortunately, we do see scenarios where beneficiaries have not been updated and upon death, the settling of the account with heirs becomes a much longer and complicated process and often requires the member to retain legal counsel. We urge all members to ensure their beneficiaries are up to date.

We also want our IRA account holders to know they can do a lot more self-service of their account on Retirement Central from our Web site. Here you can initiate transfers, update your Required Minimum Distribution, make withdrawals and much more. We launched this during the pandemic so members had an easier way to do these vital transactions.

Mind the Mail...

Changing gears, your credit union deals with thousands of member transactions each month and while more and

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Big Changes to Medical Debt and Your Credit Report

Consumers should be aware of any major changes to credit reporting laws to ensure their credit reports are accurate. As of July 1 there have been a few major changes to how some types of medical debt are reflected on consumer credit reports.

Effective July 1 "paid" medical collections are no longer reflected on credit reports from the three major credit bureaus – Equifax, Experian and TransUnion. This is welcome news to millions of consumers who have paid

medical debt on their credit records, which prior to this change would stay on credit reports for 7 years. Medical debt in particular is one of the most common forms of collections consumers have on their credit records. Approximately \$90 billion of medical debt appeared on consumers' credit reports as of June of last year and the average debt is between \$1,000 to \$2,500.

That's not the only change with medical debt and credit reports. Unpaid medical debt will not show up on credit reports until after a year before it goes into collections. Previously, unpaid medical debt could appear after six months. Another major change coming in 2023 is any medical debts under \$500 will no longer appear on credit reports.

It's important to check your credit report from time to time to ensure its accuracy. It's easier than ever to do just this. Consumers can get a free copy of their credit report from each of the three major credit bureaus by visiting annualcreditreport.com. For the remainder of 2022 consumers can get check their report each week. After 2022, it will return to the typical once-a-year free report. Consumers can dispute any inaccuracies on their reports directly with the credit bureaus and can also take concerns to the Consumer Financial Protection Bureau, a government agency required to evaluate all consumer financial complaints. You can contact the CFPB at www.cfpb.gov.



Featured Loan & Deposit Rates

Auto Loans
as low as
2.75% APR*

E-Checking
as high as
0.25% APR*

Credit Cards
as low as
9.00% APR*

Savings
as high as
1.20% APR*

IRAs
as high as
1.70% APR*

Home Equity
as low as
3.50% APR*

*Annual percentage rate. Visit www.merckcu.com or visit a branch for more information.



(Continued from New Newsletter...)

more have gone electronic, we still have a fair share of mail-in transactions. We want all members to be aware that since the pandemic we've seen a notable slowdown in the U.S. mail so you must plan accordingly if you are relying on the mail to make various payments. We hear from members wondering why a check they mailed to a creditor has not posted, who are fearful of lost mail, only to see the mail arrive weeks later.

We have also seen an increase in mail fraud. For example, recently one member mailed out multiple checks to family members. The mail was intercepted and the payee on those checks was altered and the fraudster deposited those checks at a large bank. There are protections in place to help members in these scenarios, but the member will have to file police reports, and in this case, fraud paperwork with the U.S. Postal Service. We know there are a contingent of members that like to pay everything via check, and we urge those members to keep track of their checks and monitor for clearing to ensure there was no fraud.

We also see more and more members rely on our bill pay system to pay various bills. That is why this free service exists and we are here to help you utilize bill pay for all that it offers. That being said, when it comes to paying utilities such as cable, power, phone and others, we do urge members to set up ACH payments with these creditors. An ACH is by far the simplest and safest way to pay regular bills. Most utilities make it very easy to set up. You simply need the credit union's routing number and your account number, both of which can be found in online banking or the bottom of your check.

As always, if you have any questions please contact member service at 732-594-3317. Thank you for your continued membership.

Paul Gentile
President/CEO

Should You Trust the Blue Boxes? Current Trend: Check Fraud

The United States Postal Service Blue Mailboxes have been a staple of American cultural since the early 1900s. The boxes themselves have been the target of fraudsters since the early days as well, with many inventors looking to improve upon the safety of the boxes from the start.

Unfortunately, the safety of the boxes come to the forefront once again, as check and mail theft are being targeted by criminals in recent days. While many believe mail to be a safe way to transport items, fraudsters are either robbing or stealing the master keys to these boxes. Checks obtained are being sold through online forums where they can be altered, counterfeited or the account information can be used in other fraudulent ways, such as using the routing and account number to electronically transfer funds or pay for online purchases.

Merck Employees Federal Credit Union has recently seen an uptick in altered member checks. Unfortunately, the funds from these fraudulent checks are often lost if not caught early enough in the process. To avoid this happening to you, please follow the tips below:

- Pay bills online either through the credit union's bill pay or through the company's website.
- Send mail directly inside the post office, rather than by dropping mail into the blue box.
- Frequently monitor your accounts via online or mobile banking. Report any unfamiliar transactions immediately to the credit union.
- Avoid mailing checks to family or friends and find alternative ways to get them funds.



Member Services: 732-594-3317
Loan Department: 732-594-3018
Debit Card Lost/Stolen: 800-554-8969
Credit Card Lost/Stolen: 800-237-6211

Established in 1936, Merck EFCU is federally-chartered and federally insured by the National Credit Union Administration.

