

## United States of America FEDERAL TRADE COMMISSION MIDWEST REGION

Todd M. Kossow Regional Director 230 S. Dearborn St., Suite 3030 Chicago, Illinois 60603

August 19, 2020

## **WARNING LETTER**

## By FedEx

Joseph Crogan
MHC II LLC, d/b/a Elite Hearing
Centers of America
31 Lupi Court
Suite 110
Palm Coast, FL 32137

Eric Movshin MHC II LLC, d/b/a Elite Hearing Centers of America 11011 West North Avenue Apt. 334 Wawautosa, WI 53226

Re: Deceptive Claims of Covid-19 Stimulus Relief

Dear Messrs. Crogan and Movshin,

This letter informs you that Federal Trade Commission (FTC) staff reviewed advertisements appearing in newspapers and a posting on social media for Elite Hearing Centers of America, entitled "PUBLIC ANNOUNCEMENT: COVID-19 HEARING HEALTHCARE STIMULUS PROGRAM NOW EXTENDED THROUGH JULY 31" ("Public Announcement") in or about July 2020. We have determined that these materials are unlawfully advertising that consumers responding to the advertisement and posting are eligible to receive up to \$3,000 in COVID-19 stimulus relief for hearing aids.

The Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"), Pub. L. No. 116-136, was enacted to provide immediate assistance to individuals, families, and businesses affected by the Proclamation on Declaring a National Emergency Concerning the Novel Coronavirus Disease (COVID-19) Outbreak. The CARES Act provides a \$1,200 stimulus payment to individuals and a \$2,400 payment for married couples, with an additional \$500 payment per qualifying child. It does not provide any payments specifically to purchase hearing aids, and Elite Hearing Centers is not authorized to provide any assistance under the CARES Act.

Some examples of the claims in the Public Announcement include:

• In red, capital letters, you title the advertisement a "PUBLIC ANNOUNCEMENT" extending a "COVID-19 HEARING HEALTHCARE STIMULUS PROGRAM" through July 31.

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- Immediately below the heading, over an image of two people holding an American flag, you state, "Receive up to \$3000 through our HEALTHCARE STIMULUS PROGRAM. Must register by July 31."
- You claim that "THOUSANDS HAVE ALREADY BEEN HELPED IN YOUR AREA."
- Next to the official Great Seal of the United States, you state, "FREE HEARING AIDS" for current and retired government employees.

Misrepresentations or deceptive omissions of material fact constitute deceptive acts or practices prohibited by Section 5(a) of the FTC Act, 15 U.S.C. § 45(a). You must immediately cease making all deceptive claims.

You are also advised to review all other claims for your products and services throughout the United States, and immediately cease making any representations, directly or indirectly, expressly or by implication, that are false or misleading. You should also act immediately to remediate any harm to consumers stemming from such claims.

Within 48 hours, please send a message to Jason Adler, Assistant Director, via electronic mail at jadler@ftc.gov, describing the specific actions you have taken to address the FTC's concerns. If you have any questions regarding compliance with the FTC Act, please contact David A. O'Toole at dotoole@ftc.gov.

Sincerely,

Todd Kossow Director Midwest Region