

What Are Prepaid Phone Cards?



Prepaid phone cards are used to make long distance telephone calls. They can save a good deal of money for consumers who make international calls. Calls are made by calling a 1-800 number and entering a Personal Identification Number (PIN) printed on the back of the phone card. Customers normally purchase phone cards for specific dollar amounts, such as \$5 or \$10.

As calls are made, the usable minutes are automatically deducted from the card balance. Some cards are also re-chargeable, allowing the user to add more calling time by dialing a toll-free number or accessing a web site and paying with a credit card.

* Please note that international calls to cell phone numbers are much more expensive than international calls to a landline. Cell phone calls use up minutes much faster.

Look for the following information on the card or on its packaging:

- The name of the company offering the phone card.
- Instructions on how to use the card.
- A toll-free customer service number.
- An expiration date.
- The rate per minute. Many prepaid calls round up the duration of each call to the nearest minute or to another increment of time.
- Pay phone surcharges. Using the card from a payphone may incur fees as high as \$1 per call.

It is also very important to note *service charges* and possible *connection fees* because these will reduce the total amount of minutes you have on the card.

- **Service charges.** For example, some cards charge a weekly fee of 79 cents whether you use it or not. If the card only has \$5 on it, this is quite a large service charge that will drastically reduce minutes.
- **Connection fees.** These fees apply every time you make a call, regardless of whether the other line picks up or not.

* Look for cards that say “No connection fees”. If the card does **not** say that, you can be certain connection fees apply.

Prepaid phone cards are sold at many locations, such as convenience stores, liquor stores, discount stores, supermarkets, department stores, and small markets and shops. They can also be purchased on the Internet. If the card does not work, immediately take it back to the store for a refund. If you have any other problems, call the toll-free customer service number. If you cannot resolve the problem with the calling card company, contact TURN’s consumer advisor at 415-929-8876 x314.

The Utility Reform Network (TURN)
115 Sansome Street, Suite 900, San Francisco, CA 94104
415-929-8876 - www.turn.org