

Check Coverage in the areas you will use your Telephone. Use your experience and that of friends and neighbors, to determine which cell-phone company provides consistent coverage and service where you need it.

Wireless for Emergency only. If you only need a wireless phone for emergency purposes, consider a prepaid wireless phone. There is no monthly fee with this service and customers are only charged on a per-minute basis.

Evaluate Rates and Plans. Most wireless carriers offer several calling plans. These plans generally include bundles of minutes at a fixed rate that are used in a customer's "home area." Minutes are usually classified as "peak" and "off-peak." Extra charges are generally applicable for additional minutes of use and calls that are made outside the home area. Many carriers offer plans with additional minutes or even unlimited calling, when calling family members or other wireless customers of that company. Consumers should understand how they will use the wireless service, and estimate the monthly cost of each plan by considering the:

- basic monthly cost of the plan;
- number of minutes of use in each category in the basic service plan;
- cost of additional minutes of use;
- definition of "home area" and cost of calls made or received outside of the home area;
- number of calls to and from other customers of the same wireless company that may be discounted or free;
- cost of terminating the contract; and,
- any service initiation fees or deposits.

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# It's your Call ...

## A Consumer Guide to

# TELEPHONE SERVICES



**NYS CONSUMER PROTECTION BOARD**

Rapid change in the telecommunications industry provides the opportunity for consumers to benefit from numerous innovative, new telephone services. These services are available from a wide variety of sources including traditional landline telephone companies, wireless companies, cable television providers, and companies providing telephone service over the Internet. At the same time, however, consumers may be overwhelmed by the number and complexity of these choices. The New York State Consumer Protection Board has developed this brochure to help consumers understand telephone service options and assist them in making an informed decision regarding the service that best meets their needs.

## ASSESSING YOUR TELEPHONE NEEDS

Before shopping, consumers should carefully consider their needs. Here are some questions to ask yourself before you decide what telephone service is best for you:

- How much can I afford to pay each month for service?
- What is my calling pattern?
  - How many calls do I make each month?
  - Are most of my calls each month local or long distance?
  - Who do I call, how frequently and for how long?
  - When do I make most of my calls? Business hours or at night? Weekdays or Weekends?
  - Are a majority of my calls made to cellular numbers or landline numbers?
- Who is calling me and from where?
- How important are emergency services such as E911?
- Are calling features (Call Waiting, Caller ID, VoiceMail, etc.) important?
- Do I need special services – speech, hearing or sight impaired; or a reduced rate for low-income customers?
- Do I make many calls when away from home?
- Do I want my telephone number to be listed in the phone book?
- Will I have high speed Internet on my landline?
- Do I have a home security system?

protections with time parameters for repair of service and customer complaint response. Consumers should check with their new service provider before signing up for service to understand how they handle billing disputes, repairs, service outages and other issues.

### **Can you retain your landline telephone number if you decide to switch to wireless, cable or VoIP service?**

Generally, if you decide to switch from landline to another telephone service without changing your address, you will be able to retain your existing landline number. If you are moving, you will want to ask your new provider if you can retain your number before you decide to sign up for service.

### **Should you keep your landline telephone service even if you decide to use a wireless, cable, or VoIP service?**

You might consider keeping your landline telephone service if you have a separate fax line, satellite TV, any digital video recording device and/or a home security system. These may not be available unless you have landline telephone service. **Consumers who value E911 service and/or the ability to use the telephone if the home loses power, may also wish to retain their landline telephone service.**

## TIPS ON SELECTING WIRELESS SERVICE

Make Use of the Trial Period. Most large wireless carriers provide consumers an opportunity to cancel their wireless service contract within two weeks, without penalty. Before you sign a contract, find out the length of the trial period. Carefully evaluate the service within that time period, and cancel the service if you are not satisfied.

Choose the Right Contract Period. Most wireless contracts contain early termination penalties of up to \$200. Consumers should be wary of selecting a long contract period if they are not sure the company will provide high quality service.

Read the Fine Print Carefully. Always read and understand the fine print before signing. Consumers who do not understand what they are signing should ask questions. If the explanation is not satisfactory, another carrier should be considered.

### Which telephone service offers the most security?

You can generally be assured of privacy when calling from your landline telephone using a wired handset. With wireless telephones and portable handsets, criminals or eavesdroppers can use devices like scanners or even other cell phones to intercept calls. VoIP's reliance on the Internet and its integration with your e-mail and other personal computer features makes it susceptible to the same security issues as your PC, including hacking, worms, viruses, SPAM or SPIT (Spam Over Internet Telephony), etc. These security vulnerabilities may make your PC inoperable and affect the availability and quality of your VoIP telephone service.

### Who will install my new telephone service?

Landline and cable service providers will dispatch someone to your home to install your telephone service, whereas most VoIP providers send the consumer their telephone adapter and installation instructions. This could be frustrating to the consumer and require a call to the VoIP provider's customer service department to obtain additional assistance.

### What type of long distance plan should I select with my landline service?

Most long distance carriers offer either a plan with a monthly rate and a per-minute charge, or a plan with the option of just being charged on a per-call basis with no additional monthly fee. The per-minute charge may be a little lower on the long distance plans that have no monthly fee. Check your previous months bills for your long distance usage and compare plans for potential savings.

If you make very few long distance calls, consider dropping your long distance carrier and purchasing prepaid calling cards. They are a viable option and you can use them from any telephone. Be sure to carefully check the terms, per minute rates and if there is an additional connection charge per call.

### Do I have the same consumer protection with wireless, cable, and VoIP telephone service as with landline telephone service?

Currently, wireless, cable, and VoIP providers are **NOT** subject to the same regulations and standards as traditional landline telephone companies. The standards state regulators enforce on landline providers include consumer

## TYPES OF TELEPHONE SERVICE



There are four main types of telephone service:

**Landline** - Standard telephone service that uses in-ground and overhead cables to transmit local and long distance calls.

**Wireless** – (Also referred to as cellular or mobile telephone service.) Wireless telephone service provides many features of landline telephone service, while permitting customer movement over a wide area. Wireless calls are made with a combination of radio wave transmission and landline telephone infrastructure.

**Cable** - Digital telephone service transmitted over standard coaxial cable used for cable television service. A cable modem is required to convert the signal to digital. Cable telephone service does **NOT** rely on the Internet to make and/or receive calls.

**VoIP (Voice Over Internet Protocol)** - The technology used to make telephone calls over the Internet. VoIP calls can be made and/or received from a computer, a special VoIP phone or a traditional phone with an adapter. A broadband or high speed Internet connection **IS** required in order to make and/or receive calls using VoIP. VoIP service is offered by most major telephone companies, cable companies and VoIP-only companies.

## IMPORTANT TERMS

**911** - Service to connect with an official who can dispatch emergency services.

**E911** - Same as 911, except that the location of the caller is automatically provided to the emergency service dispatcher.

**Number Portability** - The ability of consumers to retain their telephone number when switching from one telephone service provider to another.

**Lifeline Telephone Service** - An assistance program offered by landline telephone companies and most wireless providers to help eligible low-income consumers save money on their phone bills.

## FIND A TELEPHONE SERVICE THAT BEST SUITS YOUR NEEDS

- - All providers offer feature.
- ◐ - Some providers offer feature.
- - None of the providers offer feature.

	Landline	Wireless	Cable	VoIP
911	●	●	●	◐
E911	●	○	●	◐
Service continues if home loses power?	●	●	○	○
Service provided by contract	○	●	○	◐
White page listing	●	○	●	○
Directory Assistance	●	●	●	●
Vision/Hearing Impaired and Lifeline Service	●	○	○	○
Number Portability	●	◐	●	●
Unlimited Long Distance Calling Plan Availability	◐	◐	●	●
Unlimited Local calls availability	◐	◐	●	●
Caller ID, Voice Mail and other features	●	●	●	●
Portable (use anywhere)	○	●	○	●
State/Federal surcharges & fees (FCC, SLC, USF)	●	●	○	○
Works with home security system?	●	○	◐	○
High Speed Internet connection required	○	○	○	●
**Additional equipment needed	○	○	●	●

\*\* Could include modem, Ethernet card or telephone adapter.

## QUESTIONS TO ASK IN CHOOSING A TELEPHONE SERVICE PROVIDER

### What will be my total monthly bill including all additional fees, taxes and surcharges?

Not all telephone service providers charge the same fees and surcharges. For example, service providers are not all required to pay into the Universal Service Fund, which subsidizes telecommunication services for schools and libraries as well as consumers in high-cost regions. That fund is paid by telecom companies which then pass on the charge to their customers.

### What type of 911 service do you offer?

E911 (Enhanced 911) and 911 are both emergency phone systems. However, the basic 911 system only provides a contact to an emergency services provider whereas an E911 system immediately shows the exact location and number from where the 911 call originates. Be sure to ask your service providers to clearly state whether they offer E911, 911 or no 911 service at all.

If you have chosen VoIP service and your provider offers E911, ask if there is anything you need to do to make sure the E911 service works from **any** location. For instance, will you need to go online to change your address every time you physically change the location of your VoIP service?

### Is there anyway to maintain telephone service if my power goes out?

If you have selected landline service, a wired telephone will not be affected by a power outage, whereas a cordless phone will be inoperable. So it might be a good idea to always have at least one wired telephone in your home.

If you have wireless service, you should make sure your cell phone is charged at all times.

If you chose a cable or VoIP service, ask your provider if a backup power device is sold or provided with the service.