The myth of "NASA insider Otto Binder":

According to a former NASA employee Otto Binder, unnamed radio hams with their own VHF receiving facilities that bypassed NASA's broadcasting outlets picked up the following exchange:

NASA: What's there? Mission Control calling Apollo 11...

Apollo11: These "Babies" are huge, Sir! Enormous!

OH MY GOD! You wouldn't believe it!

I'm telling you there are other spacecraft out there,

Lined up on the far side of the crater edge!

They're on the Moon watching us!

The reality:

In "Mankind, Child of the Stars" (Max Flindt and Otto Binder), there was a page and half biography of co-author Binder. The only mention of NASA was this: "1963, awarded honorary Master of Science in Astronautical Science by NASA, with a teaching certificate." But as far as I could discover, NASA has never awarded "Master of Science" degrees of any type (I've found no other claim by any other person to having one). Some sort of recognition certificate for educational support is more plausible, since Binder had been editor of 'Space World' from 1957 to 1963. But even Binder's own book made no other NASA-related claims about his biography.

Otto Binder was best known as a Marvel Comics guy who also wrote UFO books. Wikipedia has a marvelous bio of Binder (pronounced BINN-der, an Austrian-origin surname). Otto Oscar Binder (1911 - 1974) was a writer of American science fiction, non-fiction UFO, and comic books. With older brother Earl, wrote science fiction – Otto sold his first story when he was 19, and the brothers co-authored under the named 'Eando Binder'. Otto made a poor living, but invented the robot that inspired Isaac Asimov to write "I, Robot". At age 27, he joined another brother, Jack, in the comic book genre, including 'Captain Marvel', and he prospered.

His books include WHAT WE REALLY KNOW ABOUT FLYING SAUCERS (1967), FLYING SAUCERS ARE WATCHING US (1968), UNSOLVED MYSTERIES OF THE PAST (1974), and MANKIND CHILD OF THE STARS (1974). He edited 'Space World' magazine (1960-1964).

According to http://www.metatech.org/ufo_research_magazine_evidence.html, in 1971, Binder (identified as "the well-known author and researcher" with no mention of any NASA connection) wrote an article for Saga magazine's Special UFO Report titled "Liquidation of the UFO Investigators: He claimed to have researched the deaths of "no less than 137 flying saucer researchers, writers, scientists, and witnesses" who he said had died in the previous 10 years, "many under the most mysterious circumstances." The selected cases Binder offered were loaded with a plethora of alleged heart attacks, suspicious cancers and what appears to be outright examples of murder.

He may well be the original author of the "those-babies-are-huge" fantasy Apollo-11 transcript, but whether as a joke, a dramatization for a comic strip plot, or a deliberate hoax to spark public interest in his books cannot be determined.