



SCAMS & YOU

- ▣ 1 in 5 individuals in the U.S. is aged 60+
- ▣ 1 in 13 older persons will be abused, neglected, and/or financially exploited
- ▣ Only 1 in 44 elder financial abuse cases is ever reported to law enforcement
- ▣ 9% of financial abuse victims must turn to Medicaid after their own funds are stolen

2

SCAMS & YOU

- ▣ Why Scammers Target Seniors
 - Fears
 - Frailties of Aging
 - Dependence on Others
 - Isolation

3

SCAMS & YOU

- ▣ The Usual Suspects:
Who Are The Likely Perpetrators?
 - **Strangers** preying on older people who may be isolated, lonely, confused, or desperate for attention
 - **Family members** to whom the person wants to stay connected
 - **Caregivers** (family and other) who use fear or guilt to take advantage of a senior

4

Types of Scams

New scams are created every day! The best way to defend yourself is to be aware of the tactics that scammers use.



Top 10 Scams Targeting Seniors

Rank	Type of Scam	# of Complaints
1	IRS Impersonation Scams	387
2	Jamaican Lottery/Sweepstakes Scams	157
3	Unsolicited/Unwanted Phone Calls	93
4	Computer Scams	87
5	Identity Theft	75
6	Grandparent Scams	63
7	Elder Financial Abuse	59
8	Government Grant Scam	37
9	Romance Scam	28
10	Home Improvement Scam	24

IRS Scam

- ▣ Scammers accuse victims of owing back taxes
 - Threaten retaliation, such as home foreclosure, arrest, and, in some cases, deportation, if payment is not made by a certified check, credit card, electronic wire-transfer, or pre-paid debit card

IRS Scam

- ▣ If payment is received, the issue w/the IRS will be resolved and the adverse action will be cancelled
 - Once initial payment is made, often told that further review of tax records indicates another discrepancy and that they must pay an add'l sum

IRS Scam

- Calls are disguised w/a "spoofed" caller ID number to make victims believe that the call is coming from the "202" area code or from a local law enforcement agency

TIPS

- IRS will never:
 - call you and demand immediate payment, nor will the agency call about taxes owed w/o sending a bill first
 - demand that you pay taxes w/o giving you the oppty to question or appeal the amount owed
 - ask for a credit or debit card number over the phone

TIPS

- IRS will never:
 - threaten to send local police or other law enforcement to have a taxpayer arrested
 - require a taxpayer to use a specific payment method for taxes, such as a prepaid debit card.

Source: <https://www.irs.gov/uac/Five-Easy-Ways-to-Spot-a-Scam-Phone-Call>

Sweepstakes Scam

- Contact victims by phone or through the mail to tell them that they have won or have been entered to win a prize
- Require the victims to pay a fee to either collect winnings or improve their odds of winning the prize

Sweepstakes Scam

- Tell victims to send the money in a variety of ways, including prepaid debit cards, electronic wire transfers, money orders, and even cash
- Will instruct victims not to share the good news w/anyone so that it will be a "surprise"

Unsolicited/Unwanted Phone Calls

- Calls to your home despite being on the Do-Not-Call registry
- Spoofed numbers to mask identity or to appear as if call is coming from home state or local area code

Tips on Unsolicited/Unwanted Phone Calls

- Do not give out personal information in response to an incoming call
 - Identity thieves will pose as representatives of banks, credit card companies, creditors, or government agencies to convince you to reveal account numbers, Social Security numbers, mothers' maiden names, passwords, and other identifying info

Tips on Unsolicited/Unwanted Phone Calls

- If you receive a call from a company or government agency seeking personal information, do not provide it. Instead, hang up and call the phone number on your account statement or on the company's or gov't agency's website to find out if the entity that supposedly called you actually needs the requested information from you

Source: <https://consumercomplaints.fcc.gov/hc/en-us/articles/202654304-Spoofing-and-Caller-ID>

Computer Scams

- In 2014, the Internet Crime Complaint Center (IC3) received 269,492 computer fraud complaints with a loss of \$800,492,073
- Persons age 60 and older accounted for 16.57 percent of these complaints

Computer Scams

- ▣ Pretend to be representatives from Microsoft, Apple, or Dell
- ▣ Claim victims' computers have been infected w/a virus
- ▣ Convince victims to give remote access to computers, personal information, and credit card and bank account numbers so that victims can be "billed" for fraudulent services to fix the virus

Tips to Avoid Computer Scams

- ▣ Do not give control of your computer to a 3rd party who calls you unsolicited
- ▣ Do not rely on caller ID to authenticate a caller
- ▣ If you want to contact tech support, use contact info on software package or receipt
- ▣ Never provide cc or financial info to someone who calls and claims to be from tech support

Tips to Avoid Computer Scams

- ▣ If a caller pressures you to buy a computer security product or says there is a subscription fee associated with the call, hang up
- ▣ If you're concerned about your computer, call your security software company directly and ask for help

Tips to Avoid Computer Scams

- ▣ Make sure you have updated all of your computer's anti-virus software, firewalls, and popup blockers.
- ▣ Source: <http://www.consumer.ftc.gov/articles/0346-tech-support-scams>

Identity Theft

- ▣ Most common consumer complaint for the past 15 years
- ▣ Nearly 40% of the complaints that the FTC received in 2014 were reported by consumers age 50 and older
- ▣ Gov't documents/benefits fraud most common type of identity theft reported by consumers in 2014 (38.7%)

Identity Theft

- ▣ Identity thieves:
 - Drain bank accounts
 - Make unauthorized credit card charges
 - Submit fraudulent billings to Medicare or Medicaid
 - Apply for and receive Social Security benefits
 - Commit tax fraud or to fraudulently apply for jobs and earn wages

Identity Theft

- ▣ Identity thieves:
 - Steal personal info to obtain medical care, buy prescription drugs, or submit fake billings to Medicare

What to Do if You Suspect You are a Victim of Identity Theft

What to Do Right Away:

1. Call the companies where you know the fraud occurred
2. Place a fraud alert w/a credit reporting agency and get your credit report from one of the three national credit bureaus
3. Report identity theft to the FTC
4. File a report w/the police

What to Do if You Suspect You are a Victim of Identity Theft

What to Do Next:

1. Close new accounts opened in your name
2. Remove fraudulent charges from your accounts
3. Correct your credit report
4. Consider adding an extended fraud alert

Grandparent Scams

- Pretend to be the victim's grandchild and/or claim to be holding the victim's grandchild
- Claim the grandchild is in trouble and needs money to help w/an emergency, such as getting out of jail, paying a hospital bill, or leaving a foreign country
- Play emotions and trick concerned grandparents into wiring money

Grandparent Scams

- ☐ Once money is wired, difficult to trace
 - EX--Pulled over by police and arrested after drugs were found in the car
- ☐ Will more likely than not call the victim again, claiming more money needed
- ☐ May pretend to be the arresting officer, lawyer, or doctor

Elder Financial Abuse

- ☐ Illegal or improper use of an older adult's funds, property, or assets
- ☐ In 2010 seniors lost an estimated \$2.9 billion because of financial exploitation
- ☐ Older Americans are particularly vulnerable to financial exploitation because financial decision-making ability can decrease with age

Elder Financial Abuse

- ☐ One study found that women are almost twice as likely to be victims of financial abuse
- ☐ Most victims are between the ages of 80-89, live alone, and require support w/daily activities

Elder Financial Abuse

- ▣ Perpetrators include:
 - family members
 - paid home care workers; those with fiduciary responsibilities
 - such as financial advisors
 - legal guardians
 - strangers who defraud older adults through mail, telephone, or Internet scams

Grant Scams

- ▣ Multiple variations
- ▣ Unsolicited phone calls from the “Federal Grants Administration” or the “Federal Grants Department”— agencies that do not exist
- ▣ In another version, scammers place ads in the classified section of local newspapers offering “free grants”

Grant Scams

- ▣ Scammers will request that victims wire money for processing fees or taxes before the money can be sent to them

Tips for Avoiding Grant Scams

- ▣ Do not give out bank account info to anyone you do not know
- ▣ Gov't grants are made for specific purposes, not just because someone is a good taxpayer
- ▣ Grants also require an application process; they are not simply given over the phone

Tips for Avoiding Grant Scams

- ▣ Most gov't grants are awarded to states, cities, schools, and nonprofit organizations to help provide services or fund research projects
 - ▣ Grants to individuals are typically for things like college expenses or disaster relief
- Gov't grants never require fees of any kind. You never have to pay to get one

Source : <http://www.fraud.org/scams/telemarketing/government-grants>

Romance and Confidence Scams

- ▣ Con artist exploit seniors' loneliness and vulnerability
- ▣ Contact victims online, either through a chatroom, dating site, social media site, or email
- ▣ Create elaborate profile pages

Romance and Confidence Scams

- ☐ Often call to prove that they are real
 - These conversations can take place over weeks and even months as the con artists build trust with the victims. Some will even promise to marry the victims
- ☐ Inevitably, they will ask victims for money relative, visas or other official documents

Romance and Confidence Scams

- ☐ Will tell victims they won't ask for any more money, yet something always comes up resulting in them asking for more
- ☐ May send checks for victims to cash under the guise that they are outside the country and cannot cash them themselves or they may have victim unknowingly take part in money laundering schemes or shipping stolen merchandise

Romance and Confidence Scams

- ☐ In a related scam known as confidence fraud, con artists gain the trust of victims by assuming the identities of U.S. soldiers
- ☐ Victims believe they are corresponding w/an American soldier who is serving overseas and need financial assistance
 - Will use real photos of soldier in their profile pages, giving stories more credibility

Tips to Avoid Romance and Confidence Scams

- ☐ Be cautious of
 - An individual who claims the romance was meant to be
 - An individual who tells you he/she is in love w/you, cannot live w/o and needs you to send money to fund a visit
 - An individual claiming to be from the US (or your local region), but is currently overseas or going overseas for business or family matters.

Source: https://www.fbi.gov/news/news_blog/2014-ic3-annual-report

Home Improvement Scams

- ☐ Several variations where scammers show up at victims' homes and offer to perform a service for a price that seems fair
- ☐ Frequently involve, but are not limited to:
 - Repairing a roof
 - Repaving a driveway
 - Repainting a house or room, or installing a home security system

Home Improvement Scams

- ☐ They usually ask for immediate payment in advance but then do substandard work or no work at all
- ☐ Seniors, those who live alone, individuals with disabilities, and victims of weather-related disasters are common targets

Home Improvement Scams

- ☐ Occur frequently during a change of season
 - Will take advantage of the warmer weather or approaching cooler weather and use it as an oppty to convince victims that it is the perfect time

How Tell if a Contractor Might Not be Reputable

Don't do business w/someone who:

- ☐ Claims that "the deal is good for today only." They will pressure you for an immediate decision by telling you that, if you wait even another day, they cannot guarantee the same price
- ☐ Has no business card, or vehicle marked w/a company logo or information

How Tell if a Contractor Might Not be Reputable

Don't do business w/someone who:

- ☐ Only accepts cash; asks you to pay everything, or a sizeable deposit, upfront; or tells you to borrow money from a lender the contractor knows
- ☐ Is not licensed. Many states, but not all, require contractors to be licensed and/or bonded
 - Check w/ Code Adm or consumer protection agency to learn about licensing requirements
