

How to Avoid Senior Fraud



As the senior population in the United States continues to grow, so does the scope of financial crimes committed against them. In 2012, the Census Bureau estimated that 43 million Americans are over the age of 65. That number is expected to double in the next 40 years. Stealing seniors' hard-earned money is one of the most prevalent forms of financial fraud that takes place today.

Telemarketing and email scams, including fake sweepstakes, are the most common forms of fraud that impact seniors. An important rule to know is that any sweepstakes that requires advance fees or upfront charges is a scam. And in no instances should money be wired to a stranger. Another type of telemarketing scam is the fake governmental agency call. This type of scam involves access to government benefits and includes requests for personal information such as social security numbers or Medicare information.

Medicare fraud happens exclusively to the elderly. Every American older than 65 is eligible for Medicare. Scam artists often pose as Medicare representatives to solicit personal information. With some scams, services and screenings are provided through mobile clinics. These mobile clinics will visit senior citizens centers, and personal information is collected to bill Medicare for fraudulent services. Always ask questions about medical services being offered and know that free services should never require that personal information is provided.

Additionally, having equity in a home makes seniors a target for fake mortgage lenders who will offer reverse mortgages, a popular form of home lending for seniors. Scammers will try to sell unsecured reverse mortgages, which can

lead to property owners losing their homes. A common tactic is to offer either a free house to live in or cash in exchange for the title to the property. A real estate attorney should always be consulted before pursuing any sort of reverse mortgage.

The Grandparent Scam preys upon the hearts of the elderly. A perpetrator pretends to be a grandchild, law enforcement officer or medical professional with a story that the grandchild is in legal or medical trouble and needs money immediately to resolve the issue. This scam is easy to avoid if a senior never provides personal information to anyone over the phone. If someone calls claiming to be a grandchild in trouble, ask about personal information only that person would know. Most seniors will be extremely alarmed when a grandchild is in trouble and often unwittingly provide verbal clues to a scam artist.

Unfortunately, it's not always strangers perpetrating these crimes. According to the National Council on Aging, more than 90 percent of reported elder abuse is committed by an older person's own family members, most often the adult children, followed by grandchildren, nieces and nephews, and others.

The best rule of thumb to avoid being a victim is to never provide personal information to a stranger and don't send money or provide a credit card number to "verify," "guarantee" or "process" a prize.

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