

**AVOIDING
SCAMS
FRAUD
IDENTITY THEFT
FINANCIAL ABUSE**

For Educational Purposes Only

Marin County Financial Abuse Specialist Team (FAST)

Our Mission:

- To address elder financial abuse that has already occurred by [helping law enforcement](#) investigate financial abuse and prosecute perpetrators
- To prevent future elder abuse by [educating the community](#) about how to prevent it, recognize it and stop it
- To stay informed ourselves by [keeping up](#) with new scams and other forms of financial abuse

WHAT IS ELDER FINANCIAL ABUSE?

Any conduct that harms an elder financially, including:

- Targeting elders with scams that are designed to appeal to them
- Using an elder's money for one's personal benefit without the elder's permission or knowledge
- Causing an elder to make financial decisions that are not in the elder's best interests
- Charging an elder a fee for a service that is available for free

Two Important “Rules” to Protect Yourself

RULE #1

BEWARE OF INCOMING

Unsolicited offers by telephone, mail, e-mail or advertisement (internet or print) trying to get you to:

- Buy something
- Sign up for something
- Invest in something
- Become a client of someone
- “Try out” a product
- Take advantage of an opportunity “specially chosen for you”

RULE #2

IF IT SOUNDS TOO GOOD TO
BE TRUE, IT PROBABLY
ISN'T TRUE!!

“you’ve just won a lottery” – but
you never entered a lottery!

“Invest \$10,000 now and you’ll get
\$40,000 back in 6 months” – a
300% return? how often does *that*
happen?

HOW OFTEN DOES ELDER FINANCIAL ABUSE HAPPEN?

Older adult financial abuse is significantly under-reported. **WHY?**

The older adult may:

- **not realize** that financial abuse is happening due to dementia or undue influence
- **feel too embarrassed** about being victimized to report
- **may fear** being seen as unable to live independently
- **may be dependent** on the abuser or not want to prosecute him/her
- **may fear** retaliation

STATISTICALLY SPEAKING ...



ELDER FINANCIAL ABUSE IS A LOCAL, STATE AND NATIONAL PROBLEM

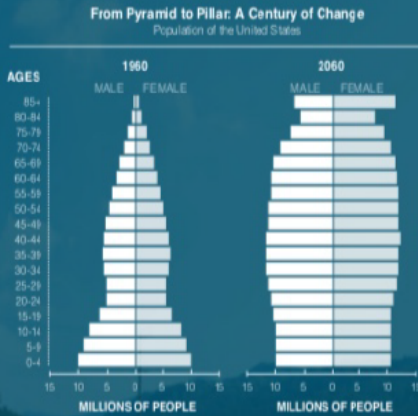
- Financial abuse represents a **significant percentage of the elder abuse cases** reported to Adult Protective Services
- In 2017, **California ranked #3* nationally in Identity Theft Complaints** with 371,061 reported and **#10*** in Fraud and Other Complaints with 279,887 in 2016
- Americans lost more than \$111 million to fake sweepstakes and lottery scams in 2017, according to the Better Business Bureau
- Financial elder abuse **costs at least \$36.5 billion annually** according to a 2017 study by True Link Financial

Elder Abuse Statistics

Population of Older Adults

Older adults age 65 or older comprise 14.9% of the total population in the USA.

Projections anticipate the percentage of the population age 65 and older to continue to grow in the coming decades.



Prevalence of Elder Abuse

At least 10% of adults age 65 and older will experience some form of elder abuse in a given year, with some older adults simultaneously experiencing more than one type of abuse.



The Majority of Older Adults Live in the Community

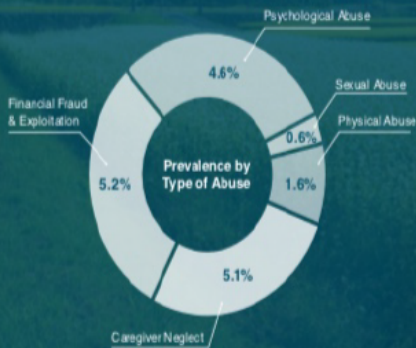
As over 90% of older adults reside in the community (as opposed to various forms of congregate living situations), most elder abuse is occurring among older adults living in the community.



Definition and Prevalence of Elder Abuse

Elder abuse is "An intentional act or failure to act by a caregiver or another person in a relationship involving an expectation of trust that causes or creates a risk of harm to an older adult" [i]. It is a term under which five types of abuse are reflected [ii].

- Caregiver Neglect
- Financial Fraud & Exploitation
- Psychological Abuse
- Sexual Abuse
- Physical Abuse



Rate of Underreported by Type of Elder Abuse

Caregiver Neglect	1:57
Financial Exploitation	1:44
Physical Abuse	1:20
Psychological Abuse	1:12

The Consequences of Elder Abuse

The trauma of elder abuse may result in health issues such as a deterioration in health, hospitalization and increased mortality, clinical issues such as depression and suicide, social issues such as disrupted relationships, and financial loss, all leading to diminished independence and quality of life.



Source: US Department of Justice



WHY ARE ELDERS TARGETED?

BY THE NUMBERS, older adults are a “target rich” population...

- Nationally, elders are the fastest growing age group
- Approximately 70% of personal wealth in the US is controlled by persons age 50+
- Elders are expected to transfer billions in wealth in the coming years



BUT EQUALLY IMPORTANT...

... are common characteristics of today's elders:

- They actually answer their phones and can be both trusting and unwilling to be rude, so they are more likely to engage with phone scammers
- They are using technology but don't fully understand it, so are vulnerable to scams related to their online activity, e.g., banking, shopping, Facebook
- They are less likely to report financial abuse and less likely to want to prosecute abuse by family members or those they trusted

And more...

- They may be **more easily manipulated** by exploiting fears of memory loss and dementia
- They are more likely to **live alone or be socially isolated**
- They may not **have anyone with whom they can easily and comfortably discuss questionable** telephone calls, e-mails, financial transactions, conversations and behavior by others
- They are less **likely to be aware of the signs** that they are being targeted for a scam

WHO ARE THE ABUSERS?

- Usually a **person in a position of trust** or **in a close relationship with the elder**:
 - Family members and friends
 - People hired to help
 - Neighbors, ‘New friends’ & ‘sweethearts’
- Salesmen and brokers
- Telemarketers & con artists
- Thieves and opportunists
- Men and women
- In other words **ANYONE** could be!



FINANCIAL SCAMS TARGETING SENIORS

Warning: COVID-19 Scam

Stop. Think. If you're still not sure, ask a family member or friend for advice or help.

Don't let the criminals win.

- Learn how to **tell the difference between** a real contact tracer and a scammer. Legitimate tracers need health information, not money or personal financial information.
- Don't respond to texts, emails or calls about checks from the government.
- Ignore offers for vaccinations and home test kits. Scammers are selling products to treat or prevent COVID-19 without proof that they work.
- Be wary of ads for test kits. Most test kits being advertised have not been approved by the FDA and aren't necessarily accurate.
- Hang up on robocalls. Scammers are using **illegal robocalls** to pitch everything from low-priced health insurance to work-at-home schemes.
- Watch for emails claiming to be from the CDC or WHO. Use sites like [coronavirus.gov](https://www.coronavirus.gov) and [usa.gov/coronavirus](https://www.usa.gov/coronavirus) to get the latest information. And **don't click on links from sources you don't know.**
- Do your homework when it comes to **donations**. Never donate in cash, by gift card, or by wiring money.

Telemarketing/Phone Scams

“You owe the IRS money. The cops will soon be at your door unless you pay NOW!”

- BUT THE IRS never calls you at home,
- The IRS does not hire people to threaten taxpayers with arrest AND
- if you owed additional taxes you would have received several letters in the MAIL

“This is Social Security. We are confirming that your telephone number and address in our records are accurate. What is your Social Security number?”

- Social Security won't call you for this kind of information



More Telemarketing/ Phone Scams

I know what you did in 1985. Unless you want all your family and friends to know, you must pay me within 72 hours.”

➤ HANG UP

“This is Joe Smith. I’m a lawyer in Fresno. Your grandson has been arrested for drunk driving and is in jail. We need \$X right now for his bail.”

➤ Call your grandson’s phone. Check with family. Where is he actually?

“You have been especially chosen to receive this offer! But it expires TONIGHT! And we can accept only 4 more participants.” (bell rings) “Oh my gosh, now only three more! You have to act now!”

➤ This is a con man trying to con you into buying or investing in something.

And Even More Telemarketing/ Phone Scams

I am from Microsoft. Your computer has been compromised. You are at risk! We can help! But you must act now before it's too late!

They are trying to get you to:

- pay for services or software to “fix the problem” using your credit card OR
- even worse, get remote access to your computer to capture personal information or install malware

Always confirm by calling a trusted company telephone number before giving any information to someone claiming to represent a company you do business with.



Internet Fraud

Spooing

- When someone hides his or her true identity by hijacking an internet location or email address so he or she appears to be someone reliable or familiar when communicating with you

Phishing

- “There’s a problem with your checking account. We need your SSN, birthdate and account number to verify the account.”
- BOTH ARE LIKELY INTENDED TO OBTAIN YOUR PERSONAL INFORMATION

Nigerian Scams

- “My large amount of money is stuck in a bank in my country. We are on the brink of civil war. I need your help to move my money to your country. If you can help me by paying a few small fees, I will pay you \$100,000.
- Report to the FBI. You’ll never see the money and it is illegal to help!

More Internet Fraud

Fake emails from “friends” who find themselves in a bad situation.

- Call to confirm! Email account may be hacked.

Fake website and email addresses close to the real ones

- This is an increasing problem because it is targeted at those looking for a particular site, such as Microsoft or Apple help, e.g., on a search engine like Google
- Look VERY closely at the address. Is there a secure website indicator? Is everything spelled correctly?

Homeowner Scams

- Unnecessary refinancing-
That low rate may come with high fees
- Door to door contractors-
That down payment may be gone along with the
“contractor”
- Unlicensed contractors-
It’s illegal
- Unneeded repairs-
If someone suggests an expensive repair, get a
“second opinion”
- “Low Rate” moving companies
That rate may double or more and your property may
be held until you pay

ALWAYS

- Check a contractor’s license with the licensing board
– a bond is required for a license
- Check references and reviews
- Get referrals
- Don’t pay more than the lesser of \$1,000 or 10% of
the price in advance
- Don’t pay for work not completed

Sweetheart Scam

Be wary of:

- Someone too good to be true
- Someone who wants to move in right away
- Someone who asks for financial help
- Someone who “loves you” too fast

Protect yourself by:

- Doing a background check-even Google can help
- Do not give that person access to bank cards, social security number or any other personal information.



- On the phone, in the mail, via the internet or email
“you’ve won \$2 million! Just send us \$500 for processing and mailing and your check is on the way!”
- Foreign lotteries are illegal
It is illegal to ask for taxes, fees, shipping or insurance to get your prize
- And it may be....
a front for organized crime



Newer scams or old scams making a comeback !

- International Drug Smuggling Scams Targeting Seniors: Never travel with someone else's suitcases or packages!
- Victim Asset Recovery Scams – “offers to get your money back for a price”
- Devices placed on store or gas station card payment devices
- Cheap “dream vacation” packages with down-payments – but no vacation
- Time-share scams: “we have a buyer for your timeshare-you just have to pay a fee and we’ll take care of everything”
- Charity scams – INVESTIGATE FIRST

WHAT ELSE CAN ELDERS DO TO PROTECT THEMSELVES FROM...

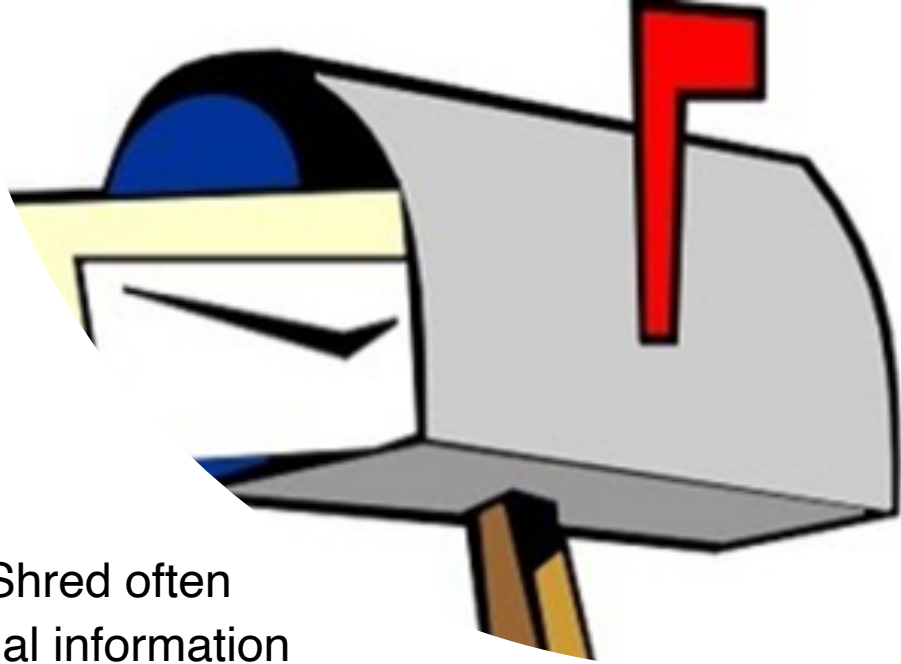
SCAMS?

- **Don't give out** any personal or financial information to anyone on the phone, online or in person until you have confirmed they have a legitimate reason and need for it
- **Use** the resources listed at the end of this presentation to investigate current scams so you know what to look and listen for.

WHAT IS IDENTITY THEFT?

At its most common level, identity theft happens when

- Someone uses **your basic personal information** (such as social security number, birthdate, bank account numbers)
- To **falsify identification documents** and to **open credit card and other financial accounts** in your name that they use to make purchases, take out loans and accumulate debt that is then attributed to **YOU**



- **Guard** your mail! Shred often
- **Guard** your personal information (SSN, email address, account numbers, telephone numbers, even your street address) – only share with those you know and trust
- **Never** give out your Social Security Number or other personal information over the phone, to online solicitors or in email
- **DON'T** share your passwords
- **Check** your financial accounts and credit reports often for unauthorized activity
- **Avoid** using open internet connections (not password-protected)

HOW CAN OLDER ADULTS PROTECT THEMSELVES FROM IDENTITY THEFT?

IF YOU THINK YOU'VE BEEN A VICTIM OF IDENTITY THEFT...

- **FILE A POLICE REPORT** immediately
- Contact your bank, credit card company and other financial institutions you do business with
- Contact your home or tenant's insurance company to see if they cover identity theft, which may provide services to restore your identity
 - Check with your insurance company now to see if you already have this coverage or can obtain it, which may require an additional fee

Loan and Investment Schemes

- Requiring a “security deposit” in order to receive loan proceeds
- “No fee” refinancing – check the interest rate
- Promises of very large returns, very quickly
- High-pressure sales – a chance to “strike it rich” if you act now
- “Risk free” investments – a “sure thing” or “guaranteed”

More Investment Schemes

HOW DOES A “PONZI SCHEME” WORK?

An investment scheme is a “Ponzi” scheme when returns to EARLIER investors are paid out of money received from NEW investors.

HOW DOES A “PONZI SCHEME” WORK?

- The sponsors must keep bringing in new investors so they can keep paying returns to previous investors. So, they promise new investors HIGH RETURNS, like the old investors are receiving, and LOW RISK.

- PONZI SCHEMES are not limited to “Highflyers” like Bernie Madoff and his wealthy investors. They happen everywhere, even here in Marin.





(800) 722-0432

Be on the lookout . . .

For The Most Widespread Scams

1

OBITUARY SCAM

Using obituaries to target recent widows, scammers attempt to collect false debts of the deceased.



2

MAGAZINE SUBSCRIPTION

Company sends free magazines and convinces a senior he owes money for the subscription.



3

SWEEPSTAKES

Crooked contest claims a senior won a prize and needs to send in money to collect winnings.



4

CHARITABLE DONATIONS

Unscrupulous charities take advantage of generosity and memory loss to request donations repeatedly.



5

INVESTMENT SCAM

Salesperson convinces a senior that an unusual asset like a horse farm is worth significant investment.



6

GRANDPARENT SCAM

Scammer calls late at night pretending to be a grandchild in need of emergency funds by wire.



7

HELPFUL NEPHEW SCAM

Trusted relative visits a senior frequently and asks to borrow \$100, knowing the requests will be forgotten.



8

SWEETHEART SCAM

Scammer befriends a lonely older adult to get access to money or be written into the will.



9

TV SHOPPING TRICKERY

As-seen-on-TV products hide extra fees and charges in the fine print.



10

YES SCAM

All they are trying to get you to say is . . . "YES". Scammers lift your voice saying yes, edit it, then place it into "Do you authorize this payment?"



HOW CAN ELDERS PROTECT THEMSELVES?

INVESTMENT SCHEMES

- **Choose** your financial advisors FINRA carefully; get recommendations from trusted sources and then investigate
- **Monitor** your bank and investment accounts regularly
- **NEVER** open a financial account or do a financial transaction when solicited by a “cold call” or online by someone you don’t already do business with
- **Be suspicious** of pressure to make a quick decision-take your time and ASK QUESTIONS
- **Understand** that “risk follows reward” – high returns almost always mean high risk



FINANCIAL ABUSE BY FRIENDS, ADVISORS, FAMILY MEMBERS AND TRUSTED OTHERS

- Unfortunately happens all too often
- Is often undetected by others and or unreported by the abused or exploited elder
- The elder may be unaware of the abuse or unable or unwilling to expose it
- Others may not know how to report suspicions
 - Call APS at 415-473-2771

VULNERABILITY AND AUTHORITY

Why is the victim vulnerable?

- Diminished capacity
- Illness, emotional distress
- Isolation, dependency

How is the influencer able to obtain control?

- The influencer is a trusted person, usually a
 - Legal, financial advisor or spiritual advisor
 - care provider, family member

HOW DOES THE INFLUENCER CONTROL THE VICTIM?

- Controls the victim's food, sleep, socializing, access to information, medications
- Gives or takes away affection
- Intimidates the victim
- Creates fear - of others, of loss of independence, of being abandoned
- Convinces the victim that the influencer is the only one who can be trusted to care for the victim
- Makes the victim feel powerless

WHAT ARE THE CONSEQUENCES OF UNDUE INFLUENCE?

- **Economic harm to the victim**
 - Loss of property and money
 - Entering into transactions that benefit the influencer more than the victim
- **Causing the victim to agree to changes** in previously-made plans and arrangements, like wills and trusts
- **Creating estrangement** with family and friends

COMMON CHARACTERISTICS OF VICTIMS

- Elderly
- Female
- Has income or savings
- Owns a home or other visible assets
- Cognitively impaired
- Frail or depressed
- Has recent emotional trauma like loss of spouse through death or divorce
- Lives with the influencer
- Socially isolated
- Estranged from children or other relatives
- Afraid of changing living situation
- Takes multiple medications
- Lacks familiarity with finances
- Easily influenced, deceived or intimidated

WHO ARE THE PERPETRATORS?

A typical influencer is a family member- a son, daughter, grandchild, spouse, or other relative:

- Relatives are the most common influencers
- Children of the victim are the largest single category

Many have **substance abuse** problems

They often feel they are **entitled to the assets** of the victim

How Can Elders Protect Themselves From ...

Financial abuse by friends?

- **Trust your instincts** –
 - Does a friend seem to have too much interest in your finances, enough to make you feel uncomfortable talking about it?
 - Is someone trying to
 - get too close too fast, or
 - to know too much too soon, or
 - be involved in your life more than “normal” for a friendship?
 - Is a friend trying to isolate you from other friends, or to help so much that he or she is always around?

How Can Elders Protect Themselves From ...

Abuse by professional advisors?

- Keep professional relationships professional
 - Is your advisor trying to become involved in your personal life? Visit you at home even when there is nothing professional to discuss? Buy your groceries? Pay your bills?
 - Is your advisor asking a lot of personal questions unrelated to the professional relationship?

Those are “red flags”

How Can Elders Protect Themselves From ...

Financial Abuse by Caregivers?

- Check references for individuals and agencies
- Interview potential caregivers with a family member or friend
- Have a contract specifying hours, duties, compensation
- Consider using a geriatric care manager
- Use a bonded agency
- Always remember you are the employer, not a friend
- Avoid giving caregivers access to financial accounts

How Can YOU Help?

Maintain contact with friends who have the characteristics of a potential victim

Be alert to the “red flags” indicating that someone may be the victim of undue influence

If you suspect that someone is being financially or physically abused through undue influence, **REPORT!**

Mandatory Reporters

The law requires some people to report suspicions of physical or financial abuse.

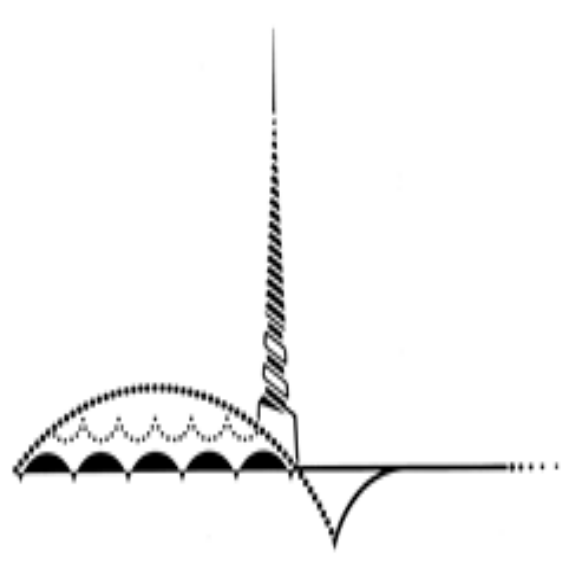
These people are called “Mandatory Reporters”

They include:

- Licensed health care professionals
- Social workers and some therapists
- Adult Care Providers
- Teachers, clergy, law enforcement
- Child and dependent adult custodians
- Financial institutions

Six Partner Agencies : Marin County:

- Adult Protective Services
- Area Agency on Aging
- District Attorney
- Long term Care Ombudsman
- Public Guardian
- Legal Aid of Marin, a non-profit



Resources

- [National Council on Aging - ncoa](#)
- [Marin County Adult Protective Services:](#)
(415) 473-2774
- [Area Agency on Aging](#)
- [Long Term Care Ombudsman](#)
- [Legal Aid of Marin](#)
- [County of Marin Information & Assistance –
References to available county services](#)
(415) 473-INFO (4636)

Websites for Handouts

- [Department of Business Oversight – Protect Yourself from Fraud](#)
- [Federal Trade Commission \(FTC\) – Protecting America’s Consumers](#)
- [Save and Invest – Fighting Fraud 101](#)
- [Senior Medicare Patrol – Protect Yourself and Loved Ones from Medicare Fraud](#)

**If you believe an elder is in
danger or a crime has
been committed**

Call the Police – 911

**For information and
assistance in**

Marin County

Call 457- INFO (4636)



Be a good neighbor

- **Early intervention results in**
- **loss prevention**
- **Don't mind your own business, report suspected elder abuse and undue influence!**
- **CALL Adult Protective Services: 415 473-2774**