

How Caregivers Help Prevent Elder Fraud

<https://dailycaring.com/8-ways-to-protect-seniors-from-financial-fraud-and-scams/>

Dailycaring.com is an excellent website for information for caregivers

As a caregiver, you can help the seniors in your life avoid fraud and financial scams.

You can start by having a discussion about common scams and ways that seniors can protect themselves. You could also help them visit their bank, financial adviser, or a lawyer to get more advice.

Encourage senior family members to ask for details in writing before engaging in any financial transactions. Then, have them take those written details to their lawyer or financial advisor for a second opinion.

8 Ways to Protect Seniors from Financial Frauds and Scams

1. Stay involved in their life

The most important thing is to stay connected with your older adult. By staying involved in their life, you can help to protect them from the risks associated with [isolation and loneliness](#) – including fraud and scams.

2. Get a copy of their credit report every year

Review their credit report together with them to make sure that it's accurate. If there are any errors, correct them immediately.

3. Buy a shredder

By bringing a [paper shredder](#) into the home, you can help your older adult shred unwanted credit card offers, financial statements, and receipts. This reduces the chance that others can access their personal information.

4. Stay alert to signs of fraud

Keep an eye out for signs of potential [financial fraud](#) and abuse in your older adult's life. For example, someone who was always very frugal may start to make large withdrawals from the bank. Or suddenly, careful seniors may have unpaid bills, collection calls, or insufficient funds fees from their bank. Even frequent ATM use by people who previously always visited the bank in person could be a warning sign.

5. Be aware of new friends and romances

New friends can be a welcome part of a senior's life, but loneliness can also be a gateway for fraudsters. In person, a new friend may take special interest in going to the bank with your older adult or offer suspicious financial or estate planning services.

Romance scams targeting elders are increasingly common, but older adults may feel shy about discussing romantic or sexual issues with you. These fake new friends and romantic interests may even try to convince seniors that their family members don't have their best interests at heart.

6. Be aware of people who are close to your older adult

Unfortunately, [family members](#) and hired caregivers [can also take advantage](#) of seniors. Some of these individuals abuse the trust placed in them to handle financial matters and provide physical assistance. Unethical family members or caregivers could pressure seniors to change their wills or give them large cash “gifts” or “loans.”

7. Teach seniors about online and social media fraud

Although in-person fraud continues to be all too common, online fraud is currently on the rise. Don't hesitate to teach your older adult about the dangers of connecting with people online and through social media as well as how common it is for internet fraudsters to pretend they're someone else. Encourage them to investigate to make sure that new online friends are who they say they are. Often, these fake “friends” and “lovers” can be overseas, making them especially difficult to track. If your older adult starts to wire large amounts of money overseas or send funds via Western Union, this is typically a major red flag of a fraudster in their life.

8. Be supportive and sensitive after a scam

If your older adult gets scammed, they may feel ashamed and embarrassed about falling for the scheme. That could make them reluctant to talk about what happened. Responding warmly and non-judgmentally helps seniors feel supported and be more willing to discuss the situation with professionals like law enforcement, lawyers, or financial advisors.

What to Do if You Suspect Financial Abuse

If you suspect that your older adult is a victim of financial abuse, don't ignore the problem and hope it will go away – these scams can be devastating. Reach out to them and ask gentle questions to find out why their financial situation is changing or if someone in their life is pressuring them to do things. If there are other close family members that you trust, ask them about your older adult's financial changes and whether they know why they are occurring.

You can also report the fraud to their bank. Banks lose large sums of money due to fraud and are interested in stopping it. Plus, financial fraud is a crime so local police also have a responsibility to investigate reports of scams.

Calling Adult Protective Services is another option, especially if a family member or hired caregiver is involved.

Recommended for you:

- Prevent Elder Fraud by Getting Rid of Junk Mail
- 5 Ways to Prevent Elder Fraud
- Protect Against 3 Common Scams Targeting Seniors: Medicare, Prescription Drugs, Reverse Mortgage
- How to Help Aging Parents with Finances: Getting Started Guide

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Reduce Fraud Risk by Getting Rid of Junk Mail

Putting a stop to the junk mail being sent to your older adult's house is essential for reducing their fraud risk. It also reduces the risk that someone with early dementia would repeatedly donate to multiple charities, sign up for many credit cards, or spend an excessive amount on catalog purchases.

4 Options for Getting Rid of Junk Mail

We found 4 ways to get your older adult off of direct marketing mailing lists. They were recommended by a woman with a lot of experience. She found and used these resources while on a mission to stop her grandmother's flood of junk mail – 130 pieces each week!

Note: Don't be discouraged if the junk mail doesn't stop instantly. Most companies prepare their mailings 3 months ahead of time, so it will take about 3 months to see a reduction.

1. DMAChoice

The junk mail expert says this is the #1 way to stop junk mail and that most people will only need to complete this form. Registering with DMAChoice stops mail from companies that your older adult has never purchased from or donated to. You could use the regular form or the one specifically for caregivers.

2. National Do Not Mail List

This is another company you can use to opt-out from junk mail. It's not the same as DMAChoice so you could register with both organizations.

3. Opt-Out Pre-Screen (1-888-5-OPT-OUT)

This company stops credit card offers. **FYI:** They will ask for a Social Security Number. The junk mail expert says this is legitimate because that's the way credit bureaus identify people.

4. InfoCision

This is a telemarketing company, but they also manage mailing lists for their clients. Call (330) 668-1400 or email infocis@infocision.com to request removal from their lists. This can also help reduce those relentless

Common Scams Targeting Seniors

1. Medicare or health care fraud

There are many ways scammers try to take advantage of the insurance system and stick unsuspecting seniors with a big bill or a long fight with their insurance company.

Watch out for:

- Medical equipment manufacturers offering “free” products. Insurance companies or Medicare are charged for products that were not needed and might not have been delivered.
- Unnecessary or fake tests given at health clubs, retirement homes, or shopping malls and billed to insurance companies or Medicare.
- Fake or altered medical bills are submitted to insurance or Medicare.

2. Counterfeit prescription drugs

Selling fake medication is a big business. At best, seniors lose money (which is already bad). At worst, their health could be in serious danger. Who knows what's actually in those counterfeit pills?!

3. Reverse mortgage scams

Legitimate reverse mortgages do exist, but there's also a huge amount of fraud with this type of financial product. That's why everyone, but especially older adults, need to be extra extra careful when considering a reverse mortgage. Seniors are usually targeted through local churches, investment seminars, TV, radio, billboard, and mailed ads.

Common reverse mortgage scams:

- Seniors are offered free homes, investment opportunities, and foreclosure or refinance assistance.
- Seniors are used as straw buyers in property flipping scams. That's when the senior pretends to apply for the mortgage and they're supposed to be paid for the use of their financial identity.

FBI Tips for Protecting Against 3 Popular Senior Scams: Telemarketing, Funerals, Miracle Cures: 3 Common Scams Used to Fleece Seniors

1. Telemarketing fraud

People who are 60 or older, especially women living alone, are popular targets for telemarketing fraud. Scams usually involve free prizes, low-cost vitamins and health products, or cheap vacations. Prevention is essential because it's very difficult to get any money back if your senior gets cheated over the phone.

Beware of these types of phrases:

- You don't want to miss out on this high-profit, no-risk offer that expires soon.
- You've won a free gift, vacation, or prize, but you have to first pay a small postage and handling fee.
- To get the special offer, you'll need to send money, give a credit card or bank account number, or have a check picked up by courier.

If your older adult hears any of this, they should feel justified in hanging up immediately – it's never rude to hang up on crooks!

How seniors can avoid telemarketing scams:

- Always take your time making a decision. Legitimate companies won't pressure you to make a snap decision. It's never rude to wait and think about an offer.
- Don't pay in advance for services. Pay only after they're delivered.
- Don't pay for a free prize. Asking for advance payment to cover taxes is a violation of federal law.
- Before sending money, ask yourself: What guarantee do I really have that this person will use my money in the manner we agreed upon?
- Never send money or give out personal information like credit card numbers and expiration dates, bank account numbers, dates of birth, or social security numbers to unfamiliar companies or unknown persons.
- Before committing, discuss investments offered via telephone with a family member, trusted friend, or financial advisor.

- If you've been scammed before, be suspicious of anyone who calls and offers to help recover your losses for a fee paid in advance.

2. Funeral and Cemetery Fraud

Someone who is planning a funeral is usually in a vulnerable and emotional state. That's why heartless thieves often target grieving older adults for funeral and cemetery scams.

How older adults avoid funeral and cemetery fraud:

- Have a friend or family member with you who can help with difficult decisions.
- Call and shop around before making a purchase. Funeral homes are required to provide detailed price lists over the telephone or in writing.
- Be aware that caskets *aren't* required for direct cremations.
- Know that embalming is *rarely* required by state law and that embalming *isn't* legally required for direct cremations. It can increase the bill up to \$3,000!
- Carefully read all contracts and agreements before signing. Make sure all your requirements are in writing and that you understand every fee.
- Make sure you understand all cancellation and refund terms and your options for transferring your contract to other funeral homes.

3. Fraudulent anti-aging and miracle cure products

Seniors, especially those with chronic health conditions, can get easily sucked in by the promise of miraculous health cures. What's worse, nobody knows what's actually in those products so they could actually be harmful to health! It's important to find out if a product is legitimate and high-quality before spending hard-earned money or having negative side effects.

How seniors avoid fraud with anti-aging products:

- If it sounds too good to be true, it probably is. Be suspicious of secret formulas or miracle breakthroughs.
- Always consult the doctor before taking *any* dietary or nutritional supplement. It could react with your existing medication.
- Know that testimonials and celebrity endorsements are often misleading and don't mean the product is actually good.
- Be wary of products that claim to cure a wide variety of illnesses that aren't related, especially serious illnesses.
- Be very suspicious of products that are supposed to have no side effects.
- Research a product thoroughly before buying it. Call the Better Business Bureau or U.S. Food & Drug Administration (FDA) to find out if people have complained about the product.

Fraud Against Seniors

<https://www.fbi.gov/scams-and-safety/common-fraud-schemes/seniors>

The FBI's Common Fraud Schemes webpage provides tips on how you can protect yourself and your family from fraud. Senior citizens especially should be aware of fraud schemes for the following reasons:

- Senior citizens are most likely to have a “nest egg,” to own their home, and/or to have excellent credit—all of which make them attractive to con artists.
- People who grew up in the 1930s, 1940s, and 1950s were generally raised to be polite and trusting. Con artists exploit these traits, knowing that it is difficult or impossible for these individuals to say “no” or just hang up the telephone.
- Older Americans are less likely to report a fraud because they don't know who to report it to, are too ashamed at having been scammed, or don't know they have been scammed. Elderly victims may not report crimes, for example, because they are concerned that relatives may think the victims no longer have the mental capacity to take care of their own financial affairs.
- When an elderly victim does report the crime, they often make poor witnesses. Con artists know the effects of age on memory, and they are counting on elderly victims not being able to supply enough detailed information to investigators. In addition, the victims' realization that they have been swindled may take weeks—or more likely, months—after contact with the fraudster. This extended time frame makes it even more difficult to remember details from the events.
- Senior citizens are more interested in and susceptible to products promising increased cognitive function, virility, physical conditioning, anti-cancer properties, and so on. In a country where new cures and vaccinations for old diseases have given every American hope for a long and fruitful life, it is not so unbelievable that the con artists' products can do what they claim.

Telemarketing Fraud for Seniors

If you are age 60 or older—and especially if you are an older woman living alone—you may be a special target of people who sell bogus products and services by telephone. Telemarketing scams often involve offers of free prizes, low-cost vitamins and health care products, and inexpensive vacations. For more information and tips to avoid these scams please visit the FBI Telemarketing Fraud webpage.