

## Scams Targeting the Elderly

Scams targeting the elderly have been on a alarming rise the past several years. Sadly, the victims might have been spared the shock and devastating financial losses of these heart-wrenching crimes had they been better prepared and able to deal with these fraudsters.

To begin, I have selected a few of these scams as listed by the *Georgia Consumer Protection Division*. I'll then list a few from personal experience. Some scams listed by *the Georgia Consumer Protection Division*:

### **1. Health Care/Medicare/Health Insurance Fraud**

“ Every U.S. citizen or permanent resident over age 65 qualifies for Medicare, so there is rarely any need for a scam artist to research what private health insurance company older people have in order to scam them out of some money.

In these types of scams, perpetrators may pose as a Medicare representative to get older people to give them their personal information, or they will provide bogus services for elderly people at makeshift mobile clinics, then use the personal information they provide to bill Medicare and pocket the money.”

### **2. Funeral & Cemetery Scams**

“The FBI warns about two types of funeral and cemetery fraud perpetrated on seniors.

In one approach, scammers read obituaries and call or attend the funeral service of a complete stranger to take advantage of the grieving widow or widower. Claiming the deceased had an outstanding debt with them, scammers will try to extort money from relatives to settle the fake debts.

Another tactic of disreputable funeral homes is to capitalize on family members' unfamiliarity with the considerable cost of funeral services to add unnecessary charges to the bill.

In one common scam of this type, funeral directors will insist that a casket, usually one of the most expensive parts of funeral services, is necessary even when performing a direct cremation, which can be accomplished with a cardboard casket rather than an expensive display or burial casket.”

### **3. Telemarketing**

“Perhaps the most common scheme is when scammers use fake telemarketing calls to prey on older people, who as a group make twice as many purchases over the phone than the national average.

While the image of the lonely senior citizen with nobody to talk to may have something to do with this, it is far more likely that older people are more familiar with shopping over the phone, and therefore might not be fully aware of the risk.

With no face-to-face interaction, and no paper trail, these scams are incredibly hard to trace. Also, once a successful deal has been made, the buyer's name is then shared with similar schemers looking for easy targets, sometimes defrauding the same person repeatedly.

Examples of telemarketing fraud include:

#### **“The Pigeon Drop”**

The con artist tells the individual that he/she has found a large sum of money and is willing to split it if the person will make a “good faith” payment by withdrawing funds from his/her bank account. Often, a second con artist is involved, posing as a lawyer, banker, or some other trustworthy stranger.

#### **“The Fake Accident Ploy”**

The con artist gets the victim to wire or send money on the pretext that the person's child or another relative is in the hospital and needs the money.” **(My Note: this type of scam seems to be prevalent in Germany).**

#### **“Charity Scams”**

“Money is solicited for fake charities. This often occurs after natural disasters.” **(My Note: make sure the charity you donate to is fully vetted and legitimate).**

### **4. Internet Fraud**

“While using the Internet is a great skill at any age, the slower speed of adoption among some older people makes them easier targets for automated Internet scams that are ubiquitous on the web and email programs.

Pop-up browser windows simulating virus-scanning software will fool victims into either downloading a fake anti-virus program (at a substantial cost) or an actual virus that will open up whatever information is on the user's computer to scammers.

Their unfamiliarity with the less visible aspects of browsing the web (firewalls and built-in virus protection, for example) make seniors especially susceptible to such traps.

One example includes:

#### **“Email/Phishing Scams”**

“A senior receives email messages that appear to be from a legitimate company or institution, asking them to “update” or “verify” their personal information. A senior receives emails that appear to be from the IRS about a tax refund.”

## **5. Investment Schemes**

“Because many seniors find themselves planning for retirement and managing their savings once they finish working, a number of investment schemes have been targeted at seniors looking to safeguard their cash for their later years.

From pyramid schemes like Bernie Madoff’s (which counted a number of senior citizens among its victims) to fables of a Nigerian prince looking for a partner to claim inheritance money to complex financial products that many economists don’t even understand, investment schemes have long been a successful way to take advantage of older people.”

## **6. The Grandparent Scam**

“The Grandparent Scam is so simple and so devious because it uses one of older adults’ most reliable assets, their hearts.

Scammers will place a call to an older person and when the mark picks up, they will say something along the lines of: “Hi Grandma, do you know who this is?” When the unsuspecting grandparent guesses the name of the grandchild the scammer most sounds like, the scammer has established a fake identity without having done a lick of background research.

Once “in,” the fake grandchild will usually ask for money to solve some unexpected financial problem (overdue rent, payment for car repairs, etc.), to be paid via Western Union or MoneyGram, which don’t always require identification to collect.

At the same time, the scam artist will beg the grandparent “please don’t tell my parents, they would kill me.”

While the sums from such a scam are likely to be in the hundreds, the very fact that no research is needed makes this a scam that can be perpetrated over and over at very little cost to the scammer.”

### **My Comments:**

There are certainly more scams and tricks criminals use to separate the unsuspecting and naive from their money and they are forever devising new schemes. Here are some scams that I have witnessed here in Germany:

1. A “Customer Service Representative” purportedly from Microsoft calling to inform you that they have detected a virus on your computer. They typically start off asking if you or someone from your household speaks English. These folks have a foreign accent and I can guarantee you they are not calling from Microsoft. Their goal is to get you to turn on your computer and type in a link they will give you. This link is a virus which will then enable the scammer to access your personal information and wipe out your bank account. If you receive such a call, IMMEDIATELY HANG UP! Think about it, Microsoft has millions of customers and you happen to be the one they call. How likely is that?

**2.** Beware of a company calling trying to sell you home repairs or home improvement products that may not be needed. I'm not implying these companies are not legitimate but what I am recommending is that you or a trusted family member or friend contact the company offering the home improvement product. In other words, the initiative should come from you. Also, make sure the firm or person performing your house repair or offering some other service is qualified. Someone offering to do the same work that is much cheaper should raise suspicion. Their work is often shoddy and once they are finished they vanish to the next town to fleece more victims.

**3.** Beware of a stranger appearing at your door asking for a glass of water or asking for money. They will typically have a sad story to tell and prey on your good will. While you are away getting them something to drink, they will enter your house and steal whatever they can before you return. These crimes typically occur in summer when folks tend to be outside more. If you must get them a drink, make sure you tell them to wait outside and close your door until you return. Another word of caution is needed here too- there have been instances of strangers overpowering and injuring elderly folks once the door is open, so be sure to see who is at the door before opening it and if you have fears call the police or a neighbor at once.

If you are aware of similar or different encounters, let Erik Thomsen or myself know so we can inform others. We all have worked hard for our money and we deserve to enjoy the fruits of our labors and not be unwitting and pitiful victims of those whose only desire is to confiscate our wealth.

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