

# PROTECTING THE ELDERS

## Against Scams



Elderly people tend to be much more trusting than young people. They wouldn't dream of hanging up on a caller, even though they don't know them or don't understand what they are saying. They tend to think the best in people and don't even think that a person might be negative or might hurt you in some way.

In a study out of Cornell University, sociologists found that property abuse ranked twice as high as physical abuse. The number of cases of elders being without any money due to having given access to their bank account numbers or having turned the title of their house over to another party is increasing at an alarming rate.

Even intelligent, well read and accomplished elders have given in to sympathetic-sounding salespeople who con them into paying for products or services they may not need and that never arrive. Fearing that their competence will be called into question, many of these individuals don't report what had happened to them. There is both a material loss as well as a loss of control and self respect.

The FBI estimates that up to 10 percent of all telemarketing firms are completely fraudulent. Phone solicitations and solicitations throughout the mail

make it difficult for the individual to know who is conning them and who the real thing is.

There are a lot of scams out there, including:

- Home medical equipment. This is often done over the phone and, in many cases, the money is taken and the item never arrives.
- Free cars. The victim has only to send in a \$500 check to cover for "taxes". The car, of course, never arrives.
- Arthritis and Alzheimer's remedies. These schemes prey on the fact that many elderly people are worried about these things and are quick to fall into scams that tout the latest medical products or medications for them. What they receive doesn't work or they receive nothing at all.
- Sexual stimulants. The elderly have difficulty with sexual stimulation and are likely to give in to anyone selling a product that purports to help them with it.
- Baldness remedies. Both men and women have thinning hair and can fall prey to those trying to sell them products to cure it.
- Nutritional Cure Alls: This involves vitamin and antioxidant scams that appeal to those elderly people who really want to stay healthy. Often they get nothing in return.
- Wrinkle remover. Elders can be vain, too, and can fall victim to telemarketers trying to sell them products to make them more youthful. Often they contain an inferior product or no product at all.
- Unsolicited home repair. The elderly cannot often do their own home repair so "roofers" or "carpenters" can offer their services, take the person's money and will fail to do the service—simply leaving the elderly person in the dust.

- Home Testing Services: This includes radon-testing schemes where either nothing is done or a fake test is done instead of a real one. Carbon monoxide testing is another type of home testing scam.
  - Lottery or sweepstakes swindles. This tells the elderly person they've won a prize but have to pay in a generous "processing fee" before they get the money. When they send in the money, they receive nothing in return.
  - Donations to phony charities. The telemarketer picks a particularly sympathetic charity and gets the elderly person to donate money or to give over their bank account information in order to pay for their donation to the "charity".
  - Funeral Home Investments. This involves phony funeral homes or companies that do estate planning for the funeral and charge a large amount of money to "take care of things" for the elderly person when, in fact, none of these are done.
  - Mail-Order Life Insurance Policies. This involves selling life insurance policies to the elderly that are completely fraudulent in nature.
  - Estate Planning. The elderly are worried about planning their estates and believe that someone over the phone can help them with that. They give them a check for their services and no service is provided. If the con artist has already struck, these are the signs that a con artist has left his or her mark on the elderly person's bank account or assets:
    - The elder is having problems paying the bills.
    - The elder is making wire-service payment or is using private courier service
    - The elder is writing checks to unfamiliar out-of-state or foreign companies
    - The elder accumulates cheap items like cameras, cheap watches, small appliances or jewelry that may have been awarded as prizes
    - The elder is receiving more frequent calls from strangers.
- It takes proactive thinking on your part in order to outsmart the con artists. Tell the elderly person that such things are extremely commonplace and explain to them the things they need to recognize as danger signs:
- Stay away from door-to-door salesmen.
  - Avoid unexpected visits from people who sound

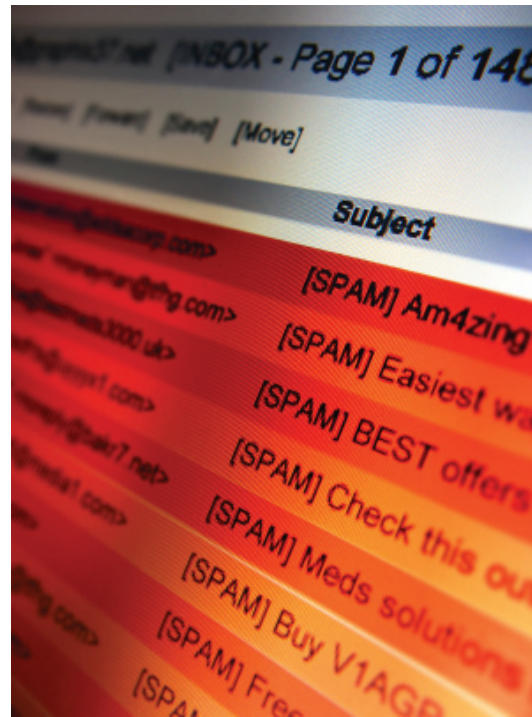
official. Talk to one's loved ones before engaging in such activities.

- Hang up on unsolicited phone calls from people asking about money, credit cards, burglar alarms, checking accounts or family.
  - Avoid unsolicited offers of money and do not take directions to transfer money out of the account by people who identify themselves as being an authority figure or a friend of the family.
  - Avoid advertisements that indicate you should "act now" or that it's an "opportunity of a lifetime" or mailings that use scare tactics or show pictures of fistfuls of money.
  - Avoid unsolicited offers from those offering home repairs or "free home tests".
  - Avoid paying attention to official-looking government documents that say "Urgent".
  - Avoid investment offers that promise or guarantee a certain return on an investment.
  - Stay away from investments in faraway places—such as Alaskan oil
  - Stay away from mobile health labs offering free elderly screening tests not covered by Medicare.
  - Avoid imposters wearing official-looking uniforms that cannot provide proper documentation of who they are.
  - Stay away from middle of the night calls.
  - Be skeptical of telephone messages that a relative is sick with directions to call an 809 area code number. Such a call originates from the Caribbean and can cost up to \$100.
- Here are some general rules you should be applying and explaining to the elderly person (and make sure they repeat the directions back to you):
- Hang up immediately on all calls from strangers or unsolicited calls.
  - Return all suspicious-looking mail.
  - Show family members all official-looking mail.
  - Don't pay for any COD packages
  - Don't endorse gift checks, sweepstakes entries, unsolicited rebates or coupons by mail. You may be signing an agreement for unwanted services.
  - Never donate cash to a charity. Use a check and get a receipt.

- Never send cash through the mail.
- Never believe anyone who tells you you've won a prize.
- Don't spend money to claim a prize.
- Keep all SSN, credit card numbers and bank account numbers completely confidential.
- Know that calling a 900 number costs you extra in fees and beware of products sold via 900 numbers.
- Get caller ID or a phone answering service installed on the phone. This will allow the elderly person to answer only those phone calls that they truly recognize. If the person is a friend or relative, they can leave a message so the elder knows who it was.
- Never answer the door, even if the person looks official. Call the police instead.
- Put away valuables when homecare workers are going to be around.
- Allow all new "friends" to be introduced to family members.
- Never give money to strangers for any reason.
- Don't discuss finances with anyone except immediate family.
- Never authorize home services without signed, upfront estimates.
- Get all warranties or guarantees in writing and have a family member review it.
- Don't sign a contract unless a family member reviews it.
- Be sure that service providers are licensed and bonded.
- Only buy art, antiques, jewelry or collectibles from reputable dealers who provide insurance for the item.
- Don't buy anything out of the back of a truck.
- Avoid deals you don't understand.
- Ask for and check references and credentials of all service providers.
- Don't take everything you hear at face value.
- Talk to your physician before taking up any business with "free health clinics".
- Call the Better Business Bureau, state office on consumer affairs, chamber of commerce or state's attorney's office in order to check the reliability of any charity or business.

- Report any specific transactions to authorities.

## INTERNET FRAUD



People over fifty are logging onto the internet in large numbers with scam artists lurking everywhere. Here are some tips to avoid becoming scammed by cyberspace scammers:

- Find the telephone number and address of all website businesses as they can operate all over the world.
- Call the number and ask to speak to someone. If you can't get a live person, don't do business with that company.
- Get an offer in writing. This should be easy for a legitimate business to do for you.
- Do a background check through the local consumer protection agency to get business licenses or registrations.
- Don't provide your social security number online unless it is absolutely necessary, such as with your bank.
- Be wary of high-pressure sales tactics.
- Know that items bought at auction through the Internet may have no warranties or guarantees associated with them.
- Flashy websites don't mean the business is legitimate.

- Delete and report all unsolicited e-mails (“spam mails”).
- Chat rooms are nice but scam and spamming is common at these sites.
- Be wary of attachments from unreliable and unknown sources.

If, in any circumstance, money has already changed hands (or property has been taken over) call the following:

- The company, to demand return of your money or goods.
- The police department
- US Attorney’s Office
- FBI

- Federal trade commission
- Better Business Bureau
- Chamber of Commerce
- State Securities Office
- District Attorney’s Office

The basic rule of thumb is that if something is too good to be true, it probably isn’t true. Be aware of the elderly person’s finances and perhaps have a bank account that requires two signatures, including the elder’s signature and a trusted family member. Having the family member do the bills also keeps a finger on the pulse of the elder’s finances and avoids trouble with scam artists and spammers.

