

A recent Consumer Reports Magazine article listed eight examples totaling over \$675,000 lost in scams and financial fraud targeting older Americans. Not only were there significant long-term financial ramifications for these scams, the victims have also endured emotional consequences centered on trust and compassion, among other emotions. The article goes on to share that over \$3 billion dollars are year are lost by seniors and their families to con artists who prey on this vulnerable population – a population raised to be trusting and polite. "Lies, Secrets, and Scams." *Consumer Reports* Nov. 2015: 28-37. Print.

According to the U.S. government sponsored Financial Fraud Enforcement Taskforce, *"Elder fraud is an act targeting older adults in which attempts are made to deceive with promises of goods, services, or financial benefits that do not exist, were never intended to be provided, or were misrepresented."* This population gets targeted for several reasons. Because they were raised to be polite and respectful foremost, hanging up on a prank caller is difficult for them. They often stay on the phone long enough for the scammer to "set the hook." Additionally, elders often do not report the scam. They don't want to be embarrassed by their actions or they simply don't know how to report it or to whom. They may have been threatened by the scammer to keep silent to avoid further "problems".

Additionally, older Americans are more apt to believe the caller who often will weave personal information about the victim or the victim's family into the conversation. This information is gleaned from reading newspaper obituaries that list survivors and where those survivors live, or from social media where family members have posted pictures or recent travel posts. Older people are often living alone and may have a more isolated lifestyle which makes them less aware of others who are being scammed. In some cases, their mental capabilities may be compromised in ways that impact their decision-making.

The statistics regarding frequency of elder scam vary greatly. The Investor Protection Trust conducted research in 2010 that showed over seven million older Americans have been the victims of some form of financial fraud – equating to about 1 in 5 individuals in this population. The Federal Trade Commission (FTC) reports there has been a steady increase in fraud claims by individuals 60 years of age and over from 2012 to 2014. In 2012, 26% of the total 455,822 complaints filed came from this age group. In 2014, 28% of the total 609,184 complaints were from those 60 or over. This means that just over one quarter of the fraud complaints made in the U.S. are coming from the senior citizen population – a population credited with underreporting scams.

The problem is clear. Older Americans are getting scammed out of their retirement funds, their savings, and investments. With many seniors on fixed incomes, this has a very concerning impact on their ability to continue providing for basic needs during the golden years.

Being aware of the problem and the financial impact it can have on older Americans is half the challenge. The other half lies with what needs to be done about it to prevent loved ones and older friends from being taken advantage of in this way.

The National Center on Aging is one of the many resources elders have to learn more about scams (<https://www.ncoa.org/>). They offer a comprehensive list tips for seniors to protect themselves from a

variety of fraudulent situations including financial scams. They also have a wide range of print resources to help aging American's take protective measures.

An elder's first step is in talking to someone they trust. They need to set embarrassment and fear aside and share what has happened so that they can get help. Doing nothing will only prolong the problem – if not for themselves, then for some other victim. Additional tips include:

- Avoid doing business with door-to-door or telephone salespeople or from unsolicited phone salespersons.
- Review medical, charge card, and Medicare statements to verify services received.
- Don't buy from a company you are unfamiliar with.
- Ask for printed material about any offer or charity before making a decision to spend money.
- Keep a record of the salespersons' name, business name, telephone number, mailing address, street address and business license number before the business transaction occurs.
- Don't make a decision too pre-maturely. Do your homework and ask a lot of questions. Write down the answers to refer back to after the solicitor is gone.
- Shop around for goods and services.
- Read all contracts with scrutiny. If something is confusing, ask a trusted friend or family member about the language in the contract.
- Don't allow a pressure sale or a pressure decision.
- Be familiar where scams or frauds are most likely to occur. According to the Federal Trade Commission's 2014 Consumer Sentinel Network report, 54% of the complaints made that year cited a phone scam and 23% cited the scam being committed via email.
- Report, report, report!

Seniors who have experienced elder financial fraud or financial exploitation should contact the Kansas Attorney General Consumer Protection Hotline at (785) 296-3751 to report the crime. The AG's website also has an on-line form that a victim can submit at <http://ag.ks.gov/in-your-corner-kansas/home>. The Federal Bureau of Investigation has an excellent comprehensive list of the various popular frauds and scams committed in the United States. The site explains how scams work and what consumers can do to better protect themselves.

For information about Medicare and Medicaid fraud or other steps to take for consumer protection, contact me at the Geary County Extension office at 785-238-4161. Until next time, keep living resourcefully!

Resources: <https://www.fbi.gov/scams-safety/fraud/seniors>

“Financial exploitation is the illegal or improper use of an older adult's funds or property.”