

An elderly couple is shown in profile, exercising outdoors. The woman in the foreground is wearing a red tank top and has her right arm raised. The man in the background is wearing a blue long-sleeved shirt and also has his right arm raised. They are both looking towards the right. The background is a clear blue sky.

**SPOT A SCAM.  
STOP A SCAM.**

A FIELD GUIDE TO ELDER FRAUD



TRANSAMERICA®

# ELDER FRAUD IS A BIG DEAL

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- Seniors lose billions annually to fraud
- Seniors have limited ability to recoup losses
- Fraud can take a toll on victims' emotional and physical health





## ELDER FRAUD OFTEN GOES UNREPORTED

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There are many reasons why seniors don't always report elder fraud:

- Embarrassment
- Doubt
- Dementia
- Involves a family member
- Fear of retaliation
- Don't know who to contact



- The more you know, the better off you are
- Many scams against seniors come up again and again
- Do you know the most common ways that people scam seniors?

# FIGHTING FRAUD

The United States Senate Special Committee on Aging has looked at the epidemic of elder fraud

- The committee leveraged government statistics and congressional testimony
- **1,108** complaints to their fraud hotline

Source: "Fighting Fraud: U.S. Senate Aging Committee Identifies Top 10 Scams Targeting Our Nation's Seniors," United States Senate Special Committee on Aging, 2019

UNITED STATES SENATE  
SPECIAL COMMITTEE ON AGING



## Fighting Fraud: U.S. Senate Aging Committee Identifies Top 10 Scams Targeting Our Nation's Seniors



Senator Susan M. Collins (R-ME), Chairman  
Senator Claire McCaskill (D-MO), Ranking Member

# THE TOP TEN SCAMS

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- 1** IRS impersonation
- 2** Sweepstakes scams
- 3** Robocalls/Unsolicited phone calls
- 4** Computer scams
- 5** Identity theft
- 6** Grandparent scams
- 7** Caregiver abuse
- 8** Grant scams
- 9** Romance scams/Confidence
- 10** Home improvement scams

# #1 IRS IMPERSONATION

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- At peak – **12,000** complaints per week (based on data from 2015)
- **\$26,000,000** in losses
- Spoofing: Manipulating caller ID
- Scammers claim taxes due and threaten arrest
- Typically request unusual method of payment
  - Pre-paid debit cards
  - Gift cards

## PROTECT YOURSELF

Know the facts:

- The IRS will never call or demand payment without a letter first
- Taxpayers ALWAYS have a right to appeal
- The IRS will NEVER ask for a credit or debit card number over the phone
- The IRS will NEVER send local law enforcement to your home
- The IRS will NEVER dictate a method of payment

Source: <https://www.irs.gov/newsroom/five-easy-ways-to-spot-a-scam-phone-call>

## #2 SWEEPSTAKES SCAMS

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Usually originate overseas

- Spoofing used to manipulate caller ID
- Often working off “lead lists” of potential victims

You’ve won a prize, but . . .

- You must send a fee or pay a tax to process payment
- Scammers will request a method of payment
  - Pre-paid debit cards
  - Wire transfers
  - Money orders
  - Even cash

Watch out for Round 2!

- Follow-up calls from “law enforcement” offering help to recover loss
- Often request banking info as part of “investigation”

### **PROTECT YOURSELF**

One simple rule:

- You'll never win a contest you didn't enter

## #3 ROBOCALLS/UNWANTED PHONE CALLS

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Get on the Do-Not-Call registry!!!

Scammers do not care about “Do-Not-Call.”

Spoofing can make call look local.

Scammers often pose as representatives of legitimate businesses

- Banks
- Credit card companies
- Government agencies
- Charities

Also watch out for “phishing”

- Unsolicited emails that appear to be from reputable companies

### PROTECT YOURSELF

Never give out personal information in response to the incoming call

- Scammers are looking for:
  - Account numbers
  - Social Security numbers
  - Passwords

If you receive a call looking for personal information, hang up and call the number on your account statement.

# #4 COMPUTER SCAMS

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Microsoft estimates about **3.3** million “tech support” scams annually (based on data from 2014-2015).

Scams can be initiated

- Over the phone
- Through pop-up messages
- Through bogus sites on search engines

Scammers claim to be from well-known tech firms.

- Again, watch out for spoofing
- Will often seek remote access to your computer
- Will seek to charge for your computer “repair”
- May use “ransomware”

## Watch out for Round 2

- Scammers will offer “refund” and request bank information

## PROTECT YOURSELF

- Never give control of your computer to an unsolicited contact
- Don’t believe Caller ID
- Never give credit card info to an unsolicited contact
- If you need help, look for contact info on software package or store receipt
- Find a reputable computer repair service in your area

# #5 IDENTITY THEFT

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Stolen personal info (Social Security numbers, dates of birth, etc.) can lead to many types of fraud:

- Access to bank accounts
- Use of existing credit cards or opening new ones
- Fraudulent billing to Medicare
- Theft of Social Security benefits
- Fraudulent tax filings

## PROTECT YOURSELF

- Medicare and SSA will never ask for bank information
- Never give out personal info over the phone
- Keep sensitive personal and financial documents in a secure place
- Review medical records for services you didn't receive
- If you think you've been a victim of identify theft:
  - Contact all companies involved
  - Place fraud alert with credit agencies and request a copy of credit report
    - Close new accounts, remove bogus charges
    - Request extended fraud alert or a credit freeze
  - Report to Federal Trade Commission
  - Report to local police

# #6 GRANDPARENT SCAMS

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Scammers call claiming to be grandchild in trouble:

- Often in middle of night
- Scammer may claim to be police officer, bail bondsman, doctor, etc.

Identity of grandchild often obtained through social media:

- May coincide with grandchild being on spring break or traveling

- Grandparent urged not to contact parents
- Urgent need for cash claimed
- Questionable payment method requested
  - Pre-paid debit card, gift card, wire transfer

## PROTECT YOURSELF

Talk to your grandchildren about this scam:

- Let them know that you will always call mom or dad
- Come up with an emergency code word

Be ready to ask a question that only the grandchild would know the answer to:

- Where did you go to elementary school?
- What is the name of your pet?

# #7 ELDER FINANCIAL ABUSE (CAREGIVER ABUSE)

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Illegal use of senior's funds, property, or assets.

Most common victims

- Women, 80 to 89 years old, living alone

Perpetrators are often

- Family members, paid home health workers, legal guardians, or total strangers

Powers of attorney (POAs) are a common tool.

## PROTECT YOURSELF

Never give a power of attorney to someone you don't know well.

Avoid giving a POA to someone with financial or behavioral issues.

If you need to give someone a POA consider:

- Limiting it to a specific transaction or financial institution
- Consider having an attorney draft a limited POA
- Consider naming two or more agents who must both sign off on transactions

Avoid adding anyone to bank accounts or other financial accounts.

## #8 GRANT SCAMS

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Similar to sweepstakes scam.

Scammers claim to be from government agency

- Federal Grants Administration or Federal Grants Department

Request “processing fees” or taxes to process grant.

### **PROTECT YOURSELF**

You'll never be awarded a grant you didn't apply for.

- Grants are made for specific purposes and require an application

Grants never require a fee of any kind.

# #9 ROMANCE SCAMS/CONFIDENCE FRAUD

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Online dating sites are popular with scammers

- Also watch out for chat rooms, social media sites, and unsolicited email

Scammers often pose as service members or business people overseas.

Scammers will spend time cultivating relationship.

Eventually, there will be a request for money

- Travel expense, hospital bills, visas, temporary financial setback

Some scammers will seek help with money laundering activity

- Cashing checks or forwarding packages

## PROTECT YOURSELF

FBI tips:

- Be cautious of individuals claiming romance was “destiny” or “fate”
- Be cautious of people who claim to be in love with you, but need money to finance a visit
- Fraudsters often claim to be from the U.S. or your local region, but have to be overseas for business or family matters

Targets of romance scams may be younger, including people in their 40s and 50s.

# #10 HOME IMPROVEMENT SCAMS

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Scammers often go door to door offering services:

- Roof or driveway repair
- Painting
- Home security

Incidents tend to increase after severe weather events.

## PROTECT YOURSELF

Know the red flags:

- “Deal is only good for today”
- Unprofessional presentation
- Requests cash, upfront payment, or referral for financing
- Not licensed or insured (always ask for proof of both)
- “Just happened to be in neighborhood” or “have materials left over from previous job”

# BE SMART WITH DEBIT AND CREDIT CARDS

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Don't use debit cards to make purchases

- Never give anyone your PIN
- Also be careful with personal checks

Consider using a credit card with a low limit for day-to-day purchases

- Grocery stores
- Gas stations
- Online purchases

Sign up for smart phone notifications and check your account regularly.

Consider a credit freeze or fraud alert.

# WHAT HAVE YOU HEARD?

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Do you know someone who was targeted?

Have you come across scams that we haven't discussed?

Share your story...

# IF YOU THINK YOU'RE THE TARGET OF A SCAM

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- If you get a call that you aren't expecting or don't understand
  - Call a family member and talk about it
  - Call your financial professional
- If you think it's a scam
  - Call local law enforcement
  - Call state attorney general
  - Call national credit bureau
- Check our Elder Fraud Resource Guide

# THANK YOU!

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