Scams on Older Adults

Trends, Tips & Tools
Consumer Sentinel 2017

2.7 million reports

Top three categories:
1. Debt collection
2. Identity theft
3. Imposter scams

1.1 million fraud reports
21% reported a loss

$905 million total fraud losses
$429 median loss
Younger people reported losing money to fraud more often than older people. 40% Age 20-29, 18% Age 70+

But when people aged 70+ had a loss, the median loss was much higher. Age 20-29 $400, 70-79 $621, 80+ $1,092

Imposter Scams

1 IN 5 PEOPLE LOST MONEY

$328 million reported lost

$500 median loss

Identity Theft

23% Credit card fraud

46% Tax fraud

FEDERAL TRADE COMMISSION • ftc.gov/sentinel2017
Percentage Reporting a Fraud Loss and Median Loss by Age

Of the 1,138,306 total fraud reports in 2017, 49% included consumer age information.

- **2014**
  - Phone: 54%
  - E-mail: 23%
  - Internet - Web Site/Other: 11%
  - Mail: 4%
  - Other: 7%

- **2015**
  - Phone: 75%
  - E-mail: 8%
  - Internet - Web Site/Other: 6%
  - Mail: 4%
  - Other: 7%

- **2016**
  - Phone: 77%
  - E-mail: 6%
  - Internet - Web Site/Other: 6%
  - Mail: 8%
  - Other: 3%
Method of Consumer Payment – 2014 - 2016

2014:
- Bank Account Debit: 29%
- Cash/Cash Advance: <1%
- Check: 35%
- Credit Cards: 2%
- Prepaid Cards: 13%
- Telephone Bill: 4%
- Wire Transfer: 5%

2015:
- Bank Account Debit: <1%
- Cash/Cash Advance: 7%
- Check: 61%
- Credit Cards: 2%
- Prepaid Cards: 14%
- Telephone Bill: 3%
- Wire Transfer: <1%

2016:
- Bank Account Debit: 7%
- Cash/Cash Advance: 12%
- Check: 58%
- Credit Cards: 15%
- Prepaid Cards: 3%
- Telephone Bill: 4%
- Wire Transfer: 9%
Complaints by Consumer’s Age – 2014 - 2016

2014

- 19 and Under: 10%
- 20-29: 14%
- 30-39: 18%
- 40-49: 21%
- 50-59: 18%
- 60-69: 2%
- 70 and Over: 2%

2015

- 19 and Under: 16%
- 20-29: 11%
- 30-39: 21%
- 40-49: 1%
- 50-59: 15%
- 60-69: 17%
- 70 and Over: 1%

2016

- 19 and Under: 17%
- 20-29: 12%
- 30-39: 15%
- 40-49: 16%
- 50-59: 20%
- 60-69: 2%
- 70 and Over: 15%
The Scams: Tips
Types of Scams

- Charity Scams
- Health Care Scams
- Paying Too Much
- You’ve Won
- Imposter Scams
Charity Scams
Charity Fraud – How it Works

Here’s how it works:

• Phone call
• Charity name sounds familiar
• Pressure you to pay quickly
Charity Fraud – What You Can Do

- Take your time
- Say no
  - “No, thanks.” Hang up. …OR:
    - “I don’t give money over the phone. If you send something in writing, I’ll consider it.”
- Never send cash, wire money or load prepaid debit cards
Health Care Scams
Health Care Scams – How It Works

They’ll say you need…

- A new Medicare card
- A new health insurance card
- Discounted health insurance
- To act now!
Health Care Scams – Examples

- Miracle cures
  - Offers quick cures to MS, Alzheimer’s, cancer
- Affordable Care Act scams
- Medicare-related scams
New Medicare Cards
Coming May 2018 - April 2019

New Card! New Number!

Mailing in 2018
Health Care Scams – What You Can Do

- Take your time
- Check it out
  - 1-800-MEDICARE
- Consult reliable sources of health information (healthcare.gov, cdc.gov)
- Do not delay medical treatment
Paying Too Much
Paying Too Much – How it Works

⇒ Charges on bills
  • Rate increase
  • Interest rate change
  • Unexpected charges
Paying Too Much – What You Can Do

→ Read your bills
  • every statement, every time

→ Read contracts carefully before you sign them
  • look for balloon payments, variable interest rates
“You’ve Won” Scams
“You’ve Won” Scams—How They Work

- You get a call, an email, a card
- Says that you’ve won a prize, lottery, trip
- You just need to pay fees, taxes, customs fees first
- They want you to wire money or give your credit card information
“You’ve Won” Scams – What You Can Do

What you can do:

• Keep your money to yourself
• Keep your information to yourself
• If in doubt, check it out
• Never wire money
Imposter Scams
Imposter Scams – How They Work

- Someone who pretends to be somebody else calls you, emails you
- Asks for personal information
- Asks for money – wire transfer or money card
Imposter Scams – Tips

Stop. Check it out before you wire money to anyone.

• Don’t give out personal information unless you’re sure who you’re giving it to

• Call back at a number you know to be correct

Sign up for Do Not Call
IRS Imposter Scams
IRS Imposter Scams – How they work

Scammers may:

• Rig caller ID to make it look like call is from Washington DC (202 area code)

• Demand immediate payment by pre-paid debit card or wire transfer

• Send bogus IRS emails to further the scheme
IRS Imposter Scams - Tips

The IRS will NOT:

• ask you to pay with prepaid debit cards or wire transfers

• ask for a credit card over the phone

• threaten arrest, deportation or loss of your drivers license

• Initiate contact by email

➤ STOP. Don’t wire money or pay with a prepaid debit card.
Imposters v. Real IRS?

If you have any doubts, call the IRS directly at 800-829-1040.
IRS Imposters: A New Twist

- Private debt collection for old IRS debts

- Always get a letter first
  - Name of debt collector
  - Authentication number

- Always pay the IRS, nobody else

- Questions? Call the IRS: 1-800-829-1040 or check IRS.gov/balancedue
Tech Support Scams
Tech Support Scams – How they work

• Scammers call pretending to be from or affiliated with computer security companies, such as Dell, Microsoft, Norton, or others.

• Or, they place online ads to get consumers to call about their computers.

• Scammers scare consumers about their computer security
Tech Support Scams – How they work

- Often want to remotely access the consumer’s computer.
- Scammers want to sell software or services to fix or maintain the security of the computer.
HOW TO SPOT A
TECH SUPPORT SCAM

It often starts with a pop-up . . .

Shows up within your internet browser

Might imitate a blue error screen
or trusted antivirus software

<table>
<thead>
<tr>
<th>CALL</th>
<th>NOW</th>
<th>OR ELSE...</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wants you to call a <strong>toll-free number</strong></td>
<td>Urges you to call immediately</td>
<td>Threatens that you may <strong>lose personal data</strong> if you don't call</td>
</tr>
</tbody>
</table>
Tech Support Scams - Tips

➜ HANG UP.

• Never give control of your computer or your credit card information to someone who calls you out of the blue.

➜ PASS IT ON.
Tech Support Scams
Video
Grandkid Scams
Grandkid Scams – How they work

➤ You get a call: “grandma, I need money for bail.”
  • Or a medical bill
  • Or other trouble

➤ Caller says it’s urgent and says to keep it a secret

➤ Caller asks you to wire money or put it on a prepaid card
Grandkid Scams – Tips

► STOP. Check it out.

• Look up your grandkid’s phone number and call back

• Or call another family member

► PASS IT ON.
Family Emergency Scam Video
Online Dating Scams
Online Dating Scams – How they work

- You meet someone on a dating website.
- She wants to communicate by email and phone.
- She says she loves you but needs money for a plane ticket to visit. Or for surgery.
- She asks you to wire money or put it on a prepaid card.
Online dating scams - Tips

➡️ STOP. Don’t send money.

  • Never wire money, put money on a prepaid card or send cash to an online love interest.

  • You won’t get it back.

➡️ PASS IT ON.
Imposter Scams – Tips Recap

 ➤ STOP. Check it out before you wire money to anyone.

 ➤ Don’t give out personal information unless you’re sure who you’re giving it to

 ➤ Call back at a number you know to be correct
TOOLS - Scams
Consumer education for active older adults – www.ftc.gov/passiton

Respecting a lifetime of experience

Encouraging sharing of information on:

- identity theft
- imposter scams
- charity fraud
- health care scams
- paying too much
- “you’ve won” scams
Health Care Scams

Here’s how they work:

You see an ad on TV, telling you about a new law that requires you to get a new health care card. Maybe you get a call offering you big discounts on health insurance. Or maybe someone says they’re from the government, and she needs your Medicare number to issue you a new card.

Scammers follow the headlines. When it’s Medicare open season, or when health care is in the news, they go to work with a new script. Their goal? To get your Social Security number, financial information, or insurance number.

So take a minute to think before you talk: Do you really have to get a new health care card? Is that discounted insurance a good deal? Is that
Sample Activity

Identity Theft Activity

Solve the fallen phrase.
All the letters in this phrase have fallen to the bottom. They were mixed up on their way down, but remain in the same column.

ERTFR
ENUOPYDI
ARGITECOEOOT
FOREPARRRURMT
CRNDFTLEECORM

Solution
Financial Literacy Tools from the FTC

Lisa Schifferle
Division of Consumer & Business Education, FTC
FTC Tools for
Money Management & Credit Repair

• Consumer.gov
  – Managing your money
  – Credit, loans and debt
  – Scams and identity theft
  – Help for you
Conceptos básicos de protección al consumidor... claro y fácil.

Busque por tema alfabético

A B C D E F G H I J K L M N O P Q R S T U V W X Y Z
Managing Your Money

- Making a Budget
- Opening a Bank Account
- Using Debit Cards
- Prepaid Cards
- Saving Money When You Shop
- Buying and Using Phone Cards
- Sending Money Overseas
# Making a Budget

<table>
<thead>
<tr>
<th>What It Is</th>
<th>What To Know</th>
<th>What To Do</th>
</tr>
</thead>
</table>

A budget is a plan that shows you how you can spend your money every month. Making a budget can help you make sure you do not run out of money each month. A budget also will help you save money for your goals or for emergencies.

**How do I make a budget?**

**Write down your expenses.** Expenses are what you spend money on. Expenses include:

**Bills:**

- bills that are the same each month, like rent
- bills that might change each month, like utilities
- bills you pay once or twice a year, like car insurance
Use this worksheet to see how much money you spend this month. Then, use this month’s information to help you plan next month’s budget.

Some bills are monthly and some come less often. If you have an expense that does not occur every month, put it in the “Other expenses this month” category.

MONTH __________ YEAR ________

<table>
<thead>
<tr>
<th>My income this month</th>
<th>Monthly total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td></td>
</tr>
<tr>
<td>Paychecks (salary after taxes, benefits, and check cashing fees)</td>
<td>$</td>
</tr>
<tr>
<td>Other income (after taxes) for example: child support</td>
<td>$</td>
</tr>
<tr>
<td>Total monthly income</td>
<td>$ 0.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>My expenses this month</th>
<th>Monthly total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenses</td>
<td></td>
</tr>
<tr>
<td>Rent or mortgage</td>
<td>$</td>
</tr>
<tr>
<td>Renter's insurance or homeowner's insurance</td>
<td>$</td>
</tr>
<tr>
<td>Utilities (like electricity and gas)</td>
<td>$</td>
</tr>
<tr>
<td>Internet, cable, and phones</td>
<td>$</td>
</tr>
<tr>
<td>Other housing expenses (like property taxes)</td>
<td>$</td>
</tr>
<tr>
<td>Groceries and household supplies</td>
<td>$</td>
</tr>
<tr>
<td>Meals out</td>
<td>$</td>
</tr>
<tr>
<td>Other food expenses</td>
<td>$</td>
</tr>
<tr>
<td>Public transportation and taxis</td>
<td>$</td>
</tr>
<tr>
<td>Gas for car</td>
<td>$</td>
</tr>
<tr>
<td>Parking and tolls</td>
<td>$</td>
</tr>
<tr>
<td>Car maintenance (like oil changes)</td>
<td>$</td>
</tr>
<tr>
<td>Car insurance</td>
<td>$</td>
</tr>
<tr>
<td>Car loan</td>
<td>$</td>
</tr>
<tr>
<td>Other transportation expenses</td>
<td>$</td>
</tr>
</tbody>
</table>
Credit, Loans and Debt

Your Credit History
Using Credit
Payday Loans and Cash Advances
Car Title Loans
Managing Debt

Using Credit

Search by topic alphabetically

A B C D E F G H I J K L M N O P Q R S T U V W X Y Z
What is credit?

- Medical debt
- Credit cards
- Car loans
- Student loans
- Public records – arrests, foreclosures, judgments, bankruptcies
Getting your credit report

• Order credit report at annualcreditreport.com or 1-877-322-8228

• Check your credit report for:
  – Personal info
  – Accounts
  – Negative information
  – Inquiries

• Fix mistakes on credit report
  – Send dispute letters

• No credit? Shop for it carefully
  – Look for low fees, long grace period, good APR
If you find inaccurate information

• Contact the CRAs:
  – Place Fraud Alerts on Credit Reports
  – Obtain Credit Report *free of charge*
  – File Credit Report Information Blocking Request or standard dispute
  – Consider a credit freeze

• Contact companies where fraud occurred

• Contact FTC
Scams and Identity Theft

Avoiding Identity Theft
Recovering from Identity Theft
Scams Against Immigrants
Job Scams
Money Wiring Scams
Job Scams

• Signs of job scams
  – Promise that you’ll make lots of money working at home
  – Offer certificate to improve chance of getting job
  – Promise government job

• How to avoid job scams
  – Don’t pay in advance for info about a job
  – Don’t deal with anyone who says you have to act fast
  – Ignore promises to make thousands working from home. Those promises are lies.
Help for You

Resources for Managing Your Money
Resources for Credit, Loans, and Debt
Resources for Scams and Identity Theft
Resources to Help Immigrant Communities
All Videos by Topic
Access to Justice Webinar - Presentation
visit bulkorder.ftc.gov for free materials
How Criminals Steal $37 Billion a Year from America’s Elderly

Telephone pitchers, online scammers and even family members target the most vulnerable among us. And it’s about to get worse.

By Nick Leiber

May 3, 2018, 2:00 AM MDT
DenverConnect:
A MOBILE RESOURCE CENTER FROM THE OFFICE ON AGING
F.S.O.C.
Protecting consumers from a wide range of fraud.
“We want to send a clear message that scammers and fraudsters are not welcome in Colorado. Colorado Consumer Protection Month is designed to help arm consumers across our state with the information and resources they need to protect themselves from bad actors, and to know how and where to report any possible fraud they may encounter.”