

Preventing Financial Fraud and Abuse Against Older Adults



Financial fraud and abuse are on the rise and older adults are the prime target for risky investments, phone and mail solicitations, and various other financial abuses. Preventing financial fraud and abuse from even happening in the first place is the best defense against people and companies who seek to undermine the economic security of older adults.

Why are Older Adults Prime Targets for Financial Fraud and Abuse?

Older adults tend to have more stable lives, usually owning their own homes outright and having retirement savings. Older adults often have decreased mobility, thus they may spend more time at home where they are available to answer phone calls and accept visitors.



What are the Typical Types of Schemes Targeted at Older Adults?

- Sweepstakes scams
- Phone, Internet and mail scams
- Funeral and cemetery scams
- Health care/Medicare/Insurance fraud
- Grandparent Scams
- Identity theft
- Online investment and securities fraud
- Prescription drugs scams
- Reverse mortgage/homeowner scams

National Community Reinvestment Coalition

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About the National Community Reinvestment Coalition (NCRC)

The National Community Reinvestment Coalition is an association of more than 600 community-based organizations that promote access to basic banking services including credit and savings, to create and sustain affordable housing, job development and vibrant communities for America's working families. Our members include community reinvestment organizations, community development corporations, local and state government agencies, faith-based institutions, community organizing and civil rights groups, minority and women-owned business associations, local and social service providers from across the nation.

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Prevention Steps: Don't Become a Victim to Financial Fraud and Abuse

Prevention begins with you, and your family members! The following are some steps you can take to limit financial fraud and abuse happening to you.

- Post a “No Soliciting” sign at your front door and refrain from engaging in door-to-door solicitation.
- Do not provide personal information to people or businesses that call or email you directly. Specifically, in a phone call that you did not initiate, never provide personal information. Ask for notice in writing.
- Never give money over the phone, ask charities to send you a letter in the mail instead.
- Learn how to avoid Internet and email phishing through enhanced computer security.
- Add your home phone number to the Do Not Call Registry.
- Talk about empowering ways to say “no” to solicitors without feeling guilty or rude.
- Change your bulk mail preferences at the Direct Marketing Association’s Mail Preference Service so you reduce your bulk mail delivery.
- Do not pay to receive a prize or reward. If an offer comes with an upfront fee for a prize or reward promised at a later and undetermined date, be wary.
- Each month, review your bank and other financial statements, noting any charges that may not be authorized.
- If an offer cites a “guaranteed” return with limited or even “no risk,” be wary.
- If you do not completely understand an offer, contract, or any type of solicitation, do not agree or sign a contract until you have had the opportunity to consult with a trusted person.
- Do not respond to emails from people you do not know.
- Ensure that businesses you may use for things like home repairs or other services are reputable and well known. Check in with your state attorney general, the Better Business Bureau, or your local consumer protection agency.
- In general, if something looks too good to be true it probably is.



Helpful Links

Do Not Call Registry – <http://donotcall.gov>

Direct Marketing Association’s Mail Preference Service –
<http://www.dmachoice.org/>

FBI Common Fraud Schemes (Seniors) –
<http://www.fbi.gov/scams-safety/fraud/seniors>

NCOA Top 10 Scams Targeting Seniors –
<http://www.ncoa.org/enhance-economic-security/economic-security-Initiative/savvy-saving-seniors/top-10-scams-targeting.html>

Considering a Reverse Mortgage Guide --
http://files.consumerfinance.gov/f/201306_cfpb_flyer_reverse-mortgage.pdf

National Center on Elder Abuse -- <http://www.ncea.aoa.gov/>