

Elder Abuse: Common Scams and What You Can do About them

Financial exploitation is a fast-growing form of abuse of seniors and adults with disabilities and is defined as a form of mistreatment by one individual that causes harm to another person - often combined with tactics designed to take advantage of cognitive decline and memory loss – to obtain a senior’s consent to take his or her money.

Situations of financial exploitation commonly involve trusted persons in the life of the vulnerable adult, such as caretakers, family members, neighbors, friends and acquaintances, attorneys, bank employees, clergy and doctors or nurses.

Commonly Perpetrated Scams

Phone Scams - One of the most common schemes by fraudsters use fake telemarketing calls to prey on the elderly, who make twice as many purchases over the phone as the national average. With no face to face interaction, no paper trail and a convincing story, these types of scams have been extremely successful.

- Pigeon drop – A con artist tells an elderly individual that they’ve recently found a large sum of money and are willing to split it if the person makes a “good faith” payment by withdrawing funds from their bank account. Often, there’s a second fraudster posing as a lawyer or banker to help carry out the fraud.
- Lottery and sweepstakes scams – A con artist calls and tells an elderly person that they won, but need to send some amount of money first “to cover your taxes.”
- Fake Accident – A con artist calls and says that a child or grandchild is in the hospital and needs money.
- Charity Scams – Have you ever been called by a charity right after a natural disaster? Some of those might be scams that prey upon a good-natured elderly person who’s just seen a natural disaster just discussed on the news.

The Grandparent scam – A scammer might place a call to an older person and when they pick up say something like “Hi Grandma, do you know who this is?” When the grandparent, guesses the name of a grandchild, the scammer has now established a fake identity without having to do any research. Once the scammer has assumed this new identity, they usually ask for money to solve some financial problem (overdue rent, money for bail, car repair payments) that’s payable in a way that doesn’t require identification in order to collect.

Funeral and cemetery scams – Scammers might read an obituary and call or attend a funeral to take advantage of a grieving widow or widower. A fraudster could claim an outstanding debt is owed to try to extort money from relatives.

Internet based scams – The slower speed of adoption among the elderly makes them easier targets for automated Internet scams and email programs. Victims can be fooled into downloading fake anti-virus programs that are actually a virus that opens up whatever information is on the user’s computer to a fraudster.

The Home Repair Scam – Due to loneliness or diminished capacity, the elderly are particularly vulnerable because most seniors live alone and may not be able to refuse a pushy salesman. In this scam, a salesman calls or emails the victim telling them that a new air conditioner or refrigerator has arrived and they’re ready to install it, but need a credit card to run the payment. This scam works because seniors with diminished capacity may not remember ordering something and want to save themselves from embarrassment.

Power of Attorney Scam – A family member convinces an elderly relation to handle his/her finances and sign a Power of Attorney. The family member then uses that arrangement as a license to steal the victim’s monies for the perpetrator’s own use.

These types of scams are just a few of the more common ones that have been discovered. Remember that education is one of the cornerstone elements to preventing financial exploitation of the elderly. If you or someone you know is a victim, you should work closely with law enforcement and your bank to report the abuse and conduct an investigation.

For additional information and resources, please visit the National Adult Protective Services Association (NAPSA) website.