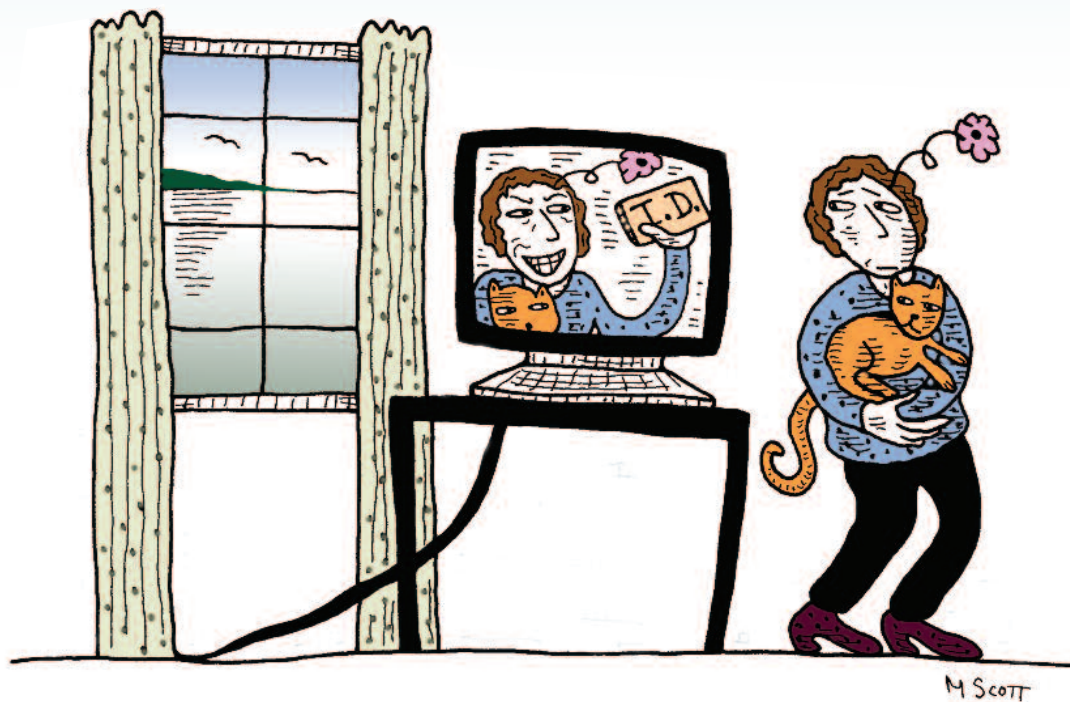


WISER/NAPSA *Just the Facts*

IDENTITY THEFT AND CREDIT CARD FRAUD



Introduction

Senior financial abuse scams are a multi-billion dollar "industry." Studies estimate the annual financial loss nationwide to be around \$2.9 billion¹. In a recent New York State study, estimated annual losses for seniors in a subsample of New York State districts fell between \$352 million to \$1.5 billion, suggesting the national total may be substantially higher than previously estimated.² Although it can be difficult to measure the exact extent of the total financial loss, we know that these crimes are on the rise and continue to deprive seniors of their savings and assets. These figures do not account for the tens of billions spent on indirect costs for medical care, social services, and legal costs, or for the pain and suffering of the victims. Victims are not only older people, but also their families and all who provide services and financial assistance.

All seniors, regardless of income, are at risk. Financial abuse may be perpetrated by anyone—a professional con artist, a paid caregiver, a stranger or casual acquaintance, or even a son, daughter, or other family member.

The following factors contribute to the prevalence of senior financial abuse:

- A high percentage of seniors live alone and may be more vulnerable to scams.
- Seniors may be trusting and readily believe the sales "pitches" they hear.
- The population of seniors is increasing, providing a continuous source of wealth for financial abusers.

Education and awareness are two key strategies to preventing and responding to elder financial abuse. This brief describes two common types of abuse, identity theft and credit card fraud, and provides resources to keep seniors from becoming victims.

WHAT IS IDENTITY THEFT?

Identity theft is the use of another person's personal information to commit theft or fraud.

WHAT IS CREDIT CARD FRAUD?

Credit card fraud is the unauthorized use of a credit/debit card to obtain money or property.

Identity Theft and Credit Card Fraud

Identity theft and credit card fraud are common types of senior financial abuse. In 2014, the Federal Trade Commission reported that 39% of the identity theft complaints, and nearly half (49%) of fraud complaints were from those 50 years of age and older.³



Identity theft crimes may happen without the senior's knowledge. Sometimes, the threat of physical violence or intimidation is also used to acquire the senior's personal information.

In cases of identity theft, perpetrators may obtain a senior's Social Security number, birth date, home address or other personal information and use it to redirect funds from banking accounts, take out loans in the senior's name, or open up new accounts. Often the perpetrators use phone and email scams to ask for personal information or obtain money from a senior in exchange for a prize or other promise of future services or financial reward.

How to Recognize Indicators of Identity Theft and Credit Card Fraud

- ❑ Changes in a senior's lifestyle—empty refrigerator, unexplained worries about finances
- ❑ Changes in an account's beneficiaries or authorized signers on debit/credit card accounts
- ❑ Denial of credit for no apparent reason
- ❑ Credit reports with information about accounts the senior did not open
- ❑ Unexplained debit or credit card charges or bills from unknown sources
- ❑ Calls from companies, creditors or collection agencies about services or purchases the senior did not initiate
- ❑ IRS notice that more than one tax return was filed in the senior's name
- ❑ IRS notice about reported income from an employer the senior never worked for

How You Can Help Stop Identity Theft and Credit Card Fraud

Easy Steps To Protect Property and Assets

- ❑ Do not respond to personal sales pitches, phone calls, texts or e-mails that ask for personal information.
- ❑ Tell a caller or person at the door that you intend to call the authorities. Say "no" or just hang up.
- ❑ Don't use the same password for everything.
- ❑ Shred all documents with valuable and personal information, such as medical or financial records.
- ❑ Obtain credit reports! Everyone has a right to a free credit report every year from each of the three nationwide credit reporting companies. Order all three at once, or one every four months.

1 The MetLife Mature Market Institute. *The MetLife Study of Elder Financial Abuse*. June 2011.

2 New York State Office of Children and Family Service. *The New York State Cost of Financial Exploitation Study* June 15, 2016

3 Federal Trade Commission. *2014 Consumer Sentinel Network Data Book for January – December 2014*. February 2015.

To order, go to annualcreditreport.com or call 1-877-322-8228. This is the only source approved by the federal government to get a free credit report.

- ❑ Register your phone numbers on the National Do Not Call Registry by calling 1-888-382-1222 or by going to www.donotcall.gov. Most legitimate sales people honor the Do Not Call list. Scammers don't, so be skeptical of random calls.

THE THREE NATIONWIDE CREDIT REPORTING COMPANIES

Equifax: www.equifax.com
Experian: www.experian.com
TransUnion: www.transunion.com

What To Do If You Believe Identity Theft or Credit Card Fraud Has Occurred

Immediately inform the credit card companies of suspected fraud and provide information on unauthorized purchases. Contact a nationwide credit reporting company (see box above) to obtain a credit report and check for irregularities.

Create an Identity Theft Affidavit through the Federal Trade Commission at www.identitytheft.gov or call 877-438-4338. This helps get fraudulent information removed from the credit reports and helps the authorities investigate the crime.

Take the Identity Theft Affidavit to the police and file a police report. These two documents, the affidavit and police report, constitute an Identity Theft report.

ADDITIONAL HELPFUL RESOURCES

Many public agencies are involved in preventing and detecting senior abuse and in prosecuting those who commit it. Many organizations are also dedicated to educating seniors on these topics:

- ❁ **FBI** www.fbi.gov/scams-safety/fraud/seniors
Provides information on fraud schemes and how to avoid them.
- ❁ **Internet Crimes Complaint Center (IC3)** www.ic3.gov
The IC3 works with the FBI and other agencies to receive and refer internet crime complaints.
- ❁ **National Center for Victims of Crime–
Financial Crime Resource Center** www.victimsofcrime.org
Helps victims of financial crime recover their assets and recover control of their lives.
- ❁ **Identity Theft Resource Center** www.idtheftcenter.org
Non-profit that provides victim and consumer support as well as public education.
- ❁ **Financial Fraud Enforcement Task Force** www.stopfraud.gov
Investigates suspected financial fraud.
- ❁ **Postal Inspection Service** www.postalinspectors.uspis.gov
Investigates domestic and international fraud which uses the U.S. Mail.
- ❁ **The Securities and Exchange Commission (SEC)** www.investor.gov
Investigates securities fraud. **1-800-732-0330**
- ❁ **Consumer Financial Protection Bureau** www.consumerfinance.gov/older-americans
Provides resources to help protect seniors' financial assets.
- ❁ **U.S. Administration on Aging** www.eldercare.gov
In partnership with the National Association of Area Agencies on Aging, **1-800-677-1116**
operates the Eldercare Locator to help individuals find local caregiving services and resources.

ADMINISTRATION ON AGING RESOURCE CENTERS partner to provide valuable information to seniors, caregivers, families and communities across the nation.

National Resource Center on Women and Retirement Planning



The Women's Institute for a Secure Retirement (WISER), in partnership with the Administration on Aging, operates the National Resource Center on Women and Retirement Planning. The Center provides user-friendly financial education and retirement planning tools for low-income women, women of color, and women with limited English speaking proficiency. WISER's mission is to educate women about the issues that affect their long-term financial security and highlight the importance of taking an active role in planning for retirement. WISER offers tools and resources on the topics of Social Security, retirement plans, savings and investments, banking, caregiving, divorce and widowhood, and long-term care.

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(202) 393-5452
www.wiserwomen.org



920 S. Spring Street
Suite 1200
Springfield, IL 62704
(217) 523-4431
www.napsa-now.org

National Institute
on Elder Financial Exploitation

National Adult Protective Services Resource Center

NAPSA, in partnership with the Administration for Community Living, operates the National Adult Protective Services Resource Center (NAPSRC). The Resource Center serves professionals from Adult Protective Services (APS) agencies across the United States. The goal of the Resource Center is to provide federal, state and local APS agencies with current, accurate, research based information and training, along with technical assistance to improve their capacity to provide effective protective services to vulnerable and elder adult abuse victims.

NAPSA also operates the National Institute on Elder Financial Exploitation (NIEFE), the first national clearinghouse to focus on the complex issues of elder financial abuse.