

WISER/NAPSA: *Just The Facts*
Senior Financial Abuse

Identity Theft and Credit Card Fraud



Introduction

Senior financial abuse scams are a multi-billion dollar "industry." The victims of these scams are not only older people, but also their families, their financial institutions, taxpayers and all who provide services and financial assistance to the victims. Many consider these financial scams as the crime of the 21st Century. According to a 2011 study by the MetLife Mature Market Institute, the estimated annual financial loss from Senior financial abuse was 2.9 billion dollars, based just on the cases which made it into the media. The study does not include pain and suffering, nor the tens of billions spent on indirect costs for medical care, social services, legal costs, or losses in income and assets.

Older adults control the majority of wealth in the country, but all seniors regardless of income are at risk. Abuse may be perpetuated by anyone - a professional con artist, paid caregiver, 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 more trusting, believing the "pitches" they hear, and may have trouble spotting fraud.
- Seniors have a relatively high net worth.
- The population of seniors is increasing, providing a continuous source of wealth for financial abusers.

We can help to eliminate this abuse by finding the most effective ways to prevent and respond to the problem. Education and awareness are two key strategies. This fact sheet looks at identity theft and credit card fraud, and provides resources to keep seniors from falling victim to these financial traps.

Identity Theft and Credit Card Fraud

Identity theft and credit card fraud are the most common types of senior financial abuse, and are increasingly prevalent. In 2010, the Federal Trade Commission reported that over a 10-year period, the most dramatic rise in identity theft and fraud complaints were from those 50 and older, accounting for 13% of all complaints of identity theft, and 14% of all complaints of fraud.

What Is Identity Theft?

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

In identity theft, perpetrators 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 credit card accounts to support themselves. Often, perpetrators use phone and e-mail 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.

These crimes may occur without the senior's knowledge. Sometimes, physical violence or intimidation is used to acquire the senior's credit card or other personal information, linking it to other types of senior abuse.

What Is Credit Card Fraud?

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



How to Recognize Indicators of Identity Theft and Credit Card Fraud

There are many different signs that show someone may be currently a victim of identity theft or credit card fraud.

These include:

- Changes in an account's beneficiaries or in authorized signers on debit/credit card accounts
- Denial of credit for no apparent reason
- Failure to receive mail or bills
- Credit reports with information about accounts that the senior did not open
- Unexplained debit or credit card charges or bills from unknown or unlikely sources
- Calls from companies, creditors or collection agencies about services or purchases the senior did not initiate

How You Can Help Stop Identity Theft and Credit Card Fraud

Easy Steps To Protect Seniors' Property and Assets

- Shred all documents with valuable and personal information, such as medical information or financial records.
- Do not respond to personal sales pitches, phone calls, texts or e-mails that ask for personal information.
- Don't use the same password for everything.
- 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. To order, go to annualcreditreport.com or call 1-877-322-8228. This is the only source to get a truly free credit report.
- Join the National Do Not Call Registry in order to avoid phone scams by calling 888-382-1222 or by going to www.donotcall.gov.

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

Immediately inform credit card companies of potential fraud, providing information on specific unauthorized purchases. Contact one of these three nationwide credit reporting companies to obtain a credit report and check for any irregularities.

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

If discrepancies are found, create an Identity Theft Affidavit through the Federal Trade Commission (FTC). This helps get fraudulent information removed from the credit reports, and helps authorities in investigating the crime. To create one: Go to www.ftc.gov or call 1-877-438-4338 and file a complaint.

Take the printed Identity Theft Affidavit to the local police or to the police where the crime was located and file a police report. If appropriate contact Adult Protective Services (APS) as well. 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:

- **National Center on Elder Abuse** www.ncea.aoa.gov
State Resources: Helplines, Hotline and Information
- **Consumer Financial Protection Bureau** www.consumerfinance.gov
Ensures that consumers get the information they need to make sound financial decisions
- **Identity Theft Resource Center** www.idtheftcenter.org
Non-profit that provides victim and consumer support as well as public education
- **Federal Crimes Enforcement Network** www.stopfraud.gov
Financial Fraud Enforcement Task Force Investigates suspected financial fraud
- **Postal Inspection Service** postalinspectors.uspis.gov
Investigates frauds which use the US Mail
- **The Securities and Exchange Commission** www.investor.gov
Investigates securities frauds
- **U.S. Administration on Aging** www.eldercare.gov (or 1-800-677-1116)
In partnership with the National Association of Area Agencies, AoA operates the Elder Care Locator to help with finding trustworthy local support resources for seniors.

Administration on Aging Resource Centers partner to provide valuable information to seniors, caregivers, families and communities across the nation.



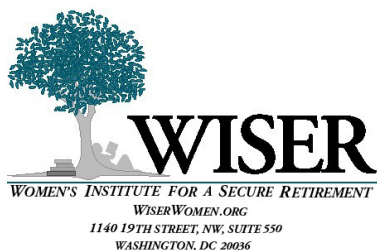
National Education and Resource Center on Women and Retirement

The Women's Institute for a Secure Retirement (WISER), in partnership with the Administration on Aging, operates the National Education and Resource Center on Women and Retirement Planning to provide 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 inform women about the issues that affect their long-term financial security and to stress the importance of taking an active role in planning for their retirement. The Center specially tailors educational financial tools and information to meet the needs of the target population. Through the Center's one-stop-gateway, women have access to comprehensive, easily understood information that allows them opportunities to plan for income during retirement and to plan for long term care as they need it.



National Adult Protective Services Resource Center

NAPSA, in partnership with the Administration on Aging, has established the first ever 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.



National Adult Protective Services Association
920 S. Spring Street, Suite 1200
Springfield, IL 62704
(217) 523-4431
www.apsnetwork.org

The National Adult Protective Services Resource Center (NAPSRC) is a project (Grant No. 90ER0002/01) of the U.S. Administration on Aging, U.S. Department of Health and Human Services (DHHS), administered by the National Adult Protective Services Association (NAPSA). Grantees carrying out projects under government sponsorship are encouraged to express freely their findings and conclusions.