



How to Spot Fraud and Report It



Senior Protection & FAST
a Program of Council on Aging



Introduction

Dear Reader:

Financial exploitation continues to be one of the fastest growing forms of abuse targeting older adults as well as adults with disabilities or cognitive impairment. Financial exploitation commonly involves trusted persons in the life of a vulnerable adult, most commonly family members, friends, caregivers, and advisors.

Financial fraud is also the work of complete strangers, who take our money through clever scams and cons. They perfect their craft over a lifetime and are as good at what they do as we were and are in our own professional lives. They are organized and often act in networks to take the money for which we've worked so hard. **No one is immune.**

It's very difficult to stop financial abuse, largely because it goes unreported. Failure to report occurs for many reasons including embarrassment of being taken advantage of, fear that if the abuse is reported there may be retaliation, and confusion about exactly what happened. Sometimes the person being abused is not even aware that they are being abused.

We hope this booklet will help you spot fraud, so you can prevent it from happening. If you do become a target of fraud, this booklet provides a wealth of resources to assist you in reporting to the proper authorities.

It is the mission of the Senior Protection Program and the Senior Medicare Patrol to educate older and disabled adults to help them recognize fraudulent activity and report it so that together we can fight this incessant crime.

Thank you for help!

Sincerely,

Kelli Jean Morris, JD, LLM

*Director, Senior Protection Program and
Financial Abuse Specialist Team (FAST) Coordinator*

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Director, Senior Medicare Patrol





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Senior Protection Program

The Senior Protection Program (SPP) helps you recognize and guard yourself from financial abuse through free outreach, education and training concerning:



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- Fraud trends
- Protecting your assets
- Powers of Attorney (POAs) and Advance Healthcare Directives
- Community resources

SPP is also part of a multidisciplinary team known as the Financial Abuse Specialist Team (FAST). FAST members serve as volunteer advisors offering information in the areas of law, criminal investigation, civil litigation, guardianship, fiduciary matters, banking and accounting, real estate, insurance, and senior services. FAST assists Adult Protective Services (APS), the Ombudsmen, law enforcement and attorneys in resolving complicated matters of abuse.

Reporting Financial Abuse

Financial abuse occurs when someone improperly uses another person's money or property. If you suspect that you or someone you know is being financially abused, **REPORT IT!**

- Call Adult Protective Services (APS) for individuals living independently: **(800) 451-5155**
- Call the Long-Term Care Ombudsman Program for individuals living in a facility: **(800) 300-6222**
- Report suspicions of abuse to local law enforcement:
<http://www.ocgov.com/residents/law/safety/police>
- Report scams to the FTC: **(877) 382-4357** or
www.ftccomplaintassistant.gov





Senior Protection Program

According to the FBI, seniors are targets of fraud for many reasons.

- We are likely to have access to cash and assets aka “nest egg.” We may also own a home and/or have excellent credit.
- We were raised in an era where we were taught to be polite. Consequently, we answer our phones and doors and engage in polite conversation with strangers.
- We may fear outliving our means or have trouble making ends meet on a fixed income, making the quick cash promised by a scam very enticing.
- We may miss a long time significant other making us susceptible to pledges of love and romance.

Fraud goes largely unreported for many reasons as well:

- We may feel shame in being scammed or fear that if our families find out, they will assume we are no longer capable of living independently.
- A large percentage of financial fraud is perpetrated by family members or trusted friends. We may not wish to pursue criminal or civil remedies against our children, brothers, sisters, or old friends.
- We may be dependent on those who are taking our money and fear that reporting the abuse will leave us without the help we need in preparing food, bathing, taking our medications, getting to medical appointments, housekeeping, and companionship.

Regardless what makes us vulnerable or keeps us from reporting, in cases of financial fraud, **money lost is rarely recovered.**

The best defense against fraud is a good offense. Contact the Senior Protection Program for free education and outreach on the latest scams and fraud trends. You can call us at **(714) 479-0107** or reach us online at **www.coasc.org**. We'll help you find the right resources to protect yourself!





The Senior Medicare Patrol (SMP)

Empowering Seniors to Prevent Healthcare Fraud

The Senior Medicare Patrol (SMP) empowers and assists Medicare beneficiaries, their families, and caregivers to prevent, detect, and report health care fraud, errors, and abuse.



SMP works in three main areas:

- 1. Outreach and Education:** SMP educators give presentations to groups, exhibit at fairs, and community events.
- 2. Beneficiary Complaints:** When Medicare beneficiaries bring their billing-related complaints to SMP, we research the claim. If fraud or abuse is detected, we make referrals to the appropriate state and federal agencies for further investigation.
- 3. Volunteers:** SMP volunteers teach Medicare beneficiaries how to protect their personal health information, identify and report errors on their healthcare statements and recognize scams targeting older adults. Are you interested in volunteering? Call (855) 613-7080 for more information.

According to the U.S. government, the Medicare Trust Fund loses between \$60-\$90 billion dollars every year to fraud, waste, and abuse. SMP plays a unique role in the fight against Medicare errors, fraud, and abuse. SMP volunteers and staff serve as “eyes and ears” in their communities, educating beneficiaries to be the first line of defense.

Call the Senior Medicare Patrol for a free fraud prevention presentation or for guidance if you suspect you may be a victim of Medicare fraud at **(855) 613-7080**.





Back and Knee Braces Scam

Beware of TV Commercials and Robo Calls for FREE Braces

Durable Medical Equipment (DME) has been an area ripe with fraud for many years. The Senior Medicare Patrol of California (SMP) **(855) 613-7080** is seeing many cases where Medicare



beneficiaries are receiving braces (ankle, back, knee and neck) from out of area providers and ordered by doctors or other providers that the beneficiary has neither heard of nor ever seen.

If you are a victim of this fraud, please take the following steps:

- Report any unordered DME items as FRAUD to 1-800-MEDICARE as soon as possible.
- Contact the supplier about return. Return should be at no cost to the beneficiary.
- If you return the item, be sure to get a receipt for the return.
- Check your Medicare Summary Notice (MSN) to see the name of the ordering provider and be sure to tell 1-800-MEDICARE if you have never seen this person.
- Three to four weeks after you report the fraud to 1-800-MEDICARE, you should receive an adjusted MSN showing that Medicare has approved a \$0.00 amount for the claim. (This means that Medicare has recouped or will recoup the payment.)
- Report the possible fraud to the SMP of California. Call toll-free **(855) 613-7080**





5 Common Scams Targeting Seniors

You can protect yourself and others from financial exploitation simply by being aware of these five common scams targeting seniors:

1. Grandparent Scam: A caller claims to be your grandchild in trouble and in need of money immediately to get out of jail, buy a plane ticket home, pay off a debt to avoid harm. The call is usually made in the middle of the night or early morning so you are caught off guard and won't question the story.

What to do: Hang up and call your grandchild or other family members to verify the need for help. If you believe your grandchild really is in trouble, contact the police or an attorney for advice.

2. Sweepstakes and Lottery Scams: Offers to purchase foreign lottery tickets or notification that you have won a sweepstakes or lottery are made by phone, mail, or email. When you respond to these offers and notifications, you are asked to pay for either a ticket or a fee to collect your winnings. The scammer requests your personal and credit card information, or to wire money, and advises you must act immediately or the opportunity will expire. Either way, you lose!

What to do: Never provide personal, account or credit card information or wire money to anyone you don't know.

3. IRS/Jury Duty Scams: A caller claims to be an IRS or Court official calling because of a tax debt or because you missed jury duty. The scammer will then threaten legal action and ask that you provide payment by credit card or wire transfer to avoid suspension of your driver's license, deportation, a law suit or arrest. The caller ID may even be "spoofed" to indicate the call is coming from the IRS or Courts. However, neither the IRS nor Courts will ever call you without first sending you written notice of a pending action. This is known as "due process."

What to do: Ask the caller to send written notice of your tax debt or failure to appear for jury duty. DO NOT provide personal, account or credit card information or wire money to the caller.

4. Romance Scam: You are courted or befriended by a stranger through constant in-person, phone, and/or online contact. Once the scammer





5 Common Scams Targeting Seniors

captures your heart, they suddenly need to borrow money for one 'emergency' after another.

What to do: If you are asked to make a loan, do so in person rather than electronic means. NEVER "wire" money to anyone you don't know and haven't actually seen.

5. "Free Lunch" Investment Scams: You're invited to enjoy a free lunch followed by an informative presentation given by a financial or investment professional. The meal may be great and the presentation informative, then the hard sell begins. There's usually a demand that you make a financial investment immediately as the offer is only good for a limited time. More times than not, the investments offered leave you in a similar financial position or worse off.

What to do: NEVER make financial decisions in a hurry. If you are truly interested in what was presented, get the card of the presenter and make contact on your own terms. You can also ask for written information about the product then consult your own financial professional.

As you can see there is a common theme here. Scammers play on our emotions and use the things that we hold most dear (grandchildren, romance, or promise of great wealth) to trick us out of our money.

Just remember...if it seems too good to be true, it's likely a scam!

IF YOU THINK YOU'VE SPOTTED A SCAM, REPORT IT!

All suspected scams should be reported to the Federal Trade Commission: Call **(877) FTC-HELP** or visit <https://www.ftccomplaintassistant.gov/>





Imposter Scams

A 2017 report from the Federal Trade Commission (FTC) indicates that for the first time, imposter scams have surpassed identity theft based on consumer complaints.

While imposter scams vary, they work the same way. A scammer pretends to be someone trustworthy, such as a government official, trusted customer service rep, or computer technician to convince consumers to send money.

Payments in 58% of the reported cases were made by wire transfers, and the rest by credit card payment, debits from bank accounts, or prepaid cash and gift cards.

Ten Common Imposter Scams



Jury Duty Clerk: “I’m calling because you missed jury duty. Pay the fine immediately or go to jail.” (Cousin of the IRS Worker!)



Utility Company Billing Rep: “We will be shutting off your service in 24 hours if you don’t pay immediately.”



Government Clerk: “You have unclaimed money with our agency. Just pay the fee and we will release it to you. If you provide banking information we can deposit it directly to your account.”



Ticket Seller: “We can get you discounted tickets for your dream cruise/event but you must act quickly.”



Bank Clerk: “There’s a problem with your checking account. Please verify your personal information to resolve the problem so you can access your account.”



Sweepstakes/Lottery/Prize Announcer: “You’re a winner! Just send money to pay associated taxes and fees and we’ll send your winnings. If you provide banking information we can deposit it directly to your account.” (Seeing a trend here?)





Imposter Scams



First Responder Charity Worker: “We’re raising money for peace officers/firemen injured in the line of duty. I can take your credit card donation today.”



Internal Revenue Service Worker: “You owe taxes and risk penalties, fines, jail time, suspension of your driver’s license, or deportation if you don’t pay immediately.”



Long Distance Lover: “I know it’s only been a few weeks but I’m head over heels in love with you. I’d love to come visit but my mother is very ill. Perhaps you could send me money to help with her treatment then you can purchase a plane ticket so I can come visit you when she’s feeling better.”



The Military Rep: “I’m from the Veteran’s Administration calling to let you know you’re entitled to additional benefits. I just need some personal information to get you enrolled.”

To Avoid Imposter Scams:

- Beware of callers who ask for a wire transfer, credit card, banking, investment or personal information. The government won’t ask for this information and it’s illegal for telemarketers to ask you to pay by wire transfer. Wiring money is equivalent to mailing cash. Once it’s gone, you can’t get it back.
- Beware deadlines. Never make important decisions or financial transactions in a hurry. Opportunities with expiration dates are likely scams.





The National Do Not Call Registry



The National Do Not Call Registry gives you a choice about whether to receive telemarketing calls.

You can register your home or mobile phone for free at
<https://www.donotcall.gov/>

Registering your phone does not preclude calls from other types of organizations such as charities, political groups, debt collectors and surveys.

If you receive an email advising your Do Not Call registration is expiring, **don't believe it!** Once you add a number to the Do Not Call Registry, **you don't need to register it again — ever.** Numbers are only removed if they become disconnected or reassigned, or if a request is made to the FTC to remove it.

If you receive an unwanted call from a telemarketer 31 days or more after your number is registered, report it to the FTC: **(877) 382-4357** or www.ftc.gov

Sellers and Telemarketers

Go to <https://telemarketing.donotcall.gov> to access the National Do Not Call Registry.





Post Office Fraud

If you believe you're a victim of Mail Fraud or Mail Theft, report your concern to the U. S. Postal Inspection service.

Mail fraud may include:

■ **Scams.** For example:

- An offer to collect your sweepstakes winnings for a sweepstakes you never entered and the sender requires you to send money to collect your winnings
- Offers to donate to non-existent charities or charities that appear to be linked with a legitimate and well-known charitable organization
- Debt collection notices for debts you do not actually owe



■ **Deceptive Ads.** For example:

- Ads for anti-aging products that promise results they can't deliver
- Ads for “free” services that ultimately require you to pay a fee
- Ads that promise to unlock the secret to maximize your Social Security or Medicare benefits for a small fee when this same information is available for free online or directly from Social Security or Medicare

To file a mail fraud or theft complaint online: www.uspis.gov

If you prefer to file your complaint by phone: **(877) 876-2455**

Mail delivery or general service complaints should be reported directly to your local post office.





Veteran Scams

Military veterans are twice as likely to be targets for imposter scams according to a recent AARP survey. Imposters pretend to be vets themselves, from a charitable organization that assists vets, or from a government agency that seeks to assure a veteran is getting all the benefits he or she deserves. This allows imposters to take advantage of the patriotism and sense of camaraderie that make veterans more likely to engage in the scam.



Here are some examples of common veteran scams:

Benefits Buyout Offers: Offers of cash in exchange for a veteran's future disability or pension payments may be a quick fix for cash flow problems. However, exchanging future pension payments for upfront cash may turn into an expensive way to borrow. You're likely to get only a fraction of the value of the benefit you are offering up for cash and an influx of cash may disqualify a veteran from government benefits like Medicaid. Seek advice from a trusted professional with knowledge of both veterans and other government benefits to make sure you don't lose valuable, long-term benefits in exchange for a short term solution.

False Claims of Additional Benefits: Financial professionals may offer to realign your investments so you can claim additional government benefits. But you may either lose valuable features of your older, mature investments through new "surrender" penalty periods and higher fees to move your money internally between fund options; or end up with an inferior investment product that consumes your original investment. Again, seek advice from a trusted professional to minimize your risk of loss.

Veterans' Charity Pitch: Offers to donate to charities and organizations that benefit veterans may or may not be legitimate. Before giving any





Veteran Scams

money, it's important to do your research. Make sure the alleged charity is legitimate so your money is not funding the livelihood and retirement plans of impostors. Even if a charity is legitimate, research the charity's efficiency to make sure your donation is actually benefitting the charity recipients.

Identity Theft and the “Official” Imposters: Beware callers pretending to work for the VA or other government agencies that then ask you to divulge Social Security or other personal and financial information over the phone. Caller ID can be spoofed to look like the call is coming from a legitimate source like the VA, but the tip off will be the attempt to obtain personal information. If you don't answer, the caller may leave a seemingly legitimate toll free call back number that gets you to either a message prompting you to leave personal and financial information or someone may answer and ask for this same information. No matter the method, an official imposter only needs a few pieces of information to steal your identity and your assets.

For assistance, please contact the resources below:

- U. S. Department of Veteran's Affairs (VA):
 - (844) 698-2311 or <https://www.va.gov/>
- Charitable Organizations:
 - Legitimacy: www.give.org or <http://charitycheck101.org/>
 - Financial Health: <https://www.charitywatch.org/charities>
- Financial Professionals:
 - FINRA: <https://brokercheck.finra.org/> or (800) 289-9999
 - North American Securities Administrators Association:
[http://www.nasaa.org/about-us/contact-us/
contact-your-regulator/](http://www.nasaa.org/about-us/contact-us/contact-your-regulator/)
- Investment Questions and Complaints against a Financial Professional:
 - US Securities and Exchange Commission: <https://www.sec.gov/>



Quick Reference Guide

Agency	Issue	Contact
Adult Protective Services (APS) - OC	Elder and dependent adult abuse for those living independently	(800) 451-5155
APS - other CA Counties	Elder and dependent adult abuse for those living independently	www.cdss.ca.gov/infore-sources/coun-ty-aps-offices
Attorney General (AG) Hotline	Fraud and elder abuse	(800) 722-0432
Better Business Bureau Orange County	Consumer fraud	(858) 496-2131
Council on Aging – Southern California (COASC)	General information	(714) 479-0107
COASC - Long-Term Care Ombudsmen	Abuse to residents of board and care, long-term care, and skilled nursing facilities	(800) 300-6222
COASC - Senior Protection Program & Financial Abuse Specialist Team (FAST)	No cost outreach and education on financial fraud and abuse	(714) 479-0107
Dept. of Health Care Services - CA	Medi-Cal fraud	(800) 822-6222
Dept. of Justice	Legal services, Medi-Cal fraud	(800) 722-0432
Dept. of Insurance - CA	Insurance fraud complaints	(800) 927-4357

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Agency	Issue	Contact
Dept. of Public Health – OC District Office	Hospice fraud or abuse	(800) 228-5234
Do Not Call Registry	Unwanted telemarketing calls	(888) 382-1222
Economic Crime Division - OC	Fraud and identity theft	(714) 647-7000
Equifax Credit Bureau	Fraud and identity theft	(888) 766-0008
Experian Credit Bureau	Fraud and identity theft	(888) 397-3742
FBI Orange County	Criminal fraud & jury duty scams	(714) 939-8699
Federal Trade Commission (FTC)	All fraud and scams, identity theft, unsolicited calls	(877) 382-4357
Fraud Hotline - OC	Consumer fraud	(714) 834-3608
Internal Revenue Service (IRS)	IRS scams	(800) 366-4484
Laguna Woods Village	General information	(949) 580-1400
Laguna Woods Village Security	Resident security	(949) 597-4257
Laguna Woods Village Social Services	Social services	(949) 597-4267

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Agency	Issue	Contact
Leisure World Seal Beach (LWSB) Golden Rain Foundation	General information	(562) 431-6586
LWSB Security	Resident security	(562) 594-4754
Office on Aging – Orange County	General information and referral service	(800) 510-2020
Office of the Inspector General	National authority	(800) 447-8477
Police Departments (Non-Emergency)	Fraud and identity theft	www.ocgov.com/residents/law/safety/police
Senior Medicare Patrol (SMP)	Medicare fraud	(855) 613-7080
Sheriff's Office - OC (Non-Emergency)	Law enforcement services	(714) 647-7000
TransUnion Credit Bureau	Fraud and identity theft	(800) 680-7289
Treasury Inspector General	IRS scams	(800) 366-4484
U.S. Postal Inspector	Mail fraud	(800) 275-8777
U.S. Senate Special Committee on Aging	Fraud hotline	(855) 303-9470
Veteran's Service Office of OC	Veteran fraud, abuse, behavioral and mental health services	(714) 480-6555



Remembering Denny Welch

By Terry Welch

Research for this booklet was done by one of Laguna Woods Village's most hardworking and generous residents, Denise "Denny" Welch. Born in Chicago in 1942, Denny passed away on October of 2017 at her home in Laguna Woods.

Denny earned her bachelor's degree in public administration from Roosevelt University in 1980. She became involved with senior issues when her father fell victim to financial fraud. Her involvement led to new legislation that helped protect seniors from financial abuse.



She soon found other issues where seniors needed help, such as transportation, disability rights, insurance, and health care. She also worked with government agencies and private organizations to increase awareness of seniors' needs and to match these needs to services. She authored — and delivered free to residents — over two dozen informative booklets on subjects as diverse as hoarding, Medicare, funerals, and veterans' benefits.

Denny's work resulted in improvements in transportation, disability rights, insurance, and health care for seniors. She was Founder and President of Community Civic Association, President of Saddleback Kiwanis, Founder and President of Kiwanis 737, Director on Third Mutual for six years, performed with the Aquadettes for a few years, and was a Special Projects Coordinator for AARP. She served on multiple committees and ad hoc groups in Laguna Woods and Orange County. She articulated and advised the Golden Rain Foundation, Orange County Transportation Authority Special Needs Board, the Senior Citizens Advisory Council of the Orange County Office on Aging, and many other organizations.

Denny was a true inspiration to us all as she really "lived" her message.



Helping Seniors Remain Healthy, Connected, and Protected

Whether you need assistance navigating the aging experience or are facing a crisis with a parent or loved one, the Council on Aging - Southern California is here to help.

Learn more about the free services we offer older and disabled adults and their families in your community:

- **Senior Protection Program (SPP) & Financial Abuse Specialist Team (FAST):** Knowledge and protection to avoid financial predators (714) 479-0107
- **Health Insurance Counseling & Advocacy Program (HICAP):** Free, unbiased Medicare counseling (714) 560-0424
- **Long-Term Care Ombudsman Program:** Support and advocacy for residents in long-term care facilities (800) 300-6222
- **ReConnect Early Intervention Services:** Assists older adults 60+ to improve their emotional health and overall well-being (714) 352-8820
- **Friendly Visitor Program:** Support and friendship for isolated adults (714) 352-8820
- **SmileMakers Guild:** Provides holiday gifts to lonely seniors (714) 479-0107
- **Answers Guide:** Trusted resource for seniors and their families (714) 619-2129



Council on Aging
Southern California



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