



## **SENIOR TRAPS TO AVOID**

How to Protect Yourself from Common Scams

By Jean Ann Dorrell



According to the National Council on Aging (NCOA), financial scams targeting seniors have become so prevalent they are now considered “the crime of the 21st century.”

Seniors are a big target for common money scams and identity theft for several reasons. First, seniors typically, or are thought to, have large amounts of money in their various accounts, own their own home, and/or have good credit. In addition, financial scams often go unreported, so they are considered a “low-risk” crime. This is especially true with seniors because 1) they might not know who to report to, 2) are too ashamed they have been scammed, or 3) are completely unaware they have been scammed. However, when financial scams are reported, seniors tend to make poor witnesses. With the effects of age on memory, con artists are counting on seniors not being able to name key details or descriptions. Finally, fraudsters believe they can fluster seniors in several scenarios, so they believe there is a better chance seniors will act on their emotions and do something sudden. This “must act now” attitude has gotten many seniors in trouble.

These fraudsters take advantage of people for a living, and they are very good at their jobs. That is why it is important for me to equip you with updated information necessary to recognize and avoid these scams. With technology advancing daily, scam artists are constantly coming up with new ways to scam seniors. These scams can take several different forms:

- Telemarketing Trap
  - Email Scams
- Fraudulent Charities
  - Identity Fraud
- Home Improvement Scams
  - Auto Repair Scams
    - Doctor Scams
  - Funeral Rip-offs
- Veterinarian Scams
  - Realtor Rip-offs
  - Marriage Scams



## Telemarketing Trap

By now, most people know what telemarketing is: a form of direct marketing in which a company solicits prospective customers to purchase goods or services.

Seniors make twice as many purchases over the phone than the national average, which has made them a prime target for telemarketing scams.

Fraudsters will pose as telemarketers to try and sell you goods and services that do not exist, or simply try to obtain personal information such as your address, bank account numbers, social security number, etc. while they have you on the phone. So beware of out-of-the-blue phone calls offering “once in a lifetime” or “too good to pass up” investments, financial advice or financial products. Now, some of these calls are easy to identify, but a lot of these people do a good job of appearing business-like and reputable. Even people with significant business and professional experience have been swindled.

When you receive a call from a telemarketer, or fraudster claiming to be a telemarketer, protect yourself by first asking them the right questions:

1. What is your name, address and phone number?
2. Do you hold a license to sell financial products or give financial advice?
3. Is your firm a member of the Better Business Bureau?
4. How are you affiliated with the company? (an employee, principal, etc.)
5. Do you have a list of business references I can call now?

If at any point, the caller avoids the questions, does not answer your questions, does not have a license, or makes you feel uncomfortable in any way: **HANG UP.**

If the caller claims to have a license, ask them four more questions:

1. What is the name of the company holding the license?
2. What is the license number?
3. What is the license holder’s address?
4. What is the regulatory board that keeps records on your company for complaints, length of time in business, business address, etc.?



If the caller answers your questions, make a note of the details so you can check the information after the call. Be sure to search on the internet for the company, any possible complaints, or call the governing body.

If at any point, the caller hangs up on you, you have probably saved yourself from a fraud.

Since the “Do Not Call Registry” has been in effect, more of these scams are taking a mail and/or internet approach. However, it is important to be aware of telemarketing scams because they do still exist.

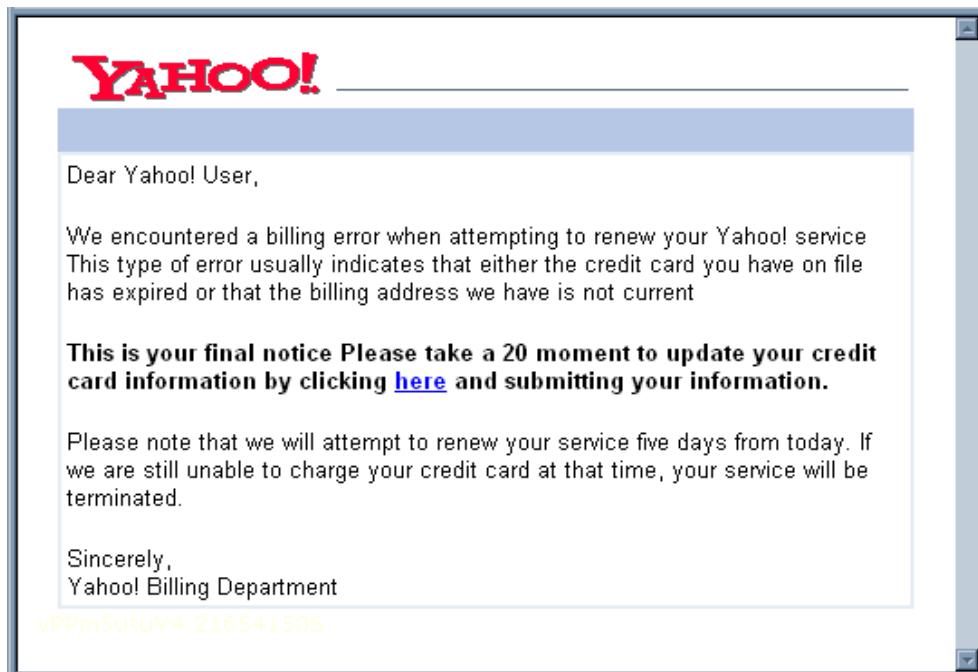
## Email Scams

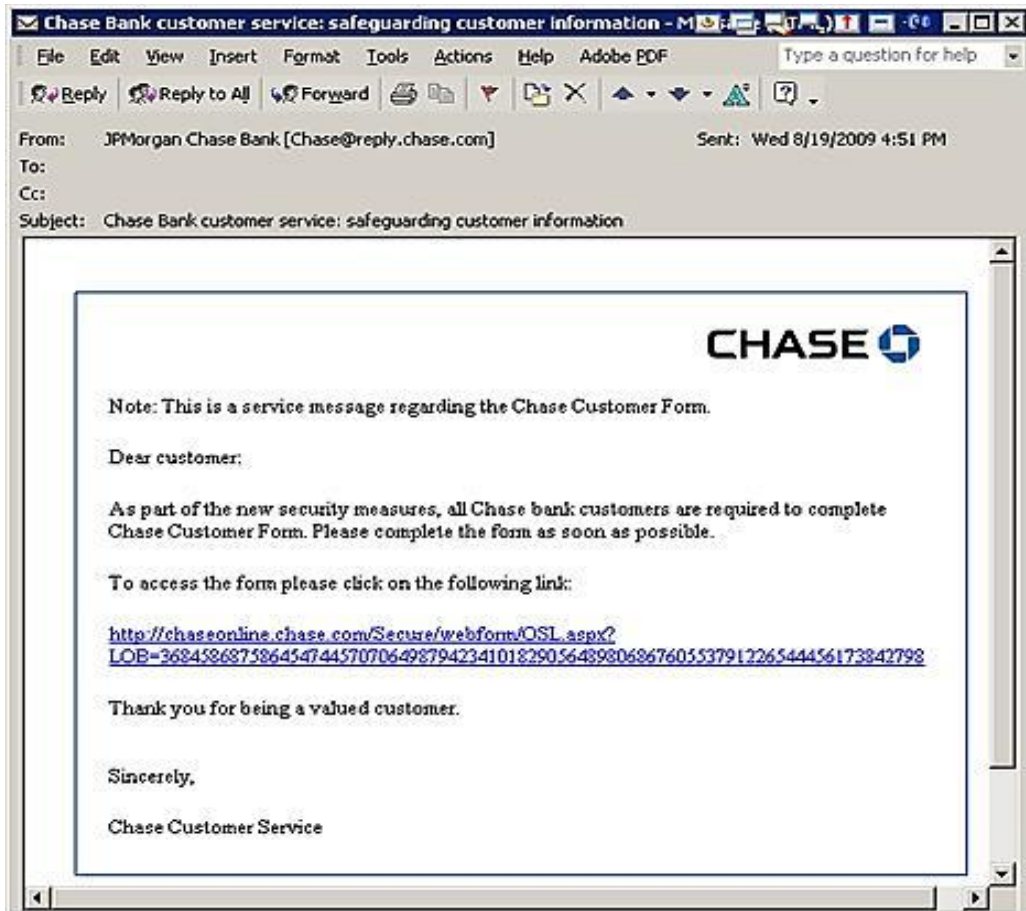
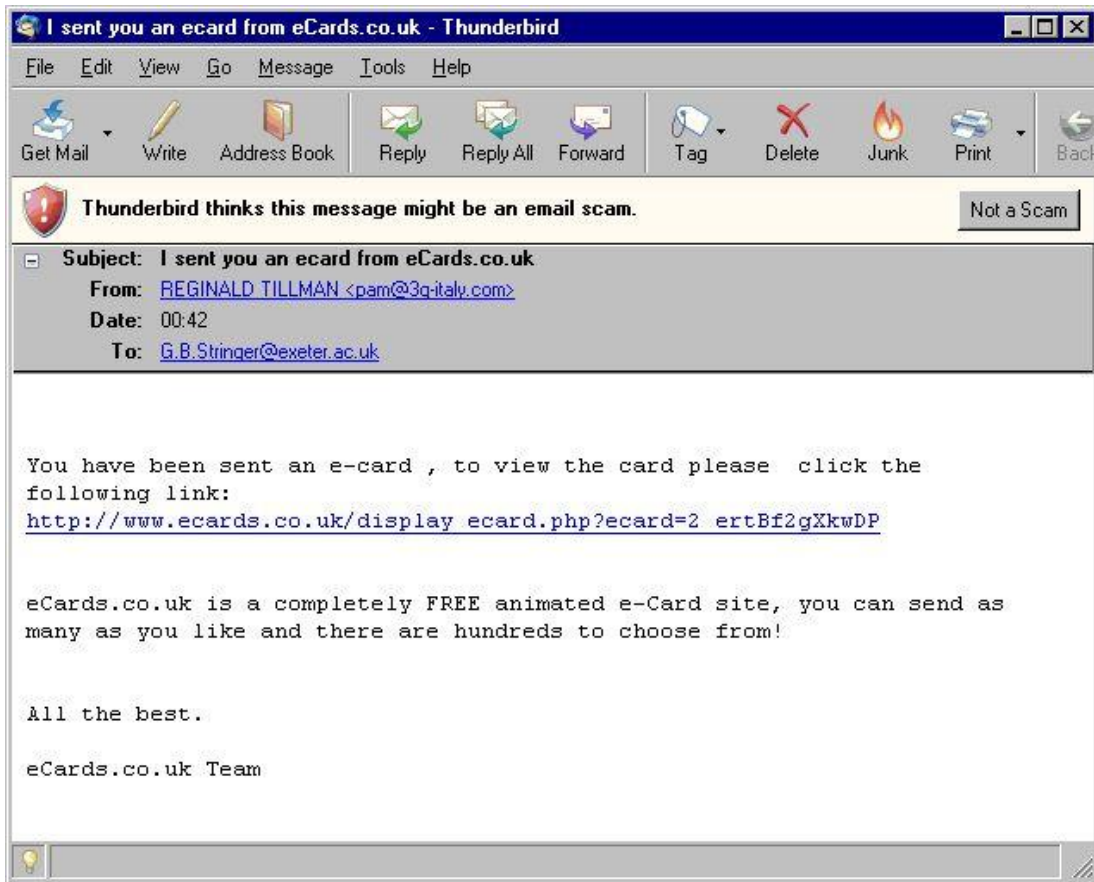
Email scams are one of the most common and prevalent of all types of scams today. There are several reasons for this. First, they have continued to evolve as technology progresses and as telemarketing has leveled off over the past several years. As email has become one of the main forms of communication, and is now being used by all age groups, the amount of scamming through email has skyrocketed. They are easy to create, send, and require very little effort from fraudsters. Almost everybody has received, or knows someone who has received, an email from a name or email they don't recognize that reads something like "You are a winner! Click here to claim your prize!" or "You've won \$100,000! All you have to do is fill out your information (or wire \$1,000) to receive your money," or "Your photos are ready. Click here to see your photos now!" In many cases, friend's emails get hacked and you might receive an email from them saying they are in trouble, or stranded, and need money wired. The best thing to do is to pick up the phone and call them to see if everything is okay. Other email scams include:

- FBI Monetary Unit scams: a unit in Nigeria confirming your inheritance, lottery winnings, etc.
- Traffic Ticket scams: claiming you have been issued a ticket and need to pay a fine.
- Phishing for data: claiming to be the "the fraud department" of a company or a company to "confirm your information" (maybe one you already do business with), which asks for personal or account information
- Secret Shopper: claiming you can make money by shopping "at your favorite stores"
- Word of Mouth: claiming one of your friends posted a secret about you and you have to pay a fee to see the message

A couple of tips to keep in mind are to ignore all types of unsolicited emails that may surpass the spam folder by deleting them, and be sure to change your passwords frequently. This will make it much more difficult for fraudsters to hack into your email accounts and obtain personal information. In addition, if there are several misspelled words, typos or things that do not really make sense in a "professional looking" email, this is a bad sign. Disregard and delete these emails.

A few more examples of email scams that have fooled thousands of people into responding with personal information:





It is important to remember that banks and financial institutions will NEVER ask you to change your account numbers or fill out new forms that require personal information online. Furthermore, your email company will never ask for credit card information. There is no need for them to have that information.

Also, be sure to use and activate the spam filter in your email account. Most email services like AOL, Yahoo, Gmail, Hotmail, etc. have spam folders already set up. A lot of these unsolicited emails will be marked as spam and placed in that folder as a red flag to you. Furthermore, look into purchasing firewall or antivirus software on your computer, which will mark potential spam and scam emails, prevent someone hacking into your computer and accessing personal information or anything online that might be potentially dangerous to your computer. Good antivirus software packages include ZoneAlarm, Norton Antivirus and McAfee Antivirus, and can be purchased at any office supplies or computer store.



### Fraudulent Charities

Giving to a charity is a worthy objective. However, for you and society to get the maximum benefit from your contribution, you need to give wisely and make sure your contribution goes to what it is intended. First, you must always do your research. Search the internet for specific details about the charity, what the money goes to, and review their operations and practices. Also, you may want to contact the appropriate state government agency to verify a charity's registration and to obtain financial information on a soliciting charity.

Fraudsters try every possible way to take advantage of your goodwill. Regardless of how they reach you, avoid any charity or fundraiser that:

- Refuses to provide detailed information about its identity, mission, costs, and how the donation will be used.
- Won't provide proof that a contribution is tax deductible.
- Uses a name that closely resembles that of a better-known, reputable organization.
- Thanks you for a pledge you don't remember making.
- Uses high-pressure tactics like trying to get you to donate immediately, without giving you time to think about it or do your research.
- Asks for donations in cash or asks you to wire money.
- Offers to send a courier or overnight delivery service to collect the donation immediately.
- Guarantees sweepstakes winnings in exchange for a contribution. By law, you never have to give a donation to be eligible to win a sweepstakes.

Several charity scams take the face of recent disasters such as Virginia Tech charities, Hurricane Katrina charities, 9-11 charities, etc. Again, be sure to do your research. When in doubt, it is always good to donate to the American Red Cross for disasters.

In addition, the IRS provides a "search" tool for IRS approved charities. GuideStar.org lists 1.5 million nonprofits in its database, all of which have met IRS criteria for exempt organizations. On this site you can find the most recent tax forms that a charity has filed with the IRS. If there are no recent filings in the last several years, you probably want to stay away.



## Identity Fraud

Here are several recent statistics about identity theft:

- Identity theft has been the top consumer complaint to the Federal Trade Commission (FTC) for the past twelve years in a row.
- The Department of Justice states that in 2010, 7% of all United States households had at least one member of the family at age 12 and older who has been a victim of some sort of identity theft.
- From 2005 to 2010, 64.1% of all identity fraud instances involve credit card fraud, the fastest growing type of identity theft. Over the range of this time period, credit card misuse was doubled as the determining factor in identity theft.
- According to Time Magazine, 2.5 million dead people get their identities stolen every year. Studies conducted by ID Analytics have shown that identity thieves have been applying for credit cards under the names of the deceased, opening up clean credit lines, new cell phone services, and in a staggering 1.6 million cases, using Social Security numbers previously belonging to dead people.
- A study conducted by Javelin Strategy & Research showed that consumers may be putting themselves at a higher risk for identity theft as a result of their increasingly intimate social media behaviors. People are giving away far too much personal information on social networking sites, such as birthday, phone number, pets' names, etc., allowing fraudsters to easily steal their identities.
- The Department of Education found that 48% of college students who participated in a survey admitted to leaving personal information out in their dorm rooms, some of which was financial in nature. Identity thieves look to college-aged adults because they often have good, clean credit scores, making them an ideal target. In addition, college students check their bank accounts and personal accounts much less often than older age groups.
- The number of medical identity theft victims rose from 1.6% in 2001 to 1.8% in 2005. Medical identity theft can be distressing to its victims, who often incur charges for medical care they didn't even receive after their computerized medical records are stolen. A large chunk of these victims experienced raised premiums as a result of medical identity theft, with almost half losing coverage entirely.
- According to the Consumer Sentinel Network's 2011 report, 57% of identity theft victims notified a police department, resulting in a police report. Six percent notified a police department, but did not have a police report filed, and 7% notified the police but were unsure as to whether a report was filed. This leaves an alarming 30% of victims who didn't bother to notify the police at all.

If someone is totally determined to commit a crime against you, it may not be avoided, although the damage and impact can be minimized substantially. Identity theft starts when someone illegally uses your personal identity to obtain and use credit cards, establish new phone or utility services, open fraudulent bank accounts, write checks and steal money from your checking and savings accounts. Many thieves will obtain loans for business, personal, auto or real estate purchases in your name.

Simply put, each transaction you engage in everyday that involves purchasing something – from a store, restaurant or service station – requires the use of your personal account information. An identity thief will acquire this information from several sources. Crooks watch and wait everywhere. They look just like us and we really can't tell them apart. I have listed several action steps and tips you can take to control your environment and avoid identity fraud.

- Invest in a good shredder (\$90-\$120). You can find a wide variety of shredders at any Walmart, Target, Office Depot or Staples.
- Buy a new mailbox with a lock and slot (\$30-\$50).

- Place garbage out the morning of pick-up to minimize the chance of someone “dumpster diving” in your trash.
- Cancel the credit cards you don’t use. This one move will better your credit score, since it shows creditors that you are a better risk because you have less available credit.
- Minimize the information you carry with you in your wallet or purse.
- Develop a secure list of all your creditors’ names, phone numbers and expiration dates. Keep this list in a fire-proof safe box or box at home. DO NOT type up a list and save it to your computer so it can be easily accessed.
- Order new credit cards with an embossed photo.
- Monitor your accounts closely. It will be easier for you to tell if someone has stolen your identity if you check and track recent activity.
- Change your passwords on your accounts often (every few months). Keep a secure list in a fire-proof safe box or box at home. DO NOT type up a list and save it to your computer so it can be easily accessed (many people make this mistake).
- Limit the amount of personal information you make accessible on social media websites. Do not share your date of birth (at least not the year), your phone number, address or pets’ names. These are common personal questions asked to determine identity or used for passwords, which makes it easier for a fraudster to obtain and access your information.
- If you have a smart phone, set a password to access the phone. Otherwise, account names, login information and other account information can be easily obtained if the phone is lost or stolen.
- Do not leave your hotel key card in the room or at the front desk when you check out. There are readers that con artists use to get personal information off these cards. Cut them up and throw them away outside of the hotel.
- If admitted to the hospital, do not give your wristband to anybody outside of the hospital. There have been reports of people who offer to take your wrist band once you leave, and use it to look up your personal information in the hospital’s system (even if they aren’t employees at the hospital!).
- Consider subscribing to LifeLock ([www.lifelock.com](http://www.lifelock.com)) or another proactive fraud prevention company who will notify you if there is fraudulent activity on your accounts and help keep your personal information safe.
- Order a credit report. The most popular credit report agencies include Equifax, Trans Union, and Experian (formerly TRW). You can get your credit report from all three agencies for around \$10 per report. There are also websites that offer free credit reports like [www.AnnualCreditReport.com](http://www.AnnualCreditReport.com). This will show you exactly what damages have been done by a thief and will act as a “road map” to quickly resolving the problem.

### Home Improvement Scams





Seniors are big targets for home improvement scams, one reason being because the majority of seniors own a home. Actually, 60% of seniors live in homes more than 20 years old. As the elderly age, so do the homes they live in. Not only do they have to keep an eye on normal home maintenance such as roof, plumbing, electrical, tree maintenance or other projects, their home might also require grab bars or ramps to provide additional accessibility. This makes seniors a prime target, because chances are, these older houses could use any type of maintenance or repair. Fraudsters also recognize that seniors might not be able to do the work themselves, or as easily as some of their younger counterparts.

In one example, Helen said that a home improvement handyman called her offering to clean her gutters at a discounted rate because he was already working in the neighborhood. Although Helen had not planned to have her gutters cleaned until the fall, she could not pass up a “discount.” Once the handyman began the work he claimed that one section of her gutter was loose and needed repairs to prevent leaking. Helen was thankful that he caught the problem even though she hadn’t noticed any leak. Due to her severe arthritis, Helen could never have climbed a ladder to view the damage for herself.

As Helen wrote a check to pay the handyman, she mentioned that the handrail on the stairs to her front porch was loose. The handyman smiled and said he would be happy to check it out for her. He took a quick look and informed Helen that the handrail had rotted through and the support beams under the porch also would have to be replaced immediately to prevent the porch from collapsing on an unsuspecting visitor. He asked for a deposit to purchase materials, but Helen, to her credit, said she would have to talk it over with her daughter. That evening, after Helen’s daughter arrived home from work, she took the ladder out of the garage and climbed up to survey the handyman’s work. The gutters had not been cleaned, nor were there any sign of repairs to any section of the gutters, and the porch was sound. The handyman was part of a home improvement scam ring whose leader, his uncle, was serving a prison sentence for defrauding home owners out of thousands of dollars for faulty repair work or in most cases no work at all.

Another example is a “roofer” sends out representatives with flashlights to quickly shine them under the edge of roofs in a neighborhood. This is mostly for show, to convince those watching that they are inspecting the roofline, looking for signs of decay. From this quick test, they can see that your home needs a new, expensive roof, and will want to sit down and take care of the situation as soon as possible – possibly starting with your signature on a contract or a large payment for a deposit, down payment, etc. Any reputable roofer can tell you the many reasons why this is absurd.



These simple scenarios are replayed daily throughout the nation, involving nearly every area where repairs may be needed. All of these scams take a similar form, and change as soon as an old one is exposed. While seniors cannot prevent fraudsters from seeking them out and attempting to take advantage of them, a few common-sense precautions can help prevent you from becoming a victim.

Believe it or not, a great source of information is word of mouth, such as referrals from friends who have had similar work done. Many people have a trusted contractor or repairman they have used for several years for

numerous home projects. It is important to note, however, that this is a good starting point and not necessarily an all-inclusive reason for choosing one contractor over another. Once you have a few names from friends and neighbors, you can check them out through the Better Business Bureau and your local consumer affairs office to help narrow down your list.

One safeguard a consumer has against home repair fraud is the licensing of contractors. In the many states with this provision, a consumer can ask for a Contractor's License Number, or go to <http://www.contractors-license.org/> and find out if a contractor is licensed in a certain state. Now, it is not necessarily a red flag if someone giving you a bid does not have a license. But, at the very least, it means the person bidding for your job has not taken and passed a basic test given by your state or passed a background check.

Once you identify a licensed contractor, you may contact the state office that issues the license and ask if there have been any complaints or actions taken against the contractor you are researching. You may also ask if the license is in good standing or if it has been revoked.

Beyond licensing, ask about other professional associations that the workman may belong to. Then check and see if they are valid organizations and that the person is, as they say, a member in good standing. For instance, in tree removal, your prospect may have a contractor's license, but if they are also a certified arborist, you know their level of education is much higher.

Additional general tips include the following:

- Watch for contractors who come to your home unsolicited claiming that your home needs expensive repair work for damage that you never noticed. Common approaches involve work on your chimney or driveway. These contractors often offer a special "deal" because they claim to have material left over from another job in your neighborhood.
- Never agree to have work done on the spot. Determine what you want done and seek qualified contractors.
- Get at least two written estimates from reputable contractors that include specific information about the materials and services provided for the job.
- Do not pay the full amount up front or other unreasonable advance sums. Negotiate a payment schedule tied to the completion of the job and pay by check. Do not pay with cash.
- Get any promises in writing and make sure the project is thoroughly described in your contract. If you can, ask a lawyer to review the terms of the written contract before you sign.
- Don't be bullied or pressured. Call the police and get a license plate number if a door-to-door contractor won't take "no" for an answer.

There are honest and dishonest purveyors in all aspects of home improvement or maintenance. If the final bill can reach into the thousands, then extra research or homework on your end is well worth it.

### Auto Repair Scams

Auto repair scams is another route fraudsters take to scam people, and many seniors. Dealing with occasional auto repairs is an unavoidable fact of life that can leave you feeling vulnerable. The good news is that approximately three-quarters of consumers say they are completely or very satisfied with their auto repair shops. The bad news is that 27% were dissatisfied with their experiences, according to a Consumer Reports survey. Another statistic from the data is 30% of female respondents stopped using a repair shop because they

felt the staff attempted to take advantage of them because of their gender. While most people have positive experiences at repair shops and are honest and professional, fraudsters can and do take advantage of your vulnerability if you are not careful. AOL lists some top auto repair shop scams to avoid:

- 1) Dirty Fuel Injectors - Some shops will tell you that you need your fuel injectors "cleaned" every 15,000 or 20,000 miles. This is true, BUT only if you are using coal oil to power your car. Today's gasoline has detergent in it to keep fuel injectors clean. Shops will sometimes present you with dirty fuel injectors as a prop. The proper replacement cycle for a set of fuel injectors is once a year or every 35,000 miles; even that is overkill.
- 2) Padding the Bill – A common example of this is that you take your car to a shop because the “Check Engine” light comes on. The mechanic comes out with a clip board and lists three other things that are wrong with the car and need to be replaced for hundreds of dollars more. If you trust the mechanic and have history, then he or she may be doing right. But if it is a new shop, have the work done you came in for and get a second opinion and estimate for the other things. Be firm. Many shops will make you feel like you are a bad person you don't get the extra work done. Unless it's an immediate safety issue, ask for the written estimate from the shop and go get a second opinion (and compare estimates) if you aren't sure.
- 3) Beware of Used Parts Instead of New - Few of us will actually do this, and that is what the deceitful shop is counting on. You pay for new parts, but are sold used parts. Inspect the parts that are being installed for wear. They should be sparkling new, and appropriate brand-name parts approved by the manufacturer. Look for brands like AC Delco, Bosch, Fram, Champion. If the parts are unbranded or strange, ask the shop to show you they are approved parts.
- 4) Tire Switcheroo - It may seem unlikely, but think of how simple it is especially if a dishonest mechanic thinks that the owner of the vehicle in his shop has utterly no idea what tires are on the car. Some will actual take your tires off and replace them with older tires. You may want to put chalk marks on the inside of your tires. If your chalk-marks are not there when you collect the car, you, and your tires, have been scammed.
- 5) Replacing the Clean Air Filter - Don't be sold a new air filter at every oil change. The filter is good for a whole year or about 15,000 miles. Here again, many shops will present you with a filter they say is yours next to a new filter and try and guilt you into a new filter you most likely don't need.
- 6) The Engine Flush - Don't flush your hard earned money down the sewer. The engine flush costs between \$100 and \$200. An engine flush uses a machine and chemicals to rid your engine's innards of sludge, but it's not a normal maintenance checkpoint unless you've neglected your engine. Change your oil according to manufacturer's recommendations and you should never need an engine flush.
- 7) Just Say “No” to Lifetime Products - Get your transmission fluid changed every 35,000 miles. Your car may come with something called "lifetime" fluid, but we recommend even changing that at about 80,000 miles. Don't get sold on "lifetime" anything whether it be fluids, filters or brake-pads. These are sales gimmicks and have nothing to do with taking good care of your vehicles.



The best thing you can do is to find an auto repair shop before you need one. This will avoid the pressure of having to make a last-minute choice. Word of mouth is a great start to finding a good auto mechanic that you trust. Friends and family are usually very open about auto repair experiences, good or bad. And once you find a good one, stick with them! Keep in mind, there are auto repair shops that specialize in foreign or domestic cars, so be sure to find out before trusting a shop with your car. While trying to find a good auto repair shop, ask yourself questions like, “Is the service center clean and professional looking?” “Are customers listened to and

treated with respect?” Has the shop been in business for a fair amount of time? Does the shop have a written policy regarding customer satisfaction, refunds, and warranties?”

After the work is done, all auto shops are required to give you an itemized receipt listing the work completed and parts purchased. If there is something you do not recognize, ask for more clarification on those items. If you have a written guarantee of the work, the shop should adjust and correct any problems.

## Doctor Scams

Surprisingly, doctor scams can be viewed very similar to auto repair scams. These scams do not happen often, but when they do happen (or if something goes wrong), it can leave you feeling vulnerable and helpless. The top priority of many doctors is to get paid by the insurance companies, especially for surgeries they perform. Doctors in normal clinic days can charge from \$75 up to \$1,000 per patient, BUT what is performed in surgery can add up to a doctor making thousands and thousands of dollars from a single surgery.



**Surgery = More Expensive = Bigger Paycheck for the Doctor**

Unfortunately, there are a few doctors who will take advantage of this equation and recommend surgery when either it is not necessary or there are other options for the patient. Some doctors may think, “I am not stealing any money from the patient, so what’s the harm to them?” While money might not be coming directly out of your pocket, having unnecessary surgery puts you at an unnecessary risk. The older one gets, the more risky it is to be put under anesthesia and undergo surgery.

Another type of doctor scam is overbilling. For example, on March 28, 2013, a physician who was the owner and founder of Visiting Physicians of South Jersey—a Hammonton, New Jersey provider of home-based physician services for seniors—pleaded guilty for charging lengthy visits to elderly patients that they did not receive, U.S. Attorney Paul J. Fishman announced. During her guilty plea, Dr. Reaves, 52, admitted lying in Medicare billings about the amount of face-to-face time she spent with patients, which led to her receiving at least \$511,068 in criminal profits. Reaves was the highest-billing home care provider among the more than 24,000 doctors in New Jersey from January 1, 2008 through October 14, 2011, according to court documents.

“Today, Lori Reaves, a South Jersey physician, admitted intentionally overbilling Medicare and pocketing more than half a million dollars she didn’t earn,” U.S. Attorney Fishman said. “The Medicare system depends on doctors and other medical professionals truthfully billing for services they actually provide. Here, Dr. Reaves chose to lie about the major service she was providing to her homebound, elderly patients: her time.”

Again, a very harmful effect of these scams is that it no longer makes you: the patient, the number-one priority. If doctors are occupied with making more and more money, it allows for error, oversight and lack of attention to detail, which ultimately does put you in harm’s way.

A couple of important things to remember (similar to auto repair):

- When you find a doctor you are happy with, stick with them. Ask friends and family who live near you for recommendations.

- If you really trust your doctor, ask them to refer you to a specialist when you need something they cannot provide.
- When in doubt, always get a second opinion. Make note of cost, timeline and any other details the first doctor is claiming to be necessary.

## Funeral Rip-Offs

There is another place many seniors get taken advantage of, and it is at one of the most difficult times in their lives – when someone they love passes on. In recent news, Mr. Corter had purchased a casket from a company called Celestial Burials before he passed away. He saw an ad for the company in VFW Magazine. When he passed away a few years later, his wife called the company to have them deliver the casket to the funeral home within 24 hours, as they claimed. But the casket never arrived. "We were going to the viewing, (and) when we got the funeral home he was laying on a table," his wife said. She and her children were forced to immediately pay an additional and unexpected \$3,500 for a casket. Fortunately, this fraudster was caught and sentenced to six years in federal prison for conspiracy, mail fraud and making false statements on tax returns. However, there are still many scenarios like this happening daily all over the country.

For many people, a funeral will be one of the most expensive purchases of their lifetime, with an average funeral costing over \$10,000. The federal government protects consumers from unfair business practices with a law called The Funeral Rule.

*"The Funeral Rule, enforced by the Federal Trade Commission (FTC), makes it possible for you to choose only those goods and services you want or need and to pay only for those you select, whether you are making arrangements when a death occurs or in advance. The Rule allows you to compare prices among funeral homes, and makes it possible for you to select the funeral arrangements you want at the home you use." -FTC website*

A few examples of the Funeral Rule at work are:

- One way funeral directors inflate profits is by introducing customers to their most expensive caskets first. Industry studies have shown the average casket shopper buys one of the first three casket models they are shown and usually the one that is in the middle price range. The Funeral Rule requires funeral homes to show customers a list of all caskets the company sells with descriptions and prices before showing any models. Be sure to remind them of this when you are browsing for one.
- Traditionally, caskets were sold only by funeral homes. But now showrooms and websites sell caskets independently, sometimes at cheaper prices. The Funeral Rule requires funeral homes to use a casket you bought elsewhere without charging an additional fee. Some funeral homes have tried to get around the retail casket store competition with deceptive promotional packages. They offer "deals" that reduce the price of their caskets, but make up the difference by increasing the funeral director's fee by a comparable amount. If a mortuary tries to charge a handling fee, or raise any other prices, call the Funeral Rule Office at 1-877-382-4357, or call your state Attorney General's consumer office.
- Another deceptive practice is selling "protective" caskets. These include a rubber gasket designed to delay the penetration of water into the casket, claiming to preserve the body from biological entities. The protective casket has been called the biggest rip-off in the funeral industry. The gasket costs \$12 to \$20, yet funeral homes typically charge \$700 more for models with gaskets than for those without. The Funeral Help Program says the gasket can actually have exactly the opposite effect. Furthermore, these gaskets could even make the caskets explode. For this reason, the Funeral Rule forbids claims that

"protective" features like the gasket help preserve the remains indefinitely, because they don't. They just add to the cost of the casket.

A few tips experts advise to keep in mind:

1. Plan Ahead – Shop around in advance. Compare the prices of at least two funeral homes. Remember, you can supply your own casket or urn.
2. Ask for a Price List – Funeral homes are required to give you a written price list.
3. Consider Cremation – This costs much less than a funeral.
4. Know What is Required and What is Optional – Read over The Funeral Rule to see what is required by law in your state. Embalming is not required.
5. Select a Casket Ahead of Time – Buy from a casket store. Do not buy a “protective” casket.
6. Avoid Emotional Spending – Eliminate the frills and know that you do not have to have the fanciest or best funeral service. For example, buy a guest book, cards, etc. at a stationary store; it will be much cheaper than at a funeral home. And, excavation companies often charge 50 percent less than a cemetery to dig and fill the grave.

### Veterinarian Scams

If your beloved pet becomes ill, you could end up paying in the thousands for treatment; even when you are not being overcharged. Therefore, it can become frustrating if your veterinarian is charging (or overcharging) you for unnecessary tests or surgery.

This happens for several reasons. First, owning a veterinarian practice is costly. With the popularity of pets, population of pets and the importance of properly caring for them increasing, veterinarian salaries have increased, as well as veterinarian support staff salaries. These days starting salaries for veterinarians are \$60,000+. Also, there are high overhead costs. They need a lot of specialized equipment to perform exams, X-rays, Ultrasound, surgery. In addition, monitoring equipment, anesthetic equipment, kennels and cages, ventilation costs are necessary. The list is big!

Something else to think about... Since a vet can only increase the number of pets/patients they see to a certain point (because they cannot make the place any bigger), one of the only ways they can make more money is to do more with existing clients. Therefore, many will try the “up-sell” technique. The best example of this is the famous McDonald’s slogan: Would you like fries with that? Sometimes a vet will try to add on tests or procedures that your pet might not need. They might say something like, “Well, since you are having A done, you might as well do B and C while you’re here.” Be sure to question why. Ask if this is something they recommend or is this really something your pet needs. These days, pets are great companions, best friends or like children to their owners, and there are vets that will play on your heart strings and take advantage of this bond. They know pet owners would do just about anything for their pets if they thought the pet really needed it.

One common misconception, and a good way to save you money, is that your pets do not need vaccinations every single year. Puppies and kittens absolutely need to be vaccinated and given booster at one year. After that, you can wait every three years, and only vaccinate for what they need in your area. Stop all vaccines between the ages of 10-12 years. If you have a vet that insists you give vaccinations every single year, you might want to consider switching vets.

In addition, beware of pet insurance. Pet insurance is no different than any other insurance company: You have to be careful and there are always people who are trying to sell you more than you need. Unless you cannot resist a breed with chronic problems, pet insurance will probably cost you more money than it will save you. As with any health insurance, you'll pay deductibles, co-pays, and premiums, and you may bump up against lifetime payment ceilings if you own a chronically ill pet. In addition, you might find some needed treatments

are excluded from coverage. Also, some policies limit the amount they will pay per incident and may make you pay more as your pet ages.

Another type of scam in this category happens online when people are searching for new pets. There was a lady in Ohio looking for a Yorkie puppy, and found several possibilities on Pet Finder and other websites. She emailed potential sellers, and heard back from a lady in Kansas that was giving away three Yorkies “free to a good home”. The woman decided on one of the puppies. The lady in Kansas had her fill out a form and said there would be a \$150 fee for shipping (which made sense since she was so far away). The fraudster also said that her brother worked for the delivery company, so instead of paying through PayPal, she should just pay her brother directly. The lady sent the fee and never got her dog. If you are ever in the market for a new animal, be sure to shop around and be aware of scam artists who are always trying to make a couple of bucks.

Another example, is the “lost pet scam”. An elderly couple was bringing in groceries when their cat, Baby, slipped out the door. Newspaper ads, flyers, posts to an online lost-and-found board and constant calling throughout the neighborhood brought no results for weeks. Then they got a call from a fellow who said that he had recently moved—and when he opened his moving truck, a cat that looked just like Baby jumped out. The couple wired him \$300 to cover the cost of flying Baby back to Florida. The wired funds were picked up, but the cat never arrived.

Remember, people know they are playing with your emotions when pets are involved. Their hope is that this will interfere with your ability to think logically and rationally. Plan ahead and do as much research as possible when dealing with animals and veterinarians.

### Realtor Rip-Offs



According to the FTC, real estate and mortgage issues were both in the top 25 categories of complaints to federal regulators for 2011 and 2012. And seniors had the most to complain about, accounting for 23% of all fraud complaints.

Whether buying or selling property, all seniors need to be aware of common schemes to defraud them in what is likely one of the biggest assets in their portfolio: their home. Experts say many fraudsters keep reinventing themselves, using the same old tricks using new ways to get victims (especially as technology keeps evolving). One example is someone forging documents showing ownership of a property but really is not. With the internet, it is much easier to duplicate notary stamps and deeds than it ever has been. Another previous example is selling swampland in Florida, which has evolved into selling empty lots to people who are promised utility service but never get it.

There have been scam artists that copy a Century 21<sup>st</sup> “for sale” ad and list it as “for rent” on Craigslist, and change the contact information to their own. Once someone responds to the ad, they claim the property is still for rent but they are out of state. To ensure a hold on the rental property, they need a deposit check sent to a named address. There are numerous scams like this that take many forms. Follow these simple tips and you can avoid 99% of scam attempts on the internet:

- Deal locally with people you can meet in person
- Never buy or rent property without seeing it first
- Work with a trusted real estate professional with obvious ties to the community
- Never send money or give out financial information (bank account number, social security, number, PayPal info, etc.) to people/organizations that you do not know

## Marriage Scams

Marriage should be a wonderful and exciting experience for anybody who chooses to get married.

Unfortunately, there are people in this world who are motivated to get married, not for the reasons of finding love and having someone to share their lives with, but for selfish reasons that benefit only them. Many travelers to developing nations report getting marriage proposals abroad. While it is possible to find true love in a foreign country, it is important to be aware that immigration marriage fraud really does happen. Also known as green card marriage, this occurs when one or two parties enter into a marriage primarily for the purpose of gaining citizenship. To ensure this does not happen to you or someone you know, here are some important warning signs of the foreign national wanting to wed:

- They want to jump into marriage very fast
- They ask for money or do not want to share expenses
- They are not interested in teaching their partner about their country's culture or language
- They have no hesitation to relocate to a new country
- They seem very focused on getting their residency card
- They change their behavior or demeanor once they are out of their home country

Another type of scam is mail order brides. Many men turn to Russian, Ukraine, Philippines or other foreign countries' dating agencies to meet women, and to hopefully find a wife.

*Mail order brides from Russia, etc. Getting married with a PreNup when you have more assets is Disastrous to your family (Both a scam (from the gold digger ESP to older folks) and misconception)*

Conclusion:

Many seniors live in fear and worry they are the next target for one of the many common scams listed. I see clients every day who have been or know someone that has been the victim of a scam. With technology so prevalent in our lives these days, it is hard to know when something could be a potential scam. I hope this has given you insight into just how far people will go to make an easy buck; and the fact that it happens hundreds of times a day. It is also my hope this guide gives you confidence and knowledge in knowing if somebody is after your hard-earned money. In addition, be aware that these scams are constantly evolving. Here are a few bottom-line tips for seniors. Take these with you and use no matter what the scenario.

### 5 Bottom Line Tips

- 1) Trust your gut.
- 2) Ask lots of questions.
- 3) Don't be afraid of hurting someone's feelings when it comes to your money you have worked so hard for and/or your identity. Don't give strangers the benefit of the doubt.
- 4) Don't do anything sudden or let emotions get in the way of your financial decisions. (a lot of these scams try to get seniors worked up or scared, which can cause confusion and rash



decisions; 'must act now!' attitude); (B was told by two 'undercover detectives' (showed her good fake badges) they needed money from her to help catch a guy they had been following for some time so she had to give them \$10,000 cash. They told her she was serving her country and gave her a private location to meet them after she withdrew the cash. \*\*If they are government or law enforcement they will know details about you (SS#, etc) and, as government officials, they have the means to get cash if they need it and would never ask a senior for help, or put a senior in danger).

5) Don't be afraid to call your financial advisor for advice if you are approached with something. I am one who is not afraid to tell my clients, "If it sounds too good to be true, it probably is!"

<http://www.ncoa.org/enhance-economic-security/economic-security-Initiative/savvy-saving-seniors/top-10-scams-targeting.html>

<http://www.fbi.gov/scams-safety/fraud/seniors>

<http://www.fbi.gov/newark/press-releases/2013/south-jersey-doctor-admits-making-half-a-million-dollars-in-fraud-scheme-involving-home-health-care-for-elderly-patients>

<http://www.consumer.ftc.gov/articles/0074-giving-charity>

<http://www.consumer.ftc.gov/articles/0300-ftc-funeral-rule>

<http://www.scambusters.org/funeralscams.html>

<http://www2.guidestar.org/>

<http://www.idt911blog.com/2012/05/9-alarming-statistics-about-identity-theft/>

[http://www.americanbar.org/newsletter/publications/gp\\_solo\\_magazine\\_home/gp\\_solo\\_magazine\\_index/scamtarget\\_elderly.html](http://www.americanbar.org/newsletter/publications/gp_solo_magazine_home/gp_solo_magazine_index/scamtarget_elderly.html)

<http://autos.aol.com/gallery/repair-shop-scams/>

<http://abclocal.go.com/wls/story?section=news/consumer&id=9047184>

<http://www.scribd.com/doc/2437542/Top-10-Ways-To-Avoid-Getting-Overcharged-By-Your-Veterinarian>

<http://www.manusa.com/real-estate-scams-century-21/>

<http://www.marketwatch.com/story/real-estate-scams-are-a-big-boomer-complaint-2013-03-11>

<https://www.crosscontinental.org/volunteer-vacations/press-releases/avoid-marriage-scams/>