

Don't be a  
**sitting duck!**

**Money Safety for Seniors**



## **What is Financial Exploitation?**

Financial Exploitation, as defined by the Older Americans Act is “the fraudulent or otherwise illegal, unauthorized, or improper action by a caregiver, fiduciary, or other individual in which the resources of an older person are used by another for personal profit or gain; or actions that result in depriving an older person of the benefits, resources, belongings, or assets to which they are entitled.”

**In other words, Senior Financial Exploitation is the theft of money, property, or belongings of a person 60 years of age or older.**

## **Why are seniors targets?**

Factors that may put seniors at a high risk of financial exploitation are:

- Steady Income (77% of the nation’s wealth is held by seniors)
- A Trusting Nature
- Cognitive impairments that affect financial decision-making and judgement
- Limited experience with current technology
- Increased vulnerability due to care needs

## **Who exploits?**

An exploiter could be someone you least expect. They could be:

- In-home caregiver
- Family member
- Neighbor
- Friend or Acquaintance
- Sales person
- Phone solicitor

Don't be afraid to report financial exploitation! Reporting can stop the exploiter from taking advantage of someone else.

Call Michigan Adult Protective Services hotline at 1-855-444-3911

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## **Legal Documents & Appointments**

While legal documents for finance and health purposes may be attractive options when future planning, they give someone else a lot of authority over your affairs and can be subject to abuse. The person you appoint as the decision maker for your healthcare or finances should be trustworthy and honest. This person can be removed if they do not fulfill their obligations or duties.

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## **Legal Documents**

There are several legal documents that put others in authority over your affairs:

- Power of Attorney, which allows you to appoint someone to manage your money or property (also known as a fiduciary).
- Health Care Power of Attorney, which allows you to name someone to make healthcare decisions for you when you are not able to do so.
- Do-Not-Resuscitate Order, which allows you to direct that you do not want to be resuscitated if your heart and breathing stop.

Consult with an attorney when preparing a power of attorney, trust, or any legal document giving someone else authority over your healthcare or finances.

## **Legal Appointments**

In some situations, it may be in your best interest to have assistance with decision making or money management.

- Guardianship. The Court appoints a person to make medical and placement decisions for another when an individual is found to be "legally incapacitated."
- Conservatorship. The Court appoints a person to manage financial assets and property for an individual.

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## **Medicare Home Health Services**

Recently, area seniors have been approached by fraudulent services offering to send nurses, therapists, or physicians to provide in-home services. Medicare has very specific rules about paying for these services, as well as specific rules about durable medical equipment and advertising to beneficiaries.

**Medicare will not pay for in-home physician or care appointments simply because it is convenient for you.**

## **Medicare Qualifications**

Medicare pays for you to get health care services in your home if you meet certain eligibility criteria and if the services are considered reasonable and necessary for the treatment of your illness or injury. Information about these specific qualifications can be found in the Medicare Home Health Booklet in this packet.

Medicare's home health benefit only pays for services provided by the home health agency. Other medical services, like visits to your doctor or equipment, are generally still covered by your other Medicare benefits.

## **Medical Equipment**

Medicare pays separately for durable medical equipment. The equipment must meet certain criteria and be ordered by a doctor.

Medicare usually pays 80% of the Medicare-approved amount for certain pieces of medical equipment, like a wheelchair or walker.

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## **Identity Theft**

Identification theft occurs when someone pretends to be you when committing a crime. This can be committed in person, over the telephone or internet, through the mail or through texting. Identity theft and fraud can cost you time and money, as well as destroy your credit and ruin your good name.

**For more information on preventing identity theft and what to do if you're a victim, see the Identity Theft brochure from the Michigan State Police Department.**

## **Protect Your Identity**

You can take several steps to ensure your personal and financial safety:

- Never give out identifying information in response to unsolicited offers by phone, mail, internet, or in person unless you initiate the contact.
- Order and review your credit report yearly.
- Review financial and credit card statements monthly for unauthorized activity.
- Cross shred paperwork containing personal identifiers (i.e. receipts, insurance forms, bank & credit card statements, cash advance checks) before discarding.
- Protect your mail by removing it from your mailbox as soon as possible. Place your mail delivery on hold at the post office while you're away on vacation.
- Immediately report any lost or stolen debit or credit cards. Keep a list of the toll-free numbers for your card companies for reporting card theft.
- Keep your Social Security card in a safe place instead of carrying it in your purse or wallet. Remember, your Medicare card has your social security number on it and should be guarded as well.

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## **Online Security**

Identity theft and financial scams take place online as well. Understanding safe online practices while shopping and using the internet can prevent you from losing your identity or your money to scammers.

**Do not open or respond to emails from people you do not know claiming that you have won a prize. These lottery e-mail scams are very common and they will take your money. Never share your personal or financial information via email.**

## **Staying Safe Online**

There are many ways to protect yourself against potential scams online:

- Use trusted security software and make sure it's updated frequently. This includes a virus scanner and a personal firewall.
- Do not download programs from the internet onto your hard drive unless you can be sure that the source is reliable.
- Do not email financial information or account numbers. Email is not a secure method of transmitting personal information.
- Be cautious about opening attachments and downloading files from emails, regardless of who sent them.

## **Avoid Online Shopping Scams**

Here are a few ways you can be on alert for fraud while online shopping:

- Be cautious if you lose an auction but the seller contacts you later saying the original bidder fell through.
- Make sure websites are secure and authenticated before you purchase an item online.
- Be wary if the price for the item you'd like to buy is severely undervalued.

When choosing PINS or passwords, be sure to use combinations that will be hard for hackers to guess. Do not use personal information such as names, birth dates, or other information that would appear in your records.

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## **Joint Accounts & Loans**

While a joint financial relationship with child or other trusted friend or relative can be helpful to one or both parties, these situations can also have unintended financial and legal consequences. It is important to select the right person for this duty, since they will have equal access to the funds. Even if they do not personally deposit into the joint account, they can remove money from it.

**Co-signing on a loan means you are agreeing to be financially responsible for the debt of someone else if they do not or cannot pay.**

## **Joint Account Tips**

Here are a few ways to make sure you're money is safe:

- Keep just enough funds in the account to manage your short-term finances.
- Be sure to monitor the account regularly, either online or with your monthly statement. If you don't recognize a transaction, contact the bank to ask questions.
- If at any time you are uneasy, or suspect wrongdoing, close the account or terminate the joint ownership of the account.
- Talk to your banker about options for safely managing larger amounts of money, if this is a concern for you.

## **Risks of Co-Signing Loans**

- Co-signing on a home or vehicle can be considered ownership in that asset. This could affect your ability to qualify for Medicaid benefits or other benefits which use asset qualifiers.
- By co-signing, you are financially responsible for another person's debt, if they are not able to pay. This could be a financial burden to you if the cosigner is unable to pay the loan. Creditors could file claims against your assets, which may then damage your credit.

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## **Contractor Scams**

Scammers may pose as traveling contractors offering home improvement deals like roof repairs, driveway resurfacing, and exterior painting. These people are rarely licensed or insured and often require large cash payments up front, but fail to complete the work or provide substandard work that causes more problems.

**Be very cautious when dealing with contractors from out of the area. It's difficult to verify their licenses and insurance and hard to pursue them if you are scammed.**

## **Need a Contractor?**

- If you need work done on your home, employ reputable and licensed local contractors and be sure to shop around.
- Get at least three bids and communicate that no decision will be made on the spot.
- Be sure to get ID, licenses, and insurance info for your general contractor and all sub contractors on the job.

## **Contractor Verification**

All solicitors in the City of Battle Creek require a license. Check with your local clerk before purchasing anything from a door-to-door salesperson.

To verify that a person providing home repair, building, or other trades has an appropriate license, contact the Department of Licensing and Regulatory Affairs at 1-517-241-6470. Contact CareWell Services to obtain a copy of the door-to-door solicitor's form and ask anyone who comes to your door to complete it.

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## **Utility Scams**

Similar to Contractor scammers, people may pose as Utility workers and go door-to-door in an effort to scam residents. These types of scams do not include alternative natural gas suppliers. These suppliers are permitted to offer service to residential and commercial customers in our region, and switching may save you money.

**For more information on legitimate alternative gas suppliers, see the Energy Tips flyer provided by the State of Michigan.**

## **Avoiding Utility Scams**

For your safety, always ask to see ID and then call the parent company to verify that they do have that worker scheduled to be at your house before you allow access into your home. Look up the number on your bill, on your phone, or in the phone book. Don't just call a number they hand you!

**For more information on spotting scams, visit [www.consumersenergy.com/residential/avoiding-scams](http://www.consumersenergy.com/residential/avoiding-scams)**

## **Common Scams**

One common Utility Scam includes a fake "utility worker" coming to your front door claiming they need to verify property line, fence line, tree ownership, or some other backyard feature. Once you go to your backyard with them, their partner slips in your unlocked front door and quickly steals wallets, IDs, Cards, medicine, or other valuables.

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## **Charitable Giving Scams**

Scams surrounding natural disasters or charitable causes will attempt to tug at people's emotions or take advantage of their patriotism. Some fraudulent charities ask for donation to groups whose names closely resemble a well-known charity, such as "Paralyzed Soldiers USA" versus "Paralyzed Veterans of America."

**If you wish to make a charitable donation, give to well-established charities which have proven methods for getting the assistance to those in need.**

### **GuideStar**

Non-profit and charitable organizations are required to file Form 990s each year with the IRS. These forms show how the organizations spend their money.

This information can be accessed through GuideStar's online Nonprofit Directory at <http://www.guidestar.org/NonprofitDirectory.aspx>

### **Tips for Giving**

- Give to local charities
- Verify the purpose or specific recipient of your gift
- Be cautious of charities that provide you something in return for your gift
- Verify the gift is tax-deductible
- Beware of high-pressure tactics. Legitimate charities won't pressure you to make an immediate decision.
- Consider charitable gifts to local community foundations, who have vetted organizations receiving funds

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## **Credit Checks & Bureaus**

Free annual credit reports are available without paying any fees, having to provide any credit card info up front, or signing up for any memberships or services. If you would like to receive another credit report in the same year, you may pay to receive one. By law, a credit bureau cannot charge more than \$9.50 per credit report.

**You are entitled to one free credit disclosure in a 12-month period.**

## **Credit Reports**

A credit report includes information on where you live, how you pay your bills, and whether you've been sued or have filed for bankruptcy.

To request your free annual credit report, visit [annualcreditreport.com](http://annualcreditreport.com), call 1-877-322-8228, or complete the Annual Credit Report Request Form and mail it to:

Annual Credit Report Request Service,  
P.O. Box 105281, Atlanta, GA  
30348-5281.

## **Credit Bureaus**

- Equifax 1-800-525-6285; [equifax.com](http://equifax.com)
- Experian 1-800-397-3742; [experian.com](http://experian.com)
- TransUnion 1-800-680-7289; [transunion.com](http://transunion.com)

If you request your report online, you should be able to access it immediately. If you order your report by phone, your report will be processed and mailed to you within 15 days. If you order your report by mail using the Annual Credit Report Request Form, your request will be processed and mailed to you within 15 days of receipt.

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## Phone Scams

Phone solicitation scammers will generally try to hook you with an attractive offer or prize and ask for your personal information over the phone. They will often pressure you to make a decision right away, or tell you the offer is limited.

**Report any caller who is rude or abusive, even if you already sent them money. Call 1-877-FTC-HELP or visit [ftc.gov/complaint](https://www.ftc.gov/complaint).**

## Avoid Phone Scams

- Never give or repeat any personal information over the phone.
- Avoid making any decision quickly.
- Always verify the company, charity, or story that is being told to you through another source.

**You can also register your phone number on The Do Not Call Registry, which prevents you from receiving telemarketing calls.**

Call 1-888-382-1222 (TTY: 1-866-290-4236) to register. You must call from the phone number that you want to register. To register online, visit [donotcall.gov](https://www.donotcall.gov)

## Common Scams

In some cases, phone scammers will call pretending to be a loved one in trouble and in urgent need of money. They may call and say "Grandpa, it's me" and wait for you to respond with a question and a name of your relative such as, "Is that you, Lisa?" Once they have a name they may offer a story of how they are in a bad situation and need money or a credit card number to get out of it.