

Beware Financial Scams in Texas

SHERMAN, MARCH 22, 2016 – Susan B. Thomas, PhD, Executive Director of Texoma Council of Governments (TCOG), announced today a recent notification from the Texas Department of Aging and Disabilities (DADS) regarding financial scams in Texas specifically targeting the elderly population. "Financial exploitation of our elderly has become so prevalent that these acts are now considered the "crime of the 21st century" with American adults losing approximately \$36.48 billion every year to elder fraud, exploitation and financial abuse according to the Report on Elder Abuse 2015," stated Dr. Thomas.

The DADS notification included a report by an adult child on behalf of older parents and stated, "Yesterday mom received a call saying Joseph (another family member) was in jail and that he was his lawyer speaking on behalf of Joseph because he was in a car accident and broke his nose (they did put Joseph on the phone, but he sounded baffled). The lawyer then told mom it was because his nose is broken and he was crying. The lawyer told mom to send money to get him out of jail because he wanted to commit suicide. He said call this 1-800 number and send the money to the attention of Kristine in New York, New York. They told her to go to HEB and send the money via Western Union. Mom was sending the money, but the money would not go through because she couldn't remember her pin number. I got off work early and texted Joseph's friend. Joseph called me in surprise saying he was not in jail and never was and his nose was not broken. He drove to mom's house right away. We went to the bank to change her account information to be safe."

The Texas report above is commonly known as a '*Grandparent Scam*' and first surfaced in the Texoma community several years ago. Someone posing as an attorney telephoned a widowed grandfather stating that his 30 year old grandson was in jail in Mexico and needed money wired to him immediately for his release. Fortunately, another family member was present at the time and phoned the grandson who stated he was not out of the country. When the grandfather then relayed the information that he had his grandson on another phone line, the "attorney" replied, "Have a good day, sir" and ended the call.

Scammers target older adults they perceive to be vulnerable; those isolated, lonely, physically or mentally disabled, unfamiliar with handling their own finances or have recently lost a spouse. The American Association of Retired Persons (AARP) in a recent study identified characteristics of people 50 and older that can make them easy targets for financial abuse: 1) they expect honesty in the marketplace, 2) are less knowledgeable about their rights in an increasingly complex marketplace, and 3) are less likely to take action when defrauded. Those older adults with memory issues may also give out too much personal information during a phone call and/or make poor witnesses when recounting where and why they sent a large check to someone (in the DADS report above, the mom could not remember her pin number when trying to send the money through Western Union).

Combine these traits with frequent travel being very common in today's world and it is no surprise when older adults believe the phone calls about relatives in foreign jail systems, as well as telemarketers offering 'great opportunities' of financial success and/or anti-aging medications. Older adults often believe the advertisements of a new product that will ease their symptoms of an illness or 'erase' the lines of aging, causing them to seek out new treatments and medications. For example, Botox scams are very unsettling as counterfeit labs create versions of the real thing and may still

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include the root ingredient, botulism neurotoxin, which is one of the most toxic substances known to science, with a bogus mixture that has very serious health consequences, sometimes even death. Unfortunately, financial exploitation is also too common from even trusted family members. Use wise counseling when designating only one family member to a Power of Attorney, bank accounts, duplicate ATM cards and checks, property deeds and access to stored valuables. Effective ways to counteract financial abuse include working through multi-disciplinary teams with law enforcement, banks, attorneys, as well as trusted family members.

Education and awareness of potential scams and how to identify them is key in protecting yourself and your loved ones from great financial loss. For a complete list of the Top 10 Financial Scams Targeting Seniors, access the National Council on Aging website www.ncoa.org or for more information or counseling on elder exploitation, abuse or neglect, please call the Area Agency on Aging at 903-813.3505.

The Texoma Council of Governments is a voluntary association of the local governments in Cooke, Fannin, and Grayson Counties. Established in 1968, the Texoma Council of Governments promotes economy and efficiency in the coordinated planning and development of the tri-county region through its community and economic development activities. Either directly, or through contractors, the Council provides housing, utility assistance, and weatherization services for low-income citizens in the region and assists the elderly through a variety of Area Agency on Aging programs. The Council also facilitates the delivery of grant funding for homeland security and criminal justice.

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