

LAST YEAR'S SCAMS – WILL WE SEE MORE OF THE SAME?

The passing of milestones such as New Year's Day is a good time to look back, to reflect and review what happened in the last year. If we are smart, we use this review to predict and plan what to do in the coming year. At Seniors vs. Crime, I reviewed the complaints I received in 2013, with an eye to highlighting the most common scams. But in looking at these complaints, I found some of the most common types of complaints caused the least harm, at least financially. Conversely, a couple of the rarest forms of fraud reported to me caused the largest financial hits to our citizens. I will explain as this article unfolds.

What kinds of complaints did I most commonly receive in 2013? My records show the telephone remains the favorite method for scammers to get in touch with their potential victims. These are some of the common themes in phone scams reported in 2013.

Free Medical Alert System

Over one hundred people reported they received a phone call, almost always a recorded call, telling them someone ordered and paid for a free medical alert system. Some folks reported up to twenty of the same calls. If you followed the directions in the call, eventually you talked to someone who wanted your credit card number, perhaps to pay for a monitoring program. No one I talked to reported giving up their credit card information, or ever receiving a medical alert system. Calls on this particular scam lessened quite a bit since their peak in the summer. In December, I only received one complaint on this.

Medicare and Social Security Cards

Thirty-three people reported receiving calls from callers with strong foreign accents, who said they worked for Medicare or Social Security. These callers said the government issued new cards, and wanted to verify information, such as name, address, phone number. And if you played along, the caller asked you to recite your bank and your account number. This is what they were after all along. As I reported before, Medicare and Social Security don't call on the phone, they use the US mail for communication. I talked to a couple of people who did divulge their account information, but in both cases, they realized their error and promptly closed their accounts with their banks. These calls

also peaked in the summer, and no one called me on this topic since October.

Tech Support

Running a very close third place for phone scams is the tech support scam. I first started getting reports on this in April. Thirty-one people reported this scam in 2013. They reported receiving calls from men or women with strong foreign accents, who said they worked for Microsoft, or some other computer-affiliated company. These callers told the victims they knew their computers got infected with viruses and offered to fix the problem, if allowed to remotely log in. These scammers enjoyed a much higher success rate than the first two I wrote about. About one-fourth of those receiving these calls allowed access. A couple paid the scammers with credit cards. In every case except one, those who allowed access needed to take their computer to a professional to rid it of malicious software (malware), and restore it to working order. Naturally, this costs money, averaging \$40 to \$200 for each repair.

Lotteries and Sweepstakes

Some scams seem like constant favorites with crooks. Lottery and sweepstakes scams accounted for sixty-two complaints, almost all directed at senior citizens. These scams feature a phony award of some lottery or sweepstakes prize, usually one you never heard of because it does not exist. The catch is, the winner needs to pay several hundred to several thousand dollars, to satisfy some insurance fee, taxes, or overseas transfers. It's always a hoax, and everyone who reported it to me was cautious enough they did not lose any money.

The most recent report I received on this scam sounded more threatening than anything I've heard before. A Clinton woman reported someone claiming to represent Publishers Clearing House called to award her \$850,000. But she needed to purchase \$400 in Green Dot MoneyPaks, a pre-paid debit card, and call back with the card numbers, to guarantee her prize. She refused, and hung up. The scammers, who called from a Jamaica area code, called back and threatened to harm the woman if she did not do as instructed. She refuses to be intimidated and keeps hanging up!

Grandparent Scam

The grandparent scam keeps hanging around. I received twenty-three reports on this in 2013. Thanks to increasing awareness among senior citizens, and increased vigilance by the wire transfer agents such as those working at Hy-Vee and Walmart stores, this rarely succeeds. However when it does, it costs from \$1500 to \$4500. These reports peaked in May 2013, and seem like they tapered off for now. But I am sure we will hear more of these. It is a favorite scam.

Romance Scams

One of the biggest money losers for the fraud victims who reported to me was one of the least reported. Romance scams. Three women victims reported they lost over \$14,500 in this type of scam. In each case, the women started corresponding with someone by email who posed as active duty military, deployed in a lonely, dangerous, and remote war zone. Through charm and persuasive writing, they enticed their victims into online romantic relationships. These relationships always needed money to flourish, with the money coming from the victims to pay for airfare or for "emergencies".

Timeshare Resale Fraud

Only two people reported timeshare resale frauds to me, however between the two, they lost over \$12,000. This seems to be an emerging fraud threat, one that just recently is getting the attention of regulators and enforcement agencies.

So there it is, kind of a re-cap on fraud in Clinton County for 2013. Remember, if you suspect fraud or scams of any kind, contact me at Seniors vs. Crime, 563-242-9211, extension 4433. Happy New Year!

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