A presentation by:

Erie County Comptroller

STEFAN I. MYCHAJLIW

2021 FRAUD PREVENTION PROGRAM

Serving Taxpayers - Protecting Seniors

Fraud Prevention Program for Erie County Seniors

Presented by: **Stefan I. Mychajliw**, Erie County Comptroller

Page **Content**

2.....Table of Contents/Course Outline

3.....Letter from Comptroller Mychajliw

4.....Take the Test! Are you at risk for fraud?

5.....Why are you a target?

6.....Today's Top Scams ** New COVID-19 Section*

7.....Medicare, Health Insurance and Prescription Drug Scams

8.....Funeral & Cemetery and Anti-Aging Scams

9.....Telephone, Internet and Computer Scams

10.....Investment Schemes / Homeowner Scams

11.....Lottery and "Grandparent Scam"

12.....Online Romance & Utility Worker Scam

13.....** New—COVID-19 Scams

14..... Tips to Scam-Proof Yourself

15..... Who to call if you are the victim of a scam

16.....Comptroller's Whistleblower Hotline

17 ..... Local Fraud Cases

STEFAN I. MYCHAJLIW JR.

ERIE COUNTY COMPTROLLER

As your County Comptroller, I have the honor and privilege of serving as the "Taxpayer's Watchdog." As a former Investigative Journalist this assignment comes naturally to me. I love going to work every day and looking out for you, the taxpayer, and making sure politicians are accountable for the way they spend YOUR money.

Making sure we fight back at the waste, fraud and abuse of taxpayer dollars isn't the only way I am looking out for you. I also work with local authorities to monitor scams and keep you aware of them so you know when and how to safeguard your personal assets.

Thank you for coming today to learn more about what we are doing to help keep you safe!

Sincerely,

OFFICE OF THE ERIE COUNTY COMPTROLLER
95 FRANKLIN STREET–11TH FLOOR– BUFFALO, NY 14202
(716) 858-8400 ★ COMPTROLLER@ERIE.GOV
WHISTLEBLOWER HOTLINE: (716) 858-7722

ARE YOU AT RISK FOR FRAUD?

Take the test. Check each box that applies to you.

- ☐ I live alone.
- ☐ I am alone for long periods of time.
- ☐ I have a land line phone.
- ☐ I am not signed up for the "Do Not Call" Registry.
- ☐ I have few visitors.
- ☐ I am trusting of those that call me on the phone.
- ☐ I have a computer, and it is often left on.
- ☐ I online shop.
- ☐ I donate to charities.
- ☐ I display Veterans stickers.
- ☐ My mailbox is near the Street and unsecured.
- ☐ I take pain medication and leave it out on the counter.
- ☐ I often look to neighbors and others for help.
- ☐ I am generally trusting of people's motives.
- ☐ I have health problems.
- ☐ I have a computer, but am not familiar with how to use it.
- ☐ I enjoy conversations with strangers.
- ☐ I am worried about what to do with my money.
- ☐ I am looking for ways to make extra money.
- ☐ I would do anything to help my grandchildren.

Did you check more than 3 boxes? You may be at risk.

WHY ARE YOU THE TARGET?

COMPTROLLER MYCHAJLIW'S FRAUD PREVENTION PROGRAM

The FBI is one of the leading governmental organizations working to go after the criminals that commit fraud. Their website (www.FBI.gov) outlines the following reasons for why they believe Senior Citizens are most at risk.

- ✓ Financial Resources: "Nest Egg," Retirement Accounts, etc.
- ✓ Seniors typically own their own homes.
- ✓ Raised in a generation that was more trustworthy and honest.
- ✓ Often live alone.
- ✓ Have superior credit ratings.
- ✓ Less likely to report the scam, because they may not know who to report it to.

THE FRAUD TRIANGLE

WHAT MOTIVATES CRIMINALS?

OPPORTUNITY: Ability to execute the plan with a belief they won't get caught.

MOTIVATION: Personal financial or emotional problems that persuade the criminal toward an "easy" fix.

RATIONALIZATION: Justification of dishonest actions. They feel vindicated because their actions solved a personal problem for them.

TODAY'S TOP SCAMS

COMPTROLLER MYCHAJLIW'S FRAUD PREVENTION PROGRAM

- ⇒ Medicare / Health Insurance
- ⇒ Counterfeit Prescription Drugs
- ⇒ Funeral & Cemetery Scams
- ⇒ Fraudulent Personal Products
- ⇒ Telemarketing / Phone Scams
- ⇒ Internet & Computer Fraud
- ⇒ Investment Schemes
- ⇒ Homeowner / Contractor Scams
- ⇒ Sweepstakes & Lottery Scams
- ⇒ The Grandparent Scam
- ⇒ Online Romance Scam
- ⇒ COVID-19 Scams

MEDICARE / HEALTH INSURANCE

- Scammers contact you by phone and attempt to get your health insurance information and card numbers
- On the call they try to learn information about your medical history so they can exploit it in the future
- With this knowledge, they may call you and try to sell you medical products and services
- They may call you at a later date pretending to be someone from your healthcare company to charge you money for a bill or service

COUNTERFEIT PRESCRIPTIONS

- Scammers learn what drugs you take and try to offer it to you at a lower cost—but the drugs are fake and ineffective at treating your condition
- Protect yourself: Know the size, shape, color, taste and side effects of the prescriptions you take. If you notice anything different about a pill you order contact your pharmacist immediately
- Only buy prescriptions from a safe, reputable source. The National Association of Boards of Pharmacy can verify a reputable seller for you, they can be reached at 1-847-391-4406

FUNERAL & CEMETERY SCAMS

- Beware of fake funeral/wake invitations you get online. They look like they are from a reliable sender, but when you click on the link to get more information, valuable information including records and passwords are stolen from you. The subject line normally says "Funeral notification," or "passing of a friend."
- Beware of funeral pre-payment scams. Only make arrangements with reputable funeral homes you know and trust. Even then, verify your investments have no strings attached. Make arrangements in person with someone you trust.

FRAUDULENT PERSONAL PRODUCTS

- FBI warns that counterfeit cosmetics in the US is on the rise. The internet also gives consumers widespread access to health and beauty products
- Many are targeted directly at seniors with tag lines that promise "anti-aging" effects
- Government and industry testing have discovered dangerous ingredients within counterfeit "anti-aging" products including arsenic and other known carcinogens
- If it sounds too good to be true, it probably is
- BEFORE BUYING: Research, ask your doctor!

TELEMARKETING / PHONE SCAMS

- **Travel Packages**—Calls offering “free” or “low cost” vacations and cruises. There is always a catch, don't give out any financial information!
- **Credit & Loans**— offers to lower credit card rates, pay day loans. Always initiate important financial decisions yourself with reputable institutions
- **Charities**— Calls that pull at your heart strings with “urgent” requests for disaster relief or efforts to help children, animals, etc.
- **Free Trials**—Few things are every free. To start the trial, your credit card information is needed. Don’t give it out. It may automatically renew and can be extremely difficult to contact someone to cancel or stop the charges

INTERNET & COMPUTER FRAUD

- Scammers send e-mails requesting personal and financial information from you. E-mails normally include a link for your to click.
- **Do NOT click on links from unfamiliar senders or one’s you did not personally request!**
- Clicking on the link may connect your computer to a hacker, allowing them access to your records.
- Always be the initiator of financial matters!

INVESTMENT SCHEMES

- Scammers contact you by phone and attempt to get your health insurance information and card numbers
- On the call they try to learn information about your medical history so they can exploit it in the future
- With this knowledge, they may call you and try to sell you medical products and services
- They may call you at a later date pretending to be someone from your healthcare company to charge you money for a bill or service

HOMEOWNER / CONTRACTOR

- **Money Upfront**— Never prepay more than $1,000 or 10%, whichever is less. This establishes that you are a serious customer, but ensures your contractor returns to finish the work.
- **"Take my word for it"** - Make sure everything you need done is in your contract agreement.
- **I don't need a permit** - Confirm on your own with your municipality whether or not your project needs a building/construction permit.
- **Unforeseen problems**— Make sure your contract includes a procedure for change orders and fixed prices for any possible additions to the job.

SWEEPSTAKES & LOTTERY SCAMS

- Scammers will call, mail, e-mail, or text you alerting you that you have “won” something.
- To claim your prize you will be asked to pay a fee.
- Scammers will often tell you the “fee” is to cover insurance costs, taxes or charges related to giving you the prize.
- You may be told to call a toll charge phone line to collect your prize Scammers will keep you on the call for a long time in order to charge you more.
- Beware of deals seeming too good to be true, it probably is.

THE GRANDPARENT SCAM

- Scammers call and tell you that your grandchild is in trouble and needs your financial help.
- They may impersonate your grandchild.
- They may claim they were arrested or kidnapped, and that you can provide the bail money or the funding to release them, but you have to pay them over the phone immediately.
- Protect yourself: Avoid becoming emotional. Ask the caller a question only your grandchild would know. What is the name of your pet? What did you buy them for Christmas?
- If it’s not your grandchild, call the police!

ONLINE ROMANCE SCAM

- According to the FBI, financial losses experienced by romance scam victims exceed those of any other online crime. Never send money or gifts to someone you met on a dating site.
- Take it slowly. Ask questions and look for inconsistent answers. Check the person's photo using your search engine's "search by image" feature. If the same picture shows up with a different name, that's a red flag.
- If you suspect a scam, cut off contact right away. Report the scam to www.ftc.gov/complaint and notify the dating site where you met the scammer.

UTILITY WORKER SCAM

- Someone shows up without an appointment and claims they need to access your home.
- Never allow anyone into your home that you aren't expecting for an appointment. Always ask for identification and call the company to ensure someone is supposed to be there.
- They may demand instant payment to keep power, water, etc. on. Never pay on the spot. Call customer service to verify the status of your account.

COVID-19 SCAMS

- Unfortunately, the COVID-19 pandemic has isolated many seniors, increasing the risk of falling victim.
- The FTC warns: Learn how to tell the difference between a real contact tracer and a scammer. Legitimate tracers need health information, not money or personal financial information.
- For stimulus checks - never respond to a call, text, or email. Visit irs.gov/coronavirus for information.
- Ignore offers for vaccinations and miracle treatments or cures. Scammers are selling products to treat or prevent COVID-19 without proof that they work.
- Be wary of ads for test kits. Many test kits being advertised have not been approved by the FDA, and aren't necessarily accurate. Almost all authorized home tests don't provide rapid results and require you to send a test sample to a lab for analysis.
- Hang up on robocalls. Scammers are using illegal robocalls to pitch everything from low-priced health insurance to work-at-home schemes.
- Watch for emails claiming to be from the CDC or WHO. Use sites like coronavirus.gov and usa.gov/coronavirus to get the latest information. And don't click on links from sources you don't know.
- Do your homework when it comes to donations. Never donate in cash, by gift card, or by wiring money.
- Additional information can be found at: www.ftc.gov/coronavirus/scams-consumer-advice

Fraud Prevention Program for Erie County Seniors

Presented by: **Stefan I. Mychajliw**, Erie County Comptroller

TIPS TO SCAM-PROOF YOURSELF

- Be Aware! Know that you are a target.
- Don't isolate yourself. Stay active and involved!
- Shred sensitive documents (Bank statements, bills, anything with account numbers, etc.)
- Tell solicitors that you NEVER buy anything from people who call or show up unannounced.
- Sign up for the "DO NOT CALL" registry. **www.donotcall.gov** OR **1-888-382-1222**
- Use Direct Deposit when it is available.
- Don't ever give out personal information over the phone unless you were the one to initiate the call.
- Be skeptical of unsolicited offers.
- Don't click on links from e-mail messages where you don't recognize the sender.
- Don't be afraid to ask for help, especially if you are confused by an e-mail, offer, product, etc.
- Be skeptical of "charities" that you don't recognize.

WHAT TO DO IF YOU'RE THE VICTIM

If you have been victimized by a scammer, it is important that you take action and report it!

TELL FAMILY

- You need to tell someone. You may feel embarrassed or ashamed, but it is important that you don't let that stop you from taking action to protect yourself. Inform your loved ones and law enforcement.

TELL LAW ENFORCEMENT

- A scam is fraud and it is a criminal act. Notify law enforcement immediately and get a police report. Having a police report that documents the scam may help you recover lost property or money. It is also the first step in starting an investigation.
- Your local police agency will also help you get in touch with the proper authorities to further report and minimize the risk of the scam.

REPORT

- The New York Attorney General Buffalo Regional Office hosts a Consumer Frauds Number: (716) 853-8404.

WHISTLEBLOWER HOTLINE

If you see or suspect waste, fraud or abuse of Erie County resources, don't ignore it!

- It Takes Just A Minute. Please report your suspicions to our Erie County Whistleblower Hotline.
- All calls or e-mails to the tip lines go directly to the Comptroller's Division of Audit and Control, where professional career auditors will investigate every report or allegation.
- Email: Whistleblower@erie.gov
- Call: (716) 858-7722
- All reports are confidential and may remain anonymous.

Questions? Comments? Still not sure who to call?

Contact: Hon. Stefan I. Mychajliw's Office
(716) 858-8404 or Comptroller@erie.gov

Scammers Target Homeowners in Erie County Every Single Day. Stay Alert.

WKBW BUFFALO

NEWS

Scammers targeting the elderly in Erie County

"Don't fall victim to the "Grandchild in Need" scam. That's the message coming from Comptroller Stefan Mychajliw.

Here's how it works, scammers call a family member and pretend to be their grandchild or tell them a family member is under arrest, and that to get them out of jail they need to send money right away."

2 WGRZ ON YOUR SIDE

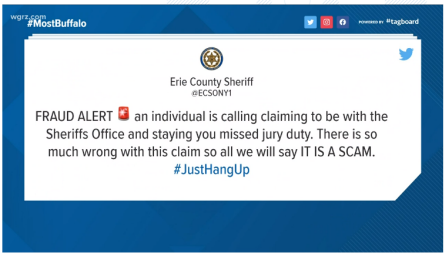
"The caller states the following
They are a detective. The call is about a failure to answer a jury summons. The matter can be rectified if the individual pays a fine. Payment arrangements can be made over the phone. The person can make their payment in person at 10 Delaware Avenue

According to the Sheriff's Office, these claims are false and you are urged to ignore the call and hang up right away."

LOCAL NEWS

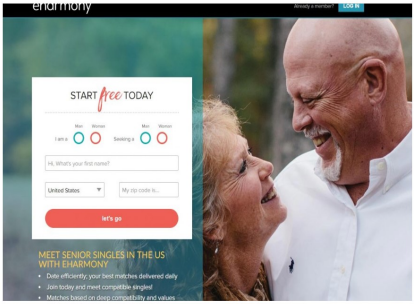
Erie County Sheriff's Office warns of jury duty scam

The department tweeted yesterday telling people to look out for potential fraud.



THE BUFFALO NEWS

'I wanted to believe him,' says retiree who lost $30,000 in online romance scam



An Amherst retiree was scammed out of $30,000 by a man she began an online relationship with through eharmony.com, the dating website pictured here. The woman says she got a warning from the website about five weeks after she met him not to date him, but wasn't told why. (Screenshot)

"The FBI says the financial losses experienced by romance scam victims exceed those of any other online crime. In 2018, the agency received 18,493 romance and confidence fraud complaints from victims who lost more than $362 million."