8 Tips for How Seniors Can Protect Themselves from Money Scams

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- Protect your loved ones: Signs to look for
- Steps to take if you're a victim of a scam

Millions of older adults fall prey to financial scams every year. Use these tips from NCOA and the Women's Institute for a Secure Retirement to protect yourself or an older adult you know.

8 tips to protect yourself

1. Be aware that you are at risk from strangers—and from those closest to you

Over 90% of all reported elder abuse is committed by the older person's own family members, most often their adult children, followed by grandchildren, nieces and nephews, and others. Common tactics include depleting a joint checking account, promising but not delivering care in exchange for money or property, outright theft, and other forms of abuse, including physical abuse, threats, intimidation, and neglect of basic care needs.

Everyone is at risk of financial abuse, even people without high incomes or assets. Understand the top 10 most common scams targeting seniors, so you can spot one before it's too late.

2. Don't isolate yourself—stay involved!

Isolation is a huge risk factor for elder abuse. Most family violence only occurs behind closed doors, and elder abuse is no exception. Some older people self-isolate by withdrawing from the larger community. Others are isolated because they lose the ability to drive, see, or walk about on their own. Some seniors fear being victimized by purse snatchings and muggings if they venture out. Visit the Eldercare Locator to find services nearby that can help you stay active. Or contact your local senior center to get involved.

3. Always tell solicitors: "I never buy from (or give to) anyone who calls or visits me unannounced. Send me something in writing."

Don't buy from an unfamiliar company and always ask for and wait until you receive written material about any offer or charity. Neighborhood children you know who are selling Girl Scout cookies or school fundraising items may be an exception, but a good rule of thumb is to never donate if it requires you to write your credit card information on any forms.

It's also good practice to obtain a salesperson's name, business identity, telephone number, street address, mailing address, and business license number before you transact business. And always take your time in making a decision.

4. Shred all receipts with your credit card number

Identity theft is a huge business. To protect yourself, invest in—and use—a paper shredder. Monitor your bank and credit card statements and never give out personal information over the phone to someone who initiates the contact with you.

5. Sign up for the "Do Not Call" list and take yourself off multiple mailing lists

Visit Do Not Call to stop telemarketers from contacting you.

Be careful with your mail. Do not let incoming mail sit in your mailbox for a long time. When sending out sensitive mail, consider dropping it off at a secure collection box or directly at the post office. You also can regularly monitor your credit ratings and check on any unusual or incorrect information at www.AnnualCreditReport.com.

To get more tips on protecting yourself from fraud, visit On Guard Online, which has interactive games to help you be a smarter consumer on issues related to spyware, lottery scams, and other swindles.

6. Use direct deposit for benefit checks to prevent checks from being stolen from the mailbox

Using direct deposit ensures that checks go right into your accounts and are protected. Clever scammers or even scrupulous loved ones have been known to steal benefits checks right out of mailboxes or from seniors' homes if they are laying around.

7. Never give your credit card, banking, Social Security, Medicare, or other personal information over the phone unless you initiated the call

Misuse of Medicare dollars is one of the largest scams involving seniors. Common schemes include billing for services never delivered and selling unneeded devices or services to beneficiaries. Protect your Medicare number as you do your credit card, banking, and Social Security numbers and do not allow anyone else to use it. Be wary of salespeople trying to sell you something they claim will be paid for by Medicare.

Review your Medicare statements to be sure you have in fact received the services billed, and report suspicious activities to 1-800-MEDICARE.

8. Be skeptical of all unsolicited offers and thoroughly do your research

Be an informed consumer. Take the time to call and shop around before making a purchase. Take a friend with you who may offer some perspective to help you make difficult decisions.

Also, carefully read all contracts and purchasing agreements before signing and make certain that all of your requirements have been put in writing. Understand all contract cancellation and refund terms. As a general rule governing all of your interactions as a consumer, do not allow yourself to be pressured into making purchases, signing contracts, or committing funds. These decisions are yours and yours alone.