

# Financial Foundations – Powered by Newtown Savings Bank

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## Elder Fraud & Financial Exploitation: A Growing Concern

The Connecticut Department of Banking, in collaboration with key state organizations, is shedding light on the concerning rise of elder fraud. According to recent data from the Federal Trade Commission (FTC), consumers reported losing over \$10 billion to fraud in 2023, marking a significant increase of 14% from the previous year. This alarming trend underscores the urgent need for awareness and preventive measures, particularly for senior citizens who are often targeted due to their perceived vulnerability.

## Common Scams

Fraudsters and scammers are becoming increasingly sophisticated, often operating as part of organized crime groups. They employ various tactics to deceive their victims, including check fraud, identity theft, and email scams.

- **Check Fraud:** This includes counterfeit checks that display legitimate information from a victim's bank account and altered checks where the payee or amount has been changed after being written by the account holder.
- **Identity Theft:** By stealing personal information such as social security numbers and birth dates, criminals can impersonate victims to commit further fraud or make unauthorized purchases.
- **Email and Computer Scams:** Scammers send emails masquerading as reputable companies, phishing for personal information. Victims may also receive calls or pop-up messages claiming their computer is compromised, demanding a fee for resolution.
- **Phishing and Spoofing:** These deceptive practices involve sending legitimate-looking emails or texts designed to extract personal information or money from unsuspecting victims. Spoofing disguises communications to appear as if from trusted sources.
- **Impersonation Scams:** Fraudsters impersonate bank representatives, IRS agents, or even family members in distress to manipulate victims into giving money or sensitive information.

## Protective Measures for Seniors

In response to the rise of elder fraud, the Connecticut Department of Banking has introduced a series of protective measures and educational resources to safeguard seniors:

- **Direct Deposits and Electronic Payments:** Seniors are encouraged to use direct deposits and electronic payments to avoid checks being intercepted through the mail.
- **Regular Account Monitoring:** It's crucial to review bank statements and credit reports regularly. Seniors can obtain free credit reports through [www.annualcreditreport.com](http://www.annualcreditreport.com).
- **Document Security:** Shredding documents containing sensitive information and protecting Medicare and health insurance cards as one would a credit card are vital steps in preventing fraud.
- **Awareness and Education:** Signing up for AARP Watchdog Alerts can keep seniors informed about current fraud trends. AARP also offers extensive fraud prevention resources online.
- **Trusted Contact Person:** Seniors over the age of 60 can appoint a Trusted Contact Person (TCP) to be notified if there's suspicion of fraud, providing an additional layer of security.

**Community Support and Resources**

Connecticut's Public Act No. 23-161, "An Act Concerning Financial Exploitation of Senior Citizens," provides a framework for financial institutions to voluntarily adopt measures to protect their senior clients. While not mandatory, these measures can significantly enhance fraud prevention efforts.

AARP's dedicated fraud helpline is available for seniors who suspect they may have fallen victim to a scam, offering support and guidance. They can be reached at 877-908-3360, Monday through Friday, from 8 AM to 8 PM.

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