

# Protecting Aging Parents from Financial Scams

A Guide for Families

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**AYRES PRESSER**  
*Elder Law*

# Understanding the Risk of Financial Scams

Financial scams targeting older adults are increasing rapidly and becoming more sophisticated each year.

In 2024, the [FBI's Internet Crime Complaint Center \(IC3\)](#) recorded \$4.885 billion in losses from 147,127 financial scams targeting seniors. Data from the [Federal Trade Commission](#) shows a sharp increase in financial losses for seniors over the five years from 2020 to 2024. Reports of older adults losing \$10,000 or more to impersonation scams increased more than fourfold over that time period, while reports involving losses of over \$100,000 increased nearly sevenfold, with the total reported losses rising even faster. In 2024, older adults were more than twice as likely as younger consumers to report losses of \$10,000 or more, and three times as likely to report losses of \$100,000 or more.

Because many victims send money through cryptocurrency, bank transfers, or using gift cards, recovering stolen funds is extremely difficult.

Families are often surprised by how convincing these schemes can be. With the rise of artificial intelligence (AI), scammers can create more realistic messages, voices, and online identities, making scams harder to detect.

The good news is that awareness is one of the most effective ways to prevent financial exploitation. When families understand how these scams work and recognize the warning signs, they are better equipped to protect aging parents and loved ones.

This guide highlights some of the most common scams targeting seniors and offers steps families can take to reduce risk.

# Why Seniors Are Targeted

Scammers target older adults for a few reasons.

## **Trust and Generosity**

Many seniors grew up in a time when answering the phone or responding to a request for help was seen as the right thing to do. Scammers exploit that trust.

## **Desirable assets**

Criminals generally look for the highest reward with the lowest risk. Older adults make ideal targets because they typically have retirement savings, home equity, and other financial assets that they can access with minimal effort.

## **Urgency and Pressure**

Scammers are skilled at creating a sense of urgency and fear in their victims. Their goal is to convince victims to act quickly before they can recognize red flags or speak with a family member or an attorney.

But scams aren't just limited to phone calls. Criminals use emails, text messages, social media, and develop online relationships to gain access to financial information.

# Common Scams Targeting Seniors

Elder fraud scams tend to follow similar patterns designed to create urgency, build trust, or pressure victims into acting quickly.

These are the schemes most commonly reported to federal investigators, along with the warning signs families should watch for.

## The Grandparent Scam

One of the most emotionally manipulative scams is often referred to as the “grandparent scam.”

The caller pretends to be a grandchild or another family member who is in trouble. They may claim they were arrested, injured in an accident, or stranded while traveling. Once they start a conversation with the grandparent, the scammer immediately asks for money and pressures them to keep the situation a secret.

Warning signs:

- Requests for money through wire transfers or gift cards
- Urgent pleas to act quickly
- Requests to keep the situation confidential

Families can help prevent this scam by encouraging parents or grandparents to verify the story with another family member before sending money.

## Fake Medicare or Social Security Calls

Another common scheme involves scammers posing as representatives from government agencies such as Medicare or the Social Security Administration. Victims receive a phone call claiming there is a problem with their benefits or that their account needs updating.

The scammer offers to resolve the situation on the spot and asks for personal information such as:

- Social Security numbers
- Medicare numbers
- Banking information

*It is important to remember that legitimate government agencies generally do not contact people unexpectedly to request sensitive personal information.*

## Common Scams Targeting Seniors (cont.)

The safest approach when receiving a call like this is to hang up and contact the agency directly using an official phone number.

### **Fraudulent Bank or Credit Card Alerts**

These are known as “phishing” scams, and are becoming increasingly effective.

They begin with a text message or email that appears to come from a bank or credit card company. The message may claim that suspicious activity has been detected and instruct the recipient to click a link or provide account information.

Once the victim enters their information, scammers can gain access to their financial accounts.

To stay safe, individuals should avoid clicking links in unexpected messages and instead contact their bank directly using the phone number printed on their card.

### **Romance Scams**

Romance scams have become increasingly common, particularly through social media and online dating platforms.

In these situations, scammers build a relationship with the victim over time. They may communicate frequently and appear to form a genuine emotional connection.

Eventually, the scammer requests money, often claiming an emergency or travel issue. Because the relationship feels personal, victims may send money repeatedly before realizing they have been targeted.

Families should be cautious if an aging parent develops an online relationship with someone they have never met in person and that person begins requesting financial assistance.

### **Tech Support Scams**

Another common tactic involves pop-up warnings on a computer screen claiming the device has been infected with a virus and instructing the user to call a technical support number. Once on the line, the scammer will collect a payment and instruct the victim to download software that gives them remote access to the computer, allowing them to view personal information or capture login credentials.

If a suspicious pop-up appears on your loved one’s computer, the safest action is to close the browser or restart the computer.

# Common Scams Targeting Seniors (cont.)

## Investment Scams

Scammers promote investment opportunities that promise unusually high returns with little or no risk. These schemes may involve cryptocurrency, real estate investments, or other financial opportunities that appear legitimate. They pressure victims to act fast before they have time to research the opportunity or consult with an outside party.

Warning signs:

- Promises of guaranteed returns
- Pressure to invest immediately
- Requests to transfer money to unfamiliar accounts

Families should be cautious when an aging parent is encouraged to invest in opportunities that promise unusually high returns or require immediate financial decisions. Families should encourage aging parents to discuss major investment decisions with a trusted financial professional.

## Sweepstakes or Lottery Scams

Victims are told they have won a prize, a lottery, or a sweepstakes, but must pay taxes or fees before receiving their winnings. The victim may be asked to send money multiple times before realizing the prize does not exist.

Warning signs:

- Requests to pay fees before receiving a prize
- Notifications about contests the victim never entered
- Requests for payment through gift cards or wire transfers

Families should be cautious when an aging parent is asked to pay fees or taxes to claim a prize.

*Legitimate sweepstakes and lotteries do not require payment in advance to receive winnings.*

# Common Scams Targeting Seniors (cont.)

## Charity Scams

These scams exploit people's desire to help others. These scams are especially common after natural disasters or major news events.

Scammers pose as representatives of charitable organizations and solicit donations by phone, text, or email.

Warning signs:

- Pressure to donate immediately
- Requests for unusual forms of payment
- Charity names that closely resemble legitimate organizations

To avoid this scam, families can encourage aging parents to donate only to charities they already know or have verified through trusted sources.

## AI Voice or Video Impersonation Scams

Advances in artificial intelligence have given scammers additional tools to deceive their victims.

They use short audio or video clips compiled from social media, voicemail recordings, and online videos to create imitations of another person.

The scammer will pretend to be a grandchild, family member, or a trusted professional, claiming there is a matter that requires immediate financial help.

These scams are extremely effective. Scammers keep the interactions brief and present the situations as urgent. Many older adults are not yet familiar with this technology and have no reason to doubt the identity of the person on the other end of these transactions, greatly increasing the likelihood they will send out money before verifying information.

Warning signs:

- Urgent calls asking for money
- Requests to keep the situation secret
- Requests for payment through wire transfers, gift cards, or cryptocurrency

Families can help prevent these scams by making their loved ones aware of this technology and encouraging them to pause and verify unexpected requests by contacting the person directly using a known means of communication.

# Common Scam Warning Signs

Family members are often the first to notice that something may be wrong, long before the victim.

Some potential warning signs include:

- Unusual withdrawals from financial accounts
- Requests for money through gift cards or wire transfers
- Sudden secrecy about financial matters
- New friends or romantic partners asking for financial help
- A sense of urgency surrounding financial decisions

If something feels unusual or concerning, it may be helpful to calmly start a conversation with a parent or loved one about what's happening.

## What To Do In Case of a Scam

If you suspect financial exploitation of an elderly family member, acting quickly can help limit the damage.

You can take these important steps:

1. Contact all banks and financial institutions immediately.
2. Freeze credit reports
3. Monitor accounts closely for additional suspicious activity.
4. Report the scam to the appropriate authorities.
5. Speak with trusted family members, financial advisors, or professionals who can help.

Many victims feel embarrassed after being targeted by a scam. Families should approach these situations with understanding and support for their loved one while acting urgently to prevent further financial damage.

## Helping Protect Aging Parents

Open conversations are one of the most effective ways to protect seniors from financial scams.

Families can reduce risk by:

- Talking openly about common scams
- Encouraging parents to pause before sending money or sharing information
- Setting up alerts for unusual financial transactions
- Identifying a trusted person to review financial concerns if needed

Taking these steps can significantly reduce the likelihood of financial exploitation.

## About Ayres Presser Elder Law

Ayres Presser Elder Law helps families prepare for the legal and financial challenges that arise as parents age.

We work with clients to protect what matters most through services including:

- Estate planning
- Long-term care planning
- Medicaid planning
- Asset protection strategies

Planning ahead can provide families with peace of mind during times that might otherwise feel overwhelming.

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