



Better Business Bureau® Senior Awareness Initiative

Student Debt Does not Elude Seniors

According to a recent [article from AARP](#), student loan borrowers aged 50 and older compromise approximately 22% of the total student loan debt. [The Washington Post](#) has also recently highlighted how older borrowers are now accounting for more student loan debt as well as the rising number of loan defaulters. Many adults and seniors may obtain student loans later in life for their own higher education aspirations or as a way to help out younger relatives.

With the student loan debt crisis not only just burdening traditional college-aged students many seniors will also be interested in the recent news from the White House regarding loan forgiveness.

In the rapidly changing media environment, many borrowers may be confused about loan processes, forbearance plans, and consolidation. Scammers are also aware of this and Better Business Bureau® (BBB®) Serving Greater Cleveland is issuing a warning to student loan borrowers about debt relief scammers and misleading programs. Consumers throughout Ohio contacted BBB after receiving unsolicited calls regarding eligibility for student loan forgiveness programs. Companies may promise to reduce a person's debt by lowering payments and they may also falsely promise to apply monthly payments to consumers' student loans (for a small fee) and to improve credit scores by negotiating on their behalf.

While there are legitimate student loan forgiveness programs, there are plenty of scams. To avoid becoming a victim of a scam, BBB is advising seniors and their families to research their student loans first to [learn what company services them](#) and to use a reliable source, such as the Department of Education to find the latest information about loan forgiveness programs. Legitimate programs do not charge borrowers fees or pressure applicants to act immediately.

Additionally, BBB offers the following tips to avoid being scammed

Know Who Services Your Loan - A loan servicer is a company assigned to administer the billing and disbursement of federal student loan programs. Visit studentaid.gov to learn how to identify which federal loan servicer has your loan and contact your lender directly with questions about your account.

Don't Pay Money For Free Programs - Each time federal student loan collections have been deferred, no action needed to be taken by the lenders. Additionally, the White House is currently working with loan servicers on rolling out the new loan forgiveness program. Consumers should visit the [Department of Education](#) to sign up and receive email updates.

Research the loan consolidator. Visit BBB.org to read business profiles and check out companies before working with them. The FTC has consumer education related to student loan debt relief scams at ftc.gov/StudentLoans.

Avoid empty promises that lead to an empty wallet and more debt. Only scammers promise fast loan forgiveness. Scammers often pretend to be affiliated with the government. Never pay a fee upfront for help or share your personal and sensitive information.

Don't feel pressured. Don't feel pressured to act immediately, that is a red flag of fraud. Legitimate student loan forgiveness companies also will not contact you out of the blue.

Find a reliable source. Consumers can apply for loan deferments, forbearance, repayment, and forgiveness or discharge programs directly through the [U.S. Department of Education](#) or their loan servicer at no cost, and do not require a third party.

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Better Business Bureau® Senior Awareness Initiative Fraudsters Prey on FEMA's Funeral Reimbursement

According to a statement made earlier this year by the Centers for Disease Control (CDC), over 60% of the United States population has been infected by the COVID-19 virus and approximately 63% of the Ohio population is fully vaccinated. While the dangers of COVID-related illness are not over, the initial fear has subsided for many area seniors.

However, the risk of COVID infection in older individuals and those who are immuno-compromised is still a concern, and deaths from the illness are still being recorded. Over 7,000 individuals have died from COVID since the beginning of the year. If you have lost a loved one to COVID-19 and incurred funeral-related expenses, the Federal Emergency Management Agency (FEMA) has a government relief program that reimburses up to \$9,000 of those costs. Before the program was even officially kicked off, FEMA said it had reports of scammers targeting consumers and "offering" to register them for assistance. Scammers have continued contacting consumers by text, phone, and email attempting to get registration fees or obtain personal confidential information including bank accounts and Social Security numbers.

The only way to register for the program is to contact FEMA on their toll-free number at 844-684-6333. No online applications will be accepted and FEMA will not contact individuals regarding the program unless they have already requested assistance. Additionally, these agencies also do not require any payment from consumers to receive financial help. Anyone who receives an unsolicited call should report it immediately to the FEMA Helpline at 800-621-3362, at the National Center for Fraud Hotline at 866-720-5721, or on the FTC's website at [ReportFraud.ftc.gov](https://www.ftc.gov/ReportFraud). Consumers can also file a Scam Tracker with Better Business Bureau at [BBB.org/ScamTracker](https://www.bbb.org/ScamTracker).

Better Business Bureau Serving Greater Cleveland offers this advice for seniors looking to steer clear of funeral scams.

Guard Personal Information - Do not provide your, or a loved one's, Social Security number, bank account information, birth date, or other private information to strangers or unsolicited callers.

Be Wary of Unsolicited Calls - Government agencies, including the FTC and FEMA, will not contact individuals unless they have already contacted the agency or applied for a benefits program.

Know Your Rights When Planning a Funeral - The FTC Funeral Rule protects consumers by establishing legal guidelines for providers of funeral services to follow. If a consumer is planning a funeral, regardless of whether it is being planned in advance or when a death occurs, they should review the FTC's guidelines for shopping for a funeral to see the rights they have.



Better Business Bureau® Senior Awareness Initiative High-Flying Inflation Can Crash Retirees' Dreams

In May, the United States Bureau of Labor Statistics reported that inflation was 8.6%, which is the fastest increase on record since December 1981. Retirees and those living on a fixed income often feel vulnerable to rising prices. According to Better Business Bureau (BBB) Accredited Business, Indeed, an estimated 1.5 million retirees have re-entered the workforce. Retirees, now with diminished fears of COVID and lured by flexible work arrangements, have been pulled back to the job market in hopes of securing more lucrative employment.

Gone are the days when job seekers “hit the pavement” or scoured newspapers looking for positions. Now, online job posting boards, such as Better Business Bureau® (BBB®) Accredited Business Ziprecruiter, are popular and convenient methods for consumers to use to apply to new opportunities. Scammers, however, like to use these online portals too. BBB is alerting area retirees to these online scams after a local consumer was defrauded.

Recently, a man located in North Olmsted told BBB about his experience with an online job scammer. The consumer told BBB he “received a job notification from Peter Harrington at American Airlines about a job. In the letter, it stated that I had to pay \$99 for a background check. I knew it seemed a little weird but I needed a job and I paid the fee through PayPal.” The consumer was told he would receive the money back. The consumer became suspicious and started googling information on American Airlines' employment and Peter Harrington. He realized then it was a fraud. Last year, a woman in Columbus fell prey to a similar American Airlines employment scam. American Airlines recommends interested job seekers visit their official website at jobs.aa.com to apply for open positions

To help prevent consumers from falling prey to similar scams, BBB is providing the following tips:

Research Companies First - Verify the company exists at BBB.org. Visit the company's website and look up their contact information. Do an internet search with the company's name and the word “scam” to see if anyone has reported a fake job offer.

Beware of Fake Checks and Reshipping Goods - Real work-at-home jobs generally don't involve receiving and returning money, checks, or reshipping goods. Victims of these scams are unwittingly assisting in the movement of stolen merchandise and money.

Guard Personal Information. Never provide anyone with your personal information, such as a social security number or a bank account, until you are sure you can trust them with it.

Shady Communication is a Red Flag - Many job scams will claim to hire individuals without going through traditional processes such as an interview, background checks, or calls to references. Job scammers may also hide behind fake email accounts and messaging profiles. Mobile applications like Telegram, WhatsApp, and Snapchat allow the chat creator to permanently delete conversations if questions about authenticity are raised or a scam is uncovered.