

Inside the Social Security Scam

Here's what I learned by playing along with the bad guys—and what you should do if they call



AMONG THE hottest scams today is the “someone is using your Social Security number” ploy. It starts with a robocall that goes as follows:

“This is regarding an enforcement action executed by the U.S. Treasury against your Social Security number. Ignoring this would be an intentional attempt to avoid initial appearances before the magistrate judge for a federal criminal offense. So before this matter goes to federal court or you get arrested, kindly call us back.”

I received such a call recently and decided to phone back to see how the scam worked. This is what I learned.

There's an easy way to confirm it's a fraud. “Officer Alex Morgan” started by asking for my name, address and Social Security number. I gave fake answers, yet he claimed he had opened my “file” right away—a clear signal to just hang up.

The goal is to scare you fast. In next to no time, Morgan was weaving

a fantastical tale of crimes conducted under my name. I was told that my Social Security number had been used to commit \$10 million in fraud and that there were 11 federal counts of fraud charged against me. If convicted, I would face 30 years of prison time. The FBI was about to issue a “non-bailable” warrant for my immediate arrest. Yikes!

The callers use questions to heighten confusion.

Morgan then urgently asked me, “Do you accept all of these allegations under your name?” How do you answer that? Frequently asking absurd, high-pressure questions was just another part of his script, with the goal of getting me to shift from a rational to an emotional mind-set.

For good targets, they bring in a closer. I had told Morgan that I had roughly \$100,000 in the bank. This would have qualified me as a

“whale,” a top potential target. A new person got on the phone, and he was clearly one of the top pros in their boiler room. His high-speed spiel: They didn’t think I was the bad guy, so they would help clear my name and get me a new Social Security number. But first I needed to empty bank accounts opened under my current Social Security number, so the criminals couldn’t access the cash.

The secret to their theft: debit

cards. Morgan instructed me to go to my bank immediately and withdraw the cash, then go to a store such as Walmart, Target or Walgreens and buy “government certified bonds,” which I could later deposit into new accounts. These “bonds,” though, were simply prepaid debit cards.

Then he revealed the fraud: Once I called back with their serial numbers (merely to confirm I had done as told!), he could issue a new Social Security number. Of course, with the debit card serial numbers, he could steal my money and disappear. At that point, I hung up.



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Overall, it was a frightening episode. These guys are professionals, working as a team, using top technology. But their success hinges on your not knowing that government agencies will never use the phone to inform you of a major issue or to seek payment.

So remember: Any phone request from a self-proclaimed government representative demanding immediate money-related action is a signal to hang up and move on. ■

! Call the AARP Fraud Watch Network helpline—877-908-3360—if you have questions about a possible scam.