

## **Why Funeral Service Providers should be concerned about Deceased Identity Fraud**

**Data suggests it is the largest growing segment of the Identity Theft sector – which is one of the largest growth areas of crime.**

While Canada does not formally track deceased fraud as a statistic, other countries do. In the US alone, 400,000 chequing accounts were opened in the names of deceased people in 2004. These accounts can then be used to obtain credit cards, loans, etc. In the UK, cases of deceased fraud increased by over 300% between 2001 and 2004. Both countries estimate that incidents are severely under-reported. [http://www.cifas.org.uk/default.asp?edit\\_id=655-57](http://www.cifas.org.uk/default.asp?edit_id=655-57)  
[http://bulletin.aarp.org/yourmoney/scamalert/articles/scam\\_alert\\_grave.html](http://bulletin.aarp.org/yourmoney/scamalert/articles/scam_alert_grave.html)

**General Public is concerned about Identity Fraud and ¼ know someone who has experienced fraud.**

According to Ipsos-Reid, 72% of Canadians are concerned about becoming a victim to Identity Theft (Dec. 2007) and 28% say they or someone they know has been a victim (Nov. 2006). This means that when they are offered an opportunity to prevent deceased fraud, it makes sense to them and they appreciate that the Funeral Home is offering this help at a vulnerable time. This is supported by feedback provided to us over the past 3 years.

**Costs the Executor time and effort to resolve.**

While the Executor and/or Estate would not be financially responsible for the charges or fraud they would have to prove that the fraud occurred. On average this takes 158 hours over 6 to 12 months, with costs of over \$1000. Often the Executor is not that familiar with the financial affairs of the deceased (especially credit card use) and payments could be made in error – which are next to impossible to recover and would suggest agreement with the charges, exacerbating the situation. This creates a frustrating issue to resolve at the same time the Executor is trying to settle the Estate. Supporting info available at: [http://www.idtheftcenter.org/artman2/publish/m\\_facts/Facts\\_and\\_Statistics.shtml](http://www.idtheftcenter.org/artman2/publish/m_facts/Facts_and_Statistics.shtml)

**If a family member is involved it can tear the family apart.**

Identity Theft quite often involves a family member or someone who knows the person – adding additional stress to the family when discovered. If the credit reporting agencies are notified this possibility is greatly reduced.

**It can surface years after a death – and cause emotional upset to the survivors.**

Particularly in cases involving children and a method called ‘tombstoning’, the hurt caused to the survivors can be significant and especially upsetting.

**Funeral Home staff and associates have easy access to the personal information required for this crime.**

While not common, this access has been used to commit fraud – either by staff or associates themselves, or they unwittingly provide the information to someone else – resulting in damage to the Funeral Home’s reputation.

**Costs everyone in Canada through higher financial services fees, higher healthcare costs and lost tax revenue.**

Although the decedent and the Estate are seldom held responsible for the financial cost associated with Deceased Identity Fraud, unfortunately the costs to the Canadian public are extensive and wide reaching. These include increased Financial Services fees, increased healthcare costs, and decreased tax revenues to Federal, Provincial and Municipal governments – which ultimately we all pay for.

**It is preventable and avoidable – with your help.**

Experts recommend that consumers notify the credit reporting agencies when someone dies. As outlined in the following article this is extremely difficult and time consuming for them to do. <http://www.washingtonpost.com/wp-dyn/articles/A52947-2004Aug9.html>

You can assist them by offering Estate Fraud Protection at your Funeral Home(s).