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SCAMS & FRAUD

Is There Anything More Sickening Than a Cancer Charity Scam?

Avoid bogus online appeals, and direct your money to people who are really in need

By Matt Alderton, AARP Comments

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PHOTO ILLUSTRATION: DANIELLE DEL PLATO

About two years ago, 19-year-old Madison Russo said she'd been diagnosed with stage 2 pancreatic cancer. Just a few months later, she reported that she also had acute lymphoblastic leukemia and a football-sized tumor wrapped around her spine.

"I don't know if I will live to see the day I graduate from college, get married or become a mom," Russo, a college student at St. Ambrose University in Davenport, Iowa, told her local newspaper in October 2022.

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The apparently suffering young woman shared her story on the social media platform TikTok and raised nearly $40,000 for medical expenses on the online fundraising platform GoFundMe. Then, nearly a year after her supposed diagnosis, police arrested Russo for faking her cancer and defrauding hundreds of donors. She pleaded guilty to first-degree theft in June 2023, and in October she received a 10-year suspended sentence, allowing her to stay out of prison if she serves three years of probation and provides $39,000 in restitution.

Russo's conviction and sentencing hardly put a dent in the money-making machine that is charitable fraud. In 2023, there were nearly 10,000 reports of charitable solicitation fraud in the United States, resulting in $22.5 million in losses to kindhearted donors, according to the Federal Trade Commission (FTC). That's up 156 percent from 2019, when there were fewer than 4,000 reports, resulting in $6 million in losses. There are no reliable numbers on what proportion of those involve fake cancer diagnoses, but a spate of high-profile cases of scammers seeking funds for nonexistent cancer treatment suggests that it's a disturbingly common ploy.

"Cancer causes are really popular [with scammers] because almost everybody knows somebody who has been impacted by cancer," says Kevin Scally, chief relationship officer at Charity Navigator, which rates more than 225,000 charities based on criteria like financial health, accountability and transparency. "So, you really need to have your guard up."

Cancer charity scams make people sick

Rhonda Miles, 66, was one of Russo's victims — targeted because she heads the Nikki Mitchell Foundation, whose mission is to provide comfort and relief to those affected by pancreatic cancer — including approximately 70 pancreatic cancer patients to whom it gives monthly financial assistance to cover things like groceries and gas. She established the charity after her best friend, Nikki Mitchell, died of pancreatic cancer in 2013.

"Madison was probably googling 'pancreatic cancer patient assistance,' and our name popped up," says Miles, who lives in Nashville, Tennessee. After receiving a request for assistance from Russo, Miles sent her a gift card worth a couple hundred dollars. She also offered to connect Russo to a revered pancreatic cancer surgeon who serves on the foundation's board. That's when things began to unravel. Russo wouldn't send her medical records to the surgeon, nor did she return the foundation's application for financial assistance, which had to be signed by a doctor and faxed to the foundation from the doctor's office.

"Finally, Madison said, 'It's just too much trouble. I don't want any assistance.' And — bam — she dumped us," says Miles, who later testified against Russo in court.

Russo isn't unique. In 2015, 37-year-old Jeremiah Jon Smith faked a terminal cancer diagnosis and stole $23,000 from friends and family who'd raised the cash through fundraisers and on GoFundMe. (Hear more about the crime in this two-episode report on AARP's *The Perfect Scam* podcast.) In 2018, 33-year-old Candace Streng received a prison sentence for stealing more than $30,000 while pretending she had stage 4 breast cancer. And in January, 41-year-old Pamela Reed was arrested for collecting some $10,000 to support her daughter's fake leukemia.

"I think there's every reason to feel angry because [people] ... have been exploited for having kind hearts," said Marc D. Feldman, M.D., a psychiatrist and coauthor of the book *Dying to Be Ill: True Stories of Medical Deception*, on *The Perfect Scam*. "That's a very distressing thing."

But in an ocean full of scammers, people like Russo, Smith, Streng and Reed are relative minnows when it comes to the amount of money stolen. Among the whales: The FTC in March joined 10 states in filing a lawsuit against Cancer Recovery Foundation International (also known as Women's Cancer Fund) and founder Greg Anderson. The lawsuit alleges that the defendants collected $18 million from donors between 2017 and 2022 while providing less than $200,000 in financial support for cancer patients — just one cent for every dollar donated.

"Women's Cancer Fund ... did not operate as a legitimate charity whose primary purpose was to further its charitable mission. Instead, it was operated by Anderson primarily to benefit his own financial interest," the lawsuit alleges.

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Cancer scams: small in number, big in impact

When a charity is reported to have engaged in misconduct or questionable practices, Charity Navigator posts an alert on the organization's profile. "Typically, we have anywhere from 400 to 500 organizations that have been [flagged] through our alert system," says Scally, who adds that only the most serious alerts involve fraud. "So, in a universe of more than 1.5 million nonprofits, it's a pretty small number that are outright scams."

"It's not a common thing," echoes Miles, whose organization has only been defrauded twice in its 11-year history. "It's just that when you hear about it, it's so awful. So, everybody freaks out."

Because cancer charity scams are so egregious and draw so much attention, they don't just victimize donors. They also victimize legitimate charities. "When there's a scam, fraud becomes top of mind. And that can be quite damaging to the nonprofit sector because people don't feel as confident in giving," Scally says. "So, a problem that involves a small number of organizations becomes a much bigger issue."

Trust in nonprofits is declining, confirms Independent Sector, a coalition of nonprofit organizations, foundations and corporate philanthropy programs. In 2023, only 52 percent of Americans said they trust nonprofits to do what is right, which is down 4 percentage points from 2022, according to its 2023 Trust in Civil Society report.

For legitimate and reputable cancer charities, that's troubling. "The donor community is our lifeblood. It's our fuel," says Sarah Rosales, senior vice president of corporate partnerships and direct marketing at breast cancer charity Susan G. Komen. "Without the support of donors, we wouldn't be able to offer the support to patients that we offer.... And without donor dollars, we certainly wouldn't be able to fund the breakthrough research that we're working on that will make a difference for generations to come."

GoFundMe's Response

GoFundMe spokesperson Jalen Drummond responded to AARP in an emailed statement: "Since 2010, the GoFundMe community has raised more than 3 billion dollars to help those affected by cancer. Being a safe and trusted place to give and receive help is our top priority. Misuse is extremely rare on our platform, and we have a team of Trust & Safety experts who work around the clock reviewing and vetting fundraisers and implementing our terms of service. It's also important to know that the platform is backed by the GoFundMe Giving Guarantee, which protects donors and their generosity. We guarantee a full refund in the rare case something isn't right. You can learn more here.

Additionally, If any donor has a concern about a particular fundraiser, they can click the 'Report Fundraiser' button on the campaign page to alert one of our specialists to investigate. We take these reports very seriously."

How to avoid cancer (and other charity) scams

Research: Look up organizations on charity evaluation websites like Charity Navigator and GuideStar. GuideStar awards bronze, silver, gold or platinum Seals of Transparency based on how much information organizations share with donors. Charity Navigator, meanwhile, awards zero to four stars based on performance in key domains like impact and accountability. "As long as they align with your passions and values, you can give with confidence to organizations that have three or four stars, knowing that they're a trustworthy, impactful organization," Scally says of Charity Navigator. It's also a good idea to consult GreatNonprofits for reviews from donors, volunteers and board members "to get a sense of what other folks ... are saying about the organization."

Use your credit card: Avoid making donations by cash, check or bank transfer — just in case. "If anybody is asking for bank credentials, that's a red flag, as well," Scally says. "I recommend donating through a more protected method, such as your credit card instead of your debit card. That way, there's fraud protection baked in if you do run into any sorts of issues."

It's a little trickier when you are considering whether to donate to an individual through a crowdfunding site like GoFundMe. Amy Nofziger, AARP's director of fraud victim support, says that if you don't know the intended recipient but your friend posted their story on social media, "ask your friend, 'Do you know them? How do you know them?' "

GoFundMe offers advice for determining whether a fundraiser is trustworthy, including asking:

- How is the organizer related to the intended recipient of the donations?
- What is the purpose of the fundraiser, and how will the funds be used?
- Are direct family and friends making donations and leaving words of support?
- Is the intended recipient in control of the withdrawals? If not, is there a clear path for the funds to reach them?

GoFundMe encourages donors to message the organizer if they have questions by clicking Contact next to the organizer's name.

The state of Michigan's attorney general's office also offers tips for avoiding scams on GoFundMe and "other online fundraising sites including DonorBox, Fundly, DonateNow, CoGetFunding, FundRazr, and PayPal." Among them: "Check how the organizer or beneficiary is connected to the fundraiser" and "search the website for their cause and reviews."

It suggests looking for red flags, such as "organizers who have new social media accounts or less than 40 'friends' " and/or "won't respond to direct messages or provide vague answers to your specific questions."

Report scams: If you suspect that a fundraiser on GoFundMe is fraudulent, forward the information to account-security@gofundme.com.

Report charity scams to your state's consumer protection office and the FTC at reportfraud.ftc.gov.

Matt Alderton is a contributing writer who specializes in health and wellness, travel and technology. His work has also appeared in USA Today, Forbes *and* The Washington Post.

HAVE YOU SEEN THIS SCAM?

- Call the AARP Fraud Watch Network Helpline at **877-908-3360** or report it with the **AARP Scam Tracking Map**.
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