



Elder Financial Abuse

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Older Americans are increasingly becoming targets for fraud and financial exploitation.

- People over 50 years old control more than 70 percent of the nation's wealth.¹
- At least 20 percent of Americans over the age of 65 (more than 7.3 million seniors) have been victimized by financial abuse.²

Fraudsters tell lies, make threats and use emotional manipulation to carry out their scams.

- Fraudsters target older Americans because they may be experiencing cognitive decline, limited mobility or other disabilities that require them to rely on others for help.
- Seniors who live in isolation and have chronic conditions have become even bigger targets.

The best way to protect your loved one is to watch out for red flags and help them take simple steps to safeguard their personal information.

- Caregivers should stay alert for checks written to unusual recipients, unexplainable increases in credit card debt, unauthorized charges on statements and/or dramatic changes in payments for professional services such as medical care and investment services.
- Financial caregivers should keep well-organized financial records, including up-to-date lists of assets and debts and a streamline of all financial transactions to better spot discrepancies in their loved ones finances.

Banks are well-positioned to detect, prevent and report elder financial abuse.

- Banks are continuously enhancing their capacity to spot elder financial abuse through on-going training and enhanced fraud detection technologies.
- Frontline staff members observe and engage customers on a daily basis, enabling them to serve as one of the first lines of defense.
- Banks maintain a wide variety of internal protocols and procedures to protect customers from financial abuse.
- The types of warning signs bankers look for include unusual account activity, unpaid bills or eviction notices, suspicious signatures, new "best friends," and new powers of attorney or altered wills.

Older Americans can help protect themselves from financial abuse by following these tips:

- **Keep personal information private.** Never share your social security number, account information, or personal details over the phone or internet, unless you initiated contact with a trusted source.
- **Shred receipts, bank statements** and unused credit card offers before throwing them away so fraudsters can't piece together your personal information.

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(continued)

- **Never let a new or untrusted “advisor” pressure you** into sharing personal or financial details. They could be a fraudster.
- **Check your credit report** at least once a year to ensure no new credit cards or accounts have been opened by criminals in your name.

If you suspect that you or a family member have been the victim of elder financial abuse, take immediate action.

- Victims should report the suspected abuse to the bank and enlist their help in fixing and preventing fraud.
- Victims should contact the local police and Adult Protective Services in the appropriate town or state to report the problem.
- For more information, visit: PreventElderFinancialAbuse.org

Background:

Elder financial abuse is estimated to have cost victims at least \$2.9 billion in 2010 a 12 percent increase from the \$2.6 billion estimated in 2008.³ Banks take an active role in the fight against elder financial abuse and have several practices in place to help them detect, deter and prevent this type of fraud. Various federal and state authorities either require or encourage financial institutions to report any suspicions of elder financial exploitation. In 2014, the Consumer Financial Protection Bureau along with seven other federal agencies made provisions to the Gramm-Leach-Bliley Act (GLBA) in an effort to clarify elder financial abuse reporting. The revisions provide much needed guidance on elder financial exploitation reporting, allowing banks to properly report suspected abuse that may protect against or prevent actual or potential fraud, unauthorized transactions, claims or other liability. Banks also offer consumer education to help older customers and financial caregivers understand how to protect themselves through programs like ABA Foundation’s Safe Banking for Seniors (Learn more at aba.com/seniors).

Sources:

¹National Committee for Prevention of Elder Abuse. Retrieved from http://www.preventelderabuse.org/elderabuse/fin_abuse.html

²Elder Investment Fraud and Financial Exploitation, Investor Protection Trust, a non-profit investor education organization (2010). Retrieved from http://www.investorprotection.org/downloads/EIFFE_Survey_Report.pdf

³The MetLife Study of Elder Financial Abuse, MetLife (June 2011). Retrieved from <http://www.preventelderabuse.org/documents/mmi-elder-financial-abuse.pdf>