Program helps protect older adults from scams

As my parents get older, I’m beginning to worry that they may be taken advantage of financially. What can we do to help protect them?

It’s a legitimate concern. One analysis, the MetLife Study of Elder Financial Abuse, estimated that older Americans lost nearly $3 billion in 2010 due to financial exploitation. Many never report the crime, often because they are ashamed to admit they’ve been scammed or they fear retaliation.

Anyone can be victimized, but older adults are at risk because they more often experience confusion or have trouble concentrating and remembering things — a condition officially called “mild cognitive impairment.” This can be caused by a number of things, including normal aging, depression, side effects of medication, or even a vitamin deficiency.

Older adults also often have a regular income and accumulated assets, making them a prime target. But this type of abuse crosses all social and economic boundaries.

To help, the Consumer Financial Protection Bureau and the Federal Deposit Insurance Corporation teamed up to develop Money Smart for Older Adults. It’s designed to raise awareness among people age 62 or older and their caregivers about how to prevent, identify and respond to potential financial exploitation and make informed financial decisions. Although the program is designed to be delivered by representatives of financial institutions, senior organizations and others who serve older adults, the materials are available free at www.consumerfinance.gov/older-americans/.

The program’s Participant/Resource Guide is 53 pages long and covers seven topics:

- Common Types of Elder Financial Exploitation
- Scams Targeting Veterans
- Identity Theft
- Medical Identity Theft
- Scams that Target Homeowners
- Planning for Unexpected Life Events
- How to Be Financially Prepared for Disasters

The resource guide provides background information about different types of financial exploitation, such as telephone and computer/internet scams, identity theft, abuse by caregivers and in-home helpers, and contractor and investment fraud. In addition, it offers different scenarios and asks readers to identify red flags, as well as prevention tips.

The Consumer Financial Protection Bureau also offers tips for older Americans to protect their assets, including:

- Ask questions, and don’t be intimidated.
- Never give out personal or financial information over the phone unless you know the company and initiated the call yourself.
- If you feel pressured, just say “No, I’m not interested.”


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