

Financial Exploitation of Aging Adults Transcript - November 10, 2022

Federal Reserve Bank of Atlanta *Talk About Payments* Webinar

Financial Exploitation of Aging Adults

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Transcript

Dr. Scarlett Heinbuch: All right. Good afternoon, everyone, and welcome to our *Take On Payments* webinar. Apologies for our delay. We had a little bit of a tech issue, but I think we've resolved it now. We're really glad you could join us today to learn about financial exploitation of aging adults. My name is Scarlett Heinbuch, and I will be your moderator for our panel discussion today.

First, let me state our disclaimer, which you can see on the slide, but we do need to say this, and that is: The views expressed in this presentation are those of the presenters, and do not necessarily reflect the positions or policies of the Federal Reserve Bank of Atlanta, or the Federal Reserve System. The Federal Reserve Bank of Atlanta does not endorse any of the companies mentioned during this webinar.

So, with that out of the way, I'd like to say our panelists today are Dr. Julie Brancale and Dean Thomas Blomberg from Florida State University. I'll introduce them more in just a moment, but first let's just go over some logistics. For today, if you have a question, there is a Q&A section that you can just populate your question. We'll do our best to monitor it as we go along. Jessica Washington may be joining us later today in the Q&A, and if not, then I will be here.

If we have any tech issues, please use the chat box to report them and we'll do our best to deal with that as we go along. We will send out a survey at the end for your feedback, and we always appreciate your responses. Also note, please, that this webinar is being recorded, and that the recording, the presentation deck, and the transcript will be posted on our Retail Payments Risk Forum web page within a week.

So with that, I just want to tell you a little bit about our Retail Payments Risk Forum mission. As you can see on the slides, we have a lot of things that we do here, in terms of our blogs, our webinars (such as this), the primary research that we do with our Payments Study and our Diary of Consumer Payment Choice, we do speaking engagements, and we write white papers. So there is a lot that we do that's all part of our mission to educate and bring forward information around the payments system, and risks to it.

For today, I'm going to give our introductions, and I also just want to share that part of what we'll be doing is giving an overview of the financial exploitation of aging adults. We'll look at the risk factors, human agency, and age-homogeneous communities—and implications for policy and practice, and then of course the audience Q&A.

As we move forward, I want to introduce our panel today. Again, we have Dr. Julie Brancale, who's an assistant professor and codirector of the Aging Adult Fraud Research and Policy Institute at Florida State University in the College of Criminology and Criminal Justice—welcome, Julie—and Dr./Dean Thomas Blomberg, who is the Dean and Sheldon L. Messinger Professor of Criminology, executive director of the Center for Criminology and Public Policy Research, and codirector of the Aging Adult Fraud Research and Policy Institute at Florida State University's College of Criminology and Criminal Justice. They both bring just a wealth of knowledge, and pioneering research I think you're going to find really fascinating today.

So with that, I'm going to turn this over to Dr. Brancale to take it away.

Dr. Julie Brancale: Thank you, Scarlett. Thank you, everybody, for being here. We're going to begin with an overview of the aging adult population in the United States, discuss a little bit about how this current generation of aging adults is unique from prior generations, and what that means for financial exploitation, risk and vulnerability, some of our research, and—importantly—next steps for evidence-based policies and practices to confront this growing social problem.

Adults aged 65 or older comprise the fastest-growing segment of the United States population. There are about 55 million aging adults in the United States right now. About 10,000 people turn 65 each day, and in just eight years from now the total is projected to be over 71 million, which will be about a 29 percent increase in just one decade.

The current generation of aging adults is very different from preceding generations in several ways. They are living more active and longer lives. The number of aging adults who are living to be over 100 has been steadily increasing over the last several years and is projected to continue doing so. Aging adults are spending more years in the workforce. They're retiring much later in life. They're also much wealthier than any preceding generation of retired Americans. Currently Americans over the age of 65 control over 70 percent of all invested wealth in the United States.

There are some sociodemographic differences, too; for example, aging adults tend to have smaller families than previous generations of retired Americans. They have fewer children. More of them are divorced. More of them have never been married, so their nuclear families are much smaller than they used to be.

Aging adults are also much more likely to move in retirement than preceding generations of aging adults. They are especially likely to move to different age-homogenous communities, like retirement communities and assisted living facilities. Prior generations of aging adults were more likely to age in place, and this generation is much more likely to move during retirement.

So the sheer growth and number and size of the aging adult population, and these factors that make them unique, have also created some vulnerabilities for financial exploitation—and have led to an increased prevalence of financial victimization among this age group. Scarlett, will you go to the next slide, please?

So financial exploitation takes many, many forms, and it occurs in a variety of situations—but in general, it consists of the misappropriation of funds or abuse of financial control of an aging adult's finances. Financial exploitation is the most common form of self-reported abuse by aging adults. Aging adults in general are more likely to experience financial exploitation related to telemarketing, charitable donation fraud, real estate fraud, automobile and home repair fraud, lottery sweepstakes fraud, and fraud related to health care and caretaking. Financial exploitation can, of course, happen to anyone. But those seem to be the cases in which aging adults are more vulnerable.

Financial exploitation of aging adults is vastly under-reported. What we know, it seems like only 5.4 percent of aging adults report financial exploitation to authorities each year. However, research has been consistently showing that this really is only the tip of the iceberg, that financial exploitation is far more common than just 5.4 percent of the aging adult population. When older adults are asked why they don't report—fear, uncertainty about where and how to report, and concerns that they might be viewed as naïve, incapable, unable to live on their own, in need of supervision.

So aging adults are fearful that they might have their independent living taken away from them. They could be fearful of retaliation, fearful of getting the person in trouble who is exploiting them (oftentimes financial exploitation comes from family members or close friends, and there is the fear of getting that person in trouble). So all of these factors have combined into a significant under-reporting of financial exploitation. Go to the next slide, please, Scarlett.

Although it is under-reported, we do know that the consequences of financial exploitation are severe and long-lasting for aging adults. As compared to their younger counterparts, aging adults take much longer to financially recover from an exploitation incident, with many never fully able to recoup all of their losses. There's an estimated about one million aging adults right now who skip at least one meal a day, and their prescription medication, because they have been victimized by financial exploitation and do not have the money to cover their meals or their medicine.

Aging adults tend to experience extreme levels of stress, anxiety, and depression in the months and years following a victimization event. There's also a significant reduction in their quality of life. Aging adults are also much more likely than their younger counterparts to change their lifestyles, change their behaviors, change their activities, because they have been victimized or they are fearful of being victimized in the future.

There's also an increased risk of premature death. Aging adults who have been victimized are more likely to pass away earlier than an aging adult who has not been victimized. The next slide, please.

The body of research in this area is growing. Science is beginning to uncover some risk factors associated with financial exploitation of aging adults. However, the focus has primarily been on aging adults who have severe illnesses, significant disabilities, significant cognitive declines—and a substantial number of aging adults don't fall into those categories. They're still at risk for financial exploitation, but our research has not addressed those vulnerabilities. What is it that may make someone who is not experiencing a significant health or cognitive decline vulnerable?

Of the identified risk factors, so far most of them are normative, meaning that most aging adults will at some point or another experience one or more of them in their lives. So we're not able to explain the patterns and variations of financial exploitation victimization well, and the role of the community—whether the community or the neighborhood is protective, or a risk factor—has not been explored in the research thus far. Go to the next slide, please.

Dr. Thomas Blomberg: So to pick up on this—and one of the questions that the literature calls for us to address, is that while we have these known risk factors, nobody has been able yet to explain why some older adults experiencing these same normative aging transitions become victimized, and other older adults experiencing these same normative transitions do not. So in our attempts to conceptualize this, we took a grounded approach based upon what many of the people—our subjects—were telling us (their experiences and so on), and one key point that we had to deal with was everyone that we talked to had been targeted for victimization. Everyone had been targeted, but some were victimized and some were not. So how do we explain that?

So here's what we laid out. We felt that there are these normative aging transitions that my colleague Dr. Brancale just mentioned: retirement, fixed income, relocation, perhaps a changing relationship (you become a supporter of a spouse that's ill; you become a widow or single; you do relocate). And again, a lot of social isolation, as mentioned previously. Many of these people are not aging in place, they're moving. And so again, there are these normative aging transitions and declines, so if you're living, you're experiencing these things. Age—these things occur.

Yet, what accounts for some victimization, and none? That's where we had to wrestle with this aspect of human agency. We felt that if we looked at and got into the perceptions of these individuals, their human agency, we could begin to explain the dynamic.

What we found is that in dealing with everyday life—and this chart gives you a very good depiction, I believe—in dealing with everyday life—and again, subject to these normative aging transitions, in the far-left box—what do we do as individuals?

And again, we're forced with decisions or circumstances where there is this human agency element in which we ask ourselves, can we handle this? We assess our self-efficacy. Self-efficacy refers to simply one's belief in their ability to navigate the situation in front of them. Whether it be a decision for an air conditioner that they just replaced six months ago and they're wondering about it, whether it be palm trees in the front yard, and various other types of things, a medical diagnosis, and someone claiming that they can cure... Again, you go through these asking, "Can I make a good decision?"

And again, these general assessments of self-efficacy, what our subjects told us is that it's a common thing that they're doing on a routine daily basis. And those individuals that had a lower sense of self-efficacy, a lower belief in their ability to navigate, they did in fact experience what we call these cognitive transformations. They simply felt, "I can't do this anymore; I simply can't make these decisions. I know I once did, but I have other problems. I have other contingencies." One case: "I have a spouse that's dying of cancer. Do I care about whether I've got the money in my account? I'll just go ahead. I think it might be questionable, but I can't deal with it."

So again, these cognitive transformations—altered decision making—lead to financial exploitation. On the other hand, these other individuals going through the same general assessments are maintaining a stable self-efficacy. We heard people say, "I just hang up the phone. I just simply say no. I read the fine print. I remain skeptical." And again, therefore, as they keep these patterns and the sense of self-efficacy, their decision making is consistent and they avoid financial exploitation. Next slide.

Brancale: The next piece of our research really involved looking at the community, and what potential factors related to the community would impact either protection or risk from financial exploitation. As I mentioned in the beginning, most aging adults are moving in retirement. They're considering moving, and a good number are moving to designated age-homogenous communities, where they make up a significant proportion of the population.

So these retirement communities, assisted living facilities, independent active living, and other various age-homogenous communities are growing. We don't have precise numbers, but there are about 30,000 residential and continuing-care properties in the United States, over 3,000 senior living or active-living retirement communities, and there are tens of millions of people who live in them. Actually, in 2020, the fastest-growing metropolitan area in the entire country was a retirement community in Florida, so these communities are growing. More and more people are moving to them, and we don't know much about what happens when people get there. Go to the next slide, please, Scarlett.

So to understand these community-level factors, we conducted an exploratory study in a large retirement community in Florida to understand what the residents perceived as either protective or risky about their community. What was it about living in an area surrounded by many other aging adults that may protect them, or put them at risk? Go to the next slide, please.

So in our study, we gathered data from multiple different sources. We used reported data from the local county sheriff's office—how many cases were reported to the sheriff, and how many arrests were made for financial-related crimes of residents of the retirement community—and we also relied on data that was reported to Seniors versus Crime.

Seniors versus Crime is a predominantly volunteer-based organization that's affiliated with the Florida attorney general's office. They are strategically located throughout the state of Florida in areas where there are large concentrations of aging adults, and their job is to provide educational outreach, but also—significantly—to mediate cases of financial exploitation.

When an aging adult believes that they have been financially exploited, Seniors versus Crime will help mediate. They will help that aging adult try to recover some or all of their money if possible. And as mentioned, financial exploitation is very underreported, so we also spoke with residents directly to understand what they were experiencing, what kind of financial exploitation they might have been targeted for or victimized by, and to ask them about their reporting decisions—why did you report, why did you not report?

And as you can see on the screen there, there is a huge discrepancy in where cases were reported. The county sheriff had about 100 or so reported cases of financial exploitation from 2010 to 2015. So over a five-year period, there were about 100 reports. Only 32 of those culminated in an arrest, whereas Seniors versus Crime, which was the volunteer organization that was also led by other aging adults, found that there were over 3,700 reported cases of financial exploitation that Seniors versus Crime worked to try to resolve.

The most frequently reported cases, both to the sheriff and to Seniors versus Crime, were the result of the resident seeking some kind of goods or services. So the resident was in need of home repair, the resident was in need of auto repair. The resident might have been in need of some kind of medical or dental care, or financial planning. Most of the time, these types of financial exploitation in the retirement community were related to direct exchanges. You can go to the next slide, please.

And overwhelmingly, the aging adults we spoke with said that the factors that led them to the retirement community were the exact factors that they now believed placed them at risk. Every single aging adult that we spoke with had been targeted for financial exploitation since moving, at least once. Most of them had been there for an average of about seven years, and they said that the targeting started almost immediately. They moved into their home, and a few days later they were starting to get knocks on the door, starting to get phone calls, starting to get things in their mailbox that were targeting attempts.

And over time, those just grew and grew and grew. Every single person we spoke with had been targeted. Over 50 percent of them had actually been exploited since moving, and in our discussions we asked them to compare the experiences in the retirement community with their experiences with financial exploitation before they moved. And again, all of them said that it increased substantially, that they did not experience

the level of targeting since moving to the community.

And in further clarifying and digging and asking why, they said that there were a few factors. The first one: they're with a large population of aging adults living close together. You can see a quote on your screen there from one of the participants that we spoke with. They just felt that there were so many perceived vulnerable targets living in one close area, that it just made them a hot spot for financial exploitation.

The second reason was because the surrounding area had become home to potential exploiters or potential fraudsters. They were coming into the retirement community offering some kind of home repair services, offering financial planning services—when in reality, these were just fraud attempts.

And then finally, it was a false sense of security provided by the retirement community. The retirement community was surrounded by gates. The retirement community has marketing and an advertisement saying that they are so friendly and welcoming. And while all of that is true, it led to a false sense of security among the residents, where the residents moved and they let their guard down. They felt like living around so many other aging adults, they would be protected.

And although the risks of violent crime and property crime do seem to be lower, the risk of financial exploitation was much greater. So having so many perceived vulnerable targets living so close together, and a lack of appropriate guardianship by the retirement community led many residents to feel as though they were just at risk every single day from financial exploitation. Go to the next slide, please.

So, our conclusions were about the retirement community that we studied, and our next step is to study additional communities—whether they be retirement communities, assisted living facilities—to see if this was unique, or how well it can be generalized or applied to other communities. What we found is that this community created an opportunity for financial exploitation. There were a large number of vulnerable adults living together.

And there were some organizational structure issues related to the community that facilitated financial exploitation, inadvertently. They were exposing vulnerabilities and inviting in some risk by not providing suitable protection measures or acknowledging that financial exploitation is a significant issue in the community. And that brings us to our next steps, and our implications.

Blomberg: So here in the College of Criminology and Criminal Justice at Florida State University, we're very much committed to what we call translational criminology. We want to do state-of-the-art research. We want to do the best empirical studies that we can do. We want them to be theoretically informed, so that we can explain findings and predict certain things. But then we want to translate that into policies and practices that can reduce the pain and suffering, for example, of elderly financial exploitation.

So what we're going to share with you are two things, one that's not even on the slide. But coming from the study that we did here in Florida, we wanted to translate our findings into some policies that could help address particularly the victims of elderly financial exploitation. So we felt that, based on all of our interviews and all of our findings, there was a lot more that the community, the retirement community, could be doing. And we felt that developing this model, it might be replicated around the country, because these types of living arrangements are exploding across the country, as is the population 65 or older (as mentioned earlier).

So we came up with the idea of the community service centers that would be a one-stop shop. You don't have to be a victim, but you could also get a lot of education, and maybe even prevent. But these one-stop shops would be staffed primarily by volunteers, and ideally would be involved with a university where, for example, student interns and so on could work. There would be some professional staff as well. We felt that some of the functions would include—very importantly, because this is what we were told again and again and again by the residents of the community we studied: "We need more education. We need more education. The community does not provide us education."

So holding educational classes on financial exploitation, what to do about financial exploitation, how to respond and report financial exploitation—so holding these classes would be a major function. And very importantly, too, not just holding classes for the victims, but their support network and families.

Because again, recall early on in the discussion Dr. Brancale had talked about the fact that many of our population, our older population, they're fearful. They do not want to report the victimization. And one of the biggest fear groups that they have are their family members—and again, as mentioned, they don't want to lose their independent living arrangements.

So we thought it very important that, again, these education programs educate families and so on. I mean, the worst thing you can imagine doing is saying something like, "You fell for that? What is wrong with you? I just can't leave you alone." And different types of scenarios were brought out. Additionally, we felt helping develop financial safety plans, working with individuals—because many of the subjects that we talked with were widows, and prior to becoming a widow their husbands handled all the financial matters. So they were treading in an area in which they had limited experience, and so helping them develop these financial safety plans.

And yet some of them had a good deal of money, and unfortunately some of them lost that money because they had no plan and they had no experience. Publicizing these centers would also publicize the community, and various types of risks, and scams going on. We felt that would be important.

Another thing that came up: many of the older population—I'm sure you out there in the audience know this—they grew up in an era in which independence was important. A person's word was important, but they did not want to impose. So if you had, for example, a widowed woman

who needed a car, she did not want to go next door to a couple and ask for any assistance because she just felt she'd be imposing. And yet many of these widowed women—and men—were being victimized when they tried to make purchases in which they had little or no experience.

So we felt starting a "shopping buddy" program within the center would be another useful service that could be provided. Also, having a financial grant program—many of these people in the area that we studied, while the surrounding community viewed them as a lot of rich old people, they weren't rich. Many of them were what you'd call "living on a very fixed income." And if they became victimized, then, as mentioned earlier, they couldn't necessarily afford groceries, their prescribed medication, and so on.

So having an emergency grant program, temporarily, for victims—setting up an anonymous hotline would be very important, too, where people could call. I ended up talking to a lot of these clients, and my son is a lawyer out in California. He's done some work in financial exploitation of older adults, and I ended up giving my son's name. Well, after about 10 referrals, my son informed me that that was not the best thing to do. He wasn't practicing law in Florida, but again—they did not know where to go.

And so, again, having this hotline that could give advice, for example, on reputable contractors, on legal options, on Seniors versus Crime, and so on. And then as part of that, creating a community handbook on what you'd call—sort of like Angie's List—reputable contractors that, again, are licensed—because that was, again—these home repair scams were huge.

So we felt that having these services in these communities or in areas where a lot of seniors live, they could serve a lot of excellent functions both in terms of prevention and providing needed services. But we don't want to stop there. Very importantly, we believe if you go back and think about our model of these general assessments of self-efficacy and influencing decision making, we felt that our next step nationwide needs to be to think about a risk assessment instrument.

So, what we want to do is the next step—we are developing a risk assessment instrument. It will be field tested; it will ultimately be validated, so it might go through four or five versions before it absolutely is shown to be reliable in identifying those at risk of financial exploitation, based upon their decision making, based upon the things that we will be able to determine.

And then also, through this process, with the risk assessment we want a "complementary needs" assessment. So identify risks, and then, what are the needs? And we're working with a major health care provider, and so we believe we will have a very good opportunity to explore. Can we begin to deal with this problem? As Dr. Brancale mentioned, soon to be over 70 million people controlling 70 percent of the invested wealth—and little or nothing is being done.

And so these are some of the recommendations.

Brancale: Go to the next slide, Scarlett. And as we've mentioned, the research body is small. It's growing, but it's still small. There is still a lot that needs to be done, and we in the college are really working hard to address this growing social problem.

We thank you all for being here today.

Heinbuch: Thank you. Thank you both for just a really informative discussion around some of these points that I haven't really thought about. I'm really intrigued about the risk assessment instrument that you're developing. Do you happen to have a timeline available in mind, for when that might be ready?

Blomberg: It's an excellent question. I wish I had a copy of it right now, and we could be field testing it. In the next couple of months, we're working with a very prominent health care group. And so we're getting physicians, we're getting some of their clinical staff involved. We're trying to do this as a joint venture, but for the audience—and for you, Scarlett—if you look at that slide and you look at that chart, normative aging transitions, general assessment of self-efficacy, and then these thresholds in cognitive transformations versus stability: that is where our measures are going to be derived from.

And so self-efficacy is going to be salient, running through that risk assessment instrument. And then, I think some of our research, and then working with clinical staff—then we'll be able to think about, once we've identified risk, being able to differentiate the needs. Because once we've identified risk, the needs can be very different, and we recognize that.

The timetable is in the next several—I would say, we hope that by summer we would have the instrument near validation. Now, once it is validated, we would hope that this could be something that could be used throughout the country, not just by healthcare providers—insurance companies, banking groups like yourselves...there are just a variety of audiences, I think, where older citizens are relying on services, and they have opportunities, I think, to identify things and help them.

Heinbuch: Thank you. That's great information to know, because—as you both pointed out, and I think our audience is all aware) the aging boomers—that cohort is continuing to rise, as you pointed out. So we talk about that number of 70 million people, it's going to continue until that whole boomer cohort ages out. This is a growing risk, and a problem that is not going away, so I'm really excited to see the proactive way you're handling this and creating an instrument that's useful for the nation, because it is a problem everywhere.

And I understand, we all know that Florida has been considered a top retirement destination, so it makes sense that this is where this would start. But as the country experiences the aging population, not everyone's going to go there. And wherever we are, I know just based on personal experience, I see more and more retirement communities popping up like this.

I think it's also really important to point out the gender piece that we'd discussed before, which is women tend to live longer than men. And so

when you have these aging cohorts, you have more women at risk. And when you tie in the social norms from their cohort, where they really weren't comfortable with financial literacy, or they just turned financial management over to their partner, you have a curve there with people who may not even have real experience in managing money.

So the opportunity to educate women and these people in these group settings are really challenging. The other thing, too, in that population—and we didn't touch on this, but there's a lot of shame attached to making that mistake, and fear as you pointed out, but there's shame and that oftentimes means that people won't talk about what happened to them. So is there a way that you have found that really works to help bypass that feeling where people won't talk, and you've been able to find a way to get them to discuss and share, and remove some of those feelings about that?

Blomberg: Yes, we hope really through education. Because no matter how smart you are, we've given presentations—Dr. Brancale and I here at the university—to distinguished professors, and after the presentation, they're walking up and saying, "I fell victim to this scam, et cetera." It's so pervasive.

And the idea of shame. We had one particular case of a World War II veteran, a Purple Heart recipient—this was a hero, an older gentleman, and his wife, of course. And they had invested in some unlimited cruise ship tour, and they were going to go on all these trips. And they put the money in, and they didn't hear and they didn't hear and didn't hear. So Seniors versus Crime got involved, and the company had already pulled up stakes and had left, and there was no way to get their money back.

So the wonderful Seniors versus Crime person met with this couple, and he explained what had happened. The gentleman—the hero—tears started coming down his face, and he said, "It's not the money. I'm just, I'm ashamed. I can't believe I was so stupid." And that's where—again, Dr. Brancale mentioned—they start to live in isolation, they're afraid to open their mail. They no longer have this sense of self-efficacy that they can navigate any longer, and so their quality of life goes down, and they're subject to premature death.

I think education. What would you say?

Brancale: And, as Dean Blomberg mentioned, too, getting people's support networks involved as well. And we think that is another important piece to reducing shame, is to make sure that the support networks are supportive, and they're not saying, "You did this wrong," or "You messed up," or "Look what you did." So if you can get not only the aging adult the education to know what to look out for, but also to know that this happens a lot. There are a lot of people who are targeted, they're not alone—but also get their support networks involved, and their support networks understanding those same things, too—that this happens, and here are the best ways forward, rather than being critical.

Heinbuch: That's such an important point. A lot of people, as you pointed out, if they make a mistake, then they do feel like it's their fault. And so, addressing that... We have some questions coming through. Let me share those with you. The first one is, "What is the response of the management of the senior facility you worked with to the suggestion that they take on some responsibility for financial education?"

Blomberg: I'm very outspoken, so let me tell you—the facility that we studied, the community that we studied, they would not rent us office space. They would not let us report our findings in their newspaper. They were zero support, did not like the idea of us conducting this study. We actually then took our results to another one, it will be one of the largest places anywhere in the world for older adults.

And again, I think we're learning more, but we were trying to be a bit more getting them to be using their entrepreneurial reasoning to think about, what if you advertise that you have these services? Well, I think the problem there is then you're acknowledging the fact that there could be exploitation as opposed to, "We have guards, we have... This is a wonderful, safe place, and you have nothing to worry about."

So the marketing, there's got to be a marketing scheme where these developers and owners of these facilities and these large communities realize it's to their advantage to be proactive, to recognize that you can never build your way out and make places perfectly safe, so you've got to have some measures to respond, to make sure that you can build the community back. And I think... Brancale?

Brancale: Absolutely. And the guard gates, and the roaming security, and all of that—that's to show that residents are protected from violent crime, or property crimes, trespassing. So I think it's shifting the conversation and making it so, yes, we're protecting against this type of victimization, but this other type of victimization needs attention, too. So rather than saying that it's a problem, saying that we have taken these proactive steps, this is what we're doing, this is how we're helping our residents, this is what we're doing for the organization, and structurally as well.

Heinbuch: Those are all really great pieces of information to have, and I appreciate your candor as well. Maybe this is part of where the national approach you're taking on the risk assessment instrument will help any community that is concerned that they might be viewed as more at risk. When they can see this is truly a nationwide problem that you're solving for, then that can take the burden off of just this one community who might feel like "this is only our problem" when it is not.

And again, that's part of our work, too, is to create messaging that helps to alert to risk, particularly on a nationwide level. As we all know, fraudsters don't stop and they keep getting more sophisticated. It's like the whack-a-mole, one goes down and another one pops up. And so it's—as you pointed out, too, Dean Blomberg—people just get overwhelmed, and particularly if they are having all these other things to deal with, they just don't even know what they don't know, and so they just try to solve a problem.

And I think it's also important to note that, as you mentioned, that they trust more and they don't want to be a burden. In fact, I've heard some

folks say that when they were being targeted, they didn't want to call anybody because they didn't want to bother them, didn't want to be a burden. And they trusted this person to be legitimate, so it's kind of a way of helping them to understand things a little differently about the risk that they're in. And again, removing the shame and blame, to help them to get past this.

One other question we've got is—and we may have covered some of it, but I'll bring it out—it says, "Besides the outreach and programs you discussed, is there messaging you found to be particularly effective with the target population?"

Anything we can share, the embarrassment factor is real, which we all agree is really huge. Is there anything else you feel like you found that was really helpful, again, in helping people to just be a little more open about this?

Blomberg: Well, the one thing that I mentioned earlier is that—and the whole idea of these education classes, in which a retirement community cannot possibly create regulations and a safety net for residents inside their home, on their computer, or answering their phone and so on—things are going to happen, and I think one of the messages that helps, and I think can have a very stabilizing effect on victims of fraud, is the idea that this is everywhere. It's pervasive, and it's going to slip through even the best of us. There is no foolproof way to protect oneself, and so if you do fall victim, it's not the end of the world.

And I think that's the idea. The pervasiveness of fraud, the sophistication of fraud, and the ways... You know, AARP is working on it constantly. Their last magazine, they had all these different kinds of things that the fraudsters will do. And you look at them and you realize that if you have strong self-efficacy and a great sense of skepticism, you'd look at those and you'd be able to navigate through them. But if you're under great duress, you have a sick spouse, you're suffering from some cognitive decline or you're suffering some physical illness, you're not going to be as capable.

So I really think education, and that we're all people subject to these same pervasive types of things, and I think it's a collective that can respond to it. And knowing that you're not alone, and so learn by it and move forward.

Heinbuch: I think that's a wonderful approach to take. Again, that's part of community, it's knowing you're not alone and that you can share these thoughts. So I see real opportunity here as this goes forward. We did have one other question. I really was interested in the financial grant program to provide emergency relief money in the event of victimization. That seems like a really important tool to have—and of course, the question came: Who would fund that, or where would that money come from?

Brancale: This is something that we've talked about over the years, too, and we see these community service centers as being a combination of volunteer-based businesses and nonprofit. A lot of this we felt would come from donations—perhaps some homeowners' association fees from some communities, that they could be structured that way, where residents would pay into these funds. So we really see it as a diverse pot of money that would come from various sources, and then the idea being it would be revolving.

So the older adult, if they were victimized and they lost their \$2,000 mortgage payment, they needed to borrow that money. If they were able to recoup it, they would help put it back. There'd be no expectation that they would have to repay that money, but if they were able to repay some of it at some point, that would help keep the fund revolving.

So we really see this money coming from a multitude of sources, and then setting it up so it would be very local. It is coming from that community, for that community—so they can see where the money is going, how it's being used. Hopefully not ever have to use it, but they would see that it's staying. It's very local.

Blomberg: And we actually hope, too, that if the developers and owners of these communities realize the value, the marketing value, of this, that they would be contributors as well, wanting this to be part of their marketing scheme—that "we have a safety net for our residents. Because there's certain things that guards and guard gates and so on cannot protect our residents from, so we have these service centers that are for you, the resident, and they provide a variety of direct and indirect functions."

Very importantly though, we also included the notion that these centers need to be evaluated. They need to be assessed. They need to find out what really works best and what doesn't work so well. And maybe as we design them, they're void of some necessary services.

So we would want evaluation, and that's where I mentioned earlier the idea of partnerships with universities, because the one thing that all of you in the audience—we're here at this university, we have about 2,000 undergraduate students and about 350 masters and PhD students. I've been teaching for a long time, and I can tell you our students are wonderful. They're so gifted. They've mastered the classroom, but what they all share in common—and what just warms my heart each day that I'm around them—is that they want to make a difference. They want to make this world a better place.

So internships and involvement in these types of things around the country—get the universities, get the students involved. It's a great resource, it's a great learning mechanism for them. So we see a lot of different combinations being involved in this.

Heinbuch: Well, thank you so much. We are at time, and I just want to thank you both for being with us today. Our audience, too. Thank you again for your patience as we got our tech worked out on the front end. I would like to say, if you do have any questions please connect with us. We certainly will pass them on to our presenters today.

Lots to think about, and again—thank you for all that you're doing to make a difference in facilitating this very important work. I think the community service centers are really an excellent idea, and I'm excited to see how they move forward as this population increases and the need

grows. So the work you're doing is really pioneering in this direction, and we're excited to see how we can help facilitate the information that you're sharing on a nationwide platform as well.

Thank you again. Have a wonderful rest of the day, and we'll stay in touch. And thank you for joining us today, in our audience. And again, any questions please connect with us here at the Atlanta Fed. We're always excited to hear from you, any feedback and additional questions that you have. Thank you.

Brancale: Thank you.

Send questions about the webinar to David Lott at david.lott@atl.frb.org.

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