The background of the slide features a large, faint watermark of the Florida State University seal. The seal is circular and contains the text 'FLORIDA STATE UNIVERSITY' around the perimeter. In the center, there is a shield with a scale of justice, a book, and a torch. Below the shield, a banner reads 'VIRES ARTES MORES'.

Aging Adults, Turning Points, and Thresholds Resulting in Financial Exploitation

**Presentation to
The FSU Osher Lifelong Learning Institute**

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Presentation Overview

- I. Introduction
- II. Prior Studies
- III. Current Study
 - Theoretical Framework
 - Research Questions
 - Research Methods
 - Data
- IV. Findings
- V. Policy Recommendations
- VI. Conclusion



Introduction

- Financial exploitation is the most common form of self-reported abuse among older adults in the United States
- Given that Americans ages 55 and older comprise the fastest growing segment of the US population, estimated to be 50 million by the end of 2020, financial exploitation targeting this group is expected to continue increasing in magnitude
- The available research on the extent, causes, consequences, and prevention is fragmented and inconclusive
- Our study examines how normal age-graded life transitions can be associated with vulnerabilities for financial exploitation among older adults and explores strategies for prevention



Introduction

- It was reported that \$36 billion was exploited from older Americans in 2015
- It is estimated that for every reported case of abuse or financial exploitation among older adults, there are 24 unreported cases
- 60% of Florida and Arizona residents aged 65 and older reported at least one financial exploitation targeting attempt in the prior year



Prior Research

- **Most common types of financial exploitation impacting older adults**
 - Taking money without permission (Holtfreter et al., 2014)
 - Pressure sales, telemarketing (Muscat et al., 2002)
 - Family members, close friends (Hafemeister, 2003; Tataro et al., 1998)

- **Older adults are susceptible to financial exploitation**
 - Declining levels of cognition (Kemp and Mosqueda, 2005; MetLife, 2009)
 - Declining physical health and requiring assistance with daily activities (AARP, 2003)
 - Changing social bonds that produce feelings of isolation (Arvanis, 2005; Stiegel, 2002)
 - Perceived as suitable targets by potential offenders (Holtfreter et al., 2014; Payne, 2005)

- **Financial exploitation of older adults is underreported**
 - Victim is dependent upon the exploiter and fears retaliation (Payne, 2005)
 - Ashamed and fearful of stigmatization (Deevy and Beals, 2013)
 - Unaware they were victimized or that it was criminal (Deevy and Beals, 2013; FBI, 2015)
 - Unaware of where to report (Holtfreter et al., 2014)



Current Study

■ Theoretical Framework

- Commonly studied theories of victimization include routine activities, lifestyle exposure, and victim precipitation. Importantly, these theories do not provide a compelling explanation about the victimization of older adults
- However, when considered broadly, life course theory provides a framework for understanding behavior and life experiences based upon:
 - Chronological age
 - Life transitions
 - Relationships
 - Physical and cognitive declines



Current Study

■ Research Questions

- What factors associated with aging do older adults identify as major contributors to changes in their daily lives and decision-making abilities?
- Is there a threshold that, when reached, older adults believed resulted in a turning point for experiencing financial exploitation?
- How do older adults avoid financial exploitation as they age and experience various factors that may place them at an increased risk?



Current Study

- **Research Methods**

- We conducted a mixed methods case study in the largest active-living retirement community in the United States

- **Data**

- Cases reported to Seniors vs. Crime (SvC)
- Arrest records from the local sheriff
- Focus groups with SvC staff
- Focus groups with residents
- In-depth individual interviews with residents



Findings

- **Quantitative Summary Statistics**
 - Between January 2010 and May 2015, there were **265 arrests** made by the local sheriff and **3,734 complaints** made to SvC for financial exploitation
 - Home services, in the form of unnecessary repairs, was one of the top reported frauds
 - On average, residents reported losing \$2,000 to SvC



Findings

- **Qualitative Results from Focus Groups and Interviews**
 - **What factors associated with aging do older adults identify as major contributors to changes in their daily lives and decision-making abilities?**
 - Retirement and transitioning to live on a fixed income
 - Residence relocations (especially to the retirement community)
 - Changing social support networks and bonds
 - Declining physical/cognitive health
 - Increasing frequency and severity of health-related issues
 - Death or incapacitation of a spouse/significant other
 - Recently widowed women felt especially vulnerable



Findings

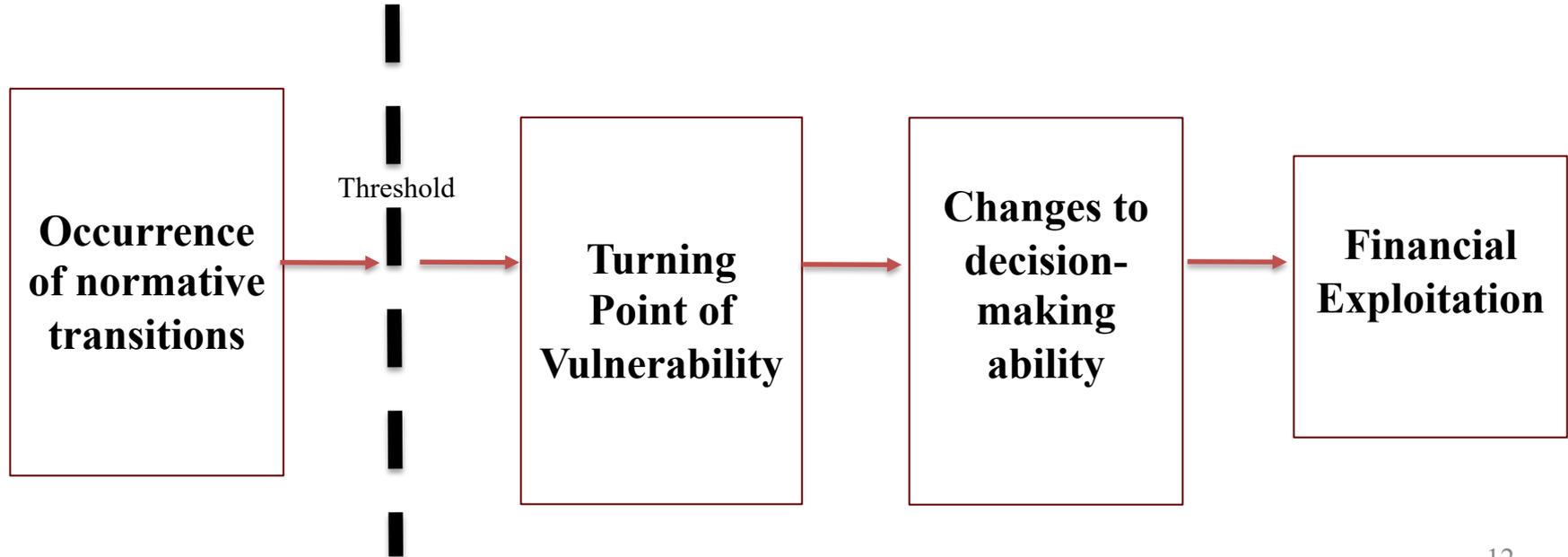
“When you’re consumed with a major event in your life, a lot of the time you lose the ability of focus, or the desire to be a little bit more skeptical.” –James, 70

“As we age, and if we become alone, and our mental capacities aren’t as sharp as they once were, we lose that ability to be inquisitive and ask the extra questions and, as a result, make ourselves vulnerable.” –Sue, 67



Findings

- Is there a threshold that, when reached, older adults believed resulted in a turning point of vulnerability for experiencing financial exploitation?





Findings

- **How do older adults avoid financial exploitation as they age and experience various factors that may place them at an increased risk?**
 - Education
 - A skeptical personality
 - Strong support networks



Findings

*“The best way to stop senior fraud is **having the seniors more aware** of it so that they can prevent it themselves. That’s number one. So the biggest issue is to try to **educate** people and say, ‘Listen, think twice, don’t allow yourself to be put in that position.’ But it’s hard to do; it’s just hard to do.” –Steve, 70*

*“I understand how to protect myself now. **I wonder if I’ll understand and do it 10** years from now if I live to be 90? Seriously, I think I’m sharp enough to recognize anything. I won’t accept any offers of anything that looks too good to be true, I just won’t. I just ignore them and refuse to accept them. I just hang up. Anybody that calls, keeps pushing to sell something, I just hang up. Will I know to do the same thing when I’m older? I don’t know.” –Brian, 80*



Findings

Summary of Findings

Exploitation Type	Method of Perpetration	Turning Point or Personality Characteristic
Misrepresentation/ Inappropriate Contracts	Face-to-face interaction, solicitations	Death or incapacitation of spouse Significant health diagnosis
Pressure Sales/Misleading Advertisements	Face-to-face interaction, postal mailing, telephone calls	Overly trusting Naive
Investment	Face-to-face interaction	Death or incapacitation of spouse Significant health diagnosis Divorce
Embezzlement	Family members/romantic partners	Cognitive decline Significant health diagnosis
Lottery/Sweepstakes	Postal mailings, email, telephone calls	Overly trusting Naive
Medical/Dental	Face-to-face interaction	Significant health diagnosis or pain
Identity Theft	Indirect/no contact	Normative-risk fraud
Credit Card/Check Forgery	Indirect/no contact	Normative-risk fraud



Policy Recommendations

Comprehensive Service Centers (CSC)

Prevention Services	Victim Services
Hotline	Advocates
List of endorsed service providers	Mediation
Education (classes)	Assistance with reporting
Media outreach	Financial safety planning
“Shopping buddy” program	Emergency recovery fund
Support groups	Support groups
Referral services	Referral services



Conclusion

- Financial exploitation impacting older adults is a growing social problem
- The occurrence of age-graded normative life transitions resulted in an increased risk of financial exploitation for many older adults
- Supplemental support and education were routinely mentioned by older adults as being necessary to help prevent and recover from financial exploitation