SURVEY: NEARLY 1 OUT OF 5 U.S. SENIORS HIT BY FINANCIAL SWINDLES

But IPT Poll Also Shows that Efforts to Engage Doctors and Other Medical Professionals in Spotting and Reporting Elder Financial Abuse and Exploitation Are Working.

WASHINGTON, D.C.//March 22, 2016///Almost one of five Americans over the age of 65 – 17 percent or nearly seven million seniors – have "been taken advantage of financially in terms of an inappropriate investment, unreasonably high fees for financial services, or outright fraud," according to a major new survey conducted by Public Policy Polling (PPP) for the Investor Protection Trust (IPT), a nonprofit organization devoted to investor education and protection. That level is down slightly from the 20 percent of seniors who reported in a 2010 IPT survey that they had been victimized.

Available online at http://bit.ly/EIFFEpoll and benchmarked to the earlier poll conducted in 2010, the new IPT survey of 3,672 American adults – including 703 adult children with at least one parent aged 65 or older and 2257 adults who are aged 65 or older (up from 590 surveyed in 2010) – finds several troubling signs of the extent of elder financial abuse and exploitation in the United States.

However, there also are encouraging signs of improvement over the last six years:

- ***Efforts to involve doctors in spotting and reporting signs of financial exploitation of the elderly appear to be working.*** Of those who are in touch with their parent's health care providers, 21 percent of children with elderly parents report "the healthcare providers ever mention[ing] any concerns about your parents handling of money or relayed any concern from your parent about handling money". (This is up sharply from 5 percent in 2010.) However, of that same group, 27 percent report the health care provider has mentioned "concerns about your parents' mental comprehension." (This is up from the 2010 level of 19 percent.) More than three fifths (61 percent) of children are not in touch with their parents' health care providers.

- ***Concerted efforts to educate elderly investors about investment schemes may be gaining traction.*** In a major improvement from 2010 where 44 percent of those aged 65 or over got at least two out of four questions wrong about basic investment knowledge, over half (51 percent) got all the answers right and only 14 percent got two or more answers wrong.

Why the focus on the role of doctors? The effort led by IPT to involve doctors in spotting and reporting the signs of mild cognitive impairment (MCI) that can result in older Americans being more vulnerable to money swindles started in 2010. The IPT Elder Investment Fraud and Financial Exploitation (EIFFE) Prevention Program was developed by the Huffington Center on Aging at Baylor College of Medicine and the Texas Consortium Geriatric Education Center. Since then, IPT has worked with 30 state securities offices to form a coalition to prevent elder investment fraud/financial exploitation. To date, a total of 90 continuing medical education (CME) events have been held in 30 states and jurisdictions (as well as events at national and regional conferences), providing EIFEE Prevention Program training to 8,600 medical professionals.

Don Blandin, president and CEO, Investor Protection Trust, said: **"While it is still alarming to see that nearly one out of five older Americans have been victims of financial swindles, it is encouraging that doctors and adult children are more tuned into this problem. Doctors and the nurses who work with seniors are playing an important 'first responder' role in spotting older Americans who have been or are being victimized by investment fraud and other financial exploitation. State securities regulators and others are working with thousands of doctors nationwide to make sure that they learn the symptoms of this problem and what to prescribe in terms of help from the experts who are standing by to provide it."**

Irving Faught, securities administrator, Oklahoma Securities Commission, said: **"State securities agencies see every day the huge toll that financial swindles exact from unwary older**

investors. That is why the Oklahoma Securities Commission was a lead state in involving doctors in the detection and reporting of financial fraud cases. We have seen this work in our state and think it's an important part of the prescription needed to reduce elder investment fraud and financial exploitation."

Robert Roush, EdD, MPH, professor of geriatrics & director, Texas Consortium Geriatrics Education Center, Baylor College of Medicine, Huffington Center on Aging, said: **"That financial abuse of older Americans is rampant today is no commentary on seniors and their judgment; it is a simple fact of life that many older adults are highly vulnerable to being financially exploited. And knowing that there are medical conditions that increase the likelihood of success for investment swindles targeting older Americans makes enlisting their health care professionals to help spot their vulnerability to financial abuse the right thing to do. State securities agencies deserve credit for being able to think outside of the box and take an important new tack in reducing the scourge of elder investment scams. Working together, clinicians and investor educators are starting to make a real difference."**

Other key 2016 survey findings include the following:

- Nearly half (47 percent) of children of parents 65 or older are "very" or "somewhat" worried that their parents "have already become or will become less able to handle their personal finances over time." (This is up from 40 percent in 2010.) Only 25 percent say they are "not worried at all" about such a development. (This is down from 36 percent in 2010.) (Those over 65 have a somewhat different view: 30 percent are "very" or "somewhat" worried about being less able over time, compared to 36 who expressed such concerns in 2010.)

- 74 percent of children think that their parent aged 65 or older would tell them "immediately" if they were swindled, compared to 21 percent who think their parents would be ashamed and hide such a fact. However, nearly half (47 percent) of children say it is "not very likely" or "not likely at all" they would be able to figure out that their parent had been swindled if they did not disclose it. (That is up from 35 percent in 2010.)

- More than two out of five (43 percent compared to 50 percent in 2010) of older Americans exhibit one or more of the warning signs of current financial victimization:
    - People are calling me or mailing me asking for money, lotteries, and other schemes – 35 percent. (Interestingly, this is higher than the 29 percent reported by children of parents over age 65.)
    - I don't feel confident making big financial decisions alone – 5 percent versus 16 percent in 2010.
    - I don't understand financial decisions that someone else is making for me – 1 percent versus 4 percent in 2010.
    - I give loans or gifts more than I can afford – 1 percent versus 4 percent in 2010.
    - I am being pressured to give away my money or change my will – 2 percent versus 0 percent in 2010.
    - I am having trouble paying bills because the bills are confusing to me – 1 percent.
    - Someone is accessing my accounts or money seems to be disappearing – 1 percent.

- With no overall change since 2010, 31 percent of older Americans say they are vulnerable in one or more ways to potential financial victimization:
    - You are financially responsible for an adult child or spouse -- 15 percent.
    - You are isolated most the time from other people -- 7 percent.
    - You are in bereavement – 4 percent.
    - You are depressed or have other mental problems -- 2 percent.
    - You are dependent on someone else for your day-to-day care – 2 percent.

- Of those children with at least one parent over the age 65, 80 percent of the parents already are retired.

- Of those children with at least one parent over 65, 28 percent already are retired themselves and 22 percent are within five years of retirement.

- 78 percent of those over 65 handle finances themselves, 17 percent rely on relatives for at least some help, and 1 percent rely on non-family members, according to their children. (These figures reflect shifts from 2010 levels of 71 percent, 24 percent, and 3 percent, respectively.)

- 90 percent of children are “very confident” or “somewhat confident” of their parent’s current ability to handle personal finances. Only 9 percent of children are “not very confident” or “not confident at all.” This is relatively close to the views of those age 65 or older: 97 percent say they are "very" or "somewhat" confident about their current ability to handle money and just 3 percent who are "not very confident" or "not confident at all” with handling personal finances.

METHODOLOGY

Public Policy Polling interviewed 3,672 Americans from March 10 – March 13, including 2,257 seniors and 703 adults with senior parents. The margin of error for the overall sample is +/- 1.6%, the margin of error for senior sample is +/- 2.1% and the margin of error for the adults with senior parents sample is +/- 3.7%. The survey was conducted through automated telephone interviews with a random sample of American adults.

For more information about the 2010 IPT survey, go to www.investorprotection.org/learn/research/?fa=eiffeSurvey on the Web.

ABOUT THE INVESTOR PROTECTION TRUST

The Investor Protection Trust is a nonprofit organization devoted to investor education. More than half of all Americans are now invested in the securities markets, making investor education and protection vitally important. Since 1993 the Investor Protection Trust has worked with the states and at the national level to provide the independent, objective investor education needed by all Americans to make informed investment decisions. For more information, go to http://www.investorprotection.org. Visit IPT on Facebook at https://www.facebook.com/InvestorProtectionTrust and on Twitter at @IPT_Info.

CONTACT: Max Karlin, for IPT, (703) 276-3255 or mkarlin@hastingsgroup.com.

EDITOR’S NOTE: A streaming audio replay of this news event will be available online as of 5 p.m. EDT at http://bit.ly/EIFFEpoll.