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Seniors Get "Savvy" About Financial Fraud

Department for the Aging & Department of Consumer Affairs join forces with the Federal Trade Commission on financial literacy for seniors

Mayor Michael R. Bloomberg today issued a proclamation declaring the day "Senior Savvy Day" in New York City. In recognition, New York City Department for the Aging (DFTA) Commissioner Edwin Méndez-Santiago, LCSW, in partnership with the New York City Department of Consumer Affairs (DCA) and the Federal Trade Commission's Northeast Regional Office (FTC) announced the launch of "Senior Savvy," a citywide outreach campaign designed to help seniors be more aware of online and offline scams. Kicking-off in the New Year, Senior Savvy trainings will be held at senior centers throughout the five boroughs and will examine consumer-related scams that are often directed at seniors— including internet and telemarketing fraud, identity theft, lottery sweepstakes and reverse mortgage loans— and educate seniors on how to avoid becoming a victim of exploitation. Joining Commissioner Mendez-Santiago were Department of Consumer Affairs Commissioner Jonathan Mintz, Federal Trade Commission Regional Director, Northeast Region Thomas A. Cohn and Federal Trade Commission Attorney Nur-ul-Haq.

"Sadly Older New Yorkers are all too often targets of consumer scams and exploitation," said Commissioner Méndez-Santiago. "The Senior Savvy program is rooted in education and prevention, the two best defenses against this deplorable form of elder abuse. There are some simple steps seniors can take to protect themselves and their families. The Department for the Aging is happy to join with the Department of Consumer Affairs and the Federal Trade Commission on this outreach effort."

"Over the next year, Senior Savvy will be part of the Commission's efforts to give seniors the necessary tools to protect their privacy and watch their wallets," said Federal Trade Commission Northeast Regional Director Thomas A. Cohn. "We are pleased to partner with the City's Departments for the Aging and Consumer Affairs to help educate New York City seniors on internet related fraud and identity theft."

"Seniors can empower themselves to protect their finances and their personal information," said DCA Commissioner Jonathan Mintz. "Be savvy consumers: never give out your bank account or social security number, check out a business before hiring contractors for home repairs, and avoid any aggressive sales pitches that make you uncomfortable. We're thrilled to partner with the Department for the Aging and Federal Trade Commission to expand our outreach efforts to the City's seniors and their families."

The Department for the Aging, with the support of the Department of Consumer Affairs, will make available to all its senior centers a helpful guide on "How to be a

Savvy Senior!" This guide for seniors includes tips on:

- Reverse Mortgages: Know if it's the Right Loan Option for You
- Home Improvement: Protect your Home and Wallet
- Shopping on the Internet
- Beware! Lottery and Sweepstakes Scams
- Door-to-Door Sales, Telemarketers, and Offers by Mail
- Charity Solicitations
- Protecting Your Identity
- Getting Benefits? Go Direct!

Statistics on Financial Abuse:

- In New York City, the Department for the Aging (DFTA) estimates that there are 50,000 cases of elder abuse— including physically, psychological, neglect and financial abuse — each year, with only a fraction of these cases reported.
- Almost 50 percent of the clients referred to DFTA's Resource Center are victims of financial abuse.
- In the past year, the Department of Consumer Affairs (DCA) has:
 - Returned more than \$1 million back to homeowners with complaints against home improvement contractors
 - Secured nearly \$800,000 in invalidated or cancelled debts for consumers with complaints against debt collectors
 - Secured more than \$3.6 million in total restitution for New Yorkers filing consumer complaints.

The Department for the Aging's Elderly Crime Victims Resource Center (ECVRC) offers elder abuse supportive services and counseling— including physical, psychological, and financial abuse and neglect— throughout the five boroughs and with the support of a network of community-based agencies, sponsors elder abuse prevention activities for older New Yorkers.

In addition to the ECVRC, the Department is currently developing a training program for bank tellers, brokers, and New York Stock Exchange (NYSE) members on the signs and symptoms of elder financial abuse. It is also partnering with the US Department of the Treasury in its Go Direct campaign which encourages seniors to use direct deposit for all their entitlement checks, in order to reduce financial exploitation and abuse. In 2008, the Department will debut "It's My Money!," an interactive, game-like financial literacy program for older adults in both English and Spanish. The program covers basic banking, credit card management, identity theft, and senior scams. Russian and Chinese versions of the program will be developed and tested later in the year.

The Department has also established an Elder Abuse Prevention Network for New York City (NYCEAPN). The Network was formed out of a nucleus of agencies that indicated a strong desire to expand and strengthen their activities in the area of elder abuse. The network includes financial service providers, law enforcement personnel, district attorneys, city agencies, academic institutions, not-for-profit providers of victim services as well as support services to the elderly, ethnic and cultural associations serving minority and immigrant populations, and other interested community professionals. The Elder Abuse Prevention Network serves as the focal point in New York City for team consultation on difficult and multi-problem cases, advocacy and legislative initiatives, training, public awareness and prevention campaigns, as well as systems coordination and services integration.