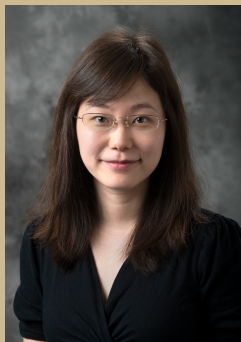


# ***RISK FACTORS OF FINANCIAL EXPLOITATION VERSUS SCAM/FRAUD***



Pi-Ju (Marian) Liu, PhD.

# Acknowledgement

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**Collaborators:**

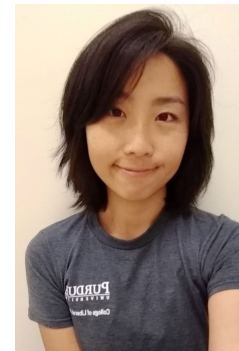
**Dr. Stacey Wood, Scripps College**

**Aining (Anna) Wang, Purdue University**

**Dr. Yaniv Hanoch, University of Southampton**

**David Hengerer, Claremont Graduate University**

**Mary Muskat, Purdue University**



# *Consequences of Elder Mistreatment*

## Physical health

- Death, premature death, higher mortality rate, lower survival rate
- Hospitalization, longer hospital stay, nursing home placement, more frequent use of hospice but short stay time
- Higher falls rate, hypertension, pain, activities of daily living and functional impairment, nutritional concerns, urinary incontinence, and sensory impairment including hearing and vision, bradycardia and electrolyte abnormalities

# *Consequences of Elder Mistreatment*

## Cognitive and mental health

- Dementia
- Lower levels of global cognitive function, episodic memory, calculation, perceptual speeds, and executive functioning
- Depression, distress, learned helplessness, posttraumatic stress disorder, feelings of shame, anger, and fear

# *Compare among Types of Abuse*

Which type of abuse has the lowest 5-year survival rate (aka. highest mortality rate)?

- Polyvictimization
- Physical abuse
- Emotional/verbal abuse
- Financial abuse
- Caregiver neglect

# *Compare among Types of Abuse*

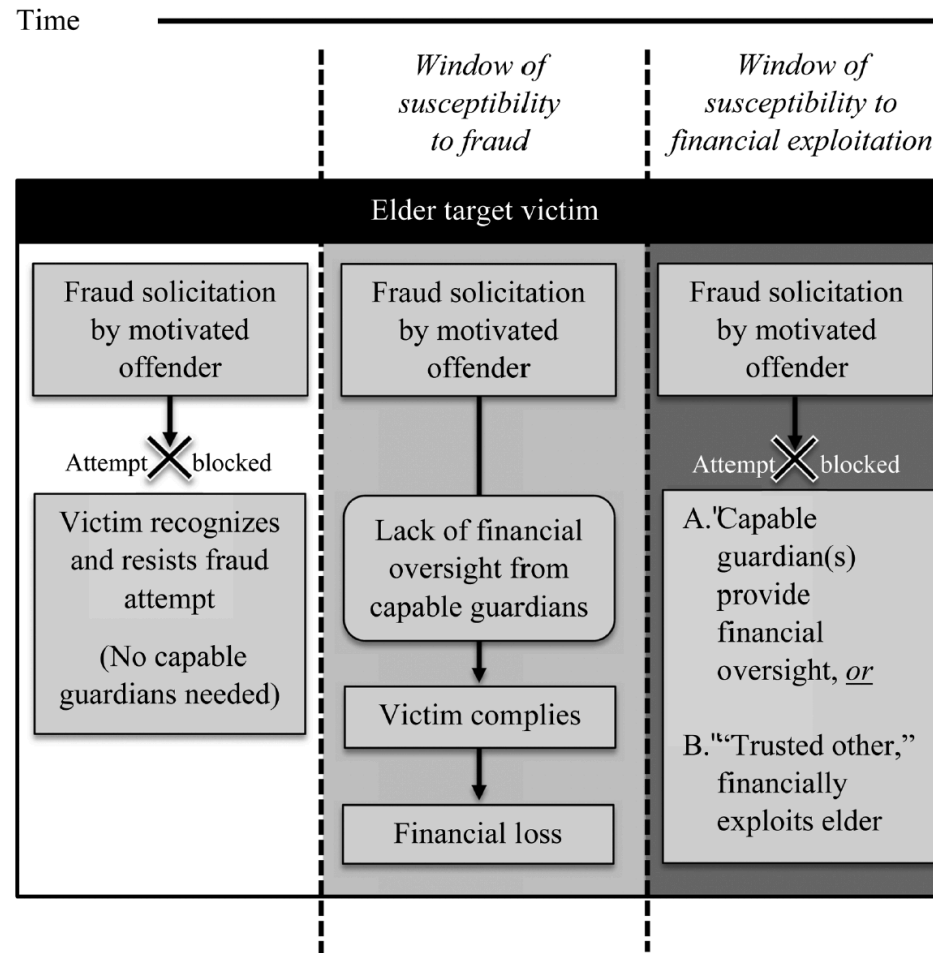
Which type of abuse has the lowest 5-year survival rate?

- Polyvictimization: 79%
- Physical abuse: 85%
- Emotional/verbal abuse: 83%
- Financial abuse: **72%**
- Caregiver neglect: **65%**

(Burnett et al., 2016)

# Theoretical Model

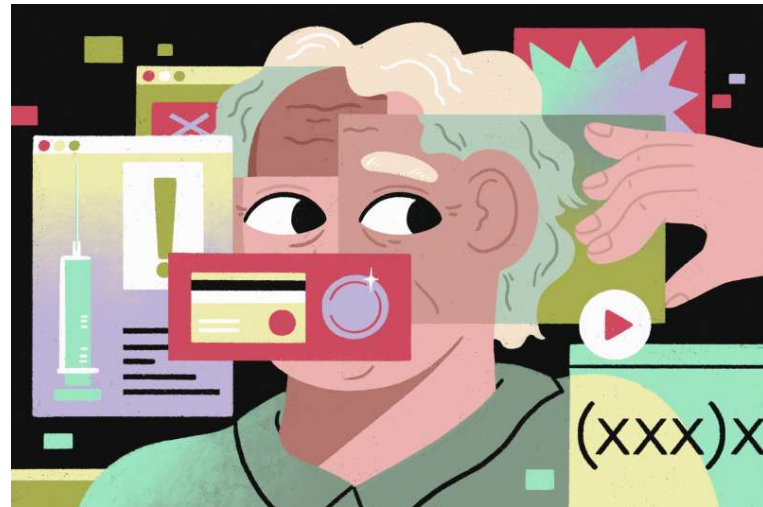
**Elder financial victimization:  
From financial fraud/scam to exploitation**  
(DeLiema, 2018)



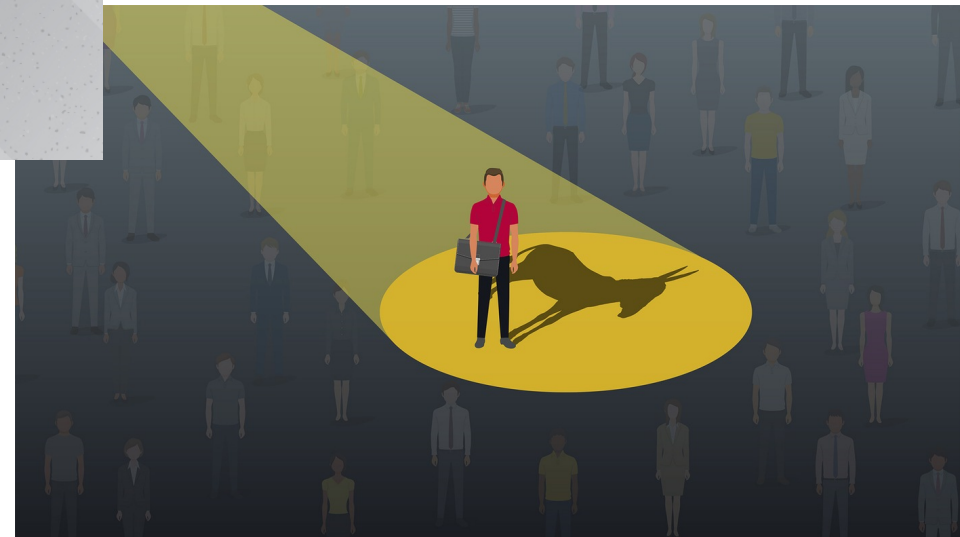
- Low vulnerability:* Target not physically or cognitively impaired; fully independent and capable of making independent financial decisions.
- Mild vulnerability:* Target exhibits mild physical and/or cognitive impairment but no capable guardians have engaged to provide oversight.
- High vulnerability:* Target physically and cognitively impaired; fully dependent on others for support with financial decisions.

# *Common Scams/Fraud*

- Advance fee schemes (e.g., lottery, sweepstakes)
- Imposter scams
- Romance scam or sextortion
- Emergency scams
- Charity fraud
- Phishing or ransomware
- Investment fraud
- Identity theft
- COVID-19 scams

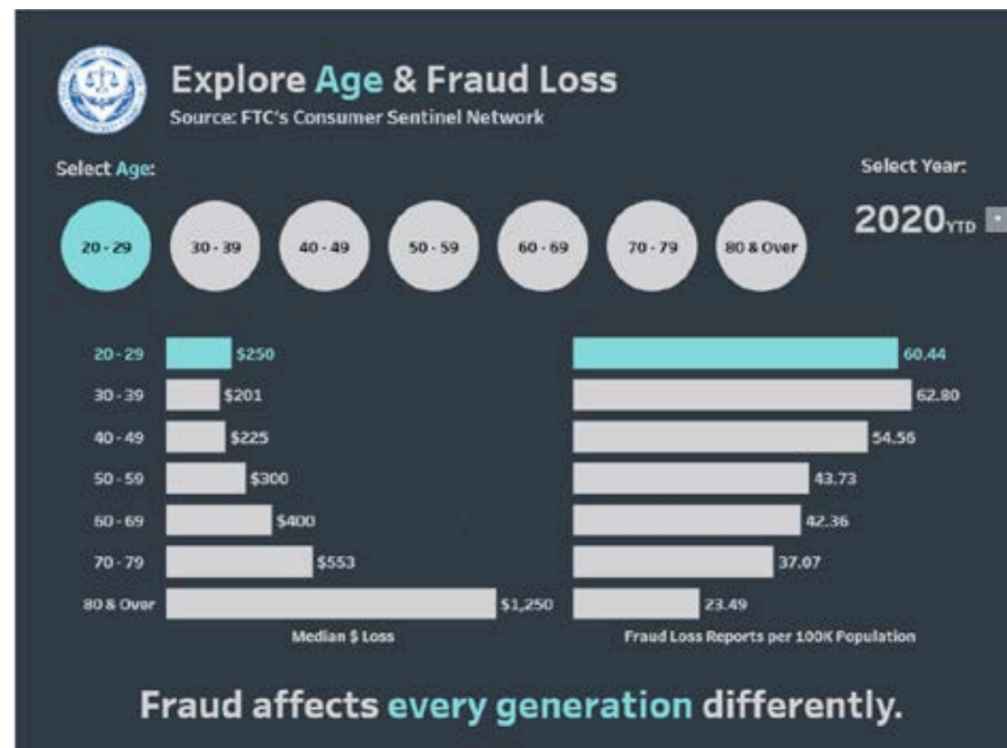


# *Sucker List & Money Mules*



# Are older adults at risk for scam?

- They were least likely to report losing money!
- They lost most money!

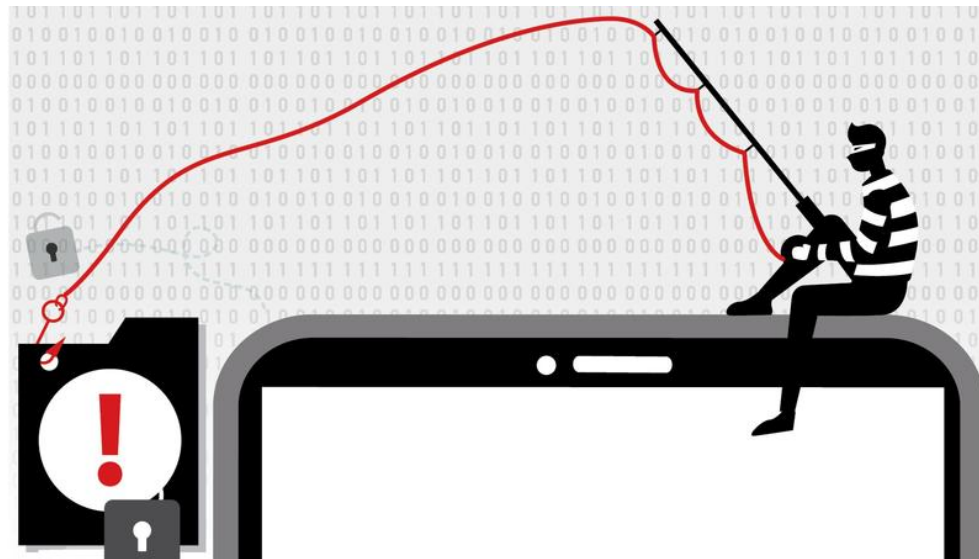


(Federal Trade Commission, 2020)

# *Study Aim*

## Examine risk factors of financial victimization

- Compare between scam/fraud versus exploitation
- Explore age differences
- Test the DeLiema model using a lifespan sample



# *Methods*

**Primary data collection in Indiana and California**

**195 participants aged 18 to 89 years old**

**In-person survey and interview on campus**

**Quantitative data analysis**

**Bivariate correlations**

**Ordinary least squares regression models**

# Measures

## Dependent variables

- Financial exploitation experiences: The 11-item short-form Older Adult Financial Exploitation Measure (Beach et al., 2017)
- Scam experiences: Seven scam questions from the HRS study (DeLiema et al, 2020)
- Behavioral intention to contact scammer: Lottery scam prototype solicitations (Wood et al., 2018)

# Measures

## Independent variables: Cognitive measures

- Overall cognition: The Montreal Cognitive Assessment (Nasreddine et al., 2005)
- Memory: The Reapeatable Battery for the Assessment of Neuropsychological Status (Christopher et al, 1998)
- Executive functioning: The Trail-Making Tests (Bowie & Harvey, 2006)

# Measures

## Independent variables: Socio-Emotional measures

- Depressive symptoms: The Center for Epidemiologic Studies Depression Scale (Radloff, 1977)
- Resilience: The Resilience Scale for Adults (Friborg et al, 2005)
- Ostracism: The Ostracism Experience Scale (Ren et al., 2016)
- Social integration: Five questions from the HRS study (DeLiema et al, 2020)

# Measures

## Independent variables: Financial measures

- Subjective financial literacy: Three questions (Lusardi & Mitchell, 2011)
- Retirement worries: One question from the HRS study (DeLiema et al, 2020)
- Financial well-being: The 10-question CFPB Financial Well-Being Scale (Consumer Financial Protection Bureau, 2017)
- Objective financial knowledge: One 7-point Likert scale question (Lusardi & Mitchell, 2014)

# Measures

## Independent variables: Physical health & demographics

- Physical health: The 12-Item Short Form Health Survey (Ware et al., 1996)
- Demographics:
  - age
  - gender
  - education level
  - marital status
  - ethnicity

# Results

## Bivariate correlations

Financial exploitation experiences	Scam experiences	Behavioral intention to contact scammer
Younger adults	Older adults	Ethnic minorities
Ethnic minorities	Higher education	Married/cohabitated participants
Depressive symptoms	Single/separated participants	Lower levels of social integration
Ostracism	Worse physical health	Ostracism
Retirement worries	Social integration	
Lower levels of financial well-being		
Lower levels of objective financial knowledge		



# Results

## Ordinary least squares regression models

Financial exploitation experiences	Scam experiences	Behavioral intention to contact scammer
<b>Ostracism</b>	<b>Worse physical health</b>	<b>Ostracism</b>
Ethnic minorities		<b>Males</b>
Lower standard of living		

## *Discussion*

Older adults were not more at-risk of financial victimization.

Risk factors differed between financial exploitation, scam, versus behavioral intention to contact scammers.

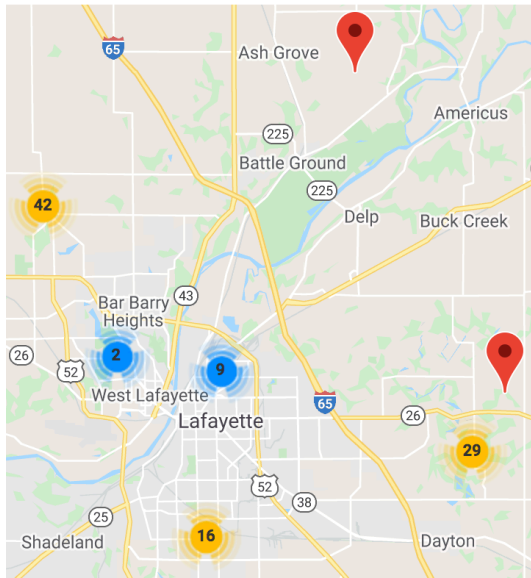
Cognitive abilities did not seem to impact victimization among adults with no obvious impairment.

Ostracism played the most important role.

## *What to do to avoid victimization?*

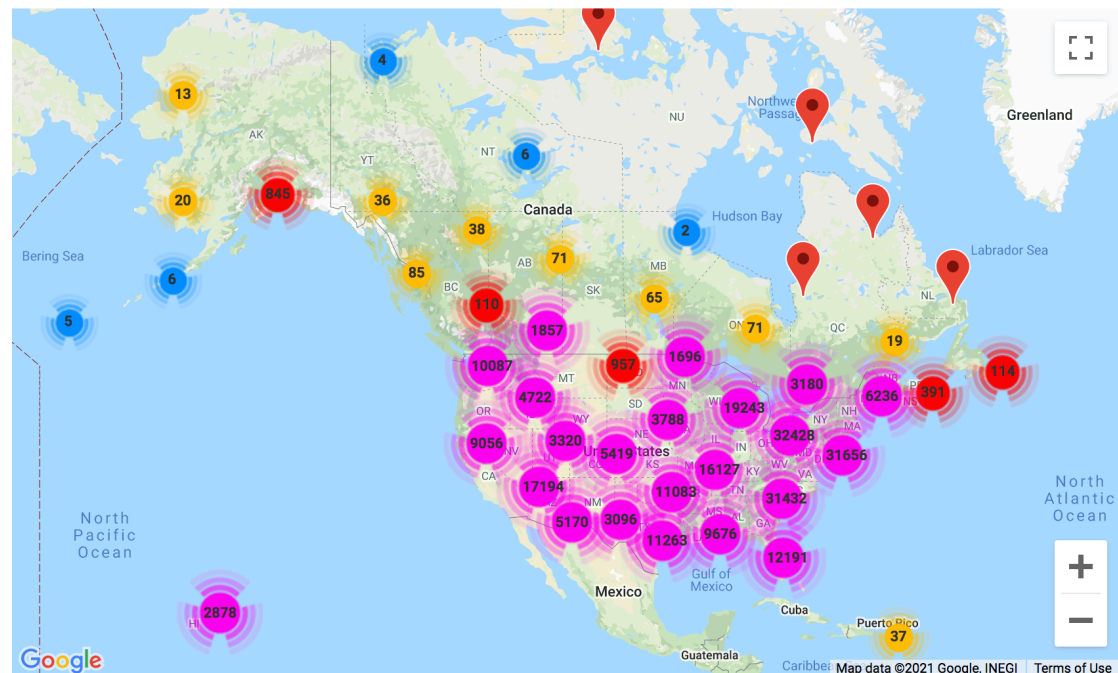
- Better Business Bureau Scam Tracker or Federal Trade Commission Scam Alert
- National Do Not Call Registry
- Adult Protective Services
- Law Enforcement

## 101 Scams Found



School of Nursing

**Showing 255,699 Scams of 255,699 Reported**



# *Special Thanks to...*

Participants in Indiana and California

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Marissa Godfrey

Douglas De Vries

And those in California



# ***THANK YOU***

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