Welcome to
“An Introduction to the Consumer Financial Protection Bureau’s Office for Older Americans!”

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Facilitator: Uche Akobundu

The webinar will begin at 3:30 p.m. Eastern Daylight Time

Introduction to the CFPB’s Office for Older Americans

Cora Hume and James Miner
September 15, 2015
Agenda

- Welcome from Meals on Wheels America
- Overview of CFPB and Office for Older Americans resources
- CFPB complaint process
- FTC’s Pass it On
- Q & A discussion

Disclaimer

- This presentation is being made by a Consumer Financial Protection Bureau representative on behalf of the Bureau. It does not constitute legal interpretation, guidance or advice of the Bureau.

- Note: This document was used in support of a live discussion. As such, it does not necessarily express the entirety of that discussion nor the relative emphasis of topics therein.
The mission of the Consumer Financial Protection Bureau is to make markets for consumer financial products and services work for consumers by making rules more effective, by consistently and fairly enforcing those rules, and by empowering consumers to take more control of their economic lives.

The Office for Older Americans

- Mission: help consumers 62+ to get the financial education and training they need to:
  - Prevent unfair, deceptive, and abusive acts or practices aimed at seniors;
  - Help older consumers make sound financial decisions as they age.

- The only office in the federal government specifically dedicated to the financial health of older Americans.
A FINRA commissioned study found that:

- Respondents age 65 and over were more likely to be solicited to participate in a potentially fraudulent offer (93%),
- more likely to engage (49%), and
- more likely to have lost money (16%) than younger respondents.

Financial Fraud and Fraud Susceptibility in the United States, September 2013: A Research Report
Prepared for the FINRA Investor Education Foundation by Applied Research and Consulting, LLC

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CFPB Tools and Resources

**Ask CFPB**

- Interactive online tool with answers to many questions regarding financial services and products.
- Can browse by topics, e.g. “fees” or “closing,” or by populations, like servicemembers, students, and older Americans.
- Under “older Americans” tag, find answers to questions about financial products and services, powers of attorney, accepting assistance with bill-paying and banking, and tips to avoid financial harm.
Considering a Reverse Mortgage?

**Important questions to ask:**
- Are Borrowers the only ones who live in the home?
- Can I afford my living expenses, property taxes, and insurance?
- Do I plan to remain in my home for a long time?
- Can I wait until I’m older?

**Consider Alternatives:**
- Wait (the older a borrower is, the more he or she can borrow)
- Refinance your current mortgage
- Alternative home equity products might be cheaper
- Lower your expenses (consider downsizing to a more affordable home)
A Closer Look at Reverse Mortgage Advertising

When you see advertisements, consider these facts:

- A reverse mortgage is a home loan, not a government benefit.

- You can lose your home with a reverse mortgage.

- Without a good plan, you could outlive your money.
Money Smart for Older Adults

PROBLEM:

- Many older Americans, their caregivers, and others in the community don’t know how to spot and avoid scams and frauds.

CFPB INITIATIVE:

- The Office developed an awareness program called Money Smart for Older Adults in collaboration with the FDIC.
- Content on common issues facing seniors, including how to identify a potential scam or fraud.
- Materials for trainers to provide presentations on preventing, recognizing, and reporting elder financial exploitation.
Planning for Diminished Capacity and Illness

PROBLEM:

- Some people experience “diminished financial capacity” as they age or become ill, losing the ability to manage their money effectively.
- With diminished financial capacity, people are more vulnerable to financial abuse.

CFPB INITIATIVE:

- Consumer advisory to help you plan for your financial future.
- Tips for giving trusted others the authority to make financial decisions for you.
- Suggestions for organizing and protecting important documents.
- Tips for helping a loved one with diminished capacity.
Manual for Assisted Living and Nursing Facilities

PROBLEM:

- Older adults residing in assisted living and nursing facilities are targets of financial abuse.
- Individuals with cognitive impairments are especially at risk.
- Financial exploitation may place victim at risk of involuntary discharge or loss of housing and services due to nonpayment.

CFPB INITIATIVE:

- Guide to help operators and staff protect residents from financial exploitation through prevention and early intervention.
- Four pillar of intervention: prevent, recognize, record, report.
- Model protocol; warning signs; training; resources.
PROBLEM:
- Declining capacity to handle finances can make older adults vulnerable.
- People with diminished capacity often need surrogate to handle their money.
- “Financial Caregivers” – critical source of help; often have no training; some even commit fraud.

CFPB INITIATIVE:
- Released a set of guides called Managing Someone Else’s Money.
- User-friendly “how-to” guides for agents under powers of attorney, guardians, trustees, Social Security representative payees and VA fiduciaries.
Polling Question #1

- Which initiative or resource do you think your clientele would benefit most from? Choose all that apply.
  - Ask CFPB
  - Considering a Reverse Mortgage? or A Closer Look at Reverse Mortgage Advertising (Reverse mortgage resources)
  - MoneySmart for Older Adults
  - Protecting Residents from Financial Exploitation
  - Managing Someone Else’s Money
CFPB complaint process: how we help

Individual assistance
We turn complaints into action. We work to get a response to complaints – 
generally within 15 days

Market-wide information
Every complaint provides insight into problems consumers are experiencing

Complaints we accept now

<table>
<thead>
<tr>
<th>LOANS</th>
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<tbody>
<tr>
<td>Mortgage</td>
<td>Student loan</td>
<td>Vehicle loan or lease</td>
</tr>
<tr>
<td>Payday loan</td>
<td>Other consumer loan</td>
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<tr>
<th>PRODUCTS AND SERVICES</th>
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<tr>
<td>Bank account or service</td>
<td>Credit card or prepaid card</td>
<td>Credit reporting</td>
</tr>
<tr>
<td>Debt collection</td>
<td>Money transfer or virtual currency</td>
<td>Other financial service</td>
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As of July 31, 2015, we’ve handled over 677,200 complaints
Complaint process

Complaint submitted ➔ Review and route ➔ Company response ➔ Consumer review ➔ Analyze and report

Complaint process: Complaint submitted

- Web
  - Opt in consent to publish
- Phone
- Referral
- Mail
- Fax
- E-mail
Submitting a complaint on behalf of a consumer

- The email address you enter in the “My information section” will be used to log in to the Consumer Portal where you can:
  - View all of the complaints you submitted with that email address;
  - Check the status of those complaints;
  - Review and provide feedback about any company responses to those complaints.

- **Companies may require authorization to communicate with a consumer’s representative before responding**
TIP 4: Tell us your relationship to the consumer
Most advocates choose:
- Advocate
- Attorney
- Housing counselor

TIP 5: Enter the consumer’s contact information here

Complaint process: Review and route

- Check for completeness and jurisdiction.
- Send to company.
- Refer to regulator.
Complaint process: **Company response**

- Company responds to consumer and the CFPB, generally within 15 days, verifying commercial relationship.
- Companies are expected to respond to all but the most complicated complaints within 60 days.

Complaint process: **Consumer review**

- Consumer reviews company’s response, including:
  - Steps taken to respond to complaint;
  - Communication to/from the consumer;
  - Follow-up actions or planned follow-up actions.
Complaint process: Consumer review

- Consumer provides feedback about company’s response to the CFPB.

Complaint process: Analyze and report

- Analyze consumers’ feedback
- Identify market problems and consumer educational opportunities
- Consumer Complaint Database
- Report and share data with internal and external stakeholders
  - Federal and state regulators
  - FTC Consumer Sentinel
  - Congress
Complaints inform policy, education, regulation, supervision, and enforcement

Polling Question #2

- What kinds of issues do you hear about from your clientele?
  Choose all of the issues that apply.
  - Mortgage
  - Debt collection
  - Credit reporting
  - Credit card or prepaid card
  - Bank account services

Source: CFPB Complaints (July 21, 2011 – August 31, 2015)
Stay in touch...

Office for Older Americans: consumerfinance.gov/older-americans

Complaints: consumerfinance.gov/complaint/
(855) 411-CFPB (2372)(180+ languages)
TTY/TDD: (855) 729-CFPB (2372)

Ask CFPB  http://www.consumerfinance.gov/askcfpb/
Free Publications http://promotions.usa.gov/cfpbpubs.html

...Pass it ON
What Is Pass It On?

› Consumer education for older adults
› Respecting a lifetime of experience
› Encouraging sharing of information on:
  - identity theft
  - imposter scams
  - charity fraud
  - health care scams
  - paying too much
  - “you’ve won” scams
Pass It On / ¡Pásalo!

→ ftc.gov/PassItOn or ftc.gov/Pasalo

→ Over 2.6 million copies since 9/14

→ Message: “You’ve got this. But you probably know someone who doesn’t. So pass it on. Share what you know.”

What’s included?

→ Articles, bookmarks & activities
→ Video
→ Presentations
→ Sample press release
→ Tweets
How to use it

➤ Grab and post the video
➤ Use the text for newsletter articles
➤ Do a presentation
➤ Host a scam jam
➤ Tell us what else you need

The Scams
Types of Scams

- Imposter Scams
- Charity Scams
- Identity Theft
- Health Care Scams
- Paying Too Much
- You’ve Won

Imposter Scams
**Imposter Scams – How They Work**

- Someone who pretends to be somebody else calls you, emails you
  - IRS, grandparents, romance scams
- Asks for personal information
- Asks for money – wire transfer or money card

**Imposter Scams – What You Can Do**

- Just hang up.
- Stop. Check it out before you wire money to anyone.
  - Don’t give out personal information unless you’re sure who you’re giving it to
  - Call back at a number you know to be correct
- Sign up for Do Not Call
Charity Fraud

Here’s how it works:

• Phone call
• Charity name sounds familiar
• Pressure you to pay quickly
Charity Fraud – What You Can Do

- Take your time
- Say no
  - “No, thanks.” Hang up. …OR:
  - “I don’t give money over the phone. If you send something in writing, I’ll consider it.”
- Never send cash, wire money or load prepaid debit cards

Identity Theft
Identity Theft – How it Works

➔ Someone uses your personal information to fraudulently obtain goods or services
➔ Can be the result of imposter scams, data breaches, theft

Identity Theft – What You Can Do

➔ Protect your information
➔ Read your statements
➔ Read your explanations of benefits
➔ Watch your bills
➔ Check your credit at www.annualcreditreport.com
➔ Practice online safety
Health Care Scams

They’ll say you need…

- A new Medicare card
- A new health insurance card (ACA)
- Discounted health insurance
- To act now!
Health Care Scams – What You Can Do

- Take your time
- Check it out
  - 1-800-MEDICARE
- Consult reliable sources of health information (healthcare.gov, cdc.gov)
- Do not delay medical treatment

Paying Too Much
Paying Too Much – How it Works

→ Charges on bills
  • Rate increase
  • Interest rate change
  • Unexpected charges

Paying Too Much – What You Can Do

→ Read your bills
  • every statement, every time
→ Read contracts carefully before you sign them
  • look for balloon payments, variable interest rates
“You’ve Won” Scams

“You’ve Won” Scams–How They Work

- You get a call, an email, a card
- Says that you’ve won a prize, lottery, trip
- You just need to pay fees, taxes, custom fees first
- They want you to wire money or give your credit card information
“You’ve Won” Scams – What You Can Do

➔ What you can do:
  • Keep your money to yourself
  • Keep your information to yourself
  • If in doubt, check it out
  • Never wire money

Polling Question #3

➔ Which of the following 6 scams do you hear as posing a challenge for your clientele:
  • Imposter Scams
  • Charity Scams
  • Identity Theft
  • Health Care Scams
  • You’ve Won/Lottery Scams
Report frauds and scams to the Federal Trade Commission

➔ 1-877-FTC-HELP

➔ ftc.gov/complaint

Find your own way to pass it on

➔ Talk to someone you know
➔ Write an article
➔ Add it to your website
➔ Host an event
➔ Start an acting troupe
Upcoming NRCNA Webinar in September!

Findings from the Nutrition Services Program Process Study and Meal Cost Analysis

**Presenters:** Susan Jenkins, Ph.D., James Mabli, Ph.D. and Jessica Ziegler, M.P.P  
**When:** September 24, 2015  
**Time:** 3:30 PM to 4:30 PM EDT  
**Fee:** FREE

Register at: [https://attendee.gotowebinar.com/register/4343396753817796353](https://attendee.gotowebinar.com/register/4343396753817796353)