

## Age-Friendly Banking in Practice

ABA: Case Studies of Banking for Older Adults Caitlin Kovalkoski

Context: Older adults hold 67% of all bank deposits, most likely to be banked, have the best credit scores, and are most likely to be targeted for fraud and financial exploitation.

\$2.9 billion lost to financial exploitation

Examples of AFB:

Bank of American Fork -- Utah  
AccountSmart Tools for Seniors

People's United Bank -- Connecticut

-Masters Program

-Fraud (training for law enforcement statewide)

-Marketing (earned media, consumer education, and community outreach)

The time and effort that they put in is HUGE -- but it pays off.

Fashion show for helper workers' uniforms -- police, emts, BGE, etc.

Stickers on purses to show it was left unattended

More isolated = More likely to be scammed

First Financial Bank -- Texas

-Fraud Busters program

-Fraud (recognizing fraud/exploitation and internal peer learning among bank employees)

-Marketing

Whenever they catch an instance of fraud they call out the press! They have bank-wide announcements of any cases of fraud as a learning tool.

ABA Community Commitment Award

-Protecting OA category added in 2014, helps aggregate great examples of AFB.

ABA is developing consumer education materials for banks

-New campaign launching in Spring 2016

- "Moving from defense to offense" helping banks talk to their older customers.

CFPB

-CFPB has "special population" offices (OA, Veterans, low-income, students)

Mission: Help consumers 62+ to get the financial education and training they need to:

-Prevent unfair, deceptive and abusive practices aimed at seniors

-Help seniors make sound financial decisions as they age

Only office in federal government specifically dedicated to the financial health of older consumers.

Problem: Frontline bank staff suspect fraud/abuse but are unsure of whether privacy laws prevent them from reporting.

CFPB Initiative: CFPB and other financial federal regulators issued guidance on exceptions to the privacy laws -- including reporting financial abuse of older adults.

Call to action: making a MD version of managing someone else's money using a CFPB guide

Questions:

2-3 years down the road what are the critical components of AFB that will be needed for us to be successful?

Naomi -- Getting financial institutions to develop comprehensive strategies to deal with financial exploitation. Consumer education, reporting to first responders, training frontline staff. Great stuff is happening, let's see those examples expand to be broader.

-- Offering those AFB products and services, like view only accounts, convenience accounts, an account with two names, but its very clear to whom the \$ belongs.

--Wants to see the MD Managing Someone Elses Money guides!

Caitlin: -- Agree with Naomi broadly, But also, more education, more community outreach, more working with community organizations, technology is booming -- has a big role to play. Flagging when customers hit 60 and may need closer scrutiny.

What kinds of things come up in CFPB complaint database?

-Complaints come in by category, working to ID those that come from older consumers --age is an optional field that many people skip. Trying to datamine narratives to ID those that are clearly from OA. Highest category of complaints is mortgages. Second is debt collection.

What are the challenges to adapting the promising practices and expanding them to other institutions/locations?

-Different regulations across state lines

-Ability to scale practice when the underlying institutions don't cross state lines

-Risks of bank joint bank accounts was the most downloaded consumer guide from ABAF last year --

How do we approach this with un/underbanked older adults?

-20% underbanked -- but ABAF disagrees with definition. a single transaction with an unregulated institution.

-But what strategies are there to protect the unbanked? Presentations at community centers reach broader population than just customers.