

Reports detail how to help older adults avoid financial fraud

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The world's population of older adults is expected to double to 2 billion by 2050. With these unprecedented demographic changes, the potential for fraud associated with cognitive decline is becoming a pressing issue in the financial services industry. [Two reports published online today](#) by the World Economic Forum (WEF) found that new technologies can assist in protecting older adults from fraud, and that financial services organizations are uniquely positioned to capitalize on gains in longevity using technology. The reports will be formally released tomorrow during a WEF meeting in Kobe, Japan that coincides with the G7 Kobe Health Ministers' Meeting.

Over the past two years, the WEF Global Agenda Council on Ageing and the Vitality Group convened aging experts from around the world to determine ways to improve the lives of [older adults](#) and protect them from financial fraud. This group determined that new technologies will allow older adults to more easily and safely engage in banking and insurance activities. These include:

- Transactions via wearable technologies, with identification occurring through biometrics, such as voice and facial recognition.
- Geolocation information that can detect and prevent fraud by identifying consumers' locations.
- Bank cards with directional arrows, high-contrast colors, and chip-and-signature security features for users who are unable to recall passcodes.

"Many of these technologies will help make financial transactions more secure for all consumers, but it is especially important that we protect older adults who may be experiencing cognitive decline," said Derek Yach, the chair of the WEF Global Agenda Council on Ageing, an author of both reports, and the chief health officer of Vitality. "As the world's population ages, the issue of cognitive decline will only become more important and I urge financial institutions to address it in a meaningful way."

Aging experts also determined that professionals who interact with older adults can play a key role in identifying those who may be experiencing cognitive decline, and should receive specialized training. Specifically:

- Physicians should be trained to discuss cognitive decline with their patients, especially as it relates to their financial and personal affairs.
- Financial services employees should be trained to help their clients plan for the possibility of future cognitive impairment. They should also be trained to recognize signs that a client is beginning to experience cognitive decline.

"For many, health can be the difference between a long life filled with opportunity and independence, and one of worry and financial challenges," said Surya Kolluri, an advisor to WEF Global Agenda Council on Ageing and the managing director of Policy and Market Planning Global Wealth and Retirement Solutions at Bank of America Merrill Lynch. "We hope this report will encourage financial institutions to be more aware of cognitive decline in older adults, and to take steps to help prepare clients for the unexpected when planning for later life."

The reports' authors note that additional research is needed to determine the most effective interventions for [cognitive decline](#), and to be able to better predict patterns of financial abuse in older adults. The reports

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Provided by Vitality Group

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