

CONSUMER FRAUD AND ABUSE:
PROBLEMS OF THE ELDERLY IN THE MARKETPLACE

A GLOSSARY OF TERMS
AND
ANNOTATED BIBLIOGRAPHY

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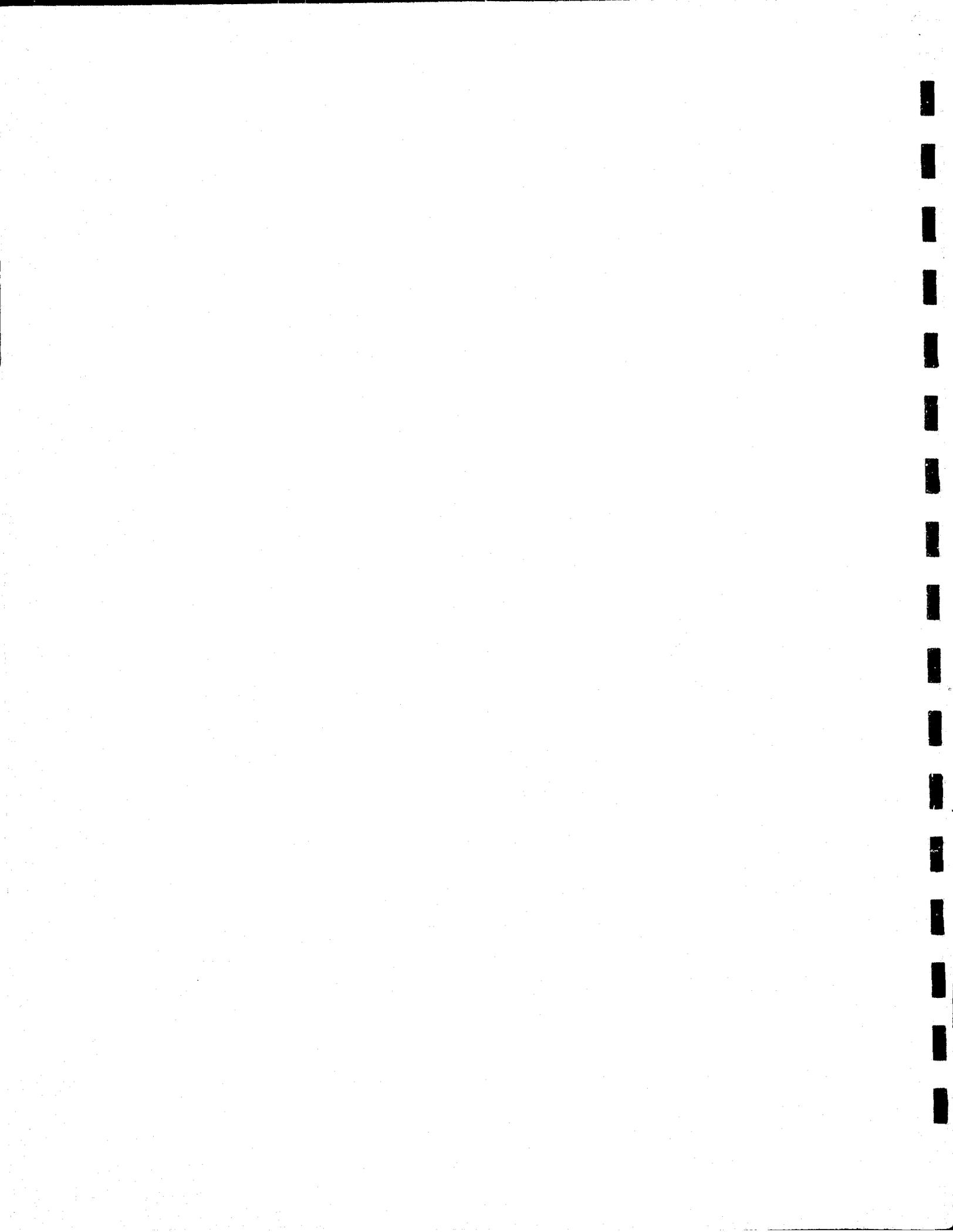
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FOREWORD AND ACKNOWLEDGMENTS

This glossary and bibliography were developed as part of the first stage of a broader effort addressing problems and concerns of the elderly resulting from fraud and related abuses to which they are subjected. The major individual contribution to the bibliography was that of Deborah Berger, who assumed central responsibility for the compilation and annotation of the materials. Marilyn Walsh, Deborah Berger, and Herbert Edelhertz developed the glossary from the original version used in The Investigation of White-Collar Crime.*

Special thanks are owed to the many individuals who directly and indirectly contributed to the development of the bibliography, particularly to Brenna Louzin, of the Battelle staff, who displayed unfailing patience and persistence in obtaining materials; to Felicia Muftic, Executive Director of the Metropolitan Denver District Attorneys' Consumer Office, and her staff, with particular note to Rosemary R. Fair, whose own bibliography contributed useful items; to Ingrid McCormack, who typed the final manuscript and its several drafts; and to many others, whose continuing interest in the project enhanced our work.

*Edelhertz, Herbert, Ezra Stotland, Marilyn Walsh, and Milton Weinberg. The Investigation of White-Collar Crime: A Manual for Law Enforcement Agencies. Washington, D.C.: U.S. Government Printing Office, 1977.



CONSUMER FRAUD AND ABUSE: PROBLEMS OF THE ELDERLY IN THE MARKETPLACE

GLOSSARY AND BIBLIOGRAPHY

Consumer fraud and abuse affects many people, and no segment of society is immune. For a variety of reasons, the elderly population may be especially vulnerable to consumer problems. The elderly may be taken advantage of because they have a "nest egg" saved for retirement; because they have paid off their mortgage and own their home free and clear; because a spouse has died and a substantial amount of money from insurance benefits is available; or, conversely, because, being poor, they are forced to live with all of the disadvantages inherent in that situation. An elderly person may find access to transportation a problem, which makes it harder to do "comparison" shopping. Elderly persons often receive checks (such as pension, Social Security, and the like) at a time both well-known and uniform each month: this makes them not only good targets for street crime, but also for those individuals who would try and "con" them out of their money. What follows is a glossary of terms, defining many forms and variations of consumer fraud and abuses, relating these to the particular situations in which elderly citizens may find themselves.

The items in this glossary have been adapted from those in The Investigation of White-Collar Crime.^{*} While that document was designed primarily for law enforcement officials, it is anticipated that this glossary and bibliography

^{*}Edelhertz, Herbert, Ezra Stotland, Marilyn Walsh, and Milton Weinberg. The Investigation of White-Collar Crime: A Manual for Law Enforcement Agencies. Washington, D.C.: U.S. Government Printing Office, 1977.

will reach persons with a variety of interests and special needs. Users may be those who work with the elderly, in public as well as private agencies; those in the consumer protection field, including investigators and attorneys; researchers; and, of course, elderly persons themselves. With that in mind, we have adapted the glossary to make it useful to this wider audience. For the same reason, the term "fraud," as used in this glossary and bibliography, is not limited to its legal definition. Instead, it is meant to encompass a wide variety of behaviors, tactics, and practices detrimental to consumers.

The glossary items are arranged in alphabetical order. Many items are cross referenced. Most items are also keyed to the accompanying bibliography. The numerical citations following each glossary reference refer to the numbered bibliographic items. Each bibliographic listing is annotated, and, in appropriate instances, specific chapters and page numbers are noted.

At the end of the glossary there are additional items which address issues of "susceptibility," service delivery, consumer education, and general materials relevant to fraud against the elderly. Each is prefaced with a brief explanatory note, and the numbered items following are also keyed to the bibliography.

GLOSSARY

ABUSE OF TRUST--the misuse of a position of authority and/or trust to the detriment of the intended beneficiary of the trust situation. Abuse of trust can occur in many areas. A prime area in which the elderly may be victimized is that of embezzlement and fiduciary violations--where trustees, bankers, relatives, attorneys, etc. may misuse property or funds under their control, belonging to an elderly person. A similar situation may arise when public or private officials, by virtue of their occupations, have control over a person's funds (i.e., a nursing home administrator may have legal control over patients' money).

See also: EMBEZZLEMENT AND FIDUCIARY ABUSES, NURSING HOME ABUSES, PENSION FRAUDS AND ABUSES.

ADVANCE FEE SCHEMES--a scheme in which some advance payment is demanded, in return for a promised service which the promoter has no intention of delivering. The fee is often called a "returnable deposit." Typical victims of advance fee schemes are businessmen who cannot obtain customary banking or credit sources to continue their business operations or to expand them. They thus pay "deposits" or "fees" to others to arrange loans or credit for them. Some business opportunity or work-at-home schemes, to which the elderly may be attracted, may require advance payment as an alleged sign of so-called "good faith" interest.

See also: BUSINESS OPPORTUNITY SCHEMES, WORK-AT-HOME SCHEMES.

AUTO REPAIR FRAUD--a form of consumer fraud involving maintenance services to automobiles. Auto repair frauds fall into several categories:

- overcharging for labor or parts, or use of shoddy or substandard parts;
- failure to perform promised services or repairs;
- charging for services not performed or parts not used;
- performing services or repairs that are unnecessary or unwanted.

See also: CONSUMER FRAUD, REPAIR FRAUD.

Bibliographic references: 22, 26, 68.

BAIT AND SWITCH--a form of consumer fraud involving misleading advertising.

Bait and switch is the situation in which a store's advertised "bargain" is little more (and often nothing more) than an inducement (i.e., "bait") to lure a customer to the store where he is presented with similar but higher-priced items (i.e., the "switch"). Thus the advertisement is not made in good faith. This may be because (1) the advertised item is not available or is available in unreasonably short supply; or (2) high-pressure sales techniques are used to steer the customer away from the advertised "bargain." Bait and switch techniques may also be combined with door-to-door sales techniques. For example, a person responds to a newspaper advertisement. When the salesperson comes to the house, the advertised merchandise is either clearly inferior or "no longer available."

See also: FALSE AND MISLEADING ADVERTISING.

Bibliographic references: 1, 3, 4, 17, 33, 36, 37, 38, 57, 80, 95.

BANK EXAMINER CON--a variation on the pigeon drop (see below). Victims are generally the elderly or retired persons since a substantial number of such persons are likely to have large amounts of money in the bank as a result of a lifetime of saving.

The bank examiner con works as follows: a victim is approached, usually by telephone, by a "governmental official" (the alleged bank examiner) and asked to assist in the apprehension of a dishonest bank employee who is said to be an embezzler. To help, the victim must withdraw a large sum of money from his or her account (to be used as "evidence") and turn it over to an "investigator" who generally comes to a victim's home for the "evidence." The "investigator" agrees to return the money as soon as, say, serial numbers are checked (or for some other reason which is given for removal of the money from the victim). The "investigator" gives the victim a receipt. Neither the money nor the "investigator" is seen or heard from again.

Bank examiner cons can often be prevented by effective education of the public as well as education of bank employees. For example, banks should ask tellers to monitor large withdrawals from savings accounts, particularly when made by elderly or retired depositors.

See also: PIGEON DROP/POCKETBOOK DROP.

Bibliographic references: 18, 47, 81, 98.

BIBLE FRAUDS--these frauds prey on the relatives of those recently deceased. Professional fraud artists identify the newly widowed through obituary columns. They then emboss bibles with the name of the deceased, and deliver it to the widow or widower, saying that the deceased ordered the bible prior to his or her death. These bibles are always very overpriced.

This fraud relies for its success on the emotional ties between the deceased and the survivor and the special relevance religion may have to the survivor at the time of a death in the family.

See also: GUILT INDUCEMENT FRAUDS, MERCHANDISING FRAUDS.

BOILER ROOM--a technique used to promote fraudulent sales of securities, charitable solicitations, services to the home (such as carpet cleaning), or dance lessons, etc. The "boiler room" technique involves the use of telephone solicitors. Using lists of potential victims, these solicitors attempt to sign them up for a service or a donation. The telephone salespersons work on high commissions using pre-planned sales pitches. Their services, particularly in charitable solicitations, are sometimes sold to otherwise legitimate enterprises--which rarely see very much of the collections. The technique depends upon glib misrepresentations.

See also: CHARITY/RELIGIOUS FRAUDS

BUSINESS OPPORTUNITY SCHEMES--one of the most prevalent and varied forms of fraud. Victims are offered the opportunity to make a living, or to supplement their income by going into business for themselves (full or part-time), by purchasing franchises or equipment to manufacture some item, sell merchandise, or perform a service.

Victims are generally individuals with some small pool of money they have saved and to whom the prospect of the promised independence and/or additional income is attractive. The elderly may be particularly

susceptible since such schemes appear to offer them a way to supplement low, fixed incomes. Such schemes range from being total shams to being "opportunities" whose promised returns are highly illusory.

The operators of these schemes have essentially one goal, which is to acquire the money of the investor-victims. Work-at-home merchandising schemes (knitting machines, raising minks, stuffing envelopes, etc.) or the sale of distributorships (cosmetics, special rugcleaning processes, etc.) are common examples of the kinds of situations involved in business opportunity frauds. The opportunity presented by the fraud operator often includes the promise of "guaranteed" markets for the goods or services to be produced. Often the schemes induce the victim to enlist other victims, creating a pyramid scheme.

See also: PYRAMID SCHEMES, SELF-IMPROVEMENT SCHEMES, WORK-AT-HOME SCHEMES.

Bibliographic references: 10, 27, 38, 58, 86.

CHAIN REFERRAL SCHEMES--any scheme in which the victim is induced to part with money or property on the promise that he will make money through inducing others to buy into the same deal. Chain referral schemes are a business version of the chain letter. First-tier victims usually believe that those whom they involve in the scheme (second-tier victims) will themselves make money--but since second-tier victims can only make money by involving third-tier victims, and so on, the scheme must eventually collapse. Generally only the fraud operators who manage the scheme make money on it.

See also: MERCHANDISING FRAUDS, PYRAMID SCHEMES.

Bibliographic references: 3, 38, 80.

CHARITY AND RELIGIOUS FRAUDS--frauds arising out of the fund-raising activities of charitable and/or religious groups.

Almost anyone can be the victim of such frauds often without even knowing it. Even if the victim may later suspect the fraud, the loss may be so small that there is little motivation to pursue the matter. When a substantial loss has occurred, the emotional ties of the victim to the organization may remain unbroken. Three types of fraud situations are observed in this area:

- the bogus charity or religious group--where money is solicited for a non-existent organization, or for a charitable front created for the sole purpose of soliciting funds which will end up in the collectors' pockets;
- misrepresentation of association with a charity or religious group--where money is solicited on behalf of a legitimate organization by those with no ties to such organization, and who have no intention of giving money to the group;
- misrepresentation of the benefits or uses of contributions--a situation in which those solicited for donations to a legitimate organization are not aware that most of the money collected is used to cover the cost of professional fund raisers and/or administrative expenses. (This is a gray area since professional fund raisers perform a legitimate service for which they may legitimately be paid.)

In some instances charitable organizations themselves are the victims of con men who use them as a front, keeping the lion's share of the collections, as in the case of boiler room operations. In other instances the solicitation falls into a "gray area" where otherwise "legitimate" charities will cover up the fact that most of the monies collected go to salaries, fund raisers, etc.

See also: BOILER ROOM.

Bibliographic references: 36, 80.

COMPUTER BILLING PROBLEMS--especially for the elderly person, computerized bills can be easily misunderstood. Computerized systems communicate in a brief, impersonal style which, while allowing for maximum mechanical efficiency, can easily confuse or mislead the consumer. For example, consumers may mistake a credit on their bill as an amount to be paid; thus, they may unwittingly build up a large credit balance when their funds could more appropriately be used elsewhere. Computer billing systems by their very structure also provide an opportunity for those whose intent is to defraud or mislead. Consumers can be harassed by demands for payment (e.g., subscription sales) for merchandise never received or ordered. Identifying as well as correcting inaccurate bills is made extremely difficult by the impersonal nature of the billing system.

See also: MAIL ORDER FRAUD.

COMPUTER FRAUD--computerized business records systems offer the fraud operator an efficient tool for manipulating and stealing from savers and investors.

The fraud artist, who may be an employee of a bank or an investment firm, is able to use a computer to identify accounts in which there have been no transactions for a long period of time. The fraud operator transfers funds from these inactive accounts to accounts which he or she controls. (Many inactive accounts are held by elderly persons, who are unlikely to trade actively in the stock market. They are also more likely to have their money in savings accounts for which, in return for no withdrawals over a period of time, the saver earns a higher rate of interest.)

While the victims will ultimately be reimbursed through banks, and usually also from investment firms, establishing such claims can be very stressful. There also may be actual losses of income or capital in some cases.

See also: ABUSE OF TRUST, EMBEZZLEMENT AND FIDUCIARY ABUSES.

Bibliographic references: 20, 28.

CONSUMER FRAUD--frauds of the marketplace involving seller misrepresentations to buyers.

Victims are consumers of all kinds, individual and institutional, public and private. Common forms of consumer fraud include:

- selling of useless goods or services, represented as beneficial; for example, "miracle" face creams, "microwave" hearing aids;
- misrepresentation of product performance, benefits or safety;
- false and misleading advertising;
- failure to service items after sale, including not honoring warranties;
- repair fraud;
- hidden charges with respect to financing, necessary follow-up services, etc.;
- weights and measures violations.

See also: BAIT AND SWITCH, FALSE/MISLEADING ADVERTISING, MERCHANDISING FRAUDS, REPAIR FRAUD, WEIGHTS AND MEASURES VIOLATIONS.

EMBEZZLEMENT AND FIDUCIARY ABUSES--a fiduciary is someone who has access to or control over someone else's funds or property, and who is duty-bound to protect that person's interests. A fiduciary stands in a special relationship of trust, confidence, and responsibility to the beneficiary.

Abuses occurring in these areas involve the theft or misuse of the funds of one person by someone who has access to or control over them. For example, elderly persons may be victimized by attorneys, nursing home administrators, administrators of trust funds or members of their own families who have control over their assets.

See also: ABUSE OF TRUST, PENSION FRAUDS, COMPUTER FRAUD.

ENERGY CRISIS FRAUDS--frauds arising out of the sale of goods or services related to saving energy. Victims are generally individual consumers interested in stretching their dollars spent on energy sources and/or saving energy. Energy schemes include the following types of frauds:

- Deceptive pricing schemes--sale of usable items such as home insulation and solar heating devices, using misrepresentations to mask unconscionable overpricing and/or credit terms.
- Merchandising schemes--sale of worthless or bogus items which do not deliver the specific benefits promised or the degree of benefit promised; for example, carburetor gadgets to save gasoline or phony solar heating systems. Often these frauds occur because of the novelty of the items involved combined with the naivete of the victims.
- Weights and measures violations--short weighing or measuring of fuels to customers (e.g., manipulation of gas pump measuring devices); or, misrepresentation of fuel (e.g., changing of octane ratings on fuel pumps).
- Sale of unwanted and unneeded services--playing on the energy consciousness of consumers, disreputable dealers may sell bogus services such as unneeded furnace cleaning, repair, or replacement.

See also: MERCHANDISING FRAUDS, FURNACE FRAUDS, WEIGHTS AND MEASURES VIOLATIONS, HOME IMPROVEMENT OR REPAIR FRAUDS.

FALSE/MISLEADING ADVERTISING--use of untrue or deceptive promotional techniques resulting in consumer fraud.

The following kinds of practices are prominent in this area:

- advertising as a "sale" item, an item at the regular or higher price;
- falsely claiming an attribute which a good or service does not in fact possess (e.g., advertising a coat as 100 percent wool when it is in fact made of a synthetic blend);
- misstatement of the true costs of a good or service through the use of confusing payment provisions or otherwise.

See also: BAIT AND SWITCH, CONSUMER FRAUD.

Bibliographic references: 16, 26, 33, 36, 37, 48, 49, 51, 53, 57, 72, 83, 86, 88, 94, 95.

FALSE CLAIMS--fraudulent written claims for payment for goods or services that were not provided as claimed. False claims may be submitted to public or private organizations. Elderly persons who are legitimately receiving the benefits of government programs (e.g., Medicare) may be used as the basis for false claims submitted to the government by service providers. For example, Medicaid "mills" may bill for services never provided to elderly patients. While the immediate victim of such a fraud is usually the government program, the cumulative effect of such abuses may be to withdraw public support from needed programs. Thus, the elderly become victims of decreasing services.

The elderly may be more directly victimized by such false claims where public or private benefit programs provide for dollar limits or only partial payments; false claims may contribute to reaching such limits, leaving elderly victims financially liable for what is not covered by their benefit programs.

See also: FRAUDS AGAINST GOVERNMENT PROGRAMS, MEDICAID/MEDICARE FRAUD.

Bibliographic reference: 6.

FALSE STATEMENTS--constitute the underlying documentation by which a false claim is made. For example, false statements may be "records" of medical tests which were in fact never done. These records may be submitted with claims for reimbursement to a government agency.

See also: FALSE CLAIMS, FRAUDS AGAINST GOVERNMENT PROGRAMS.

FRAUDS AGAINST GOVERNMENT PROGRAMS--unlawful application for and receipt of money, property or benefit from public programs.

Victims are federal, state and local governments, their taxpayers, and qualified, intended beneficiaries of such programs (such as the elderly). Typical kinds of frauds in this area include:

- Misrepresentations of applicants' qualifications concerning program eligibility; for example, food stamps received by ineligible persons.
- False billing/vouchering in which public programs make good on false claims for services not rendered or for non-existent beneficiaries; for example, physician's claims for reimbursement under Medicare programs for patients not treated or for specific

treatments not provided. In the latter case the elderly person may also be a direct victim by not receiving needed medical attention.

- Inflated billing to government programs; for example, a pharmacist serving a nursing home charges the government an inflated rate for drugs to allow for "kickbacks" to nursing home administrators.
- Embezzlement--by which employees or officials of public programs convert funds, property or benefits to their own use; for example, food stamp workers using the stamps themselves.
- Misuse of properly obtained funds, etc.--in which money, property or benefit allowed under very specific guidelines concerning final use are received and used illegally; for example, a builder receives government funds to build housing for the elderly but the resultant buildings exclude elderly tenants.

See also: FALSE CLAIMS, FALSE STATEMENTS, MEDICAID/MEDICARE FRAUD. .

Bibliographic references: 6, 88.

FUNERAL INDUSTRY ABUSES--these rely for success on the emotional stress of victims who have lost, or are about to lose, loved ones through death. Funeral-related frauds often take the form of consumer and merchandising frauds and generally involve one or more of the following practices:

- Relying on the guilt or anxiety of bereaved relatives, victims are persuaded to buy unnecessary or unduly elaborate funeral services or merchandise.
- Services or goods in connection with the burial are represented as legally required when in fact they are not. For example, the funeral director may say that embalming is required by law, even in cremation cases.

- Billing for funeral expenses to include charges for service not performed (here the inability of the victim to ascertain what services were actually provided makes the victim vulnerable. The funeral salesperson may also rely on the victim's emotional stress, knowing that it is not likely that the victim will question the bill).
- Contracts are made for future provision of goods or services in connection with funeral and burial arrangements which the fraud operator has no intention or capacity to provide; for example, the sale of non-existent cemetery plots.

See also: CONSUMER FRAUD, GUILT INDUCEMENT FRAUD, MERCHANDISING FRAUD.

Bibliographic references: 27, 30, 61, 64, 86.

FURNACE FRAUD--(repair/replacement/cleaning). This is a fraud area to which the elderly may be particularly susceptible, because their homes and furnaces may be old and because they are not sure of the present condition of the home's heating system. Furnace frauds include the following practices:

- Misrepresentation by the seller of services that the furnace is in violation of local codes, and that purchase of his goods/services is necessary to remedy the situation.
- Outright sale of unnecessary services or equipment.
- Failure to supply goods or services promised (e.g., replacement of a furnace with a second-hand item when the customer has paid for a new one).
- Misrepresentation of the necessity or obligation for continued service; for example, the seller may tell the customer that there is an obligation to pay for regular six-month service/inspection calls.

Fraud artists working in this area may often represent themselves as being government officials, for example, fire or building inspectors.

See also: GUILT INDUCEMENT FRAUDS, MERCHANDISING FRAUD, CONSUMER FRAUD, HOME IMPROVEMENT OR REPAIR FRAUD.

Bibliographic references: 10, 57.

GUILT INDUCEMENT FRAUDS--frauds perpetrated via the tactic of inducing guilt or anxiety in the victim concerning his or her obligations to another person (i.e., victim's child, parent, spouse).

Victims are persuaded to part with their money or property in the belief that the proposed transaction will fulfill the "obligations" they have toward another.

Because guilt inducement is a major tactic used to get people to go along with bogus schemes, it cuts across many fraud areas. A few examples of the dynamics of such frauds are noted below:

- First suggesting that their children or grandchildren are in grave danger of failing in their schoolwork, encyclopedia salesmen induce victims to enter into purchase contracts for books. Here a merchandising fraud is made possible by the offender's capacity to induce anxiety in the buyers.
- Spouse or children of a deceased are persuaded to purchase elaborate and unnecessary funeral arrangements construed by the fraud operator to constitute a "decent" burial. The implication in such funeral frauds is that the failure to buy the most expensive items (or close checking of the details of funeral bills) is tantamount to a lack of affection or respect for the deceased.
- Imprudent expenditures for limited benefit and highly restrictive life insurance are made by many wage earners to whom it is suggested that failure to subscribe to such policies constitutes a lack of responsibility for one's spouse and family.

- Merchandise and facilities designed for "self-improvement" are marketed to victims on the basis of such guilt inducements as "you owe it to your spouse to be as (young, lovely, manly, successful, etc.) as you can be" or "you can only be a failure if you fail to take advantage of opportunities to improve your (looks, job, speaking ability, etc.)."
- Medical frauds may prey on the fears of the sick and their loved ones that conventional treatment will not do enough and they owe it to themselves and their families to "try everything."

See also: FUNERAL INDUSTRY ABUSES, SELF-IMPROVEMENT FRAUDS, MEDICAL FRAUDS/QUACKERY, MERCHANDISING FRAUDS.

HEARING AID FRAUDS--these merchandising schemes are aimed at selling highly overpriced hearing aid devices to victims who may or may not require such aid. They are marketed by means of so-called "hearing examinations" which invariably result in prescribing the purchase of hearing aids. These frauds result in both financial loss to victims and their diversion from properly prescribed aids or other treatment.

See also: MERCHANDISING FRAUDS, MEDICAL FRAUDS/QUACKERY.

Bibliographic references: 57, 64.

HOME IMPROVEMENT OR REPAIR FRAUDS--frauds arising out of the provision of goods and services in connection with the repair, maintenance or general improvement of housing units.

Victims are generally homeowners but may also include public agencies or programs which subsidize and/or underwrite home purchase and ownership. Home repair or improvement frauds include the following practices:

- shoddy or incompetent workmanship;
- sale of overpriced or unfit materials or services for home repair projects;
- failure to provide services or goods paid for by customer;
- submission of false claims for materials or work not provided;
- misrepresentation of the need for particular materials or services to be performed (e.g., new roof, furnace repairs, etc.);
- misrepresentations or concealment of the costs of credit, or the fact that in signing a payment agreement for the repair service, the victim may also be signing a second mortgage, or a claim against his or her property.

In many home improvement frauds, the victim may be told that his/her home is in violation of building codes or in a condition substandard to the rest of the neighborhood, endangering the value of the home or the safety of the victim's family.

See also: CONSUMER FRAUD, MERCHANDISING FRAUDS, REPAIR FRAUD, GUILT INDUCEMENT FRAUD, FURNACE FRAUD.

Bibliographic references: 10, 18, 19, 36, 57, 79, 80.

INSURANCE FRAUD--fraud perpetrated by or against insurance companies. Cases in which the elderly are victims include those with such practices as:

- failure of the company to provide the coverage promised and paid for when a claim is made;
- failure of the company to pay properly on claims;
- manipulation by the company of risk classes and high-risk policy holder categories; (Many elderly may be considered "high risks.")
- scare-tactic advertising to mislead victims as to the likelihood of particular illnesses or hazards in order to sell overpriced or unneeded insurance coverage;
- false advertising of the benefits of insurance policies.

Because the elderly may find it difficult to secure insurance (auto, life, health), they may be particularly vulnerable to abuses in this area. Victims of these frauds can succumb to high-pressure sales techniques, or attractive mail order insurance advertisements.

See also: FALSE/MISLEADING ADVERTISING.

Bibliographic references: 18, 20, 25, 38, 79, 80, 83.

INVESTMENT FRAUDS--frauds in which victims, induced by the prospect of capital growth and/or high rates of return, invest money in imprudent, illusory or totally bogus projects or businesses.

Investment frauds generally victimize those with easily convertible assets (e.g., a savings account "nest egg"), including retirees or near-retirement age people, widows or widowers, high-income professionals and businessmen.

Hallmarks of many such frauds are:

- higher than average promised rates of return;
- developmental nature of investment object, i.e., project or business is promised for the future;
- sales made by strangers, i.e., through boiler rooms;
- generalized definition of the nature and scope of the project and a lack of detailed plans by which progress might be observed;
- object or site of investment is geographically distant from investors (e.g., land fraud);
- failure to fully disclose important facts to the investor that would assist the investor in his/her decision (e.g., in a land sale, the customer is not told there is no water supply for the land);
- non-registration with U.S. Securities and Exchange Commission and comparable state regulatory agencies;
- promise of special advantages, e.g., tax shelters.

Elderly persons may be particularly susceptible because the seller of phony investments emphasizes that:

- the investment will provide them with a secure retirement;
- the investment will prevent them from being a "burden" on their families;
- the investment will provide financial security for loved ones (i.e., it is something to "leave your loved ones").

See also: LAND FRAUD, PONZI SCHEMES, PYRAMID SCHEMES, SECURITIES FRAUD, GUILT INDUCEMENT FRAUD, BUSINESS OPPORTUNITY SCHEMES, FALSE/MISLEADING ADVERTISING.

Bibliographic references: 18, 59, 65, 80.

LAND FRAUD--a type of investment fraud which involves the sale of land, based on extensive misrepresentations as to its value, quality, facilities, or state of development.

Victims are usually individuals buying land for retirement, investment, or both.

Land frauds usually consist of one or more of the following practices:

- the sale of land to which seller has no present title or claim of right (e.g., the seller is selling something he has no right to sell);
- the sale of land about which a misrepresentation or failure to disclose important facts has occurred (e.g., seller of home sites does not tell the buyer water is not available on the land);
- the sale of land at inflated or unjustified prices based on misrepresentations to purchaser;
- the sale of land on the promise of future performance or development which the seller neither intends to provide nor can reasonably expect (misrepresentations usually involve presence of utilities, water, roads, recreational facilities, credit terms, etc.).

The elderly are susceptible to these frauds because they often:

- want a place for retirement;
- want to change their residence at the time of retirement;
- have a lifetime of savings and a regular, if small, income (from pension, Social Security, etc.);
- are free to move after retirement.

See also: INVESTMENT FRAUD.

Bibliographic references: 4, 26, 36, 38, 57, 64, 65, 80, 82, 86.

LANDLORD-TENANT FRAUDS--unlawful practices involving the leasing or renting of property.

Common fraud practices by landlords which would affect the elderly include:

- schemes to avoid the return of security deposits;
- deliberate and persistent violations of safety and health regulations (e.g., failure to provide heat, water, etc.).

See also: CONSUMER FRAUD.

Bibliographic references:

LONELY HEARTS SCHEMES--these schemes are often similar to self-improvement schemes in which victims seek to improve their social opportunities. Persons seeking "new friends," or simply companionship, may be lured into paying large amounts of money for "club memberships." These clubs are represented as providing the kinds of environment in which friendships flourish. These friendships, however, may be "staged" by the promoters

and may be extremely costly (gifts, etc.) to the elderly person.

The elderly, many of whom have lost their loved ones, are lonely, and may be excluded from the social opportunities available to others (meeting people in school, on the job, etc.) and are particularly vulnerable to the promises of such schemes.

Many dance-studio schemes may similarly exploit the loneliness and desire for companionship of the elderly.

See also: SELF-IMPROVEMENT SCHEMES.

Bibliographic references: 80, 86.

MAIL ORDER FRAUD--many questionable or completely phony products or services are offered through the mail. Advertisements that come in the mail give the consumer little or no opportunity to evaluate the quality or utility of the merchandise offered. Once worthless goods have been received, victims may "chalk this up to experience," not understanding that the attempt to deceive them was deliberate. Many of these frauds, therefore, go unreported. The elderly person may be particularly susceptible to such frauds because of the convenience which mail order shopping provides. It is important to note that there are many reputable and well-known mail order businesses.

See also: MERCHANDISING FRAUDS, FALSE/MISLEADING ADVERTISING, CONSUMER FRAUD.

Bibliographic references: 2, 27, 64, 6b, 79.

MEDICAID/MEDICARE FRAUD--fraudulent practices arising in connection with the receipt or provision of health care services under government-financed programs.

Such frauds are nearly always perpetrated by health care providers (both professionals and facility operators) against the government financing the programs and/or the intended beneficiaries of such programs.

Specific Medicaid/Medicare fraud practices affecting the elderly include:

- Pingponging--referring patients to other doctors in a clinic in order to claim reimbursements for their "consultation" rather than for actual patient treatment.
- Upgrading--billing for services not provided.
- Steering--sending patients to a particular pharmacy, medical lab, etc., for required prescriptions or labwork. The steering individual receives kickbacks from the pharmacy or laboratory.
- Shorting--delivering less medication than prescribed while charging for the full amount.
- False claims--submission of claims for payment for patients that do not exist, or were never seen or treated.

See also: FALSE CLAIMS, FRAUDS AGAINST GOVERNMENT PROGRAMS.

Bibliographic references: 6, 59, 73, 84, 85, 88, 89, 90.

MEDICAL FRAUDS/QUACKERY--unlawful activities arising out of the provision and sale of bogus, highly questionable or dangerous medical services, cures, or medications.

Victims are often individuals who have been given little hope of recovery or improvement by traditional medical treatment and desperately

seek any way to improve their condition. Also victimized are persons who are poorly informed and thus vulnerable to claims made by medical fraud artists, often in such areas as beauty treatments, cosmetics, etc.

Victims may also be susceptible to medical frauds if the fraud artists offer them emotional support which they do not receive from orthodox medical practitioners.

Medical frauds generally include one or more of the following abuses:

- Quackery--false representation of oneself as a legally trained and licensed health care professional.
- Fake cures--sale of bogus or highly questionable "cures" for specific illnesses or diseases.
- Misrepresentations of medication--misrepresentations as to the therapeutic value of medications or medical devices.
- Misrepresentation of treatment--false statements made with regard to the therapeutic value of a particular treatment or with regard to its degree of "acceptance" as a bonafide medical practice.

The elderly may be particularly susceptible in some hearing aid frauds. For example, the seller may falsely tell the customer his hearing is faulty. Similarly, victims may be attracted to merchandising frauds which offer "quick and easy" solutions to what are actually complicated medical conditions. The orthodox medical practitioner who may only be able to suggest "more tests" may be hard pressed to compete with those selling "cures."

See also: HEARING AID FRAUDS, MERCHANDISING FRAUDS.

Bibliographic references: 2, 7, 13, 14, 18, 21, 27, 36, 37, 38, 43, 48, 49, 50, 55, 57, 60, 80, 82, 86, 97.

MERCHANDISING FRAUDS--an umbrella term for a broad variety of consumer frauds and related abuses involving misrepresentations to induce victims to purchase merchandise, which either is not as represented or which they will never receive.

Such frauds usually involve one or more of the following:

- Representation that the item is sold at lower than usual price, whereas it is in fact sold at the usual retail price or higher.
- Misrepresentation as to the quality or utility of the merchandise.
- Misrepresentation as to the ultimate price, or credit terms.
- Misleading information as to warranties, the customer's ability to cancel the transaction, or return the merchandise. The customer may also be misled as to the validity of "money back guarantees."
- Solicitation of money with no intention to deliver the merchandise promised.
- "Bait and switch" frauds.

Victims of merchandising frauds customarily buy from door-to-door salesmen or are entrapped when they respond to newspaper, magazine, radio or TV advertisements. Examples of such frauds include door-to-door magazine subscriptions sales, hearing aid frauds, bulk sales of items falsely represented to be at wholesale prices (i.e., freezer food sales), and phony sales (where items sold are falsely represented to be priced at less than regular prices, or to be sold as the result of a going out of business sale).

See also: CONSUMER FRAUDS, BAIT AND SWITCH, MEDICAL FRAUDS/QUACKERY, HEARING AID FRAUDS.

Bibliographic references: 16, 36, 51, 95.

NURSING HOME ABUSES--a variety of frauds perpetrated by individuals who provide institutional nursing and convalescent care to patients, particularly the aged.

Forms of nursing home fraud abuses include:

- Unlawful use of patients' assets.
- False claims to the patient, family or government regarding services never delivered.
- False statements in license application or renewal (such as when safety code violations are covered up).
- Maintenance of fraudulent records as to general or overhead costs of operation of the nursing home. The records are used as the basis for false claims to the government.
- Receipt of kickbacks from facility suppliers (e.g., pharmacists, laundries), driving the costs of services up.
- Employment of inadequate or unqualified staff in violation of licensing guidelines.

The elderly may suffer directly (as a result of inadequate care, deprivation of their financial assets, etc.) or indirectly (as a result of the withdrawal of government support from a program).

See also: FALSE CLAIMS, FRAUDS AGAINST GOVERNMENT PROGRAMS, MEDICAID/MEDICARE FRAUD.

Bibliographic references: 15, 27, 59, 84, 88, 89, 90.

PENSION FRAUDS AND ABUSES--thefts and fraudulent use of pension fund assets either by trustees, employers or employees. Examples of such frauds and abuses affecting the elderly include cases in which managers of the pension fund engage in:

- poor investments which deplete the pension but benefit the manager;
- embezzlement of pension funds.

Those who have contributed and are contributing to such funds are the victims, as well as those intending to benefit from them.

See also: ABUSE OF TRUST, FALSE CLAIMS.

Bibliographic reference: 15.

PIGEON DROP OR POCKETBOOK DROP--one of a large variety of street con games commonly occurring. Elderly women in particular have been targeted by con artists for this fraud.

In this scheme the victim is persuaded to withdraw a large sum of cash from a bank account in order to show "good faith" or financial responsibility regarding the sharing of a "discovered" cache of money with two other persons (who are con artists). In the course of the con, both the "discovered" money and the victim's "good faith" money disappear as do the con artists.

Perpetrators of this fraud have a remarkable ability to disarm their victims. Keys to the pigeon drop con are:

- The con artists do not appear to be associated or know each other in any way.
- A pocketbook, envelope, etc., is "found" by one of the con artists, and it contains a sizeable amount of money, no owner ID, and the suggestion that the money is illicitly generated, i.e., a gambler's proceeds, etc.

- An agreement to share the money is made with the victim showing "good faith" (i.e., putting up money) by those involved. (Alternatively, a deal is made for all to put up money in a pool to be held by the victim.)
- A switch is made while the victim is distracted, and his or her money is stolen by one of the fraud artists.

See also: BANK EXAMINER CON.

Bibliographic references: 9, 10, 18, 38, 80, 81, 98.

PONZI SCHEMES--in these schemes, the promoter collects money from one set of victims and uses this to pay earlier victims a high rate of interest. This has the effect of stringing victims along. Such schemes must inevitably collapse because it is mathematically impossible to continue them indefinitely. The length of time they can continue will depend upon the promised rate of return to investors, the amount of money the fraud operator takes out for himself, and the costs of inducing victims to part with their money (e.g., sales commissions). Many such frauds have cheated victims of millions of dollars; some have operated over a period of years.

See also: INVESTMENT SCHEMES.

Bibliographic references: 58, 71, 91.

PYRAMID SCHEMES--the commercial version of the chain letter scheme, used by fraud operators in the selling of phony distributorships, franchises, and business opportunity plans.

In the typical pyramid scheme, the victim is sold a franchise to sell both merchandise and other franchises. The victim is promised he

will make a profit on merchandise sold and commissions on the sale of other franchises. However, the profits are actually in selling franchises rather than in selling merchandise. These schemes ultimately collapse of their own weight.

See also: CHAIN REFERRAL SCHEMES.

Bibliographic references: 18, 58, 76, 91.

REPAIR FRAUD--a form of consumer fraud involving repairs or maintenance services performed on consumer goods.

Such schemes generally involve:

- overcharging for services performed;
- charging for services and parts not used;
- performing services or repairs not wanted or needed;
- failing to perform services or repairs promised;
- stalling the customer on needed repairs until the warranty period expires.

See also: CONSUMER FRAUD, AUTO REPAIR, FURNACE FRAUD, WARRANTY/GUARANTEE FRAUDS AND ABUSES.

Bibliographic references: 20.

SECURITIES FRAUD--fraudulent activities involving the sale, transfer, or purchase of securities or of money interests in the business activities of others.

Victims are generally investors who are not aware of the full facts regarding transactions they enter into.

Abuses cover a broad range and can include, for example, situations where:

- securities of no value are sold, or are misrepresented to be worth far more than their actual value;
- purchasers are not advised of all facts regarding securities;
- sellers fail to file appropriate disclosures with federal and state regulatory agencies.

Although generally securities cannot be sold without the seller filing a registration with the appropriate state or federal agency, this registration does not constitute an endorsement by these government agencies. However, the buyer may mistakenly assume that the government is guaranteeing or otherwise approving the investment.

See also: BOILER ROOMS, FALSE STATEMENTS, INVESTMENT FRAUDS.

Bibliographic references: 20, 76, 86.

SELF-IMPROVEMENT SCHEMES--frauds which appeal to victims' desires to improve themselves personally or financially. Many such schemes promise that victims will enhance their personal or employment skills, or enlarge their social opportunities. Schemes of this type to which the elderly may be particularly susceptible include:

- dance studios which sell multiple lifetime memberships to the same person;
- lonely hearts clubs which may induce someone to part with large amounts of money for the promise of meeting new people.

Bibliographic references: 18, 36, 80, 82.

"SEWER" SERVICE--a term of art used to describe the kinds of activity noted below.

Many merchandising, home repair, and other frauds rely on the use of lawsuits for collecting payments from their victims. Likewise, many enterprises which are not strictly speaking fraudulent, e.g., those which sell overpriced merchandise on credit, similarly depend upon lawsuits or the threat of lawsuits to squeeze money from victims.

The tactic is not to inform the customer that a lawsuit has been filed. This is accomplished by such tactics as dropping the summons or subpoena "down the sewer" instead of delivering it to the customer. The effect of this "sewer service" is to deny the customer any opportunity to contest the lawsuit.

The elderly may be especially vulnerable to this type of action, since the charge that an elderly person really did receive a summons - (but forgot about it) may be believed by court personnel.

Bibliographic references: 3, 16, 51, 62.

VANITY PUBLISHING SCHEMES--schemes which involve getting money from individuals on the promise of promoting their creative "talents" (real or imaginary), or assisting them in the development of such a "talent."

Such frauds rely upon the vanity of the victim (i.e., his or her belief that he/she has a creative talent that has not as yet been discovered). Generally these schemes relate to creative endeavors in which clear performance standards regarding the talent are not available and are often a matter of taste, such as literary publishing, song writing, etc.

The scheme operator will imply a promise of national advertising, book reviews, distribution, special marketing services--but not so concretely that he will be held to it. The victims usually invest heavily, and lose both their money and their hopes--what they are left with are a few copies of a printed and scored song arrangement, or a number of copies of books which established book review publications have not troubled to look at because of their publishing source.

See also: SELF-IMPROVEMENT SCHEMES.

Bibliographic reference: 36.

WARRANTY/GUARANTEE FRAUDS AND ABUSES--consumers are offered warranties to induce them to buy goods and services. They may be cheated or misled through such wrongful techniques as:

- promises of free repair and offers of money back--in the name of dummy firms which have no financial or other capability to back up these promises;
- promises which are written in such conditional and restrictive terms as to be meaningless in practical terms (such as where there is a warranty on a furnace which requires that the purchaser pay for unlimited labor costs if repairs are to be made);
- stalling the customer until the period of the warranty or guarantee has expired.

See also: CONSUMER FRAUD, REPAIR FRAUD.

Bibliographic references: 26, 44, 68, 80.

WEIGHTS AND MEASURES VIOLATIONS--abusive practices involving the cheating of customers by failure to deliver prescribed amounts of desired goods. Examples of such practices are:

- gas pump meter manipulation to show more gas pumped than received by customer;
- butcher's thumb on the meat scale;
- odometer rollbacks in auto sales;
- "shorting" of prescription drugs. For example, the buyer pays for 20 pills but receives 15.

These frauds are most successful where one victim cannot easily verify weights or measuring devices himself, or where victim has no reason to question the seller's claim or statement; for example, when products sold are bottled or packaged.

See also: FRAUDS AGAINST GOVERNMENT PROGRAMS, MEDICAID/MEDICARE FRAUD, NURSING HOME ABUSES.

WORK-AT-HOME SCHEMES--these schemes involve leading customers to believe that, in the privacy and comfort of their own homes, they can make money.

The victims are generally induced to buy materials and equipment in advance on the basis of misrepresentations as to existing markets for the products of their labor or even more explicit promises of "guaranteed" markets.

For the elderly, the prospect of "making a little extra money" without having to leave their homes may be especially attractive.

Bibliographic references: 20, 27, 36.

Additional Bibliographic Classifications

The reader will find that many entries in the bibliography are referenced under several terms in the glossary. Entries are also classified according to one or more of the following additional subject areas.

CONSUMER EDUCATION--materials which carry this heading have been identified as being particularly designed for the general reader. Some of the literature included here first appeared in popular magazines. Those in service delivery may also find much that is useful under this heading.

Bibliographic references: 22, 25, 26, 27, 33, 37, 47, 50, 57, 61, 64, 67, 68, 70, 72, 79, 80, 91, 98.

GENERAL--this heading on bibliographic items reflects those articles and books which should not be permitted to "fall between the cracks." Some of the materials cited here cover a wide variety of topics. Others may be of interest primarily to the researcher (e.g., books on the history of fraud in the United States).

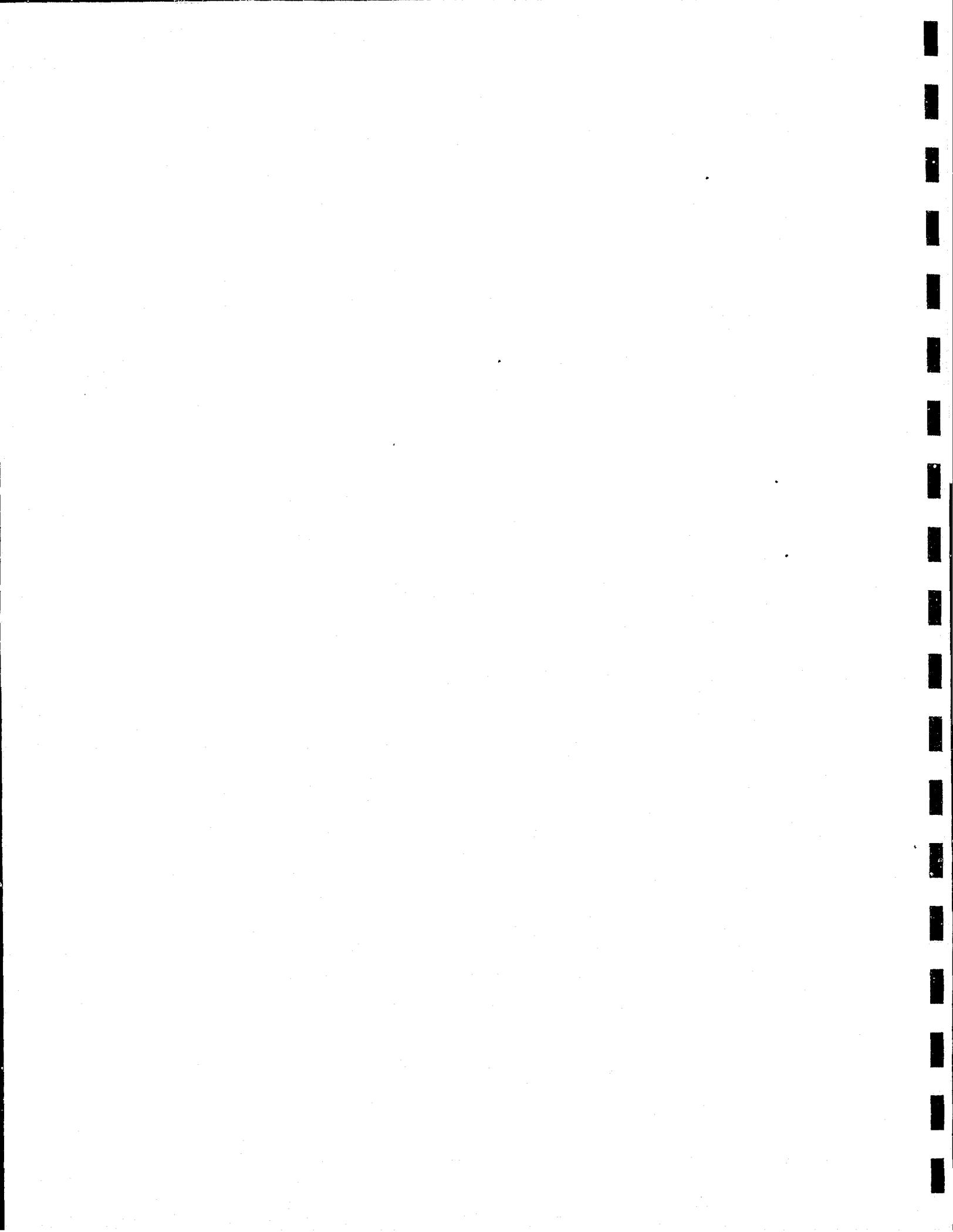
Bibliographic references: 1, 3, 11, 12, 15, 17, 24, 25, 27, 28, 29, 32, 33, 34, 35, 37, 41, 48, 49, 50, 52, 53, 55, 57, 62, 63, 66, 67, 71, 72, 74, 75, 77, 78, 82, 86, 93, 94.

SERVICE DELIVERY--materials cited for relevance to this topic were identified as being of potential interest to those who provide services to the elderly. While many of these materials have implications for those who provide consumer protection services generally, users in other fields may well find much that is applicable. Articles from law journals are generally keyed under this heading.

Bibliographic references: 3, 5, 8, 11, 12, 15, 17, 23, 28, 38, 39, 40, 41, 42, 44, 45, 46, 47, 51, 52, 54, 56, 66, 69, 77, 87, 89, 93, 94, 95, 96.

SUSCEPTIBILITY FACTORS OF CONSUMER VICTIMS--some materials cited in the bibliography dealing with this topic discuss those aspects of being elderly in our society which make senior citizens particularly vulnerable to certain kinds of consumer fraud. Some items are specifically directed toward vulnerability of the elderly person in a certain area of fraud (e.g., medical quackery); others deal with susceptibility factors in all types of persons. In general, the literature reflects that a person vulnerable to one type of consumer fraud may very well be susceptible to another.

Bibliographic references: 1, 2, 5, 7, 8, 10, 13, 14, 15, 16, 17, 19, 21, 23, 24, 35, 37, 39, 40, 41, 42, 43, 51, 57, 58, 64, 65, 67, 69, 72, 75, 76, 80, 81, 82, 84, 86, 88, 92, 93, 95.



BIBLIOGRAPHY

1. Aaker, David A. and George S. Day, Editors. Consumerism: Search for the Consumer Interest. New York: The Free Press, 1971.

The general reader and those with specialized interests will find much here that is useful. This is a collection of articles originally published elsewhere, as well as sections from some books. The items are easy to read. Most relevant to the issue of fraud against the elderly are:

pp. 197-210, Magnuson, Senator Warren C. and Jean Carper. "Caveat Emptor," covers bait and switch;

pp. 352-367, Caplovitz, David. "The Merchant and the Low-Income Consumer," a selection from his book The Poor Pay More (cited at p. 43).

pp. 368-373, Report of the National Commission on Civil Disorders. "Exploitation of Disadvantaged Consumers by Retail Merchants."

Subject headings:

BAIT AND SWITCH
GENERAL
SUSCEPTIBILITY FACTORS

2. American Cancer Society. "Unproven Methods of Cancer Management: Cancer Quackery," CA-A Cancer Journal for Clinicians, 25:66-71, March-April, 1975.

This article discusses cancer quackery, suggesting methods for the identification of quacks. There is also a discussion of the reasons why people go to quacks (the authors say ignorance as opposed to other writers, who attribute fear and the desire for hope as strong motivators). The ways in which unorthodox treatments are promoted are also covered. Organizations formed to promote certain types of quackery are identified and briefly described. Suggestions for combatting the spread of quackery are given at the end of the article.

Subject headings:

MAIL ORDER FRAUD (in quackery)
MEDICAL FRAUD/QUACKERY
SUSCEPTIBILITY FACTORS

3. Andreasen, Alan R. The Disadvantaged Consumer. New York: The Free Press (a Division of Macmillan Publishing Co., Inc.), 1975.

Generally, this book is useful for its emphasis on the factors that place the low income consumer at a disadvantage. Especially relevant are:

pp. 151-177, for background on price discrimination;
 pp. 179-209, for information on the processes by which a low income consumer is led into disadvantageous transactions. Material from The Poor Pay More (see p. 43 for citation) is included. Specific topics discussed are: misleading pricing, bait and switch, chain referral, "free" gimmicks, credit problems, "sewer service," and susceptibility of the low income consumer in general.

pp. 213-251, discusses ways that consumers can be helped to protect themselves. This may be particularly helpful to those in service delivery.

pp. 289-332, deals with ways of preventing businessmen from exploiting their low income customers. Better Business Bureaus, small claims courts, attorneys, and consumer protection services are discussed and recommendations for change are made to government agencies and businesspersons.

Subject headings:

BAIT AND SWITCH
 CHAIN REFERRAL
 GENERAL
 SERVICE DELIVERY
 "SEWER" SERVICE
 SUSCEPTIBILITY FACTORS

4. Armbrister, Trevor. "Land Frauds: The Ads Promise Wonders but Look Before You Buy," Saturday Evening Post, April 27, 1963.

This article gives detailed descriptions of the methods used to peddle worthless land to unsuspecting victims. The author notes that many such consumers are elderly, but does not explore susceptibility factors. The high pressure sales tactics and bait and switch techniques employed by land sale fraud operators are explored in some detail.

Subject headings:

BAIT AND SWITCH
 LAND FRAUD

5. Baggett, Sharon and Marvin Ernst. "From Research to Application: Development of Police and Older Adult Training Modules," The Police Chief, February, 1977.

This article explores the reasons citizens (in particular, senior citizens) may not report crimes. Its findings are based on interviews of a sample of elderly persons living in Dallas, Texas. Descriptive characteristics of crime reporters and non-reporters are given, as is a brief summary of training programs for police officers and older adults.

Subject headings:

SERVICE DELIVERY
SUSCEPTIBILITY FACTORS

6. Bellin, Lowell, E., M.D., and Florence Kavalier. "Policing Publicly Funded Health Care for Poor Quality, Overutilization, and Fraud--The New York City Medicaid Experience," American Journal of Public Health, 60:811-820, May, 1970.

This article discusses the reasons for a health department auditing the quality and quantity of health care paid for by the government. Possible objections to such a policy are raised, and answered. Special emphasis is given to Medicaid cases. Results of a year of investigation are summarized. Invoice auditing was the method by which many "irregularities" were first uncovered.

Subject headings:

FALSE CLAIMS
FRAUDS AGAINST GOVERNMENT PROGRAMS
MEDICAID/MEDICARE FRAUD

7. Bernard, Viola W. "Why People Become the Victims of Medical Quackery," American Journal of Public Health, 55:1142-1147, August, 1965.

While not focusing only on the elderly, this article explores, in a general fashion, the factors that make people who are ill susceptible to the lure of "magical cures."

The author differentiates between those personality types who are inherently predisposed to be vulnerable, and those who become vulnerable through external circumstances--such as a prolonged illness. The author notes that if medical services were provided in a more supportive manner, the consumer would be less driven to other, less reputable, sources of medical care.

Subject headings:

MEDICAL FRAUDS/QUACKERY
SUSCEPTIBILITY FACTORS

8. Best, Arthur and Alan R. Andreasen. Talking Back to Business: Voiced and Unvoiced Consumer Complaints. Washington, D.C.: Center for the Study of Responsive Law, 1976. (Mailing address: P. O. Box 19367, Washington, D.C. 20036)

While not specifically focusing on the elderly, this report (available by mail) is useful and relevant. It contains the results of a survey of consumers in many urban areas. Results indicated that persons in low socio-economic classes are less likely to perceive the situations they face as consumer problems. They are also less likely to complain about what they do perceive. Since many elderly persons are poor, this raises important issues for any analysis or planning aimed at dealing with fraud against the elderly.

The report does not deal only with criminal fraud; it takes a broad approach to consumer problems.

Subject headings:

SERVICE DELIVERY
SUSCEPTIBILITY FACTORS

9. Bigham, Barbara. "The Pigeon Drop: The Con Game Aimed at Older Women," Retirement Living, 15:36-47, September, 1975.

This article provides a detailed description of the pigeon drop scheme, with examples of elderly women who were victimized.

Preventive measures (e.g., tellers questioning elderly women withdrawing large lump-sum amounts) are briefly discussed.

Subject headings:

PIGEON DROP/POCKETBOOK DROP

10. Blum, Richard H. Deceivers and Deceived. Springfield, Ill.: Charles C. Thomas, 1972.

This book contains a rather detailed study of confidence men and their victims. Of particular interest are:

pp. 61-80, which deals with fraud victims, both complaining and noncomplaining. Complaining victims (contrary to the descriptions routinely offered by con men of their victims as greedy, etc.) were characterized by the author as "simple and narrow-minded lonely folk"; "passive people trying hard to be nice," etc. The author notes that among these were several older women who were "obviously depressed." It is hypothesized that these women "gave" away their money--insurance benefits from their deceased husbands--as a preparation for their own deaths.

Whereas complaining victims were often "essentially lonely, simple, old and tragic;" the noncomplainers were apparently victims of more complex cons and were more disposed not to complain, even after being given the name of an enforcement official.

It should be noted that these descriptions are based on relatively small samples.

pp. 257-320, the appendix, includes descriptions of various types of con games and frauds.

Subject headings:

BUSINESS OPPORTUNITY SCHEMES
 FURNACE FRAUDS
 HOME IMPROVEMENT FRAUDS
 PIGEON DROP/POCKETBOOK DROP
 SUSCEPTIBILITY FACTORS

11. Bowley, Gordon F. "Law Enforcement's Role in Consumer Protection," Santa Clara Lawyer, 14:555-574, 1974.

This article does not deal specifically with elderly victims. Rather, the focus of the piece is to outline the present legal situation for consumers, with a focus on California cases and law. This article would be helpful as a guide to legal considerations in this field.

Subject headings:

GENERAL
 SERVICE DELIVERY

12. Brown, Lee P. and Marlene A. Young Rifai. "Multnomah County's Victimization Study," The Police Chief, February, 1976.

This article reports on a study in the Portland, Oregon, area examining the elderly as crime victims. The article reviews the programs and design of the research project, focusing primarily on street crimes.

Subject headings:

GENERAL
SERVICE DELIVERY

13. Bruch, Hilde, M.D. "The Allure of Food Cults and Nutrition Quackery," Journal of the American Dietetic Association, 57:316-320, October, 1970.

This is a brief but valuable article which discusses some of the reasons that people go to "quacks" of all sorts. The author points out that quacks can often offer something that established scientific medicine may not be able or may not be sensitive to--that is, hope, interaction with another human being, etc.

Subject headings:

MEDICAL FRAUDS/QUACKERY
SUSCEPTIBILITY FACTORS (including but not limited to the elderly)

14. Butler, Robert N., M.D. "Why Are Older Consumers So Susceptible?" Geriatrics, December, 1968, pp. 83-88.

This is an excellent article which explores the multiple factors that make the elderly good choices for those desiring to exploit them. The focus is on frauds which exploit the needs of the elderly, especially medical quackery. Possible solutions, such as the establishment of more sensitive, supportive relationships between the elderly and health practitioners, are proposed.

The author notes that while public consumer education may be important, it is not sufficient to meet the problem.

Subject headings:

MEDICAL FRAUDS/QUACKERY
SUSCEPTIBILITY

15. Butler, Robert N., M.D. Why Survive? Being Old in America.
New York: Harper & Row, 1975.

This entire book can be read profitably by anyone concerned about the elderly in the United States. The special value of this book is in the juxtaposition of hard information (statistics, etc.) with anecdotal accounts that bring home the reality of the figures. The author's skill at cutting across the artificial barriers among professional disciplines succeeds in making the book an excellent policy analysis of the effect of government programs on the elderly. Throughout the book specific suggestions for policy changes are made. If you can only read one book, this is the one to read.

See especially:

Chapter 1, pp. 1-21, "The Tragedy of Old Age in America";
Chapter 2, pp. 22-36, "How to Grow Old and Poor in An Affluent Society"--susceptibility/service delivery;
Chapter 3, pp. 37-63, "What About My Pension?"--pension abuses;
Chapter 6, pp. 139-173, "No Time to Wait"--service delivery;
Chapter 9, pp. 261-299, "Houses of Death Are A Lively Business"--nursing home abuses;
Chapter 10, pp. 309-320, "Victimization of the Elderly"--section on a wide variety of frauds.

Subject headings:

GENERAL
NURSING HOME ABUSES
PENSION FRAUD
SERVICE DELIVERY
SUSCEPTIBILITY FACTORS

16. Caplovitz, David. "The Other Side of the Poverty Problem,"
Challenge, September-October, 1965.

This is a brief article outlining some of the abuses to which low income consumers may be subjected in the marketplace. It is essentially a brief overview of the issues dealt with in greater detail by the author in his book The Poor Pay More (cited at p. 43).

Subject headings:

FALSE/MISLEADING ADVERTISING
MERCHANDISING FRAUDS
"SEWER" SERVICE
SUSCEPTIBILITY FACTORS

17. Caplovitz, David. The Poor Pay More. New York: The Free Press of Glencoe (a Division of Macmillan Company), 1963.

A classic in its field, this book has much to offer a wide variety of readers. Reported are the results of a survey of low-income households. The one main drawback for those concerned with the aged is that the sample selected contained few elderly persons. In only 11 percent of the sample was the head of the household 60 or over. Further, all single person households were eliminated from the study, which again served to limit the number of elderly respondents. That aside, this book is still valuable. It offers the reader a comprehensive picture of the stresses under which the poor operate in the marketplace, even where no fraud occurs.

Especially relevant sections are:

pp. 29, 142-147, a discussion of bait and switch;
 pp. 12-31, pp. 49-57, for a discussion on how lack of mobility (of all sorts) and income influence where and how people shop;
 pp. 58-80, door-to-door selling;
 pp. 147-150, misrepresentation of prices;
 pp. 153-4, where credit problems discussed throughout the book are focused on particularly;
 pp. 170-192, make especially good reading for those in service delivery since they contain an analysis of how low income consumers respond to their problems.

Subject headings:

BAIT AND SWITCH
 GENERAL
 SERVICE DELIVERY
 SUSCEPTIBILITY FACTORS

18. Carey, Mary and George Sherman. A Compendium of Bunk or How to Spot a Con Artist. Springfield, Ill.: Charles C. Thomas, 1976.

Subtitle: A Handbook for Fraud Investigators, Bankers and Other Custodians of the Public Trust.

This book is aimed primarily at a police audience. Many examples of frauds are given in which elderly persons are victims.

There is some discussion about why the elderly are easy marks, etc., but it is on a very elementary level. This is a good book for an introduction to how various frauds work.

Subject headings:

BANK EXAMINER CON
HOME IMPROVEMENT OR REPAIR FRAUDS
INSURANCE FRAUDS
INVESTMENT FRAUDS
MEDICAL FRAUDS/QUACKERY
PIGEON DROP/POCKETBOOK DROP
PYRAMID SCHEMES
SELF-IMPROVEMENT FRAUDS

19. Carper, Jean. Not with a Gun. New York: Grossman Publishers, 1973.

This book will make you mad. It tells the story of a home improvement fraud that robbed the poor, minorities, and the elderly of four and a half million dollars. The scheme exploited the fears and insecurities of inner-city residents. Local banks and lending institutions were involved. Many of the victims were still paying long after the fraud was exposed.

The author notes that the illiterate, the elderly, the isolated, the poor, those who were barely making out--were all targets of the fraud.

See especially the story of Alma Shepard and her two daughters (at pp. 106-120). Alma Shepard was 82 years old when she was defrauded.

Subject headings:

HOME IMPROVEMENT OR REPAIR FRAUDS
SUSCEPTIBILITY FACTORS

20. Chamber of Commerce of the U.S. A Handbook on White-Collar Crime. Everyone's Problem, Everyone's Loss. Washington, D.C.: Chamber of Commerce of the U.S.A., 1974.

This is a general handbook on white-collar crime. Although the book does not specifically address issues in terms of the elderly and tends to emphasize crimes where businesses are the victims, it still serves as a good general source book of information.

Subject headings:

COMPUTER FRAUD
INSURANCE FRAUD
REPAIR FRAUD
SECURITIES FRAUD
WORK-AT-HOME SCHEMES

21. Cobb, Beatrice. "Why Do People Detour to Quacks?", Psychiatric Bulletin, 4:66-69, 1954.

This is one of the best articles explaining why people go to quacks. The author did a study of 20 patients who had detoured to non-medical treatment when cancer was suspected. She divides those who go to quacks into four groups: the miracle seekers, the uninformed, the restless, and the straw graspers. Quotes from persons who went to quacks are included.

This is an excellent article on susceptibility, with implications that go far beyond medical quackery.

Subject headings:

MEDICAL FRAUDS/QUACKERY
SUSCEPTIBILITY FACTORS

22. Crowther, Sam and Irwin Winehouse. Highway Robbery. New York: Stein and Day, Publishers, 1966.

This is a book designed for the general reader. It deals with many aspects of consumer fraud related to automobiles. Many anecdotes serve to illustrate problems consumers have when they purchase autos or have them repaired. Consumer education advice is also provided.

Subject headings:

AUTO REPAIR FRAUD (stressed at pp. 55-71)
CONSUMER EDUCATION

23. Dadich, Gerald J. "Confidence Games: Crime, the Elderly, and Community Relations," The Police Chief, February, 1977.

The author discusses the susceptibility of the elderly in the area of fraud, and gives examples of elderly persons being victimized. Examples of frauds are provided, including a variation on the bank examiner con (see Glossary, above). The author suggests strong community relations programs and education of the elderly as good prevention mechanisms.

Subject headings:

SERVICE DELIVERY
SUSCEPTIBILITY FACTORS

24. Darby, Michael E. and Edi Karni. "Free Competition and the Optimal Amount of Fraud," Journal of Law and Economics, 16: 67-87, April, 1973.

This is a theoretical article which addresses a number of interesting and significant issues; for example, when information and service are tied to the same source, as in the case of an auto repair, the likelihood of fraud increases. This is because, as the authors put it, the consumer may not be in a position to judge if the service recommended is needed.

Consumers with higher incomes are often more able to separate the two functions of service and information, since they may be more able and willing to pay for information apart from service. Service tied to information makes information by itself more costly.

Incomplete information on the part of consumers produces what the authors call "favorable conditions for fraud."

Subject headings:

GENERAL
SUSCEPTIBILITY FACTORS

25. Denenberg, Herbert S. The Shopper's Guidebook to Life Insurance, Health Insurance, Auto Insurance, Homeowner's Insurance, Doctors, Dentists, Lawyers, Pensions, Etc. Washington, D.C.: Consumer News, Inc., 1974.

This is a book designed for the general reader. It is educational and provides the reader with much useful information. In addition, it is easy to read and understand and provides sound advice to consumers on the topics covered.

Subject headings:

CONSUMER EDUCATION
GENERAL
INSURANCE FRAUD

26. Drury, Treasa Way and William L. Roper. Consumer Power. Los Angeles: Nash Publishing, 1974.

This is a book for the general reader. Service agencies of all types may want to provide access to this book for their clients. It is easy reading, printed in fairly big type, and gives many useful tips.

pp. 15-40, auto repair;
 pp. 63-98, false/misleading advertising;
 p. 82, "free" gift coupons;
 p. 86, warranties;
 pp. 92-3, door-to-door selling;
 pp. 135-138, land fraud/real estate;
 pp. 167-200, what the consumer can do to "fight back."

Subject headings:

AUTO REPAIR FRAUD
 CONSUMER EDUCATION
 FALSE/MISLEADING ADVERTISING
 LAND FRAUD
 WARRANTY/GUARANTEE FRAUDS AND ABUSES

27. Ducovny, Amram. The Billion \$ Swindle: Frauds Against the Elderly. New York: Fleet Press Corporation, 1969.

This book is addressed to the general reader, although it contains a wealth of information that investigators, consumer affairs workers, those who work with the elderly, and researchers would find useful. The aim of the author appears to be to give some information about a variety of specific types of frauds, along with a discussion of what makes the elderly specially vulnerable and what can be done to decrease their victimization.

A special section on arthritis quackery is included.

Subject headings:

BUSINESS OPPORTUNITY SCHEMES
 CONSUMER EDUCATION
 FUNERAL INDUSTRY ABUSES
 GENERAL
 MAIL ORDER FRAUDS
 MEDICAL FRAUDS/QUACKERY
 NURSING HOME ABUSES
 WORK-AT-HOME SCHEMES

28. Edelhertz, Herbert. The Nature, Impact and Prosecution of White-Collar Crime. Washington, D. C.: U.S. Government Printing Office, 1970. (U.S. Department of Justice, Law Enforcement Assistance Administration.)

The monograph provides a general orientation and introduction to white-collar crime, primarily for law enforcement and consumer protection personnel. It does not deal with the elderly specifically.

Much information is included on the investigation and prosecution of fraud cases, and the remedies available to victims.

Subject headings:

COMPUTER FRAUD
GENERAL
SERVICE DELIVERY

29. Faber, Doris. Enough! The Revolt of the American Consumer. New York: Farrar, Straus and Giroux, 1972.

This is a popular account of the consumer movement in America in recent years. Emphasis is given to Ralph Nader and the organizations and actions he is responsible for. Actions of the FTC and the FDA are also covered, as well as attitudes of the public at large.

Subject heading:

GENERAL

30. Federal Trade Commission. Division of Special Projects. Funeral Industry Practices: Proposed Trade Regulation Rule and Staff Memorandum. Washington, D.C.: Bureau of Consumer Protection, Federal Trade Commission, August, 1975.

This booklet covers some aspects of funeral industry practices as part of a discussion of proposed FTC regulation to control abuses in the industry.

Subject heading:

FUNERAL INDUSTRY ABUSES

31. Federal Trade Commission.

The Federal Trade Commission (FTC) offers many publications on a wide variety of subjects relevant to consumer fraud and abuse. A list of publications is available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Single copies of free publications may be obtained from:
Division of Legal and Public Records, FTC, Washington, D.C.
20580.

Copies of FTC Guides (such as guides concerning FTC rules) may be obtained from: Division of Rules and Guides, FTC, Washington, D.C. 20580.

32. Fischer, David Hackett. Growing Old in America. New York: Oxford University Press, 1977.

This book offers a historical perspective on aging, and how America in particular has treated its aged. Particularly relevant chapters include:

pp. 157-195, dealing with the 20th century and how old age became a "social problem" in the United States;
pp. 196-219, where suggestions for change are offered.

Subject heading:

GENERAL

33. "Flimfam: The 10 Most Deceptive Sales Practices of 1968--So Far," Sales Management, The Marketing Magazine, September 15, 1968, pp. 33-36.

This is a brief and easy-to-read article on common consumer frauds. It identifies types of businesses which were involved in "the greatest number of legal violations for deceptive sales practices" in the five years preceding the writing of the article.

Subject headings:

BAIT AND SWITCH
CONSUMER EDUCATION
FALSE/MISLEADING ADVERTISING
GENERAL

34. Forston, Raymon and James Kitchens. Criminal Victimization of the Aged: The Houston Model Neighborhood Area. Denton, Texas: North Texas State University, Center for Community Services, Community Service Report #1, 1974.

This study of criminal victimization among the aged included a question on swindling of elderly victims. Respondents were asked if they had been the victim of a swindle or "con game" in the last year. Most swindling cases took place in the victim's home. Being over 65 appeared to increase the likelihood that one would be a victim of a swindle.

It is difficult to generalize from the results of such a study, but the fact that the elderly respondents recognized this problem when other studies suggest that the elderly underreport, suggests that the problem is considerably larger than perhaps thought.

Subject heading:

GENERAL

35. Geis, Gilbert. "Victimization Patterns in White-Collar Crime," in Victimology: A New Focus, Volume V, Exploiters and Exploited, Israel Drapkin and Emilio Viano, Editors. Lexington, Mass.: Lexington Books, D. C. Heath and Company, 1975.

This is a general and somewhat academic article about the victims of white-collar crime. It does not focus on the elderly as a group, but the types of crimes discussed may often apply to the elderly. (For example, see the discussion on quackery, pp. 94-95.)

Subject headings:

GENERAL
SUSCEPTIBILITY FACTORS

36. Gentry, Curt. The Vulnerable Americans. Garden City, N.Y.: Doubleday & Company, Inc., 1966.

This book covers the full gamut of white-collar crime and fraud against consumers. This is not a theoretical book--example after example illustrating a particular practice is provided. Written in an informal style, it is a good introduction for someone new to the field. For someone already acquainted with consumer problems, there is still much useful material.

The FTC's actions are covered in some detail. Since it was written in 1966, some of the material is dated. Although it does not specifically deal with frauds against the elderly, it is a good reference source and many of the practices described most certainly affect the elderly.

See especially:

pp. 21-42, false/misleading advertising;
 pp. 43-73, false/misleading advertising/packaging;
 pp. 78-84, bait and switch and bait advertising;
 pp. 84-89, chain letters;
 pp. 89-104, inaccurate odometers;
 pp. 106-111, unethical/illegal selling practices;
 pp. 111-119, home improvement schemes;
 pp. 120-137, mail fraud;
 pp. 125, 135-7, work-at-home schemes;
 pp. 128-9, mail order insurance (includes misleading advertising);
 p. 131, vanity publishing;
 pp. 155-158, misleading advertising in connection with charity frauds;
 pp. 158-160, land fraud and advertising in connection with;
 pp. 161-180, medical fraud/quackery (includes advertising in connection with);
 pp. 183-206, various con artict practices;
 pp. 154-5, self-improvement schemes.

Subject headings:

BAIT AND SWITCH
 CHARITY AND RELIGIOUS FRAUDS
 FALSE/MISLEADING ADVERTISING
 HOME IMPROVEMENT AND REPAIR FRAUDS
 LAND FRAUD
 MEDICAL FRAUDS/QUACKERY
 MERCHANDISING FRAUDS
 SELF-IMPROVEMENT SCHEMES
 VANITY PUBLISHING SCHEMES

37. Gibney, Frank. The Operators. New York: Harper & Brothers, 1960.

This book is a good general text on various types of white-collar crime directed against consumers.

It is especially good for someone not familiar with the field, as it offers a general overview of many kinds of white-collar crimes, and gives examples of them.

Subject headings:

BAIT AND SWITCH
 CONSUMER EDUCATION
 FALSE/MISLEADING ADVERTISING
 GENERAL
 MEDICAL FRAUDS/QUACKERY
 SUSCEPTIBILITY FACTORS

38. Glick, Rush G. and Robert S. Newsom. Fraud Investigation: Fundamentals for Police. Springfield, Ill.: Charles C. Thomas, 1974.

As the title suggests, this book is primarily aimed at an investigator audience. It is useful for its descriptions of various frauds.

See especially:

pp. 43-48, pigeon drop;
 pp. 57-58, marriage bunco;
 pp. 171-200, insurance frauds;
 pp. 211-212, selling--high pressure techniques;
 pp. 215-216, bait and switch;
 p. 217, referral sales;
 pp. 220-222, business opportunity frauds;
 pp. 238-270, medical frauds;
 pp. 289-322, real estate frauds.

Subject headings:

BAIT AND SWITCH
 BUSINESS OPPORTUNITY SCHEMES
 CHAIN REFERRAL SCHEMES
 INSURANCE FRAUD
 LAND FRAUD
 MEDICAL FRAUDS/QUACKERY
 PIGEON DROP/POCKETBOOK DROP
 SERVICE DELIVERY

39. Goffman, Erving. "On Cooling the Mark Out: Some Aspects of Adaptation to Failure," Psychiatry, 15:451-463, 1952.

This is a useful article which examines "cooling the mark" in both its literal and extended interpretations. This piece is especially important in the light of other articles which suggest the elderly may fail to recognize consumer problems, and the general problems associated with reporting/recognition of white-collar crime.

Goffman's analysis appears to suggest that the devices we use to "help" victims may in themselves deflect the reporting of problems (among them, consumer problems).

Subject headings:

SERVICE DELIVERY
SUSCEPTIBILITY FACTORS

40. Goldsmith, Jack. "Police and the Older Victim: Keys to A Changing Perspective," The Police Chief, February, 1976, pp. 19-23.

This is a useful article in understanding what makes the elderly vulnerable. Twelve points are made concerning the special case of the "older victim." Among these are decreased income, social isolation, lack of physical stamina, and receiving money at a time known to others (e.g., Social Security checks).

The author provides a checklist for police programs designed to aid the elderly.

Subject headings:

SERVICE DELIVERY
SUSCEPTIBILITY FACTORS (specifically of elderly persons)

41. Goldsmith, Jack and Sharon S. Goldsmith, Editors. Crime and the Elderly. Lexington, Mass.: Lexington Books, 1976.

This book contains a collection of papers presented at the National Conference on Crime Against the Elderly. While the entire book would probably prove helpful to any reader interested in fraud against the elderly, certain chapters have been identified as being particularly relevant to this issue.

See especially:

pp. 7-19, Geis, Gilbert. "Defrauding the Elderly";
 pp. 91-98, Dussich, John P. J. and Charles J. Eichman. "The Elderly Victim: Vulnerability to the Criminal Act";
 pp. 111-118, Friedman, David M. "A Service Model for Elderly Crime Victims";
 pp. 139-151, Brotstoff, Phyllis Mensh. "The Police Connection: A New Way to Get Information and Referral Services to the Elderly";
 pp. 159-167, Younger, Evelle J. "The California Experience in Crime Prevention Programs with Senior Citizens".

Subject headings:

GENERAL
 SERVICE DELIVERY
 SUSCEPTIBILITY FACTORS

42. Goldsmith, Jack and Noel E. Tomas. "Crimes Against the Elderly: A Continuing National Crisis," Aging, June-July, 1974.

This is a brief, useful article which explores the special situation of the elderly crime victim. The authors do not specifically focus on elderly fraud victims--rather on elderly victims of crime in general.

Subject headings:

SERVICE DELIVERY
 SUSCEPTIBILITY FACTORS

43. Gordon, William H., M.D. "Why People Go to Quacks," Physical Therapy, January, 1967, pp. 46-49.

This is an interesting article in which the author concludes that people go to quacks looking for "sympathy, understanding, kindness, friendliness and an attitude of concern." That the consumer may feel he has nothing to lose, and perhaps some hope to gain, is implied. It is a useful article for the person who wants to understand why some people get "taken" and may even know it.

Subject headings:

MEDICAL FRAUDS/QUACKERY
 SUSCEPTIBILITY FACTORS

44. Gray, Terry R. "Express Warranties and Greater Consumer Protection from Sales Talk," Marquette Law Review, 50:88-100, August, 1966.

This article would be of interest primarily to attorneys. It deals with warranties and sales "puffing." The change in the attitude of courts toward what is mere "puffing" as opposed to the making of an actual warranty is considered.

Subject headings:

SERVICE DELIVERY
WARRANTY/GUARANTEE FRAUDS AND ABUSES

45. Greenstein, Marcia. "Fear and Non-Reporting by Elders, An Invitation to Law Enforcement," The Police Chief, February, 1977.

This article examines some of the reasons the elderly person may chose not to report a crime. The author discusses situations in which victims may feel that they were somehow to blame for their victimization, and that this can lead to non-reporting. Other factors are also briefly discussed. Advice to service providers in overcoming these problems is included.

Subject heading:

SERVICE DELIVERY

46. Gross, Philip J. "Law Enforcement and the Senior Citizen," The Police Chief, February, 1976.

This article is a summary of the results of a survey of police departments and other agencies in large population centers. The survey was designed to identify law enforcement programs using senior citizen volunteers. An outline of a model project plan is included.

Subject heading:

SERVICE DELIVERY

47. Gross, Philip. "Summary Report: Crime, Safety, and the Senior Citizen," The Police Chief, February, 1977.

This article, one of many dealing with senior citizens in the February, 1977, issue of The Police Chief, includes a questionnaire developed for use by police departments to determine the level of crime victimization among senior citizens. A question concerning fraud victimization is included in the questionnaire, although its focus is primarily on street crimes. This article illustrates methods of crime prevention by providing a copy of a customer release form used by banks in Wisconsin to warn the elderly of the dangers of fraud (particularly the Bank Examiner Con) where large cash withdrawals are being made.

Subject headings:

BANK EXAMINER CON
CONSUMER EDUCATION
SERVICE DELIVERY

48. Holbrook, Stewart H. The Golden Age of Quackery. New York: Macmillan Company, 1959.

This book is a popular historical account of the medical frauds that flourished in the late 1800's and the early part of this century. The emphasis is on patent medicines, the claims made about them, the false advertising used to promote them, and the success of their promoters.

Subject headings:

FALSE/MISLEADING ADVERTISING
GENERAL
MEDICAL FRAUDS/QUACKERY

49. Kallet, Arthur and F. J. Schlink. 100,000,000 Guinea Pigs: Dangers in Everyday Foods, Drugs, and Cosmetics. New York: Grosset & Dunlap, 1933.

This book, a classic in its field, was written for consumers in the 1930's, and motivated much of the present-day attitudes toward governmental responsibility for consumer protection. It is a lively yet scary account of the dangers lurking in the marketplace for consumers who "let down their guard" or were not informed about the possible harmful effects of the foods, drugs, and cosmetics they bought. The historical perspective, which perhaps is of greatest interest to researchers, may still be useful to the general reader. The tone is often one of unbridled indignation--buttressed by case histories.

Subject headings:

FALSE/MISLEADING ADVERTISING
GENERAL
MEDICAL FRAUDS/QUACKERY

50. Kaplan, Jack. "Doctor Abrams--Dean of Machine Quacks," Today's Health, 44:21, 70-81, April, 1966.

This article, written for a general audience, discusses the career of a physician who developed a highly profitable business based on phony medical devices. Examples of medical device quackery from the early 1900's to the 1960's are given.

Subject headings:

CONSUMER EDUCATION
GENERAL
MEDICAL FRAUDS/QUACKERY

51. Katz, Carol Hecht, Editor. The Law and the Low Income Consumer. Project on Social Welfare Law, Supplement #2. New York: New York University School of Law, 1968.

This is an anthology of articles collected from a variety of sources and is aimed at an attorney audience. While readers may find much that is relevant, the following have been identified as being of particular interest:

pp. 2-57, "Translating Sympathy for Deceived Consumers into Effective Programs for Protection";
pp. 58-81, "Notes and Comments, Consumer Legislation and the Poor";
pp. 253-265, "Abuse of Process: Sewer Service".

Subject headings:

FALSE/MISLEADING ADVERTISING
MERCHANDISING FRAUD
SERVICE DELIVERY
"SEWER" SERVICE
SUSCEPTIBILITY FACTORS

52. Klippel, R. Eugene and Timothy W. Sweeny. "The Use of Information Sources by the Aged Consumer," The Gerontologist, April, 1974.

This article is addressed primarily to a business or marketing audience. The authors report results of a market survey which they feel confirms the fact that the elderly are a distinct marketing segment in the population. Of particular interest to those in service delivery is the authors' finding that many elderly persons appear to value informal over formal sources of information to guide their behavior.

Subject headings:

GENERAL
SERVICE DELIVERY

53. Lamb, Ruth deForest. American Chamber of Horrors: The Truth About Food and Drugs. New York: Farrar & Rinehart, Inc., Publishers, 1936.

This book describes "horrors" in the food, drug, and cosmetics industry. Primarily of interest to researchers, it documents the dangers in the early 20th century that American consumers faced in the marketplace, since they could not count on the safety of the drugs or food they ingested, or the cosmetics they used. Illustrations are included.

Subject headings:

FALSE/MISLEADING ADVERTISING
GENERAL

54. "Law and the Ghetto Consumer," Catholic Lawyer, 14:214-225, Summer, 1968.

This article will be of interest primarily to attorneys. Legal issues related to contracts, and the special vulnerability of the ghetto poor to installment buying, are discussed. The article does not specifically deal with the elderly.

Subject heading:

SERVICE DELIVERY

55. Lewis, Howard R. and Martha E. Lewis. The Medical Offenders. New York: Simon and Schuster, 1970.

This book deals with medical fraud in its many aspects. It focuses mainly on physician-associated frauds, but at the same time recognizes the very real problems faced by the physician in prescribing treatment programs. The book covers many areas, ranging from bad practices to illegal acts by members of the medical profession. The focus is not strictly on fraud.

See especially:

p. 88, fee splitting, corruption--doctors owning drug companies and prescribing their own medicines;
p. 117, quackery--fake cures, etc.;
p. 136, insurance fraud;
pp. 346-347, where recommendations are made to outlaw fee splitting and to bar physicians from owning pharmacies and drug companies.

Subject heading:

GENERAL
MEDICAL FRAUDS/QUACKERY

56. McGowan, Robert H. "Our Senior Citizens: Now A Way to Help," The Police Chief, February, 1977.

This article describes a victim assistance program operating in California. Examples of how the program has aided the elderly are provided. The impact of crime on the elderly is also briefly discussed. This is a general article not focusing on fraud, but those in service delivery may find it useful.

Subject heading:

SERVICE DELIVERY

57. Magnuson, Senator Warren G. and Jean Carper. The Dark Side of the Marketplace. Englewood Cliffs, N. J.: Prentice-Hall, 1968.

This book is a thorough and comprehensive resource for all who are interested in consumer fraud, or who want to protect themselves. Different schemes are described and illustrative examples provided. Many victims in the examples provided are elderly persons.

See especially:

pp. 9-12, bait and switch;
 pp. 13-17, chain referral schemes;
 pp. 17-18, "free" gimmicks;
 pp. 19-22, false/misleading selling practices;
 pp. 22-24, furnace frauds;
 pp. 25-26, land frauds;
 pp. 32-58, details the vulnerability of the poor, especially the minority poor;
 pp. 156-184, medical quackery, including arthritis frauds, weight loss frauds, hearing aid frauds, cancer quackery, medical "devices."

Subject headings:

BAIT AND SWITCH
 CONSUMER EDUCATION
 FALSE/MISLEADING ADVERTISING
 FURNACE FRAUDS
 GENERAL
 HEARING AID FRAUDS
 HOME IMPROVEMENT OR REPAIR FRAUDS
 LAND FRAUD
 MEDICAL FRAUDS/QUACKERY
 SUSCEPTIBILITY FACTORS (especially of the minority poor)

58. Maxa, Rudy. Dare To Be Great. New York: William Murrow and Company, Inc., 1977.

This is perhaps one of the best books to read to understand the effect a good con man can have on his audience. The author successfully conveys the spirit which enables a promoter to get millions of dollars from Americans who want to "get rich quick." Although not particularly dealing with the elderly as victims, the book is most helpful to the reader who wants to understand how such a promoter plays on the vulnerabilities and desires of the public.

Subject headings:

BUSINESS OPPORTUNITY SCHEMES
 PONZI SCHEMES
 PYRAMID SCHEMES
 SUSCEPTIBILITY FACTORS

59. Mendelson, Mary Adelaide. Tender Loving Greed: How the Incredibly Lucrative Nursing Home "Industry" Is Exploiting America's Old People and Defrauding Us All. New York: Alfred A. Knopf, 1974.

The author's outrage is matched only by the picture she paints of the nursing homes she investigated: the reader is placed at the scene. This is graphically descriptive material for anyone dealing with the elderly and their concerns.

Subject headings:

INVESTMENT FRAUDS
 MEDICAID/MEDICARE FRAUDS
 NURSING HOME ABUSES

60. Miner, John W. LL.B. "The Costs of Quackery," Journal of the American Physical Therapy Association, 46:1318-1321, December, 1966.

This article on medical quackery is especially useful for investigators and attorneys. The author suggests methods of identifying quackery, and makes recommendations for solutions, both educational and prosecutorial.

Subject heading:

MEDICAL FRAUDS/QUACKERY

61. Mitford, Jessica. The American Way of Death. New York: Simon and Schuster, 1963.

This is the classic book on the American funeral industry. The author argues that she is not writing a book about the exceptions to the rule--but about "the vast majority of ethical undertakers." The industry practices and prices are discussed in detail. Chapter notes and appendices provide some useful information for the consumer who wants to avoid the pitfalls detailed in the book.

Especially relevant are:

pp. 31-32 (wherein the law is rewritten to suit the undertaker);
pp. 39-55, funeral costs.

Subject headings:

CONSUMER EDUCATION
FUNERAL INDUSTRY ABUSES

62. Morgenthau, Robert M. "Equal Justice and the Problem of White-Collar Crime," The Conference Board Record, August, 1969, pp. 17-20.

This article is useful for its general discussion of white-collar crime, and the relationship between white-collar crime, the disenchantment of the poor with the legal and political system, and violent crime. The author addresses these issues from the perspective of a federal prosecutor who gave major emphasis to white-collar crime cases.

While not specifically dealing with the elderly, this is a useful article for someone who wants to be introduced to the short and long-term effects of white-collar crime. Examples, including "sewer service," are provided.

Subject headings:

GENERAL
"SEWER" SERVICE

63. Nash, Jay Robert. Hustlers and Con Men: An Anecdotal History of the Confidence Man and His Games. New York: M. Evans and Company, Inc., 1976.

This is a book designed for a popular audience. It tells the stories of some of the more notorious con artists.

For the reader who may think that con games and fraudulent schemes are relatively recent developments, the historical perspective of this book offers much evidence to the contrary. Of particular value is the book's glossary describing many con games.

Subject heading:

GENERAL

64. Newman, Stephen A. and Karin L. Straus. "The Elderly Consumer and Fraud Schemes" (Chapter 13) in Weiss, Jonathan A., Editor. Law and the Elderly. Practicing Law Institute, 1971.

This article provides a useful collection of information on frauds to which the elderly consumer may be particularly susceptible. Suggestions for where the consumer can go for help are included.

Subject headings:

CONSUMER EDUCATION
 FUNERAL INDUSTRY ABUSES
 HEARING AID FRAUDS
 LAND FRAUD
 MAIL ORDER FRAUD
 SUSCEPTIBILITY FACTORS

65. Paulson, Morton C. The Great Land Hustle. Chicago: Henry Regnery Company, 1972.

This is a detailed account of land fraud and other questionable real estate dealings. It is especially good in describing the high pressure selling tactics characteristically employed in selling "undeveloped" land. The author considers the problem to be one of "immense proportions."

See especially:

pp. 55-57, mail order sale of land;
 pp. 123-137, tricks of the trade in land fraud;
 pp. 138-156, selling techniques used in land hustles.

Subject headings:

INVESTMENT FRAUDS
 LAND FRAUD
 MAIL ORDER FRAUDS
 SUSCEPTIBILITY FACTORS

66. Pope, Carl E. and William Feyerherm. "A Review of Recent Trends: The Effects of Crime on the Elderly," The Police Chief, February, 1976.

This article focuses on the fear of the elderly with regard to street crimes. The authors note that many elderly fail to report their victimizations, raising again the issue that the extent of crime suffered by elderly persons is likely to be much greater than generally believed.

Subject headings:

GENERAL
 SERVICE DELIVERY

67. Proceedings of the National Forum on Consumer Concerns of Older Americans. National Retired Teachers Association/American Association of Retired Persons, sponsors. Washington, D.C.: NRTA/AARP, 1975.

The proceedings cover a wide variety of topics of interest to elderly consumers and those who work with them. See especially the talk by Dr. Robert Butler, and the discussion following at pp. 37-45.

Subject headings:

CONSUMER EDUCATION
GENERAL
SUSCEPTIBILITY FACTORS

68. Randall, Donald A. and Arthur P. Glickman. The Great American Auto Repair Robbery. New York: Charterhouse, 1972.

This book is written for the consumer who wants to educate and protect himself in dealing with auto repairs. Organizational and governmental responses to problems in the auto repair industry are also discussed.

See especially:

p. 14, for information on price fixing;
pp. 35-56, for a discussion of warranty problems.

Subject headings:

AUTO REPAIR FRAUD
CONSUMER EDUCATION
WARRANTY/GUARANTEES FRAUDS AND ABUSES

69. Rifai, Marlene A. Young. "Implications for Crime Prevention: The Response of the Older Adult to Criminal Victimization," The Police Chief, February, 1977.

Information discussed in this article was obtained from interviews of elderly persons in the Portland, Oregon, area. The author briefly discusses the problem of crime and the elderly, the response of the elderly to victimization and steps the elderly can take to protect themselves. The article focuses on street crime, but the vulnerability information could also apply to other types of crimes.

Subject headings:

SERVICE DELIVERY
SUSCEPTIBILITY FACTORS

70. Ross, Donald K. A Public Citizen's Action Manual. New York: Grossman Publishers, 1973.

This is a book designed for consumer activists who want to initiate their own projects. Information on organizing a survey and assessing data is included. The sections on the detection of consumer fraud and descriptions of how certain common consumer frauds operate would be useful to consumers and specialists in the field.

Subject heading:

CONSUMER EDUCATION

71. Russell, Francis. "Bubble, Bubble--No Toil, No Trouble," American Heritage, 24:74-86, 1973.

This is a popular magazine article that tells the story of the original Ponzi and his scheme. The author focuses on the man, telling a good story. The article also paints a picture of the euphoria that carries investors in such schemes along, despite obvious warning signals.

Subject headings:

GENERAL
PONZI SCHEMES

72. Sanford, David, Editor. Hot War on the Consumer. New York: Pitman Publishing Corporation, 1969.

This book contains a collection of articles, mostly brief, and previously published elsewhere, that deal with a wide variety of consumer concerns. While the material is not specifically related to the elderly, the reader will find numerous topics here that are applicable to senior citizens.

See especially:

pp. 33-36, Philip Schrag. "Ghetto Merchants," discusses general issues and susceptibility factors;
pp. 91-94, Mintz, Morton. "Drugs: Deceptive Advertising";
pp. 141-145, Kwitney, Jonathan. "The Money-Lenders."

Subject headings:

CONSUMER EDUCATION
FALSE/MISLEADING ADVERTISING
GENERAL
SUSCEPTIBILITY FACTORS

73. Schwartz, Victor L. "Physician Fraud--Civil and Criminal Implications," Pennsylvania Medicine, January, 1977, pp. 37-39.

This article provides examples of fraud in the delivery and billing of health care services, together with descriptions of possible routes enforcement agencies can take in combatting and prosecuting such activities.

Subject heading:

MEDICAID/MEDICARE FRAUD

74. Sicker, Martin. "A Public Policy Perspective: The Elderly and the Criminal Justice System," The Police Chief, February, 1977.

In this article, the author outlines some of the special concerns the elderly have regarding the criminal justice system. It is noted that the elderly appear to be "particularly prone to a wide variety of frauds" designed to appeal to their special needs. The author concludes that the elderly constitute a "special category of concern" within the criminal justice system.

Subject heading:

GENERAL

75. Slawson, W. David. "Mass Contracts: Lawful Fraud in California," Southern California Law Review, 48:1-54, 1974-1975.

This article addresses printed contracts and the disadvantage at which they place the consumer. Throughout the article the vulnerability and susceptibility of not only the average consumer but also the more educated consumer are emphasized. The legal arguments are technical and will probably benefit only attorneys, but the general focus of the article is to provide information for anyone who wants an understanding of the position of the consumer who signs a contract. This article does not specifically deal with the elderly.

Subject headings:

GENERAL
SUSCEPTIBILITY FACTORS

76. Solodky, Howard N. "Prohibiting Pyramid Sales Schemes: County, State and Federal Approaches to a Persistent Problem," Buffalo Law Review, pp. 877-914.

This article deals comprehensively with several facets of pyramid sales schemes.

The first six pages are especially useful in defining and illustrating a pyramid sales scheme. The legal analyses and arguments contained in the body of the article would probably be useful only to investigators and attorneys. The conclusion points out the necessity for governmental action in this area, briefly discussing the susceptibility and vulnerability of consumers to such schemes, and why consumers may not be able to diagnose their own problems.

Subject headings:

PYRAMID SCHEMES
SECURITIES FRAUD
SUSCEPTIBILITY FACTORS

77. Steele, Eric H. "Fraud, Dispute, and the Consumer: Responding to Consumer Complaints," University of Pennsylvania Law Review, 123: 1107-86, May, 1975.

Reprinted: Research Contributions of the American Bar Foundation, #4, 1975.

This is a useful piece for those in public or private agencies handling consumer complaints. The article is based on the activities of a consumer fraud bureau in the Office of the Attorney General of the State of Illinois.

Subject headings:

GENERAL
SERVICE DELIVERY

78. Sterne, Richard S. and others. The Urban Elderly Poor. Lexington, Mass.: Lexington Books, D. C. Heath and Company, 1974.

This is a book of general interest to those serving the elderly in many capacities. The authors point out the varied correlations between being old and being poor, being old and being afraid, etc. This book provides a useful guide in drawing a general picture of the condition of the urban elderly poor.

Subject heading:

GENERAL

79. Taylor, Jack L., Jr. and Arch W. Troelstrup. The Consumer in American Society: Additional Dimensions. New York: McGraw-Hill Book Company, 1974.

This is an anthology of articles, originally printed elsewhere, which the editors say is intended for college students. Many others will find specific items useful.

Of particular interest are the following articles:

- pp. 132-135, Carper, Jean. "Beware the Pitfalls in the Fine Print" (general/preventive; contracts);
pp. 225-232, Office of the District Attorney, Multnomah County, Oregon. "About Your Home" (door-to-door sales; home improvements; an alphabetical list of home sales and potential problem areas; useful in providing prevention information for the consumer);
pp. 289-292, Gorin, Edward J. "Groping Through the Maze of Mail Order Insurance Policies";
pp. 319-327, Belth, Joseph M. "Deceptive Sales Practices in Life Insurance."

Subject headings:

CONSUMER EDUCATION
HOME IMPROVEMENT OR REPAIR FRAUDS
INSURANCE FRAUD
MAIL ORDER FRAUDS

80. Trump, Fred. Buyer Beware! New York: Abingdon Press, 1965.

This book covers a wide variety of topics and is addressed to the general reader. Interspersed with descriptions of different kinds of fraud are suggestions for individual consumer action. Much prevention information is provided:

See especially:

- pp. 20-22, bait and switch;
- pp. 24-25, susceptibility (especially of the elderly);
- pp. 31-32, pigeon drop;
- p. 35, lonely hearts schemes;
- pp. 44-47, guarantees and warranties;
- pp. 48-54, referral schemes;
- pp. 60-67, work-at-home schemes;
- pp. 68-77, home improvement frauds, including furnace fraud;
- pp. 81-84, franchise frauds;
- pp. 85-89, repair frauds;
- pp. 90-100, medical frauds/quackery;
- pp. 115-120, investment frauds;
- pp. 126-135, land fraud;
- pp. 136-141, insurance fraud;
- pp. 142-148, charity frauds;
- pp. 160-169, self-improvement schemes.

Subject headings:

- BAIT AND SWITCH
- CHAIN REFERRAL SCHEMES
- CHARITY AND RELIGIOUS FRAUDS
- CONSUMER EDUCATION
- HOME IMPROVEMENT OR REPAIR FRAUDS
- INSURANCE FRAUD
- INVESTMENT FRAUD
- LAND FRAUD
- LONELY HEARTS SCHEMES
- MEDICAL FRAUDS/QUACKERY
- PIGEON DROP/POCKETBOOK DROP
- SELF-IMPROVEMENT SCHEMES
- SUSCEPTIBILITY FACTORS
- WARRANTY/GUARANTEE FRAUDS AND ABUSES

81. U.S. Congress. House. Select Committee on Aging. Subcommittee on Federal, State, and Community Services. Confidence Games Against the Elderly: Hearing (94:2), January 13, 1976. Washington, D.C.: U.S. Government Printing Office, 1976.

This document should prove helpful to those who want to understand what makes the elderly good "marks" for con artists. The testimony provided the House Committee by New York City police officers and city officials is invaluable for its descriptions of con games and the vulnerability of the elderly. See especially the testimony of John Murphy at pp. 11-18.

Subject headings:

BANK EXAMINER CON
PIGEON DROP/POCKETBOOK DROP
SUSCEPTIBILITY FACTORS

82. U.S. Congress. Senate. Special Committee on Aging. Subcommittee on Consumer Interests of the Elderly. Hearings: Consumer Interests of the Elderly. Part I, January 17 and 18, 1967. Washington, D.C.: U.S. Government Printing Office, 1967.

This report contains information on a variety of topics relevant to fraud and consumer abuse as they affect the elderly.

See especially:

pp. 61-62, problems senior citizens have understanding credit terms (susceptibility factors);
pp. 224-230 (medical frauds/quackery; land fraud; self-improvement schemes).

Subject headings:

GENERAL
LAND FRAUD
MEDICAL FRAUDS/QUACKERY
SELF-IMPROVEMENT SCHEMES
SUSCEPTIBILITY FACTORS

83. U.S. Congress. Senate. Special Committee on Aging. Subcommittee on Frauds and Misrepresentations Affecting the Elderly. Deceptive or Misleading Methods in Health Insurance Sales. Hearing before the Subcommittee on Frauds and Misrepresentations Affecting the Elderly (88:2), May 4, 1964. Washington, D. C.: U.S. Government Printing Office, 1964.

This is a report of the Senate's hearings into deceptive sales practices in the health insurance industry.

See especially:

pp. 4-6, 8-11, for the statement of the Federal Trade Commission, listing ways in which advertisements may deceive the reader in the area of health insurance;
pp. 133-144, testimony of the personal experiences of a senior citizen.

Subject headings:

FALSE/MISLEADING ADVERTISING
INSURANCE FRAUD

84. U.S. Congress. Senate. Special Committee on Aging. Developments in Aging, 1970. A Report of the Special Committee on Aging (92:1). Washington, D.C.: U.S. Government Printing Office, 1971.

This is a report of the Special Committee's deliberations in 1970. Of special interest are:

pp. 46-47, where Medicare/Medicaid frauds (in particular those occurring in nursing homes) are discussed;
pp. 75-78, where the vulnerability of the elderly consumer is examined; examples given include mail fraud and business opportunity schemes.

Subject headings:

MEDICAID/MEDICARE FRAUD
NURSING HOME ABUSES
SUSCEPTIBILITY FACTORS

85. U.S. Congress. Senate. Special Committee on Aging. Subcommittee on Long-Term Care. Fraud and Abuse Among Practitioners Participating in the Medicaid Program. A Staff Report. (94:2). Washington, D.C.: U.S. Government Printing Office, 1976.

This document contains detailed accounts of the variety of abuses that occur in the Medicare/Medicaid programs. Sections dealing with physician fraud, kickbacks, and inadequate treatment are all included.

See especially:

pp. 15-20, for a discussion of the methods and effects of "factoring," i.e., sales of accounts receivable by physicians and other providers of health services;
pp. 18-19, for a description of the most common abuses in Medicaid mills;
pp. 26-31, for reproduced copies of investigator reports;
pp. 48-50, 58-65, descriptions of frauds in billing and factoring, and running a "mill";
pp. 66-73, fee splitting;
pp. 209-221, also see the summary and conclusions.

Subject heading:

MEDICAID/MEDICARE FRAUD

86. U.S. Congress. Senate. Special Committee on Aging. Frauds and Quackery Affecting the Older Citizen: Hearings: January, 1963. Three parts (88:1). Washington, D.C.: U.S. Government Printing Office, 1963.

These hearings cover a wide variety of topics relevant to medical frauds and frauds in other areas that have had an impact on elderly persons.

In Part I, see especially:

pp. 3-25, for discussion of fraudulent arthritis "remedies";
 pp. 36-45, for discussion of food and nutrition frauds, including examples of advertisements used by promoters of such frauds;
 pp. 69-91, which include examples of advertising used to promote bogus medical "cures";
 pp. 92-97, for discussion of susceptibility of the elderly to medical frauds.

In Part II, see especially the pages listed below for information on the frauds noted:

pp. 148-151, land fraud/dance studio frauds;
 pp. 151-153, home improvement frauds;
 pp. 158-161, medical frauds/quackery;
 p. 164, funeral frauds;
 pp. 184-235, land fraud;
 pp. 259-264, general information about confidence games and the elderly.

In Part III, see especially:

pp. 266-270, medical frauds/quackery;
 pp. 311-481, medical frauds/quackery;
 pp. 482-489, securities and similar frauds;
 pp. 509-515, land fraud;
 pp. 515-516, business opportunity schemes.

Subject headings:

BUSINESS OPPORTUNITY SCHEMES
 FALSE/MISLEADING ADVERTISING
 FUNERAL INDUSTRY ABUSES
 GENERAL
 LAND FRAUD
 LONELY HEARTS SCHEMES
 MEDICAL FRAUDS/QUACKERY
 SECURITIES FRAUD
 SUSCEPTIBILITY FACTORS

87. U.S. Congress. Senate. Special Committee on Aging. Committee on the Judiciary. Subcommittee on Representation of Citizen Interests. Improving Legal Representation for Older Americans: Joint Hearing (93:2). Washington, D.C.: U.S. Government Printing Office, 1974.

This hearing, held in Los Angeles, California, focused on the needs of the elderly for legal services. Of particular interest are:

p. 7, the section on consumer fraud and the elderly;
pp. 13-14, "Barriers to Effective Representation" (containing useful information on service delivery).

Subject heading:

SERVICE DELIVERY

88. U.S. Congress. Senate. Medicare and Medicaid Frauds: Hearings. Seven parts. Washington, D.C.: U.S. Government Printing Office, 1975 and 1976.

The transcripts of these hearings provide a wealth of material for those interested in the elderly and in consumer fraud. The hearings were divided into seven parts with different subcommittees involved in each. The citations below are keyed separately to each set of hearings.

Part I. Joint Hearing before the Subcommittee on Long-Term Care and the Subcommittee on Health of the Elderly, Special Committee on Aging (94:1). See especially:

pp. 9-41, the detection of abuses and frauds associated with long-term care of the elderly is discussed and examples of frauds in this area are given;
pp. 41-67, a description of "factoring" frauds (i.e., sales of accounts receivable) and a discussion of inadequate health care services;
pp. 67-79, inadequate health care services are described.

Part II. Hearing before the Subcommittee on Long-Term Care of the Special Committee on Aging (94:1). See especially:

pp. 261-274, information on kickbacks and overutilization in the area of pharmaceutical supplies.

Part IV. Hearing before the Subcommittee on Long-Term Care of the Special Committee on Aging (94:2). See especially:

pp. 417-449, information on laboratory kickbacks, Medicare/Medicaid frauds;
pp. 469-489, examples of fraudulent Medicaid bills.

Part V. Hearing before the Subcommittee on Long-Term Care of the Special Committee on Aging (94:2). This entire document can be profitably read by anyone wanting to know about frauds against government programs, inadequate care received under such programs, and how the elderly beneficiaries and the public at large can be defrauded. Investigators' reports are included, and are particularly vivid.

Part VI. Hearing before the Subcommittee on Long-Term Care of the Special Committee on Aging (94:2). See especially:

pp. 664-682, statements of two practitioners formerly involved in fraudulent activities. This testimony contains information about the susceptibility of the "system."

pp. 683-695, additional information about "pingponging," overutilization, other problems and fraud variations.

See also Appendix I, pp. 697-726, and Appendix IV, pp. 737-755, Sentencing Memorandums of the U.S. District Court of the Southern District of New York, concerning Medicaid frauds.

Part VII. Hearing before the Special Committee on Aging (94:2). This volume also contains a wealth of information on a variety of frauds in government health care benefit programs. Information on kickbacks, nursing home abuses, and questions to ask in identifying and prosecuting frauds are included.

Subject headings:

FALSE/MISLEADING ADVERTISING
FRAUDS AGAINST GOVERNMENT PROGRAMS
MEDICAID/MEDICARE FRAUDS
NURSING HOME ABUSES
SUSCEPTIBILITY FACTORS

89. U.S. Congress. Senate. Special Committee on Aging. Subcommittee on Long-Term Care. Nursing Home Care in the United States: Failure in Public Policy, Introductory Report (93:2). Washington, D.C.: U.S. Government Printing Office, 1974.

This report presents much information on nursing home abuses. See especially:

pp. 5-11, summaries of the supporting paper;
pp. 84-91, for two case histories of enforcement "breakdown."

Subject headings:

MEDICAID/MEDICARE FRAUDS
NURSING HOME ABUSES
SERVICE DELIVERY

90. U.S. Congress. Senate. Special Committee on Aging. Subcommittee on Long-Term Care. Nursing Home Care in the United States: Failure in Public Policy. Supporting Paper #2. Drugs in Nursing Homes: Misuse, High Costs, and Kickbacks (94:1). Washington, D.C.: U.S. Government Printing Office, 1975.

This document offers stark testimony to the range of abuses existing in some segments of the nursing home industry. The direct testimony is particularly vivid.

See especially:

pp. 254-255, "The Elderly and Drugs";
pp. 287-294, for a discussion of kickbacks in the nursing home industry.

Subject headings:

MEDICAID/MEDICARE FRAUD
NURSING HOME ABUSES

91. U.S. Securities and Exchange Commission. How to Avoid Ponzi and Pyramid Schemes. Washington, D.C.: SEC, 500 North Capitol Street, Washington, D.C. 20549.

This is a consumer education brochure designed for the general public. Valuable information is presented in an easy-to-read format with examples given.

Subject headings:

CONSUMER EDUCATION
PONZI SCHEMES
PYRAMID SCHEMES

92. Vaughan, Diane and Giovanna Carlo. "The Appliance Repairman: A Study of Victim-Responsiveness and Fraud," Journal of Research in Crime and Delinquency, 12:153-161, July, 1975.

This article provides an in-depth examination of persons victimized by a fraudulent appliance repairman. All the persons interviewed had been the victims of the same individual and had complained to an appropriate agency.

Subject heading:

SUSCEPTIBILITY FACTORS

93. Waddell, Fred E., Compiler and Editor. The Elderly Consumer. Antioch College, Columbia, Maryland, The Human Ecology Center, 1976.

This book is a massive collection of information from a wide variety of sources and dealing with a broad spectrum of topics. Although the entire volume could profitably be explored by anyone interested in the elderly, the chapter most relevant to fraud and consumer abuse is Chapter V, "Consumer Problems of the Elderly."

See especially:

pp. 311-322, Waddell, Fred E. "Consumer Research and Programs for the Elderly: The Forgotten Dimension";
pp. 323-335, Butler, Robert N. "Victimization of the Elderly: Fraud." (This is an excerpt from his book Why Survive: Being Old in America, included in the bibliography at p. 42.)

Subject headings:

GENERAL
SERVICE DELIVERY
SUSCEPTIBILITY FACTORS

94. Weston, Glen E. "Deceptive Advertising and the Federal Trade Commission: Decline of Caveat Emptor," Federal Bar Journal, 24:548-578, Fall, 1964.

This article analyzes the past problems of the Federal Trade Commission in dealing with false advertising and deceptive practices. Some FTC accomplishments (and the courts' reactions to them) are reviewed. This piece will probably be of interest primarily to attorneys and researchers.

Subject headings:

FALSE/MISLEADING ADVERTISING
GENERAL
SERVICE DELIVERY

95. Willging, Thomas E. "Installment Credit: A Social Perspective," Catholic University Law Review, 15:45-68, January, 1966.

Although this is an article primarily intended for a legal audience, large sections of it may be of interest to other readers. Focusing on the low-income consumer (here, specifically the inner city dweller), the author describes the disadvantages the poor consumer faces in his transactions, especially those in which he seeks credit.

Subject headings:

BAIT AND SWITCH
FALSE/MISLEADING ADVERTISING
MERCHANDISING FRAUDS
SERVICE DELIVERY
SUSCEPTIBILITY FACTORS

96. Willis, Ron L. "Senior Citizen Crime Prevention Programs," The Police Chief, February, 1976.

This article discusses the use of senior citizen volunteers in a crime prevention program in Cottage Grove, Oregon. While the volunteer program is apparently linked to the prevention of "street" crime, those in service delivery may find much in the article adaptable to their particular programs.

Subject headings:

SERVICE DELIVERY

97. Young, James Harvey. The Medical Messiahs: A Social History of Health Quackery in Twentieth-Century America. Princeton, N.J.: Princeton University Press, 1967.

This book provides a detailed account of medical quackery in the United States. The author covers many aspects of medical quackery, including those involving devices, mail frauds related to quackery, and nutritional "cures."

Subject heading:

MEDICAL FRAUDS/QUACKERY

98. Younger, Evelle J. "The California Experience: Prevention of Criminal Victimization of the Elderly," The Police Chief, February, 1976, pp. 28-32.

This article documents the continued presence of con artists specializing in the bank examiner and the pigeon drop cons. Information for the article is based upon State of California statistics. The author notes that in 90 percent of the cases of these con games investigated by the San Francisco and Los Angeles Police Departments, the victims were elderly persons. Advice to senior citizens on preventing such frauds is included.

Subject headings:

BANK EXAMINER CON
CONSUMER EDUCATION
PIGEON DROP/POCKETBOOK DROP



END