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## Elder Law Guys: Helping seniors avoid financial exploitation starts with prevention

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By Julian Gray and Frank Petrich

Last month, the Pennsylvania Department of Aging released a 34-page report on the financial exploitation of older adults. The study provides data comparisons of national trends, as well as for Pennsylvania versus a few other selected states. A complete copy of the study can be found at <https://bit.ly/2H8jjH5>.

The financial exploitation of seniors is a big problem, and many such instances go unreported. As elder law attorneys, we see these tragedies firsthand, and they are increasing in frequency; and as the study indicates, the numbers are staggering.

So, how do we reduce or prevent financial exploitation of seniors? First, let's understand the problems this study exposes.

The statistics: The methodology for Pennsylvania's study involved about 450 randomly selected cases that had been reported in 14 counties. (Interestingly, Allegheny County was not included.) The key here is these statistics are only from "reported" cases. As we know, the unreported cases are difficult to quantify but could produce some even more alarming numbers.

The study indicates only 1 in 10 to 1 in 44 cases are ever reported. While the reported cases indicate an aggregate loss of \$58 million to Pennsylvania seniors for fiscal year 2017-2018, the unreported cases could catapult this figure to \$2.5 billion! That's one state in one year. Now, factor in the other 49 states, and you see the gravity of the problem nationally.

While there are numerous statistics throughout the study, here are the Pennsylvania numbers that really tell the story:

1. The average victim is 79 years old,
2. 61% are female,
3. 84% lived in urban communities,
4. 43% lived alone,
5. The victims, on average, required assistance with activities of daily living,
6. 65% of the perpetrators were family members and
7. Over 50% of the cases involved unauthorized bank account withdrawals.

There is so much going on in this area it would be impossible to eradicate all senior financial exploitation.

However, let's look at one of the most common scenarios.

Scenario: Take an elderly female widow who owns a bank account living with a family member who provides assistance to the widow with daily living needs. This living arrangement is so common and results in both the reliance of the senior upon the family member caregiver and potential isolation from other third parties. Eventually, the family member takes on the bill-paying responsibilities and has access to all the bank accounts of the elderly person. While we'd like to think many family members do the right thing and respect the rights of the elderly person, the statistics show 65% of financial exploitation is perpetrated by a family member.

For the most part, family caregivers are doing a difficult job taking care of an elderly person on a daily basis, frequently without any compensation and with great sacrifice to the career of the caregiver. But the scrutiny starts with close family members living with seniors because they have access to the senior and their finances. So, if you're one of the many caregivers, keep accurate records of how you handle the senior's finances in the event any transactions are called into question later.

Seniors also receive emails and phone calls coercing them to give money for a variety of bogus reasons. Practically speaking, once the money is gone, it's very difficult to recover. So, curbing the spread of financial exploitation starts with prevention.

While the study contains recommendations of legislative and policy changes, there's more we can be doing as citizens, neighbors and family members at a local level.

Prevention starts with paying attention to the needs of our seniors. This attention cuts across medical, financial, legal and daily care needs. In this regard, take a look at our column from last month, particularly if you're living far from the senior about whom you're concerned for some suggestions.

Stay in touch with the seniors in your life to make sure they are being taken care of properly. Who are they interacting with? How are they spending their money? Do they have the appropriate legal documents in place? New friends in their lives? Are their caregivers family or "friends," and if the latter, what is the friend's background?

Especially in this time of heightened awareness during the pandemic, it is important for us to remain focused on the needs of seniors and notice those changes that might signal financial exploitation is occurring and resolve it before it's too late.

*Julian Gray and Frank Petrich are certified elder law attorneys who practice in the Pittsburgh area at Gray Elder Law. Send questions to [elderlawguys@grayelderlaw.com](mailto:elderlawguys@grayelderlaw.com) or visit [www.grayelderlaw.com](http://www.grayelderlaw.com).*