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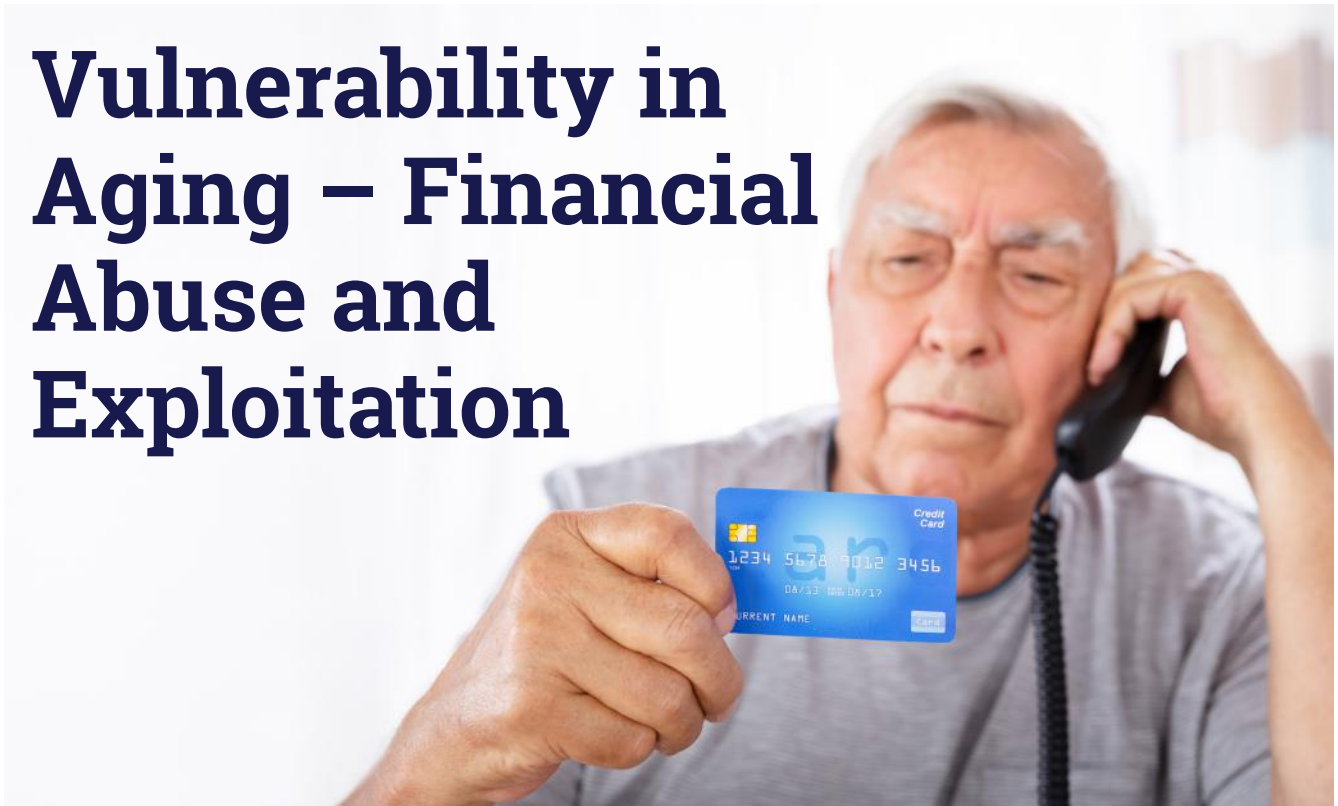


RRA NEWSLETTER

Vulnerability in Aging – Financial Abuse and Exploitation

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Vulnerability in Aging – Financial Abuse and Exploitation



Unfortunately, financial abuse and exploitation is a reality many seniors face in their retirement. Strikingly, financial institutions have reported the number of these incidents tripling since 2017. And no matter how big or small the deception may be, it leaves elders financially and even emotionally devastated.

The question remains: how can you protect yourself and your loved ones from it? Having a solid understanding of what elder financial abuse and exploitation is, how to spot red flags, and what preventative measures can be put in place is a great place to start.

What is elder financial abuse and exploitation?

Elder financial abuse and exploitation are when someone within the elder's life misuses or takes advantage of their assets for their own benefit. Oftentimes, it is done without the consent or knowledge of the victim and can leave them without significant financial resources they worked hard to save. The worst part is family, friends, or even caregivers can commit elder abuse or financial exploitation. It is not uncommon for force, harassment, or threats to be involved either.

Why does elder financial abuse go unreported?

It is estimated billions of dollars per year is lost to elder abuse and financial exploitation. And sadly, financial exploitation can be even harder than physical elder abuse to detect. Circumstances vary and warning signs are not always prevalent.

There are four major reasons why the financial abuse goes unreported:

- 1. A trusted family member or caregiver is the abuser**
- 2. Vulnerable older adult doesn't know it happened until too late**
- 3. Victim experiences overwhelming shame**
- 4. Elder doesn't know who to tell or where to report**

The abuser may be someone the senior relies on for basic needs and care and fearing further abuse and retaliation is often part of the situation to why the abuse goes unreported. A victim's lack of mentality or physical ability also factors into why the abuse may go unreported.

Reporting the exploitation and abuse can be a very overwhelming experience. And the process varies immensely state to state. Fortunately, your local adult protective services can help guide you through the process for you or a loved on and point you to resources you didn't even know of.

Who Is The Target Of Elder Financial Abuse?

According to the National Center for Elder Abuse, 1 in 10 seniors over the age of 60 have or will experience financial exploitation and abuse. However, many aren't educated on what to look for.

Cognitive impairment and physical restrictions on daily living activities that require help increase the vulnerability of an older adult. However, that is not always true. Even the most aware and physically capable seniors can be victims of financial exploitation.

And while it is common practice for older citizens to manage their money and make decisions on their own, the risk for elder financial abuse increases without either a financial advisor or a trusted professional to help oversee investments, transactions, etc.

The most important step is to be on the lookout for warning signs. Red flags might not always stick out. Some common ones follow:

- Sudden change in banking
- Unusual activity on credit cards
- Unpaid bills resulting in utilities and necessities being shut off
- Unauthorized ATM uses and excessive cashed checks
- Handing over financial power and transferring assets to another with no explanation
- Cash or valuables disappearing
- Sudden change in will or financial documents
- Change in elder's demeanor

Tips and Tricks to Prevent Elder Financial Abuse

The best way to prevent financial abuse is stop it before it even happens. Identifying the signs and protecting yourself begins with understanding what financial abuse and exploitation is.

Another great way to prevent it would be to involve a trusted family member, caregiver, or even financial professional. Act early and make it known you want to manage your money and property before any mental capacity diminishes. Since elders are likely to have a memory disorder, keep your will updated or create a power of attorney or a trust.



Setup automatic bill pay and direct deposit for checks to reduce the misuse of funds and income streams. Regularly check credit card reports, credit score, and financial statements to any signs of financial abuse or fraud.

Another amazing way to help prevent financial abuse and exploitation is to stay active, do not isolate yourself and do your best to involve seniors. Stay in touch with family regularly and check in on your neighbors and close friends who may live farther away. Isolation tremendously increases the risk of elder abuse and exploitation. Keeping a network of family and friends close is an excellent way to combat financial abuse.

Common Forms of Elder Financial Abuse:

Retiring is tricky enough, and retirement planning is also not a walk in the park. Those who decide on a semi-retired life should be aware of a few things before moving forward.

1 *Theft*

Involves the taking of assets or funds without knowledge or consent including cash, valuables, or personal property

2 *Fraud*

Dishonest management of an elder's assets including check forgery, Ponzi-schemes, or falsifying banking records

3 *Real estate*

Misuses or transfer of personal property title or changing estate documents

4 *Lottery scams*

Transfer or payment of funds to collect unclaimed prizes from sweepstakes or the lottery

5 *Contractor scam*

Handymen receive payment for project but do not complete, oftentimes resulting in invalid lien on house

6 *Electronic*

Phishing emails to trick elder into giving up passwords and usernames, may include wire transfers, faxes, and sometimes phone communication

7 *Mortgage*

Scam offering non-compliant or unaffordable products or services, sometimes may be a loan issued against property by unauthorized parties

8 *Insurance*

Sales of inappropriate products such as a long annuity with a very old person, including trade of life insurance policy

Upcoming August Webinars

8/8/22

WOMEN, MONEY, AND POWER: TAKE CONTROL OF YOUR FINANCIAL FUTURE

8/9/22 – A FRAMEWORK FOR YOUR RETIREMENT INCOME STRATEGIES

8/10/22 – GETTING SAFELY THROUGH RETIREMENT – A NEW PARADIGM IN RETIREMENT PLANNING

8/11/22 – HOW TO PROTECT YOUR RETIREMENT ASSETS BEFORE THE NEXT CRASH

8/15/22 – GETTING SAFELY THROUGH RETIREMENT – A NEW PARADIGM IN RETIREMENT PLANNING

8/15/22 – ROTH IRAS: A GREAT OPTION FOR MOST RETIREES

8/16/22 – EVOLVING RETIREMENT LAW: THE CHALLENGES, THE CHANGES & YOUR CHOICES

8/18/22 – THE TRUTH ABOUT REVERSE MORTGAGES: EVERYTHING YOU NEED TO KNOW

8/19/22 – TAX-FREE INCOME FOR LIFE: HOW TO ELIMINATE RISK IN RETIREMENT

8/22/22 – GETTING SAFELY THROUGH RETIREMENT – A NEW PARADIGM IN RETIREMENT PLANNING

8/23/22 – SHOPPING FOR LONG-TERM CARE INSURANCE & YOUR NURSING HOME

8/24/22 – TAKE CONTROL OF YOUR RETIREMENT WITH A SELF-DIRECTED PLAN

8/26/22 – EVOLVING RETIREMENT LAW: THE CHALLENGES, THE CHANGES & YOUR CHOICES

8/31/22 – GETTING SAFELY THROUGH RETIREMENT – A NEW PARADIGM IN RETIREMENT PLANNING

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Your Retirement is at Risk

Longevity is increasing yearly.

Inflation has risen alarmingly.

Taxes are projected to double in the coming years.

We have the solution for CPAs so your retirement is safe.



FREE 2 CPE WEBINAR - AUGUST 10th, 15th, 22nd, or 31st


Getting Safely Through Retirement


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