Senior financial abuse scams are a multi-billion dollar "industry." Studies estimate the annual financial loss nationwide to be around $2.9 billion. In a recent New York State study, estimated annual losses for seniors in a subsample of New York State districts fell between $352 million to $1.5 billion, suggesting the national total may be substantially higher than previously estimated. Although it can be difficult to measure the exact extent of the total financial loss, we know that these crimes are on the rise and continue to deprive seniors of their savings and assets. These figures do not account for the tens of billions spent on indirect costs for medical care, social services, and legal costs, or for the pain and suffering of the victims. Victims are not only older people, but also their families and all who provide services and financial assistance.

All seniors, regardless of income, are at risk. Financial abuse may be perpetrated by anyone—a professional con artist, a paid caregiver, a stranger or casual acquaintance, or even a son, daughter, or other family member.

The following factors contribute to the prevalence of senior financial abuse:

- A high percentage of seniors live alone and may be more vulnerable to scams.
- Seniors may be trusting and readily believe the sales “pitches” they hear.
- The population of seniors is increasing, providing a continuous source of wealth for financial abusers.

Education and awareness are two key strategies to preventing and responding to elder financial abuse. This brief describes a type of abuse, called undue influence, and provides resources to keep seniors from becoming victims.
Undue Influence

Undue influence is a critical part of any type of senior abuse—financial, physical, or sexual. Some seniors are more likely to be vulnerable to undue influence because they are more trusting in nature or have a reason to be dependent on someone else. Sometimes, because of a disability, a senior must rely on someone else to help with everyday activities. Other times, the senior may be isolated, depressed or grieving, and need someone for emotional support.

How You Can Recognize Undue Influence

Undue influence is often the cause of other types of financial abuse and shares many of the same indicators. Signs include:

- Missing checks or property.
- Unusual activity in bank accounts.
- Eviction notices or lack of utilities that should be provided by the senior’s income.
- Placement, care, or living conditions that do not match the senior’s financial ability to pay.
- A recent acquaintance or caregiver who expresses an unusual affection for the senior and may have moved into the senior’s home or apartment.
- A caregiver who shows unusual interest in the senior’s financial arrangements.
- A caregiver who promises lifelong care, or threatens to leave the senior, in exchange for the senior’s property.

Since undue influence involves one person wholly taking advantage of someone unable to defend herself or himself, many consider it a type of domestic violence.

Similarities to domestic violence include:

- The victim and the abuser have an ongoing relationship that allows the abuse to occur.
- The abuser may ‘charm’ the victim, to gain control.
- The abuser isolates the victim and creates dependency on the abuser or the abuser provides inadequate nutrition, withholds medication, or deprives the victim of sleep.

How You Can Help Stop Undue Influence

Someone close to the victim, either a relative or close friend, often exercises undue influence. Many cases of undue influence go undocumented because seniors hide or minimize the abuse and protect the abuser in order to avoid conflicts within their family. Also, dishonest guardians, conservators, and those given Power of Attorney can exercise undue influence. To help determine if the senior is being unduly influenced:

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Explore the relationship between the senior and the suspected perpetrator

- How much time does the suspected perpetrator spend with the senior?
- Is the alleged perpetrator a recent acquaintance or family member?
- Are there signs that the alleged perpetrator has financial, mental health or substance abuse problems?
- Does the senior have the mental capacity and ability to make financial decisions?

Assess the total situation

- Has the senior become socially withdrawn or isolated?
- Have the living conditions of the senior deteriorated?
- Are basic amenities lacking from the house?

Document discrepancies

- Do the check signatures look fraudulent?
- Are funds being diverted to accounts the senior does not solely control?
- Is the alleged perpetrator giving unclear, contradictory, or elusive responses about the senior’s situation?

If you suspect wrongdoing, immediately notify Adult Protective Services and file a report with the local police department. You may also contact the prosecuting attorney (or district attorney) in your area. You do not need to prove that abuse is occurring; it is up to the professionals to investigate the suspicions. Law enforcement will look for evidence of the suspect undermining the victim's confidence, and manipulating and lying to the victim.

Call the police or 9-1-1 immediately if someone you know is in immediate, life-threatening danger.

**ADDITIONAL HELPFUL RESOURCES**

Many public agencies are involved in preventing and detecting senior abuse and in prosecuting those who commit it. Many organizations are also dedicated to educating seniors on these topics:

- **National Center on Elder Abuse**
  State Resources: Helplines, Hotlines and Information.
  [www.ncea.acl.gov](http://www.ncea.acl.gov)

- **National Center for Victims of Crime—Financial Crime Resource Center**
  Helps victims of financial crime recover their assets and recover control of their lives.
  [www.victimsofcrime.org](http://www.victimsofcrime.org)

- **Federal Trade Commission**
  Protects consumers from unfair, deceptive and fraudulent business practices.
  [www.ftc.gov](http://www.ftc.gov)

- **Financial Fraud Enforcement Task Force**
  A coalition of federal, state, and local law enforcement that investigates and prosecutes financial fraud.
  [www.stopfraud.gov](http://www.stopfraud.gov)

- **Postal Inspection Service**
  Investigates domestic and international fraud which uses the U.S. Mail.
  [www.postalinspectors.uspis.gov](http://www.postalinspectors.uspis.gov)

- **The Securities and Exchange Commission (SEC)**
  Investigates securities and investment fraud.
  [www.investor.gov](http://www.investor.gov)
  1-800-732-0330

- **U.S. Administration on Aging**
  In partnership with the National Association of Area Agencies on Aging, operates the Eldercare Locator to help individuals find local caregiving services and resources.
  [www.eldercare.gov](http://www.eldercare.gov)
  1-800-677-1116

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National Resource Center on Women and Retirement Planning

The Women’s Institute for a Secure Retirement (WISER), in partnership with the Administration on Aging, operates the National Resource Center on Women and Retirement Planning. The Center provides user-friendly financial education and retirement planning tools for low-income women, women of color, and women with limited English speaking proficiency. WISER’s mission is to educate women about the issues that affect their long-term financial security and highlight the importance of taking an active role in planning for retirement. WISER offers tools and resources on the topics of Social Security, retirement plans, savings and investments, banking, caregiving, divorce and widowhood, and long-term care.

1140 19th Street, NW, Suite 550
Washington, DC 20036
(202) 393-5452
www.wiserwomen.org

National Adult Protective Services Resource Center

NAPSA, in partnership with the Administration for Community Living, operates the National Adult Protective Services Resource Center (NAPSRC). The Resource Center serves professionals from Adult Protective Services (APS) agencies across the United States. The goal of the Resource Center is to provide federal, state and local APS agencies with current, accurate, research based information and training, along with technical assistance to improve their capacity to provide effective protective services to vulnerable and elder adult abuse victims.

NAPSA also operates the National Institute on Elder Financial Exploitation (NIEFE), the first national clearinghouse to focus on the complex issues of elder financial abuse.

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