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**CLIENT BULLETIN**

**Financial Fraud of the Elderly**

Recently, a survey was conducted among 2,022 adults living in the United States. The focus on the survey was elder financial abuse and exploitation in the United States. The survey itself reports a margin of error of plus or minus two percentage points. The results are troubling to say the least.

Of those individuals aged 65 or older responding to the survey, 20 percent, which equates to more than 7.3 million senior citizens, reported that they had been taken advantage of financially in terms of either inappropriate investments, unreasonably high fees for financial services, or outright fraud. This figure is even more interesting when one considers the answer given to the same question by children of individuals age 65 or older. Fifteen (15) percent of the children surveyed reported that their parent or parents had been taken advantage of financially. Consequently, those individuals self reporting were higher than the beliefs of the children reporting. It is estimated that perhaps as high as 80 percent of elder fraud goes unreported.

The survey also reported that 71 percent of parents over the age of 65 handle their finances themselves.

From a medical standpoint, it has been reported that more than one-third of individuals older than 70 have some form of memory impairment. This is from a study done in 2008. Unfortunately, these cognitive impairments make the elderly more vulnerable to fraud.

Ninety-one percent of individuals reporting to the initial survey aged 65 and older have living children. Forty percent of the children with parents over age 65 were “very” or “somewhat” worried that their parents have already become or will become less able to handle their personal finances over time.

Unfortunately, given the recent economic conditions, our senior population is at an even greater risk for threats with respect to their financial security. According to a recent report, stealing from our seniors may total as much as \$2.6 billion a year.

One of the focuses on the survey was the relationship between the children and their parents’ healthcare providers. While less than five percent of the children reported that healthcare providers ever mentioned any concerns about their parents’ handling of money, almost 19 percent reported that healthcare providers had mentioned concerns about their parents’ mental comprehension. Furthermore, approximately 60 percent of the children surveyed are not in touch with their parents’ healthcare providers at all.

Becoming aware of the problem is just the first step. The survey confirms what many of us have known – our senior population is at great risk for being taken advantage of financially.

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We are always grateful for your trust in recommending us to others.

A referral from you and your continued business are the highest compliments we could ever receive.

It is important for each and every one of us to be more informed about our family's health and to have an appropriate understanding of the financial situation. Having a fresh set of eyes to review transactions and bank statements is very important. Furthermore, having a better understanding of medical conditions is equally important.

As our society becomes more and more mobile, often we become more isolated from our immediate family. Fortunately, most financial records are now readily available on line and can be reviewed from practically any computer anywhere. Hence, geographical proximity is not as important as having someone you trust assist you with your financial matters.

We encourage everyone to take an active role in better understanding your family's health considerations, as well as their financial situation. Utilize the services of professionals and local social service agencies that are there to provide assistance for families, especially for seniors.

There is no doubt that our senior population is currently a target for financial impropriety, and it is important that we take immediate action to protect our families in these difficult times.

**\*\*NOTICE\*\***

This bulletin provides general information and is not legal advice. Please contact us if you need legal advice.