

Top Five Tips to Protect Seniors from Financial Scams

With tax season approaching, Home Helpers recognizes that financial elder abuse is something every family should be discussing with their loved ones.

Imagine how devastating it might be to have your life savings stolen by a stranger, an acquaintance or a family member. One of five people age 65 or older have been financially scammed or swindled according to the [Investor Protection Trust](#). Sadly, the perpetrators are often family and others in a position of trust.

Older people tend to be quite trusting, which makes them easy prey. As the saying goes, *"If it sounds too good to be true,"* it probably is! Special offers, promises of great returns on investments and even stories of hardship from friends and family will of course sound convincing, especially if the storyteller is trying to get your money.

While the value of property or the amount of money can vary from hundreds to millions of dollars, recent studies found that victims of elder financial abuse lost on average \$90,000. Seniors who have been financially abused often find themselves living a marginalized existence and may become dependent on Medicaid and other community support for the remainder of their lives.



With the unprecedented growth of the older population over the next decade, the problem of financial exploitation is only expected to get worse. "At Home Helpers, we are committed to bringing awareness to the issue of elder financial abuse," said President Emma Dickson. No one should ever pressure older people for money."

As we begin the New Year, we caution people not to be too trusting. The following are our top five tips to help seniors protect themselves against being financially abused:

- 1. Acknowledge the risk.** Every older person has some risk of being financially exploited. While women age 75 and older and people with cognitive impairment are twice as likely to be scammed or swindled, elder financial abuse has been referred to as an Equal Opportunity Crime. This suggests everyone is at risk regardless of gender, ethnicity, socioeconomic status, or zip code.
- 2. Monitor statements and check the change.** Each month, review your credit cards and bank statements looking for out of the ordinary charges. If something seems incorrect, make a report and dispute what

may appear to be unauthorized charges. Also, if someone runs an errand for you, it is okay to expect that change be returned and to ask for the change if it is not offered. Small amounts or big amounts, it all adds up. Additionally, keep your credit cards, checks, valuables and personal information in a safe place.

3. **Act rationally, not emotionally.** People who try to manipulate older adults to get their money tend to create a sense of urgency. Before giving money, consider whether or not you can afford it without facing hardship yourself. If after paying your recurring monthly bills and considering the money you need to put aside for groceries, medical expenses, transportation/gas, do you have money left over to give? It may also be wise to try and verify a hardship story (e.g., lost job, house in foreclosure, past due notices). Instead of acting immediately, wait a few days to decide if you are in a position to help.
4. **Pay bills instead of giving cash.** People who prey on older adults are often living beyond their means or have costly habits they are trying to support (e.g., drugs, gambling). If you choose to help someone financially, consider drafting a simple agreement that spells out your expectations for repayment (e.g., time period, interest). If that same person comes back a second time without repaying the amount previously borrowed, it may be easier for an older person to have the confidence to say no. If a family member says he/she needs money to pay the mortgage or gas/electric, ask to see the past due notice. Make a check out the creditor for the amount due rather than giving your loved one cash.
5. **Have the confidence to say NO!** If someone asks you for your hard-earned money, know that you have the right to say no. Often there are other options the person in need could consider (e.g., taking out a loan or second mortgage, opening up a credit card account, making lifestyle changes to reduce expenses).

To help reduce the risk of being financially abused, we suggest getting a second opinion from someone who may be impartial and offer an objective point of view. For various reasons such as shame and embarrassment, older people who are swindled or scammed rarely report an incident or seek help as they may fear the consequences or retaliation.

If you suspect someone is being financially abused, contact the Adult Protective Services in your state or county. You may be the person's only hope for help.

- **National Adult Protective Services Association:** Visit www.apsnetwork.org/Abuse.index.html for a list of agencies and phone numbers by state.
- **National Committee for Preventing Elder Abuse:** www.preventelderabuse.org

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