

Financial Exploitation and Dementia: How to Spot it and What to Do

Kay Adams, LCSW
Compassion Works, LLC
Kaymadams.com



A close-up photograph of an elderly person's hands, showing wrinkled skin and a grey knitted sleeve. The hands are held open, palm up, and contain several small, worn coins. The background is dark and out of focus.

Elder financial exploitation or abuse

When someone steals money or other things of value from an older person. This is especially true in cases where someone has some form of dementia, as these conditions cause mental functioning to decline.



Who is at risk of elder financial abuse?

- Older adults that do not have a good support network of trusted family or friends could be at a greater risk of abuse.
- If people are not checking up on an elder, financial abuse can go unnoticed for days, months, or even years.



Dementia & Financial Abuse

Cognitive impairment and dementia: Are some of the biggest risk factors for an individual becoming a victim of financial exploitation.

A person who is experiencing problems with thinking (cognition) or memory is more vulnerable to being deceived by others, and at greater risk for having their funds be misused.

Red Flags



- Unusual cash withdrawals from an elder's bank accounts by the elder, an agent under a Power of Attorney, or another person;
- A sudden increase in credit card activity or banking practice.
- Recent changes in elder's finances or a sudden transfers of assets; Inappropriate fees for service providers or questionable caretaker behavior.
- An abrupt and unexplained change in agent under a Power of Attorney or beneficiary on a POD account, or new names added to existing accounts.

Red Flags



- Signatures that seem forged, unusual, or suspicious; or the unexplained disappearance of funds or possessions.
- The appearance of new “best friends” in elders life
- Cognitive decline or loss of financial acumen
- Mobility or frailty issues

Red Flags



- Forgeries on legal documents or checks
- Checks or bank statements that go to the perpetrator
- Large bank withdrawals or transfers between accounts
- Missing belongings or property
- Mood changes (such as depression or anxiety)

Red Flags



- The elder signed strange documents they didn't understand, or they don't understand their current financial situation.
- Unpaid bills and eviction notices & utilities being discontinued.
- Unexplained withdrawals that the elder could not have made.

Someone may be financially abusing an older person if they:

- Are referred to as a “new best friend”
- Charge too much for products or services
- Force the elder to change their will or bank accounts
- Have financial problems of their own
- Make a lot of new financial decisions for the elder



- Offer strange explanations about the elders financial situation.
- Show an unusual interest in how much money the elder is spending.
- Use the possessions or credit cards of an older person without their permission.
- Use trusted positions as a way to gain confidence.



The most common perpetrators of elder abuse

- Family members & hired caregivers
- A person usually known to the elder
- Consumer fraud that targets elders, or financial predators who gain the trust of an older adult to con the elder out of their money or property.

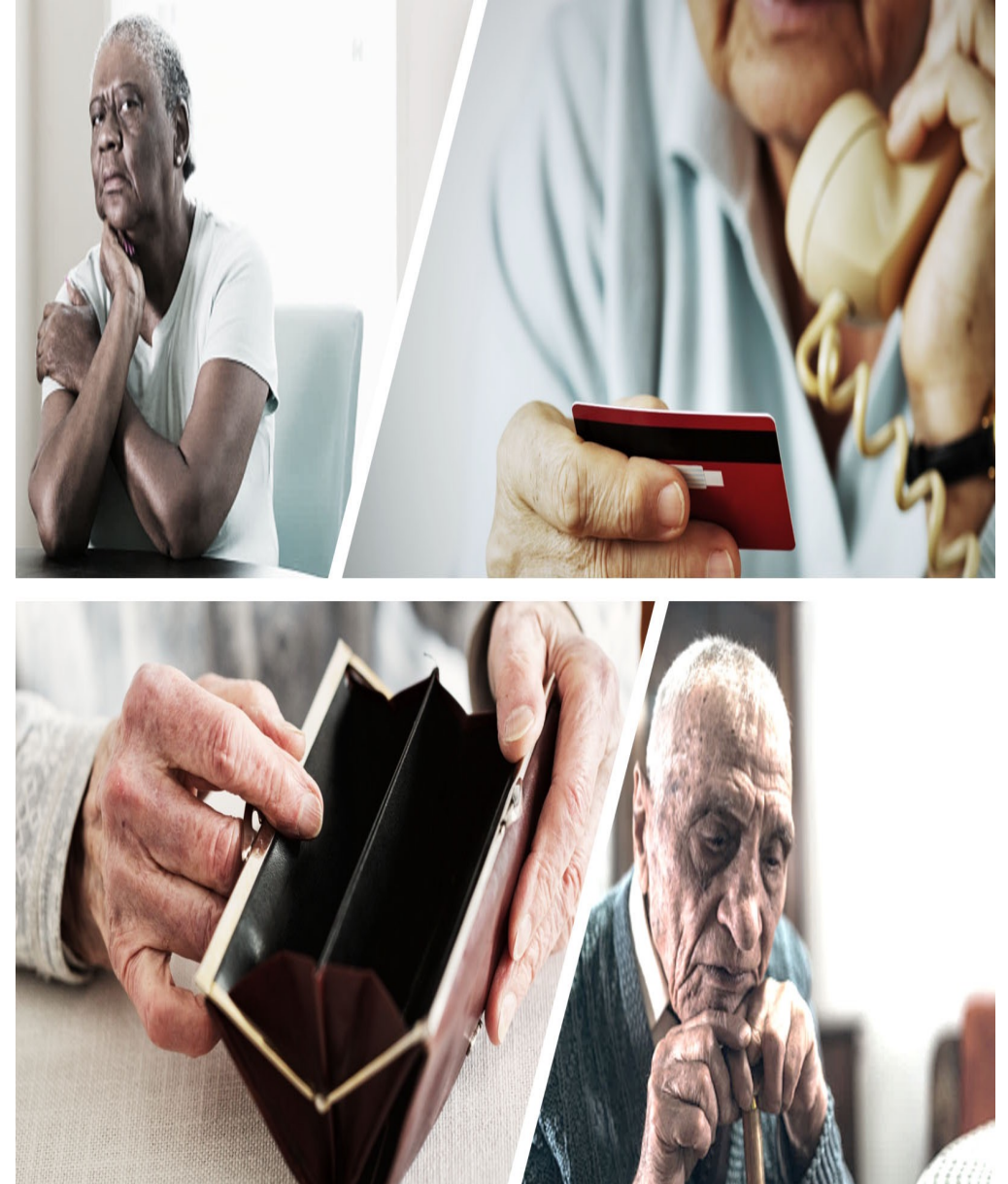


Could be ANY family member who:

- Has gambling or financial problems
- Drug/alcohol, mental health issues
- Stand to inherit \$ from the elder
- Has a violent history/is intimidating
- Is inexperienced as a caregiver
- Has a poor relationship with the elder

Or a Professional who:

- Misuses their position or trust or power



Financial Abuse & Dementia



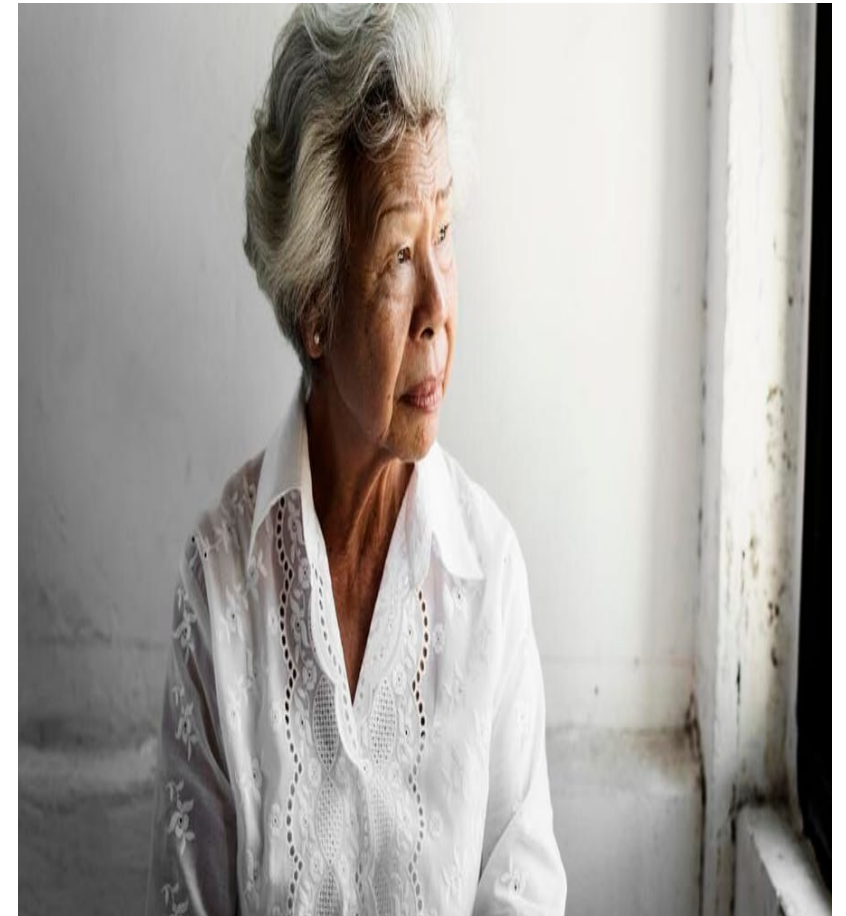
Having dementia can make someone an easy target: they may not have the capacity to understand what they are being asked or forced to do, and may not remember what has happened to them.

Even when a person does disclose abuse they may not be believed. It might be assumed that the person who is confused is not credible.

Victims may find it hard to talk about their experiences, especially when dependency is involved. This can be exacerbated for a person with dementia, who might already have difficulties communicating their experiences.

Why elders are reluctant to report abuse

- They don't want to cause trouble or bring shame on the family.
- Dependence on the caregiver
- Fear of retaliation & loss of independence
- Lack of capacity to know what's wrong



Reporting financial abuse



- **APS** (Adult Protective Services)-- in the county where the abuse took place.
- **Local police**-- to report the crime.
- **Banks and credit unions**-- can help resolve discrepancies and see if financial exploitation might be taking place.
- **Ombudsmen**— On staff in long-term care facilities. Nursing home ombudsmen act as liaisons between facilities & residents.
- **Call (855) 322-6561** to get more information about reporting elder financial abuse. (NH Abuse Center)

National Hotline Helps Victims of Elder Financial Fraud



**NATIONAL ELDER
FRAUD HOTLINE**

1-833-FRAUD-11

1-833-372-8311



- Plan ahead; carefully assign POA's; consider a Trustee or care manager
- Thoroughly screen and check references of anyone you hire
- Don't open the door to strangers or invite anyone in that you don't know
- Secure Financial Documents & photograph valuables for your records
- Don't get pressured into a deal—take your time and shop around
- Never pay fees or taxes in advance for winnings
- Don't give out private info to anyone who calls you on the phone.

A scenic landscape featuring a mountain range under a vibrant sunset sky. The sun is low on the horizon, casting a warm glow over the scene. In the foreground, a field of pink flowers is visible. The text "Thank you!!!" is overlaid in a large, white, italicized font.

Thank you!!!

Kay Adams, LCSW

Compassion Works, LLC

Phone: 303-875-5508

E-Mail: kay@kaymadams.com

Website: kaymadams.com

Facebook: [Compassion Works by Kay Adams](#)