

## The Unfortunate Rise of Elder Financial Abuse

by Keith S. Dubanevich  
Stoll Berne



Elder financial abuse is the theft or conversion of money or other property by caregivers, relatives or other people. The number and complexity of elder financial abuse reports has grown significantly over the past decade. Indeed, recent research by the National Center on Elder Abuse and The MetLife Mature Market Institute<sup>®</sup> shows elder financial exploitation is widespread, costly and sometimes deadly.

- One in nine seniors reported being abused, neglected or exploited in the past year and the rate of financial exploitation is extremely high, with one in 20 older adults indicating some form of perceived financial mistreatment.
- Only one in 44 cases of financial abuse is ever reported.
- Annual financial loss is estimated to be at least \$2.9 billion.
- Abused seniors are three times more likely to die prematurely, and elder abuse victims are four times more likely to go into a nursing home.

Lawyers, who are now mandatory reporters, ORS 124.055, need to be aware of potential abuse and what to do about it.

### Common perpetrators

Financial exploitation commonly involves trusted persons such as caretakers, family members, neighbors, friends and acquaintances, attorneys, bank employees, pastors, doctors or nurses. Often these people:

- Have substance abuse, gambling, or financial problems,
- Stand to inherit and feel justified in taking what they believe is “almost” or “rightfully” theirs,
- Fear their older family member will get sick and use up their savings, depriving the abuser of an inheritance, or
- Want to prevent siblings or other family members from acquiring or inheriting the older person’s assets.

Predators sometimes identify vulnerable persons by driving through neighborhoods (to find persons who are alone and isolated) or contact recently widowed persons they find through obituaries.

### Common scams

Common scams by strangers include lottery and sweepstakes scams (“You’ve already won! Just send \$2,500 to cover your taxes”); home repair/traveling con-men (“We’re in your area and can coat your driveway really cheaply”); grandparent scams (the elderly person is called and told their grandson

is in jail and needs them to send money immediately); and charity scams (soliciting funds for good sounding causes but which provide little real benefit to the charity).

Scams perpetrated by “professionals” include predatory lending (seniors pressured into taking out inappropriate reverse mortgages or other loans); annuity sales (seniors pressured into using the equity realized from a reverse mortgage (or other liquid assets) to buy an expensive annuity which may not mature until the person is well into their 90s or over 100); investment/securities schemes such as pyramid schemes or promises of unrealistic returns; internet phishing (false emails about bank accounts); and identity theft.

Family members and trusted friends exploit vulnerable adults by using a power of attorney to steal money; taking advantage of joint bank accounts; using ATM cards and stealing checks to withdraw money; threatening to abandon, hit or otherwise harm the victim; refusing to obtain needed care and medical services for the victim; in-home care providers charging for services not provided, keeping change from errands, paying bills which don’t belong to the vulnerable adult and asking the vulnerable adult to sign falsified time sheets.

### Why are the elderly attractive targets?

People over 50 control over 70% of the nation’s wealth. Often the elderly have disabilities that make them dependent on others for help, and these “helpers” may exercise significant influence over the older person. Elders may also have predictable patterns that make them vulnerable (e.g., because older people are likely to receive monthly checks, abusers can predict when money arrives

and the recipient needs to go to the bank).

The elderly are also less likely to take action against their abusers as a result of illness or

embarrassment. And sadly, some abusers assume that frail victims will not survive long enough

*Continued on page 19*



**K. William Gibson**  
Arbitrator & Mediator

No charge for travel to Central Oregon, Eugene, and Salem

(503) 307-1676  
gibsonmediation.com



35 Years Experience

Court Arbitration • UM/UIM Arbitration • PIP Disputes  
Business/Real Estate • PI Mediation  
Business Mediation • Real Estate Mediation

Schedule online at [www.gibsonmediation.com/calendar](http://www.gibsonmediation.com/calendar)



**Michael Dwyer**  
Lawyer of the Year  
Family Law Mediation  
Best Lawyers® 2015

Dwyer  
Mediation  
& Law

[www.dwyermediate.com](http://www.dwyermediate.com) | 503-241-9456

**PAYMENT PROCESSING, EXCLUSIVELY FOR ATTORNEYS.**

1.95% per transaction | No swipe required | No equipment needed

**mba** Multnomah Bar Association  
Proud Member Benefit Provider

## Helping law firms get paid.

It is critical for attorneys to handle credit card transactions correctly. IOLTA guidelines and the ABA Rules of Professional Conduct require attorneys to ethically accept credit cards. LawPay guarantees complete separation of earned and unearned fees, giving you the confidence and peace of mind that your transactions are always handled the right way.

[www.LawPay.com/mbabar](http://www.LawPay.com/mbabar) | 866.376.0950

AffinityPay is a registered ISO/MSP of BMO Harris Bank, N.A., Chicago, IL

**LAWPAY**  
CREDIT CARD PROCESSING

## Objections to wastefulness? Sustained.

At LNS Court Reporting, we believe that part of serving our community is keeping it healthy and green.

We are the only court reporting firm Gold Certified by the City of Portland Sustainability at Work program.

Ask about our sustainable options when you book your next deposition.



**LNS COURT REPORTING & VIDEOCONFERENCING**  
Witness the Difference

503.299.6200 • 800.366.6201 [LNScourtreporting.com](http://LNScourtreporting.com)



**RESPECTED  
RESOURCEFUL  
REASONABLE**

**Arbitration and Mediation**  
**Thomas W. Brown**

- Approved arbitrator for Arbitration Service of Portland
- Approved mediator for Oregon Court of Appeals Settlement Conference Program
- Member OSB Alternative Dispute Resolution Section, Executive Committee
- 2015 Best Lawyers® Portland-OR, Insurance Law, "Lawyer of the Year"
- 2014 Best Lawyers® Portland-OR, Appellate, "Lawyer of the Year"

**COSGRAVE VERGEER KESTER LLP**  
Attorneys

[cosgravelaw.com](http://cosgravelaw.com) • 503-323-9000  
500 Pioneer Tower • 888 SW Fifth Avenue • Portland, OR 97204

### Elder Financial Abuse

Continued from page 17

to follow through on legal interventions.

#### What to look for

Knowing what to look for is critically important to prevent elder financial abuse. The National Institute on Financial Issues and Services for Elders recommends looking for these signs of potential abuse:

- Living conditions are well below financial resources.
- Unusual or inappropriate bank account activity.
- Frequent checks for cash are written to a caregiver or financial professional.
- Bills go unpaid or are overdue when someone is supposed to be paying them.
- Titles to home or other assets are transferred for no apparent reason.
- Large, frequent gifts or unexplained loans are made to a caregiver.
- A reluctance to talk about once-routine topics.
- Personal belongings are missing.
- Attempts are made by a caregiver, friend, or relative to isolate the person.
- Changes are made in a will.
- A live-in caregiver refuses to leave or is evasive about financial arrangements.
- The elder has new "best friends."

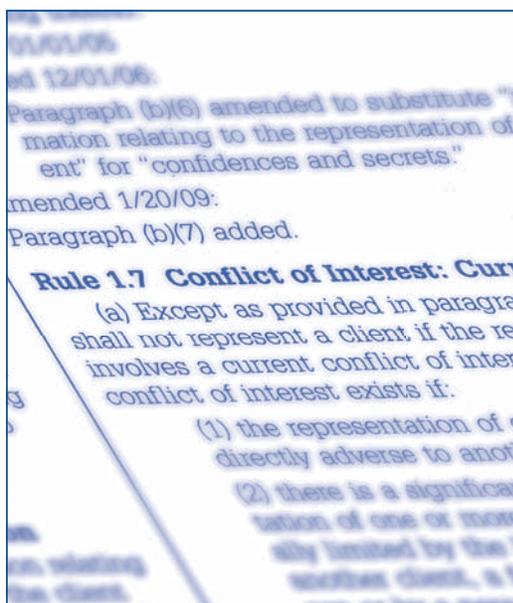
#### What to do

The following steps can be taken to reduce the likelihood of financial abuse:

- Limit the power of attorney.
- Require the agent to provide a periodic accounting of income and expenses to an outside party such as an attorney or financial planner.
- Involve several people in all major financial decisions.
- Have checks directly deposited.
- Use automatic bill paying.
- Hire a geriatric care manager.
- Check references on anyone hired to provide care.
- Reduce isolation.

If you suspect elder financial abuse, you must report it. ORS 124.055. Finally, you can bring a lawsuit against the perpetrator under ORS 124.110.

*Keith Dubanevich is an attorney with Stoll Berne. You can reach him at [kdubanevich@stollberne.com](mailto:kdubanevich@stollberne.com) or 503.227.1600.*



## Conflicted?

We take your conflicts.  
Not your clients.

**STOLL BERNE**  
*the law firm that lawyers trust*

209 SW Oak St. SUITE 500 Tel. (503) 227-1600  
PORTLAND, OR 97204 [www.stollberne.com](http://www.stollberne.com)

## Creative

Family law and estate planning expertise to guide your sure and stable future.



**GEVURTZ** Attorneys at Law  
♦ **MENASHE**

FAMILY LAW • ESTATE PLANNING

Peace of mind for all your tomorrows

OREGON | WASHINGTON  
503.227.1515 | 360.823.0410  
[GevurtzMenashe.com](http://GevurtzMenashe.com)