

Are You a Victim of Financial Abuse?

Recognize the signs — and fight back

by Lynnette Khalfani-Cox, AARP

Elder financial abuse is all too common. About a million older Americans lose an estimated \$2.6 billion annually as a result, according to a MetLife study titled "[Broken Trust: Elders, Family & Finances.](#)" Even celebrities such as Mickey Rooney claim to have fallen victim.

You'd like to think that elder financial abuse is committed mostly by strangers. You'd be wrong. In reality, it's more likely to come at the hands of family members and caregivers. In Rooney's case, the 90-year-old actor pointed the finger at his stepson.

[Elder financial abuse](#) can hit close to home when you least expect it. Not long ago, my mother telephoned me sounding as if she was on the verge of tears. Since mom only works part time and receives Social Security, I thought she might need some money. Instead, she said she wanted emotional support.

A MetLife study found that seniors lose at least \$2.6 billion annually to financial exploitation. "Your sister just asked me for \$200," mom explained. "When I told her I didn't have the money, she suggested that I go to my bank and get a cash advance from my paycheck."

I was mortified that my sibling would ask mom to take out the equivalent of a payday loan. Fortunately, my mother stood her ground and declined to fork over the cash. But that didn't stop her from feeling bad about saying no to her child.

Kids Can Cross the Line Into Financial Abuse

Parents feel emotionally responsible for the economic well-being of loved ones, even adult children. It's a natural inclination. Some children encourage those nurturing instincts in mom and dad more than others. The danger for aging parents lies in adult children turning that subtle manipulation into outright financial abuse.

The sluggish economy already has more adult children — particularly the unemployed and those facing foreclosure — leaning on aging parents for financial support. In some cases, cash-strapped adults use guilt or fear to push the emotional buttons of parents, grandparents and other family members. In other instances, charm, flattery or extra attentiveness is used to achieve a financial goal.

All of these tactics are a form of financial abuse, in my mind. At the very least, they represent economic manipulation. At worst, they can quickly escalate into criminal acts that often go

unreported because victims are too embarrassed, fearful or isolated to share their plight with others.

Billions of Dollars Lost to Financial Exploitation

Even taking into account underreporting of elder financial abuse, experts believe the problem is pervasive and costly.

"At least one in 10 elders is exploited," says Jenefer Duane, founder of the Elder Financial Protection Network, a nonprofit group that aims to prevent financial abuse by creating partnerships and public awareness campaigns. "It's become so rampant, it's an epidemic situation."

The MetLife study found that seniors lose at least \$2.6 billion annually to financial exploitation. It also says that 55 percent of financial abuse in the United States is committed by family members, caregivers and friends. The typical victim is a white female between the ages of 70 and 89 who is cognitively impaired and isolated. The financial abuse can take many forms, from outright theft or forgery to rerouting assets without a victim's knowledge or consent.

"Among family members, there's an enormous sense of entitlement by people who feel like, 'I'm going to get the money anyway [after mom or dad dies],' " Duane says. "So they see themselves as 'borrowing' from their future inheritance."

Do You Fit the Profile of an Elder Abuse Victim?

You're in a financially abusive relationship anytime someone you know, trust or love takes economic advantage of you. See if you fit the profile of one of these "classic" financial abuse victims:

- Pushover Partner: Your spouse, partner or best friend runs up household bills or otherwise hurts your good credit. The person also somehow finagles you into buying the things he or she (and not you) wants.
- Freeloader's Favorite: You're the parent, grandparent, aunt, uncle or friend of someone who enriches himself at your expense. He'll often make you feel guilty by reiterating a hard-luck tale about facing foreclosure, being downsized or going through a divorce.
- Human ATM: You have family members or friends who consistently dip into your wallet, like the cousin who frequently "borrows" money and then conveniently "forgets" to repay you. Or, the nephew who calls you up to bail him out of trouble when the rent is due and the lights are about to be disconnected.

Fight Back Against Financial Abuse

If any of these scenarios seems familiar, then tell someone. Financial abusers count on your silence to mask their misdeeds. Don't be afraid to call your local police department if you strongly suspect financial abuse.

Another source of help is the online [Eldercare Locator](#), a program of the U.S. Department of Health and Human Services that can connect you to support services in your community. The toll-free number is 800-677-1116.

Remember to exercise your right to say no when someone asks for any form of financial support. It's your money, and you have the final say over it. No matter your family circumstances or personal situation, you never have to tolerate being financially pressured by anyone — especially those closest to you.

Source: <https://www.aarp.org/money/scams-fraud/info-03-2011/are-you-being-financially-abused-by-a-family-member.html>