
Financial Abuse in the Headlines: Prevalence of National Newsfeeds

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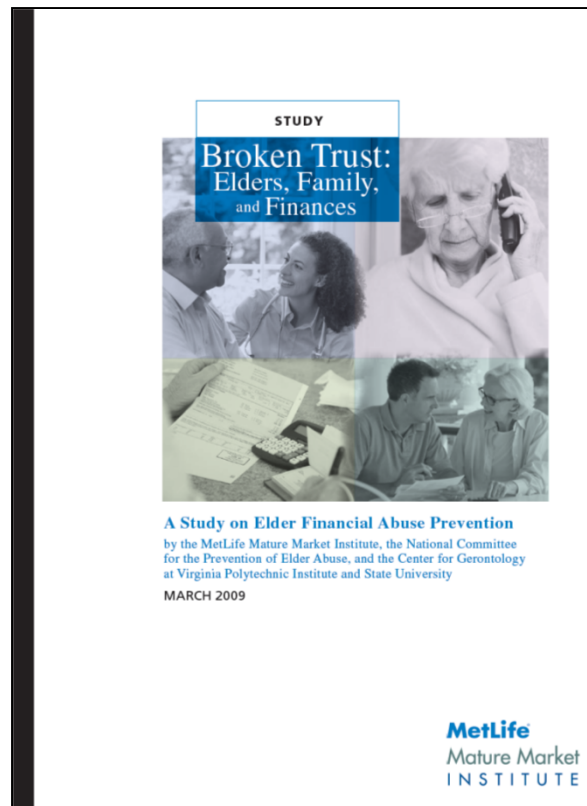
Elder Financial Abuse

- No comprehensive or consensus definition
- For this study, defined elder financial abuse as:
“the unauthorized use or illegal taking of funds or property of people aged 60 and older”
- It is perpetrated by those who gain, and then violate, the trust of an older person

Elder Financial Abuse

- **Financial abuse is the 3rd most commonly substantiated type of elder abuse**
- **For every known case of elder financial abuse, it is estimated that 4 to 5 cases go unreported**
- **Elder financial abuse is a problem in every community and among all social strata**

Broken Trust: Elders Families and Finances



Methodology

Newspaper articles published from April - June 2008

- **AoA National Center on Elder Abuse, collected by NAPSA**
- **Provided real-time information on elder financial abuse**
- **266 articles concerning elder financial abuse**

Coded each article for:

- **Victim age and gender**
- **Perpetrator age, gender, and relationship to victim**
- **Type, location, and frequency of financial abuse**
- **Dollar amount stolen**
- **Outcome of each incident**

Victims of Elder Financial Abuse: An Equal Opportunity Crime

Victim Profile from Newsfeeds

GENDER		< 60		60-69		70-79		80-89		90-99		>100	
		TOTAL	%	TOTAL	%	TOTAL	%	TOTAL	%	TOTAL	%	TOTAL	%
Male	69	3	4	3	4	8	25	31	39	7	13	0	0
Female	130	0	0	4	3	25	19	39	30	13	10	3	2

Older Women are Vulnerable . . .

- Women live longer than their male counterparts
- Greater numbers of older women than older men
- First time they are responsible for household maintenance and finances



Older Men are Vulnerable . . .

- First time they are responsible for household tasks
- May be looking for companionship
- More risk-taking than women – more susceptible to get rich quick schemes



Perpetrators of Elder Financial Abuse

Perpetrators by Type

PERPETRATOR	TOTAL	PERCENTAGE
Trusted Professionals	48	18.0
Family	45	16.9
Caregiver (non-agency)	29	10.9
Caregiver (agency)	25	9.3
Skilled Nursing Facility/Assisted Living	20	7.5
Medicaid/Medical Fraud	18	6.7
Befriending ("Sweetheart Scam")	15	5.6
Home Repair Scam (includes travelers/handyman)	15	5.6
Stranger	14	5.3
Contractors	12	4.5
Criminal (robbery, burglary, rape, drugs, etc.)	8	3.0
Neighbor—Friend	8	3.0
Con Man	5	1.9
Phone Scam	4	1.5
Total	266*	99.8%**

***Does not equal 100 due to rounding.*

Number and percentage distribution of perpetrators of financial abuse—from Newsfeeds April 1, 2008—June 30, 2008 (n=266)

**Note, 266 is the number of cases that provided perpetrator information. Total number of cases was 269; total number of articles addressing elder financial abuse in any form was 357 of total of 1,007 articles.*

Common Traits of Perpetrators

- **Exhibit excellent persuasion skills**
- **Good at cultivating relationships**
- **“Undue influence”**
- **Immediate decision**

Perpetrators Relationship to Victims

Relationship of Perpetrator to Victim

NON-INSTITUTIONAL PERPETRATORS

Family: including "fictive kin" (i.e., non-relatives considered to be "like" family), son/daughter, grandson/granddaughter, niece/nephew, and other relatives

Family, Caregivers, and Friends	82
Family	45
Son	18
Daughter	7
Nephew/Niece	7
Granddaughter/Grandson	6
Other Relatives	6
Fictive Kin	1
Caregiver (non-agency)	29
Neighbor/Friend	8
Others	65
Befriended ("Sweetheart Scam")	15
Stranger	14
Contractors	12
Handyman/Chores/Caretaker	9
Con Man	5
Home Repair Scam	4
Phone Scams	4
"Travelers"	2
Criminal	8
Robber/Burglar	4
Transient	2
Serial Rapist	1
Drugs	1

INSTITUTIONAL PERPETRATORS

Trusted Professionals	48
Financial	33
Attorneys/Paralegal	11
Pastor/Minister	2
Executors/Trustees	1
CPA	1
Other	63
Caregiver (agency/facility)	25
SNF/ALF/Personal Care Home	
Owner/Operator/Business Manager	20
Medicare/Medicaid Fraud	15
Health Care Fraud	1
Hearing Aid Business	1
Therapist	1

Elder Financial Abuse - Family

- Total amount lost → \$10,661,236
- Most likely to exploit elders
- Headlines:
 - ***Son gets jail time for bilking mother***
[\$237,000; Holladay, UT]
 - ***Police seek siblings who stole from elderly uncle***
[\$100,000; Pittsburgh, PA]
 - ***When family fleece family***
[\$735,000; St. Paul, MN]

Elder Financial Abuse - Acquaintances and Strangers

- Total amount lost → \$3,266,377
- Extend “helping hands” – later defraud
- Headlines:
 - ***Caretaker sent to jail for stealing from elderly women***
[\$27,000; Louisville, KY]
 - ***Elderly KC man victim of nearly three-year-long fraud***
[\$57,000+, Kansas City, MO]
 - ***Roofing contractor preyed on elderly***
[\$42,000, Cheektowaga, NY]

Elder Financial Abuse - Commercial

- Overall amount lost → \$250,152,700
- Guise of trustworthiness of a business
- Headlines:
 - ***Attorney accused of bilking estate***
[\$400,000; Queens, NY]
 - ***Banker gets jail for bilking veteran***
[\$40,000; Bradenton, FL]
 - ***Man steals elderly clients' retirement money***
[\$1.8 million - multiple clients; Charlotte, NC]

Elder Financial Abuse

- **In 2008 our estimated reported loss by victims of financial elder abuse: \$2,600,000,000**
- **Tens of billions in additional costs for health care, social services, investigative and legal costs, and lost income and assets**
- **Our findings put a face on financial elder abuse and provided real-time information on a growing problem**

BROKEN TRUST

March 2009 - October 2010

- Report has received 608 media hits -- the total number of individual media outlets in which in which the study was cited
- Potential to be viewed by almost 500 million readers in leading national media and business publications (e.g., Wall St. Journal, NY Times, Washington Post, Los Angeles Times, USN&WR, NPR, Dow Jones Marketwatch)
- Cited at least six times in proposals for federal legislation, as well noted continually in Congressional discussions about elder financial abuse



Elder Financial Abuse

“Crime of the 21st Century.”



–J.F. Wasik, Journalist

