



Many older Americans are at risk of financial exploitation. This risk is especially high for those over age 70 and women. Older adults who have recently gone through a sudden illness or loss of a loved one, who are lonely, or who are suffering from cognitive and/or sensory impairments are also more vulnerable. Even older adults with limited income and assets can be at risk. Power of attorney arrangements can also be risky. Though giving power of attorney to a family member can help the elderly manage their finances, untrustworthy individuals, weak protective measures, and limited oversight can allow abuses to occur.

PREVENTING FINANCIAL EXPLOITATION OF OLDER ADULTS

Exploiting an older adult's financial resources is the third most common form of abuse. Losing assets that have been accumulated over a lifetime can have devastating financial consequences for the victim and can also lead to greater need for public support like Medicaid. Financial exploitation is often accompanied by other types of abuse and neglect, which can impair the victim's health and shorten their life. Exploitation can also damage the victim's sense of security and trust. Because the perpetrator is often an adult child or other relative, financial exploitation of an elder can have major impacts on entire families.

Researchers at land-grant universities across the country are working together to get a more holistic understanding of the personal, family, social, and cultural factors that increase or decrease its likelihood. This work will help protect older Americans from financial exploitation and prevent psychological and economic damage to families and society.

HOW ARE RESEARCHERS ADDRESSING THE FINANCIAL EXPLOITATION OF OLDER AMERICANS?

As a collaborative effort, this team of researchers draws on diverse academic and Extension training, real-world expertise, and shared tools and resources. Over the past five years, researchers interviewed and surveyed older adults (and their families) who have experienced financial exploitation and those who haven't so they can clarify which factors reduce or increase risk. The group also looked at variation among state laws about power of attorney to determine practices that reduce the risk of exploitation. To analyze data easily and more precisely, the team is using software that quickly processes large volumes of data.

Preliminary results show that power of attorney is often appointed based on convenience, sexism, and emotion, not competence and character. Common factors among perpetrators include childhood rivalries, power struggles, family conflict, poor family communication, antisocial personality disorder, materialistic values, financial strain, expectation of payment for their services, and lack of understanding of fiduciary responsibilities. Researchers and Extension specialists are sharing findings with both professional and general audiences.

By understanding how and why elder financial exploitation occurs, instead of just how to identify it, researchers are providing families, healthcare professionals, social workers, counselors, financial planners, lawyers, policymakers, and others with proactive ways to address factors that might lead to exploitation. In particular, understanding factors that increase or decrease the likelihood of financial exploitation enables older adults to make better plans for aging and informed choices about the best person to appoint power of attorney.

Furthermore, interviewed victims were grateful to have a chance to tell their stories and play a part in preventing the abuse of others. Some victims also reported that recounting their experiences improved their understanding of their own family situation and encouraged them to address lingering issues.

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