

## Financial Exploitation Awareness & Resources

Financial exploitation “is regarded as the third most commonly substantiated type of elder abuse. While underreported, the annual financial loss by victims is estimated to be at least \$2.6 billion dollars. Victims are four times more likely to go into a nursing home and 9% of financial exploitation victims turn to Medicaid as a direct result of exploitation.” (National Adult Protective Services Association (NAPSA), 2011). Financial exploitation is the unauthorized and illegal use of an adult’s funds, property, or resources, including medications.

Anyone and everyone is at risk of financial exploitation. Most particularly, individuals who are vulnerable due to fragility, illness, physically or mentally impaired, or depressed. These individuals depend on others for their physical or emotional care and may need assistance with their finances or may not have ever managed their money.

These factors make vulnerable individuals susceptible to this type of crime. Typically, the perpetrator is a family member, care provider, friend or other trusted source that the individual relies on for assistance. Once the exploitation has taken place, the victim may be embarrassed; sad and angry; fearful of moving out of their home; and reluctant to get their family member or trusted friend in trouble with the law.

Perpetrators establish a relationship of trust which is the core for financial exploitation to take place. Establishing and growing the trust relationship gives the perpetrator access to the money and resources. The National Center on Elder Abuse also found that 90% of abusers are family members or trusted others. Common forms of financial exploitation include:

- Using funds from bank accounts;
- Transferring a deed/title;
- Misusing a power of attorney document;
- Using the victim’s social security number to obtain credit;
- Placing a mortgage on victim’s home; and
- Misusing power as conservator.

The best way to combat financial exploitation is by being aware of warning signs and reporting suspicious activity. Warning signs may include acquiring a new “friend” who expresses a sudden interest in the victim; a caregiver who has no visible means of support but is not wanting for much; expenses or bills not being paid; the victim begins talking about giving away heirlooms, prized possessions, or signing a home or farmland in exchange for care; the victim has no memory of financial transactions or signing paperwork; or the victim is not allowed to speak for him/herself.

For more information about financial exploitation, please visit the Iowa Department on Aging’s State Clearinghouse at: [www.iowaaging.gov/national-resources](http://www.iowaaging.gov/national-resources)

To discuss concerns by or for a resident or tenant, contact the  
Office of the State Long-Term Care Ombudsman at 866-236-1430

*The mission of the Office of the State Long-Term Care Ombudsman is to protect the health, safety, welfare, and rights of individuals residing in long-term care by investigating complaints, seeking resolution to problems, and providing advocacy with the goal of enhancing quality of life and care.*