



It Takes a Savvy Senior to Avoid Financial Fraud and Other Abuses

***Sometimes the people we think will keep our best interests
at heart will have different plans.***

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Currently, seniors 65 plus make up over 18% of the population in BC, and it's reported that over 27% of seniors live alone.* Living alone may put seniors at a disadvantage if they are not aware of the perils of dealing with fraudsters. Situations that may put seniors at risk include loneliness and isolation, lack of knowledge about computer scams, telephone scams, letter scams, and unscrupulous neighbours and so-called distant relatives or relatives on the down and out.

Although financial abuse by telephone, letter and computer scams seem to be on the rise, it may be surprising to learn that the greatest reported percentage of financial abuse is by family members.

Often family members don't consider themselves to be acting inappropriately when they disregard the financial needs of their parents over their own needs. They have a sense of entitlement as family. Many seniors have difficulty saying "No" when asked for money by their children. They may be concerned about losing access to grandchildren, being isolated from family or there may be a history of other abuses in the family. They may not realize they have a right to speak up at this stage of life and they also want the best for their children without considering their own consequences.

Many adult children have no sense of wrong doing when they ask their aging parents for a loan to purchase a large ticket item such as a home, car, or a holiday cottage or to help out with a new business venture. They justify it by promising a long-term repayment plan or suggest taking it out of their inheritance. They are not aware of the high costs of aging related to health, and the costs of social well-being, which is a key factor in remaining healthy in later years. The cost of care when faced with Alzheimer's, or some other debilitating illness, can increase to \$10,000 plus per month.

An elderly man wanted to renovate his home to make it safe to live out his later years. Logistically this was a reasonable request he was aware of the costs, but his son who had power of attorney wouldn't allow it because he said it was too expensive. Is this his sense of entitlement coming into play (perhaps unconsciously)? Is it more important that he receive his inheritance than respect his father's wishes to live comfortably in his own home? It's best to express your wishes to your kids before they take on the role as your financial attorney.

Family members must realize they do not have a right to diminish their parent's right to choose quality of life. They should also understand they do not have a right to their parent's money until they die. The cost of living is high in later life; use of an elder's money should be to pay for expenses related to health and well-being. Prior to giving effect to the power of attorney the father could have thought through his other options before choosing his son to be his Attorney. It is often better not to place this responsibility in the hands of family members but to give it to a non-family member such as a lawyer, accountant, trust company, bank or even a very trusted friend who has the same financial and life values as you.

Moving into a parent's home with the promise of being the caregiver carries a whole other set of problems. Many children have no idea how stressful being a live-in caregiver can be. Stress is a leading cause of abuse among family caregivers. It may start with frustrated words, and the financial abuse may start with just a few dollars from the bank machine... "After all I'm there for Mom all the time, she wouldn't mind". Experience has shown that abuse always escalates even in subtle ways.

Unscrupulous people befriend unsuspecting seniors with the goal of defrauding them of their savings and income. Some people make a career out of scamming seniors; others merely seize the opportunity when it arises.

I have had a number of calls of complaints regarding privately hired caregivers feigning intimacy and little favors to unsuspecting senior men who are living alone. They unwittingly are taken to the financial cleaners so to speak, because the women do a very good job of making them feel special. Over time, they develop a sense of trust and dependence and a close bond even love for this caregiver eventually giving them access to the bank accounts or credit cards.

I have received crisis calls from family, friends and trusted professionals who catch on to this fraudulent activity only to find their loved one, friend or client bilked of thousands of dollars.

In some cases when the caregiver lives under the same roof long enough there may be confusion that the caregiver has become their common-law partner and is entitled to their finances as if they are true common law or in a sense married and entitled. On more than one occasion, the man has complained about the food and the care and being physically isolated from family, but he is afraid to live alone and would rather live with the caregiver even though she is abusive and neglectful.

There is very little recourse if he doesn't want to change his situation. If you have the power of attorney and can prove mental incapacity you may have an opportunity to help him out of this situation. Often the family gives up and dad lives out his final years isolated, depressed and living in a destitute situation. He is not able to see beyond this toxic relationship and legislation says that people have the right to live in abusive situations if they do not want change as long as they are not harming anyone else and they have mental capability. Caregiver manipulation and financial abuse is very real, add deteriorating health conditions to the mix and seniors easily fall victim; how can we help prevent such situations?

There is often a desire to hire privately rather than go through a care agency to cut costs however there is much less risk of fraudulent activity by an employee working with an agency. Consider that police checks have already been done. Not to say you can't find wonderful people who work privately but if you are alone and making your own decisions it might be better to play it safe and go through an agency. Also don't ever be afraid to file a complaint with the agency for inappropriate behaviour of a care aid. Some say better the devil you know than the devil you don't know. This is very self-destructive thinking.

Public forums, education, and public broadcasting about the topic of fraud lead to greater awareness, especially for those who are isolated. It's important to be community-oriented; pay attention and look out for your neighbours. If at all possible don't make relationship or hiring decisions alone, ask a trusted friend, respected family member or professional what they think about your idea and let them know why you want to talk and that you want an honest and unbiased opinion. Please heed their comments and advice.

Note that when we are alone and at undiagnosed early stage dementia we rarely ask for help and often even refuse help from our loved ones or respected colleagues and this puts us at risk of making very dangerous and unrealistic choices. It is better to express your concerns about the mental changes you might be experiencing to your doctor or other trusted professional and have safe guards in place to protect you from becoming vulnerable to opportunists.

Please note! As concerned citizens you can report abuse anonymously.

*Statistics from United Way and Statistics Canada

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The Take Home Message: There are many ways to protect you from abuse or fraud. What you need to do will be unique to you, but ask questions and find resources. There are many good families with great children and I want to acknowledge that but beware, financial abuse can happen when you least expect it within the family and by respected leaders of community or people in a position of power. Check out all your options with a professional you trust.

...with care, integrity and heart in mind for you.
Barb