

Elder Financial Abuse Is A "Virtual Pandemic," And On The Rise (D Magazine)

The COVID-19 pandemic is exacerbating a growing problem for seniors in the United States: elder financial abuse. With the elderly more isolated from their loved ones than ever, they are becoming more susceptible to losing their savings to clever fraudsters. The New England Journal of Medicine called the problem a "virtual epidemic" in 2015, and healthcare providers can help identify the problem.

Elder abuse can take many forms, and the perpetrators can be strangers or family members. Healthcare providers can help identify these issues as they arrive, NEJM says. If a patient fails to keep appointments or fill subscriptions, loses weight, or is visiting the emergency department for things that used to be under control are all signs that abuse may be occurring.

A PlainsCapital Bank white paper estimates that around five million seniors are exploited each year financially, with \$2.9-36.5 billion in personal financial losses annually. Denise Owens is a Senior Vice President of Dallas-based PlainsCapital Bank, and she manages the fraud department. She manages the team that identifies fraud based on account activity, and notifies the customers, alerting the authorities if necessary. She says the isolation of the pandemic has increased the fraud caseload 30-40 percent.

In three months in 2010, the white paper says there was over \$306 million worth of fraud losses committed under the guise of Medicare and Medicaid, \$205 million by business professionals, \$11 million by friends and family, and \$7 million from strangers. The widespread financial impact means that many on fixed budgets are losing financially, threatening their mental and physical health.

"From an investigation standpoint, we look first to determine if the suspect or perpetrator is a known individual to the elder or an unknown individual," she says.

The unknown individual abuses take many forms. Fraudsters will establish an online romantic relationship and get access to the person's accounts. Others will approach a senior at home to offer home repairs, get the money up front, and never do any work. The lottery scam is another common occurrence, where a caller tells an elderly person that they have won some money but needs to send other funds first. Odd spending can be identified by the bank, which trains its front line workers to look for anomalies and contact the customer if irregular spending appears.

But when the abuse comes from a known individual, Owens says, the damage is more than financial. Learning that loved ones are the abusers can be emotionally trying for the elderly, impacting mental health when mental faculties are already waning. The victim often doesn't believe that their loved one is the abuser, and bringing reality to light can be challenging.

Even famed New York author and philanthropist Brooke Astor fell victim when her son and his third wife began selling many of Brooke's prized possessions. As she neared 100 years old and suffered from Alzheimer's disease, her son sold a \$10 million painting that had she promised to the Metropolitan Museum of Art. Brooke's grandson filed suit against his father in the case that resulted in tens of millions of dollars in losses.

Bank employees are trained to look for tense conversations between an elderly person and a loved one or caretaker accompanying them to the bank. Suppose the customer never speaks to the banker, but the other person does all the talking, cuts the customer off, or overrides what they are trying to do. In that case, the bank will try to have a conversation with the customer away from the other person. Often that person won't let the customer speak to the bank or fraud department. "Depending on what that situation looks like, we may report that to authorities to have them look into the situation and make sure that the elder is safe and secure," Owens says.

In an isolated world, physicians may be one of the few outside interactions senior citizens have with the outside world, putting them on the front lines of identifying the issue. "Their interactions with physicians, which may be intermittent or rare, present critically important opportunities to recognize elder abuse and to intervene or refer the victims to appropriate providers," NEJM says.