

COMBATTING ELDER FINANCIAL EXPLOITATION

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Overview

- Do You Really Know AARP?
- What is Elder Abuse and Elder Financial Exploitation (EFE)?
- Common EFE Issues Across States
- Why Should NCPERS Member Care about EFE?
- What Can NCPERS Members Do to Combat EFE?
- Managing Someone Else's Money in Texas
- Additional Resources
- Questions



Do You Really Know AARP?

- AARP is the nation's largest nonprofit, nonpartisan organization
- AARP is dedicated to empowering Americans 50 and older to choose how they live as they age
- AARP has a nationwide presence with nearly 38 million members in all 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands
- AARP strengthens communities and fights for issues that matter most to families such as healthcare, employment and income security, retirement planning, affordable utilities and protection from financial abuse



What is Elder Abuse?

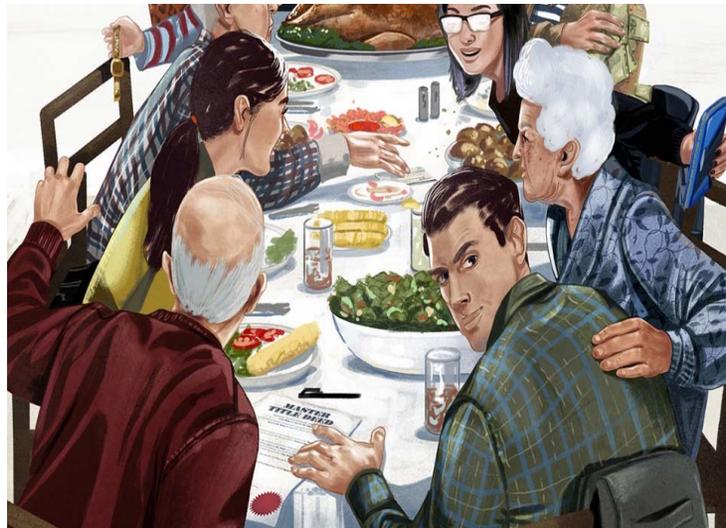
- In general, elder abuse is a term referring to any knowing, intentional, or negligent act by a caregiver or any other person that causes harm or a serious risk of harm to a vulnerable adult. (*Administration for Community Living*)
- Every state has laws to prevent elder abuse, but definitions of terms vary.
- Elder abuse typically includes: physical, sexual, and emotional abuse; neglect, self-neglect, abandonment, and financial exploitation

Did You Know?

- Elder abuse, like many forms of domestic abuse, is an often hidden phenomenon that affects hundreds of thousands of older Americans.
- Elder abuse can be physical, financial, or psychological. It may take place at home or in an institutional setting.
- A 2014 New York state study estimates that over a course of one year, 75 out of 1,000 people age 60 and older are abused.
- Financial exploitation is the most prevalent form of elder abuse.
- A recent national study showed that 1 in 5 older Americans are victims of financial exploitation, losing \$3 billion annually.
- 90% of perpetrators of financial exploitation are known to their victims, and only 1 in 44 cases get reported.

What is Elder Financial Exploitation

“The fraudulent or otherwise illegal, unauthorized, or improper act or process of an individual, including a fiduciary or caregiver, that uses the resources of an older individual for monetary or personal benefit, profit, or gain, or that results in depriving an older individual of rightful access to, or use of, benefits, resources, belongings, or assets.” (Older Americans Act)



Elder Financial Exploitation: Common Issues Across States

- Caregiving
- Typically a bi-partisan issue that stretches across all branches of government
- Issue isn't "hot"...UNLESS there's a crisis or tragedy
- Broad issue with many tentacles
- No One-Size-Fits-All solution
- Lack of data and common definitions
- Overlap with other vulnerable adult issues, like guardianship
- Disconnect between policy & practice *and* policy wonks & front-line staff



Elder Financial Exploitation: Current Trends in Reform

- More collaboration, taskforces, and multidisciplinary teams
- Financial institutions are taking steps to help prevent financial exploitation
- Individuals and their family members are speaking up and telling their stories
- Increase in education, outreach and use of social media and other technology
- State Courts are taking on a more active role
- Adult guardianship oversight/monitoring reforms to prevent abuse/exploitation
- More uniformity with powers of attorney

Why Should NCPERS Members Care About EFE?

- Your beneficiaries are at risk:
 - 7 million retirees and 15 million active public servants depend on funds you manage
 - Plan recipients receive or will receive monthly amounts that fraudsters want to get their hands on
- Increased opportunities for EFE with continued shift towards DC plans
- Steps can and should be taken to prevent this type of abuse



What Can NCPERS Members Do to Combat EFE?

1. Be Proactive:
 - Educate yourselves, members and beneficiaries on how to spot EFE
 - Know your state laws and reporting requirements
2. Be an Advocate for your Members:
 - Pay attention to any mental impairments or other cognitive declines as they may lead to poor decisions
 - Keep records of agents under POA or other fiduciaries and ask questions if you suspect financial exploitation
 - Actively participate in elder abuse prevention task forces or other similar multidisciplinary teams
3. Be Kind:
 - If EFE occurred, try not to make the individual feel anything but supported.
 - Many times the money cannot be recovered



Spotlight on Texas

- Population: 29.10 million in 254 Counties
- Many older Texans are experiencing diminished capacity
- Thousands of Texans are acting as fiduciaries and there's a lack of training and information
- AARP Texas
 - 2.3 million members
 - Combatting elder financial exploitation is a priority



Managing Someone Else's Money in Texas

- AARP Texas and Texas Appleseed released a set of Texas-specific *Managing Someone Else's Money* guides in March 2017.
- Guides are tailored to the needs of people in four different fiduciary capacities and one supporter capacity
 - Agents under a power of attorney
 - Court-appointed guardians
 - Trustees
 - Government fiduciaries (Social Security representative payees and VA fiduciaries)
 - Supporters under a Supported Decision Making Agreement
- Available in English and Spanish at <https://protecttheirmoneytx.org>

AARP Resources

- AARP State Offices
- AARP The Magazine, “Fraud in the Family” (Feb/Mar 2018)
- AARP BankSafe: banksafe@aarp.org
- Caregiving: www.aarp.org/caregiving
- Fraud Watch Network:
 - <https://www.aarp.org/money/scams-fraud/>
 - Fraud Watch Helpline: 1-877-908-3360
- Veterans, Military, and Their Families: <https://www.aarp.org/home-family/voices/veterans/>



Other Resources

- Administration for Community Living
- National Association of Attorneys General
- American Bar Association Commission on Law and Aging
- Consumer Financial Protection Bureau, Managing Someone Else's Money Guides
- National Adult Protective Services Association
- National Center on Elder Abuse
- National Center for State Courts
- U.S. Department of Justice, Elder Justice Initiative
- U.S. Government Accountability Office
- World Elder Abuse Awareness Day: June 15



