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PREVENTING ELDER FINANCIAL ABUSE

It is written about every day in newspapers all across the country. It affects elderly individuals from all walks of life in every community regardless of gender, race, or ethnicity. The annual financial loss to its victims is estimated to be at least \$2.6 billion per year. It is estimated to cost Americans tens of billions of dollars annually in health care, social services, investigative and legal costs, and lost income and assets. What is this costly phenomenon that is underrecognized, underreported, and underprosecuted? It's called elder financial abuse, and it's on the rise in the United States. The MetLife Mature Market Institute, the National Committee for the Prevention of Elder Abuse, and the Center for Gerontology at Virginia Polytechnic Institute and State University recently conducted a comprehensive study about the extent and implications of elder financial abuse. Their findings reveal that even more than the economic loss, the human costs suffered by victims when taken advantage of by family, friends, and trusted strangers are immeasurable.

What is "elder financial abuse?" According to the National Center on Elder Abuse, elder financial abuse is the illegal taking, misuse, or concealment of funds, property, or assets of a vulnerable elder at risk for harm by another due to changes in physical functioning, mental functioning, or both. Elder financial abuse encompasses a broad range of misconduct, including, but not limited to, fraud, scams, undue influence by family members and trusted others, and illegal viatical settlements; abuse of powers of attorney and guardianships; identity theft; internet "phishing;" failure to fulfill contracted health care services; and Medicare and Medicaid fraud. The most common perpetrators of elder financial abuse are those that are close associates of the victim — family members, friends, caregivers, and neighbors.

Results from Adult Protective Services nationally suggest that, on average, the "typical" victim of elder financial abuse is between the ages of 70 and 89 years, white, female, frail, and cognitively impaired. Women may be seen as prime targets for elder financial abuse for a variety of reasons, including, but

not limited to, (1) women tend to live longer than men and become responsible for the household finances for the first time after the death of their husbands, (2) women may have predictable patterns in the handling of their finances and in their daily routines so observant perpetrators can predict when an older woman will have money on hand or may be going to the bank, thus making older women targets for a variety of cons and scams, and (3) women may be more trusting in the advice of others, especially if they are new at seeking financial advice.

While elderly women may be seen as the “typical” victim of financial abuse, older men are certainly not immune to it. Like older women, older men also experience losses of spouses and friends as they age. Such losses may leave them alone and lonely to the point that they may become unwitting victims of people who seek to “befriend” them — with the intention of creating a coercive relationship through which the abuser gains financially at the expense of these elderly men.

There are many reasons why the instances of elder financial abuse have increased over the years. First, there are more elderly people in the population which means more potential for elder financial abuse. Second, older Americans have the lion’s share of the money and therefore are the obvious targets for predators looking for financial gain. Third, many seniors tend to have diminished cognitive abilities which tend to create greater vulnerabilities to financial abuse. Finally, technologies such as the internet are opening up new and creative ways for perpetrators to financially abuse elders.

Elder financial abuse affects elders and their families in significant and long lasting ways by putting enormous emotional distress on these elders, increasing their risk of depression, decreasing their quality of life, and increasing the potential for institutionalization. What can you do to protect against elderly financial abuse? First, any person — elders, family members, or professionals — who suspects that financial abuse of an elderly individual has occurred should immediately report it. There are a variety of precautions that older individuals themselves can take to avoid falling prey to financial abuse including:

1. **Staying Organized:** Keep your financial records neat. Have social security checks, etc., deposited if possible. Complete and sign your own checks. Do not provide personal information over the telephone.
2. **Staying Informed:** Consult with an attorney about future planning, including implementing a power of attorney. Know where to go if you suspect abuse.
3. **Staying Alert:** Do not leave valuable items out in the open. Do not sign any document unless someone you trust reviews it. Do not be left out of decisions regarding your finances.

The attorneys at Oast & Hook can assist the elderly and their families with avoiding financial abuse through comprehensive estate or long-term care planning, including, but not limited to, the use of powers of attorney, wills, trusts, and guardianships and conservatorships.

Ask Allie

O&H: Allie, we know that cats can have hyperactive thyroids. Please tell us about options for the treatment of this condition.

Allie: Sure! A recent column in the *Daily Press* addresses this issue. Pet families have three options. Surgery can cure this condition. Many hyperthyroid cats are older, and as a result may be more frail, so surgery may not be the best option. The second option is radioactive iodine. Your cat would be injected with a radioactive substance that would destroy most of the thyroid gland, but leave enough thyroid tissue for the cat to function effectively. This treatment usually does not have complications or side effects, but the cat has to be away from home for a day to several days for treatment. This method is considered a cure for the condition. Drug therapy is the third option, and the human drug Tapazole is used to block the thyroid gland from producing too much hormone. Cats would need to be on this drug and monitored for life. Tapazole is relatively inexpensive, whereas surgery or radioactive iodine may cost \$900 to \$2,000. For a frail older cat, drug therapy may be the best option, but for a younger cat, surgery or radioactive iodine may be better. In our Oast & Hook family, one of our attorney's cats had radioactive iodine treatment at age 12, and lived a long, healthy and happy life to almost age 19. Although I'm not crazy about visiting the vet, I'm glad my mom takes me in for regular checkups. Time for a nap.... See you next week!

Announcement

Oast & Hook is proud to announce that is has partnered with TowneBank to offer a series of seminars for seniors and their families. Each seminar will cover issues facing our seniors such as planning for retirement, elder law, Medicare, and long-term care planning. Oast & Hook and TowneBank will present six seminars, and each seminar will begin at 10:00 a.m. and will end at noon. Below is the list of dates and locations. Seating is limited. If you have any questions or would like to register for any of these seminars, then please phone Carol Hernandez at 757-638-6797.

April 6, 2010

TowneBank, First Colonial Banking Center
984 First Colonial Road
Virginia Beach, Virginia 23454

April 20, 2010

TowneBank, Oyster Point Banking Center
1 Old Oyster Point Road
Newport News, Virginia 23602

April 14, 2010

TowneBank, Member Service Center
6001 Harbour View Boulevard
Suffolk, Virginia 23435

April 27, 2010

TowneBank, Great Bridge Community Hall
137 Mount Pleasant Road
Chesapeake, Virginia 23322

April 15, 2010

Harbor's Edge
1 Colley Avenue
Norfolk, Virginia 23510

April 28, 2010

TowneBank, New Town Banking Center
5216 Monticello Avenue
Williamsburg, Virginia 23188

Distribution of This Newsletter

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