



OLD NORTH STATE TRUST, LLC

Elder Abuse

As a young person, we prepare and plan for our retirement and long for the glorious golden days ahead without any tribulations. Unfortunately, we are not the only ones that want to live off of our nest eggs. Scamming seniors has now become the “Crime of the Century”. Fraud among elders is not limited to the aging widow/widower anymore; scammers are also targeting the prosperous retired business owners or executives. Due to the age and intelligence of our senior generation, most are too embarrassed to report if they have been scammed. In fact, the majority of these cases go unreported to the authorities. After being scammed, seniors not only are left drained financially but also spiritually and emotionally, which then affects their quality of life in the process.

Seniors in North Carolina alone may have lost upwards of \$1 million of the \$2.9 billion reported nationally in losses. Because of the awareness now of Elder Financial Exploitation, more cases are being reported annually. Just last year, 3,600 cases were reported between January through June in North Carolina. The reason we are seeing so many cases is due to the aging population living longer, which means seniors have more time to amass wealth. According to the Social Security Administration, if a man reaches the age of 65, his life expectancy, on average is 84.3, and for women, the average age is 86.6. And these are just average statistics, so the senior population can exceed beyond their 80's! By the year 2050, it is estimated that seniors over the age of 80 will make up 20% of our population.

With the expectation of more seniors and long-term care facilities in the future, this increases the probability of more devious scams and abuse to seniors. The younger generation will need to be equipped and prepared to handle these situations. Sadly, scamming seniors are just one of the many variations of elder abuse. There are many other types of abuse such as physical abuse, neglect, and malnutrition just to name a few. I'm sure that everyone has heard about the phone and internet scams that are rampant among this demographic. The scenario in which a young person calls a grandparent in the dead of night, frantically needing funds to get out of some dire situation- be it jail or some faraway place. Their parents just can't know about it or they'll never live it down. If only the trusted grands will help them out by wiring money or giving out their credit card information over the phone. Of course, any elderly person awoken in the middle of the night to come to the aid of a desperate child doesn't stop to think about the validity of the call, they just respond to the need and have their funds stolen for their efforts.

This is just one example of the latest scam. I've had clients that are very savvy, but when in a lonely or slightly confused state can become a victim all too easily. In one such occurrence, I had a client that lived in a retirement community. He was a widower and his children lived out of state. He was hounded by telemarketers and would order cases of whatever they were selling. When asked why, his reply was that he liked talking to them! He was lonely and they talked to him all the time because he bought things from them. Another client has a caregiver that sits with her just to prevent falls and the like. The caregiver takes her debit card to buy groceries, etc. The client is very capable of checking the receipts to ensure that there are not extra purchases; however, she is very softhearted and hates to say no when the caregiver hints that she needs money for things. She is constantly paying her past due rent and utility bills. The caregiver doesn't ask outright for her to do so, but she tells her all of her woes and the client offers. This is definitely a form of abuse. I had another client that did not know how to write a check. Her husband had always paid all of the bills and handled all of the finances. When he passed, I had to physically show her how to write a check. Luckily, she had us to rely on to assist her with her finances and to show her how to create a budget and to manage her assets. This is not limited to the female of the relationship by any means. I have had to do the same thing to the husband in a relationship as well. The key is protecting our seniors and helping them be able to enjoy their golden years in comfort and not in a state of constant fear of being taken advantage of!

Old North State Trust, LLC (ONST) periodically produces publications as a service to clients and friends. The information contained in these publications is intended to provide general information about issues related to trust, investment and estate related topics. Readers should be aware that the facts may vary depending upon individual circumstances. The information contained in these publications is intended solely for informational purposes, is proprietary to ONST and is not guaranteed to be accurate, complete or timely.