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Preventing Financial Abuse of the Elderly

Alarming, instances of financial abuse perpetrated against the elderly and disabled are on the rise. According to the National Council on Aging [NCOA], 1 in 5 individuals in the United States is aged 60+ and 1 in 13 of these individuals will experience some instance of abuse, neglect and/or financial exploitation. Perhaps the most alarming statistic is that only 1 in 44 elder financial abuse cases is ever reported. Many elderly individuals are private about their affairs and are too embarrassed to report it. Others may be confused or may not even realize that they are being victimized.

It is for this reason that seniors and their families must be particularly vigilant and recognize that financial abuse is a serious problem that must be addressed and is certainly not something to be embarrassed about. In fact, even sophisticated celebrities and entertainers have been victimized. A recent film called Last Will and Embezzlement features entertainer Mickey Rooney and his story as a victim of financial abuse. To prevent financial abuse from happening to you or your loved ones, it is important to know about some of the scams that are out there.

Some of the more common types of financial abuse include Medicare scams, investment fraud, fake charities, telemarketing and sweepstakes scams, forgery, identity theft, and home repair and contractor scams.

Medicare Scams:

One of the most widespread scams perpetrated against seniors is the misuse of Medicare. Common schemes include billing for services that were never rendered and selling unneeded medical devices. To avoid this type of scam, carefully protect your Medicare number and do not allow anyone else to use it. It is important to review all Medicare statements to confirm that you have received the services and equipment that appear on your bills. Suspicious activities can be reported to 1-800-MEDICARE.

Telemarketer Scams:

The U.S. Department of Justice estimates that dishonest telemarketers take in an estimated \$40 billion each year. The AARP claims that about 80% of these scams involve victims who are 50 or older. Scammers use the phone to conduct investment and credit card fraud, lottery scams, charity scams and identity theft. They also try to convince seniors to purchase products that never arrive or are completely useless. To avoid this kind of scam, always ask for and wait until you receive written material about the particular charity or the products or services being offered. Do not be pressured into making a purchase and always take your time in making a decision.

Home Repair & Contractor Scams:

Typically working in teams, these scammers will scour neighborhoods with a high concentration of older residents and then appear on their doorsteps claiming to spot something in need of fixing. They will often ask for money up front and then disappear without completing the work. To avoid this kind of scam only hire contractors and repairmen that are licensed and insured. Ask a trusted friend or relative for a referral and do not be afraid to ask the contractor for references.

These are just a few examples of financial abuse perpetrated by strangers against the elderly. It is important to remember that financial abuse can also be perpetrated by those closest to us. Never be afraid or embarrassed to reach out for help.