

WARNING SIGNS OF POSSIBLE ELDER EXPLOITATION

There are many “red flags” which can be potential signs of elder exploitation. They include:

- Unexplained withdrawals or transfers.
- Misdirected account statements.
- Reported missing personal belongings.
- Someone who accompanies an elderly person and directs decisions inappropriately.
- Inclusion of additional names on a signature card or adding a joint account holder.
- Abrupt changes to a trust, power of attorney, or other operative document.
- New and suspicious legal documents.
- Unexplained or increased borrowing.
- Frequent checks to telemarketers or transfers to overseas accounts.
- Unnecessary or unusual home repairs.
- Refusal to spend money on the care of the elderly person (e.g., unpaid bills).
- Signed checks when the elderly person cannot write or sign a check.
- Missing legal documents.
- Unauthorized use of an elderly person’s debit or credit card.
- Out-of-character overdrafts.
- Suspicions of forged signatures.
- Suspicions regarding the validity of powers of attorney or other legal documents.
- Unusual or seemingly unnecessary payments.
- Closing CDs without regard to penalties.
- The financial institution is unable to speak directly with the elderly person.
- Unusual changes to an elderly person’s financial management arrangements.
- The elderly person lacks knowledge about their own financial status.
- The elderly person seems afraid to discuss their own financial affairs.
- The appearance of new individuals claiming rights to control an elderly person’s affairs.

While these red flags could be indications of financial exploitation, there may be other reasonable explanations as well. The elder person may have recently made changes to their estate plan, may be spending down assets on long term care costs, or may be unwilling to discuss their financial matters out of privacy concerns.

If the elder individual appears disoriented, confused, or upset, and additional circumstances suggest something may be amiss, it’s reasonable to suspect potential abuse or wrongdoing.

If you suspect wrongdoing, report it to your supervisor. If you are the supervisor, report it to local law enforcement.

- Elder Law Committee, South Dakota State Bar (2016)

Sources: Advisory Bulletin RN-2011-A003 of the Financial Crimes Enforcement Network of the U.S. Department of Treasury, the National Center on Elder Abuse, Administration on Aging, and Exploitation Indicators from the South Dakota Department of Social Services, Adult Protective Services.