

## Financial Exploitation of Older Adults in the United States

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Financial exploitation is a prevalent form of abuse experienced by older adults in the United States (Deane, 2018). According to estimates, between 2.7% and 6.6% of older adults lose an approximately \$2.9 billion of personal wealth each year (Deane, 2018). Only one out of every 44 cases of financial exploitation involving older adults are reported for various reasons including, but not limited to the victims' relationships with the perpetrators and limited knowledge of and access to legal services (Deane, 2018). A law school at a mid-western university started a clinic focusing solely on combating financial exploitation of older adults. This clinic was the first of its kind initiative by any law school in the country. The present study is a part of an ongoing research project assessing the overall impacts and effectiveness of the law clinic. The objective of the present study is to explore in-depth the causes and consequences of financial exploitation from the perspectives of older adults.

### Methodology

A mixed-method approach was utilized to understand the financial and non-financial impacts of exploitation. Nonfinancial impacts included participants' social, health, psychological, and emotional well-being. We used four instruments – two standard instruments to understand financial stress (perceived financial stress) and mental health of the respondents (Kessler 10-point psychological scale), a questionnaire to understand their perception regarding services of the law clinic, and a semi-structured interview guide. The interviews lasted for an hour, somewhere between 1.5 to 2 hours. All participants were aged 65 years or older and served by the law clinic. Data obtained from interviews were analyzed by qualitative case analysis methods using Qualitative Data Analysis (QDA) Miner, a mixed methods and qualitative data analysis software developed by Provalis Research. Gioia methodology (Gioia, Corley, & Hamilton, 2013), a dialogical qualitative analysis process, was used to obtain categories and themes from the interview data.

### Results

Our preliminary results suggest a high prevalence of psychological distress among the older adults who accessed the clinic. 27.3% of the clinic's clients suffered from severe psychological distress, which is substantially higher than the national average of 4.2% adults in the United States. Another 27% of the clinic's clients showed mild to moderate psychological distress.

The analysis of interview data show that the clinic not only represented many of its clients legally and helped in the resolution of their cases, but it also provided them intangible psychological supports. The clinic's law students and legal supervisor offered space for clients to vent their stress and share their traumatic experiences that was beyond what might typically be expected of legal services. We further found that the perpetrators were mostly contractors and service providers who exploited the age, health, and/or psychological difficulties clients were experiencing. Perpetrators often did not meet their contractual agreements and were disrespectful to clients until approached by the lawyers and laws students from the clinic.

The proportionality of the financial loss was a key theme in all the interviews. A high proportion of loss of future incomes created uncertainty in terms of financial independence in future and increased levels of

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stress. Additionally, the narrative data showed the negative impact of financial exploitation was increased by the diffused and fragmented service environment. This environment left victims uncertain about what legal and/or social service agencies would help solve their case. As a result, before becoming clients of the clinic, victims spent time at multiple institutions including, the public defender office, banks, county adult protective services, and law enforcement agencies, all of which did not coordinate services across institutions.

Clients also reported feelings of self-blaming and shame as a consequence of financial exploitation. Burdened by the feeling of shame and guilt, the clients exhibited strong emotional outbursts during the interviews illustrating how helpless they felt about their situation. The clients were also generally frustrated with the lack of empathetic response towards older adults in the society. They were additionally disappointed with the governmental and civic institutions apparent apathy towards their situation, leaving some clients with a high-level of social distrust.

### Significance and Implications

Our preliminary results suggest older adults are vulnerable to financial exploitation from a variety of sources and that there is no lead institution to coordinate assistance for victims. As a result of the fragmented service environment we found that the clients discovered different ways to deal with the incidents of financial exploitation. Some kept it to themselves and lingered the emotions, others dealt bravely with an institutional support available in the form of the law clinic. Some others believed in “karma” that would force the perpetrators pay in future while others sought help from adult protective services.

In terms of formal prosecutions there are two options. Pressing criminal charges against the perpetrator can be a solution, but police and prosecutors may find it difficult to charge a person with a crime based only on the testimony from an older adult, given their potential physical and cognitive impairments (Andres, 2015; Navarro, Gassoumis, & Wilber, 2012). Civil lawsuits are another option but because of the complexity of the cases, low payouts, and resource intensiveness private attorneys are not quick to take on financial exploitation cases involving older adults (Andres, 2015). Finally, publicly funded legal aid services are limited and typically do not have the resources for complex financial exploitation cases (Andres, 2015). In general, the successful prosecution of perpetrators and return of lost assets via civil litigation are extraordinarily rare.

Law clinics dealing exclusively with the financial exploitation cases of older adults are an option, but our research clearly suggest that clients need psychosocial supports to address the psychological and financial stress that arise from being financial exploited. Further, any intervention should take into account the proportionality of the financial loss rather than simply the monetary figure. While criminal prosecution and civil lawsuits are important to deal with the perpetrators, our findings suggest that trauma-based and mental health interventions as a first step may prove useful to the older adults coping with what might be the permanent loss of money and resources.

### References

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