

What is Financial Exploitation?

Financial exploitation happens when someone illegally or improperly uses your loved one's money or belongings for their personal use. Financial exploitation is the fastest growing form of elder abuse. It is a crime and is often not reported. Learn how to protect your loved one. The four steps below will help you prevent, detect and report financial exploitation.

1. UNDERSTAND Residents' Rights¹

Federal nursing home regulations provide the following resident rights and facility requirements (state nursing home regulations may provide additional protections).²

Residents (or the residents' legal representative) have the right to:

- Access all records pertaining to himself or herself within 24 hours (excluding weekends and holidays).
- Manage his or her financial affairs.
- Be fully informed of available services and charges for each service.
- To file a complaint without fear of retaliation.

The facility is required to:

- Protect personal funds residents choose to deposit with the facility and place resident personal funds greater than \$50 into an interest bearing account.
- Maintain a full and separate accounting of each resident's personal funds.
- Make individual financial records available through quarterly statements to the resident or resident's legal representative.
- Not charge a resident for services or items paid for by Medicare or Medicaid.

2. WATCH for Warning Signs

Isolation increases the risk for abuse, so staying in touch with your loved one is the first step to preventing financial exploitation. Whether you are assisting with your loved one's finances or not, it is important to look for warning signs of financial abuse. Some common warning signs include:³

- A caregiver asks for, demands or takes money, gifts or your loved one's personal possessions.
- A family member or friend of your loved one (e.g. an unemployed family member or a "new" friend) asks for, demands or takes money, gifts or personal possessions.
- Your loved one receives a discharge notice due to non-payment.
- Sudden changes in financial practices (e.g. mismanagement of finances, hiding money, making large purchases, making donations).
- Unknown charges to their credit cards or they receive statements for credit cards or accounts they did not open.

1 For more fact sheets and additional resources regarding residents' rights and advocating for quality long-term care visit the National Consumer Voice for Quality Long-Term Care (Consumer Voice) website www.theconsumervoice.org.

2 42 CFR 483.10 Resident Rights
<http://www.ecfr.gov/cgi-bin/text-idx?c=ecfr&SID=e5d3af40a300a1dbbea73a7392115694&rgn=div8&view=text&node=42.5.0.1.1.2.2.7.3&idno=42>.

3 To learn more about elder abuse visit the National Center on Elder Abuse website at www.ncea.aoa.gov or call 1-855-500-3537.

- Your loved one deposits their personal funds with the facility and the facility refuses to give them quarterly statements or the statement is not correct.
- The individual assisting your loved one with their finances refuses to honor their choices regarding their money (e.g. refuses to purchase items for them, show them their bank statements or pay for their care and services).
- Residents receiving Medicaid are entitled to a monthly Personal Needs Allowance (PNA) and your loved one is not receiving their monthly Personal Needs Allowance (PNA).

3. **SHARE** Your Concerns

If you notice any signs that may indicate financial exploitation or you think your loved one may be at risk for financial abuse, share your concerns with them. Discussing finances may be uncomfortable for some elders and family members, but it is important to communicate in order to protect residents' rights and prevent abuse.

4. **REPORT** Any Suspicion of Financial Abuse

Facilities are required to protect residents from and investigate reports of abuse. Financial exploitation is a crime. There is information available and agencies responsible for investigating reports of financial exploitation. If your loved one is a victim of financial exploitation there are several things you and/or your loved one can do:

- Share your concerns with the **facility administrator, social worker** or another **staff person**.
- Contact your local **Long-Term Care Ombudsman Program**. Ombudsmen are advocates for residents in long-term care facilities and are trained to resolve complaints. For additional information about the ombudsman program in your state and contact information, visit www.ltombudsman.org/ombudsman.
- Contact your **state licensing and certification agency**. Each state has an agency responsible for the licensing, certification and regulation of long-term care facilities and investigations of complaints. To locate your state licensing and certification agency visit www.ltombudsman.org/ombudsman.
- Contact **Adult Protective Services (APS)**. APS investigates reports of abuse, neglect and exploitation of elders and, in many states, individuals with disabilities. Every state has APS services, but the services vary by state. To locate APS services in your area, visit www.napsa.now.org/get-help/how-aps-helps.
- Financial exploitation is a crime. Contact your **local law enforcement agency**.
- For additional information regarding elder abuse, neglect or exploitation visit the **National Center on Elder Abuse (NCEA)** website at <https://ncea.acl.gov> or call **1-855-500-3537**.

To locate resources in your state you can contact **Eldercare Locator**. Eldercare Locator is a national public service to help older adults and caregivers connect with local aging and disability services including the Long-Term Care Ombudsman Program, Adult Protective Services, your state licensing and certification agency and legal assistance. You can reach the Eldercare Locator by calling **1-800-677-1116** or visiting www.eldercare.gov.

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National Center on Elder Abuse

Fact Sheet is available in English, Spanish and Simplified Chinese.