



Financial Abuse of Individuals with Disabilities

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Financial fraud is among the fastest growing types of abuse, and individuals with disabilities are particularly vulnerable. In most cases, it involves exploitation by someone known to the victim, but in plenty of scams strangers target individuals with disabilities and the elderly online, by phone and through other means.

In the first instance, a family member, caregiver or other close associate takes advantage of the victim's trust in order to raid their finances. This can take many forms, from convincing them to extract cash from an ATM, to manipulating them to grant them financial power of attorney, to outright theft of valuables and other assets. They may accomplish this through deception or threats.

Schemes from unethical outsiders are also notorious. Lonely individuals may fall prey to online romantic interests who are suddenly in need of financial assistance. Phone callers may claim to represent a government agency, demanding credit card information. Phishing schemes may send e-mails that appear to be from a bank in order to acquire account passwords.

Less Likely to Complain

These abusers realize that targeting someone with a disability makes it less likely that their crimes will be reported. Individuals with special needs are often overly trusting and may not realize that they are being victimized. If they have a cognitive disability, this makes it even more unlikely that a financial predator will be caught.

There are other reasons individuals may not complain: they may have difficulty communicating their concerns; they may worry that they will not be believed; or if they are being preyed upon by people on whom they depend or with whom they have a strong emotional connection, they may be reluctant to tell others about the betrayal. They may be

relatively isolated so that their situation is not readily apparent to others, including medical providers, bankers and others who are required by law to report suspected abuse.

Abuse of Trust

There are numerous cases of trusted individuals who exploit the legal and fiduciary responsibilities granted to them. A financial power of attorney (POA) is meant to protect individuals who cannot handle economic decision-making on their own. However, in the wrong hands, the POA can turn into a blank check, with the agent cashing out bank accounts or retitling real estate. Individuals with special needs may be manipulated into signing a POA and may do so without reading or understanding it.

Trustees have enormous latitude with regard to the assets they manage, the misuse of which can be financially devastating. [Designating a trust protector to monitor](#) and, if necessary, remove, a wayward trustee can be an effective way to prevent improper behavior.

Guardians and conservators have been known to take advantage of those for whom they are responsible. Given the broad authority granted to a guardian and conservator, it is best for families to plan ahead and choose someone they trust, rather than leaving it to a court to appoint someone in an emergency situation. In 2010, a federal study criticized courts across the nation for the manner in which they screen and monitor guardians and conservators.

Similar problems have plagued the Social Security Administration and [its Representative Payee program](#). These fiduciaries, usually family members or close friends, handle Social Security payments on behalf of those claimants who cannot manage their cash benefits by themselves. Recent legislation seeks to tighten the selection process and increase monitoring.

Spotting Abuse

The following are signs that someone may be the victim of financial abuse:

- The individual becomes increasingly isolated.
- The agent or caregiver suddenly acquires costly items.
- Missing cash, valuables or financial statements.
- Lavish spending, monetary gifts to others, transferring of assets.
- Unpaid bills or termination of utilities.
- Finances are suddenly handled by others, without explanation.

- *Unexplained changes to estate documents.*

What to Do

If you suspect that someone is being financially abused, there are steps you can take.

If the victim lives alone, with family, an aide or in an unlicensed facility, contact Adult Protective Services (APS). The National Council on Elder Abuse maintains a database of all state APS contacts, which can be accessed by calling the Elder Care Locator service at 1-800-677-1116 during regular business hours, or by visiting <https://eldercare.acl.gov/Public/Index.aspx>. *If APS determines that there is abuse, they will, with consent from the individual or their agent, arrange protective services. Unfortunately, APS agencies are so overwhelmed that, as long as the individual has a roof over his or her head, they may not investigate the allegations fully.*

Another option if the financial abuse was committed by a family or household member, or a paid caregiver, is to obtain a protective order through the courts.

If the victim lives in a facility that is licensed, certified, funded or operated by the state's Department of Human Services or Medicaid, including long-term care facilities, contact the Office of the Inspector General (OIG) or Long-Term Care Ombudsman (LTCO). A state-assigned investigator will then become involved on behalf of the resident. *Once notified that a complaint has been made, the facility must take immediate protective action. If the OIG or LTCO believes abuse has taken place, suspected employees cannot have contact with any residents until an investigation has been concluded. The Elder Care Locator service also maintains contact information for these state agencies in its database.*

If the abuse occurs in a hospital, report it to the Department of Public Health.

Phishing Scams

Phishing is way to get personal information using deceptive text messages, phone calls, emails and websites. In order to avoid phishing scams, know that reputable organizations, companies and government entities never request that you reply to an e-mail with your password, full Social Security Number or any other personal information. Never reply to or click on links in such an e-mail; rather, go directly to the organization's webpage or contact the company (not at the number listed in the e-mail) to see if the communication is legitimate. One recent type of phishing involves e-mails pretending to be from a "trusted friend" who asks you to click on a link that turns out to be fraudulent. If you have doubts, contact your friend to see if he or she actually sent the e-mail in question.

Change your e-mail to “plain text” from “HTML.” This way you can see the actual URLs of any images before you click. If you leave your e-mail at HTML, attackers can take advantage of your email provider’s ability to execute code, also leaving your computer vulnerable to viruses. For example, if you click on a link pretending to be from your bank, not only have you given the scammer your personal information, you may have installed a virus that gives them information about all your contacts, as well.

Report phishing attempts directly to the company being impersonated, and send a report to the Federal Trade Commission. Keep your computer’s security and spam filters up-to-date, and install an antivirus program.

Other proactive protective measures include registering all telephone numbers with the national “Do Not Call” registry, by calling 1-888-382-1222, or visiting www.donotcall.gov. Placing a credit freeze or credit lock on the individual’s consumer credit file with all of the major credit reporting agencies can also help prevent financial fraud.

Financial fraud is a heartbreaking crime, a cynical betrayal of the vulnerable, many of whom struggle to maintain a decent standard of living with limited resources. Unfortunately, it is on the increase, and an individual’s circle of support needs to be vigilant in order to protect the individual from victimization.

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