

The MetLife Study of Elder Financial Abuse

Crimes of Occasion, Desperation, and Predation Against America's Elders



Overview

In 2009, the MetLife Mature Market Institute, in collaboration with the National Committee for the Prevention of Elder Abuse (NCPEA), and the Center for Gerontology at Virginia Tech, released a groundbreaking study to provide a comprehensive understanding of the extent and implications of elder financial abuse. The study, *Broken Trust: Elders, Family, and Finances*, consisted of a review of the scholarly and professional literature and an in-depth analysis of National Center on Elder Abuse (NCEA) newsfeed articles from April through June 2008. It was designed to provide easily accessible and well-researched information specifically focused on the problem of elder financial abuse.

In 2010, to further examine the impact of elder financial abuse on the lives of seniors nationwide, the Institute again partnered with leading researchers, Dr. Karen A. Roberto at Virginia Tech and Dr. Pamela B. Teaster at the University of Kentucky, in consultation with NCPEA. The team expanded its analysis of research published in the scholarly literature and again gathered articles from the National Center on Elder Abuse newsfeed. In addition, several individuals whose stories appeared in the 2008 newsfeeds were contacted and asked to share subsequent information about their situations. Newsfeed articles were analyzed from April through June 2010. An additional subset was collected during the 2010 holiday period (November 2010 through January 2011) to determine if instances of elder financial abuse increase during this time when family and friends are in greater proximity and with greater frequency. *The MetLife Study of Elder Financial Abuse: Crimes of Occasion, Desperation, and Predation Against America's Elders* further illuminates the widening problem of elder financial abuse.

Key Findings

- The annual financial loss by victims of elder financial abuse is estimated to be at least \$2.9 billion dollars, a 12% increase from the \$2.6 billion estimated in 2008.
- Instances of fraud perpetrated by strangers comprised 51% of the articles. Reports of elder financial abuse by family, friends, and neighbors came in second, with 34% of the news articles followed by reports of exploitation within the business sector (12%) and Medicare and Medicaid fraud (4%).
- Medicare and Medicaid fraud resulted in the highest average loss to victims (\$38,263,136) in that category followed by fraud by business and industry (\$6,219,496), family, friends, and neighbors (\$145,768), and fraud by strangers (\$95,156).

- Women were nearly twice as likely to be victims of elder financial abuse as men. Most victims were between the ages of 80 to 89, lived alone, and required some level of help with either health care or home maintenance.
- Nearly 60% of perpetrators were males. Most male perpetrators were between the ages of 30 and 59, while most female perpetrators were between the ages of 30 and 49. Perpetrators who were strangers often targeted victims with visible vulnerabilities (e.g., limited mobility, displays of confusion, being or living alone).
- Dollar losses over the holidays due to family, friend, and neighbor perpetrators were overall higher than any other category, likely owing to sheer numbers of instances, although the average number of dollars lost per individual instance was highest from business perpetrators.

Methodology

The MetLife Mature Market Institute, in partnership with Virginia Tech, the University of Kentucky, and NCEA conducted a study to determine the extent and consequences of elder financial abuse. Newsfeed articles, collected daily by the National Association of Adult Protective Services (NAPSA) through an initiative funded by the National Center on Elder Abuse (NCEA), served as a primary source of information. This newsfeed database tracks media reports of all types of elder abuse through Google and Yahoo Alerts, which scanned billions of Web pages. In order to compare to findings presented in *Broken Trust: Elders, Family, and Finances* (2009), articles on elder financial abuse were gathered from April through June 2010. Over the time period, the scans identified 389 unduplicated articles on elder financial abuse of any type from a total of 1,248 articles cited. Of those, 314 (81%) reported specific instances of financial abuse and provided information on victims and/or perpetrators. An additional 354 cases were identified in the newsfeed database between November 2010 and January 2011 for the holiday period analysis.

For More Information

The MetLife Study of Elder Financial Abuse, *The Essentials: Preventing Elder Abuse*, *Tips: Preventing Elder Abuse for Older Americans*, and *Tips: Preventing Elder Abuse for Family Caregivers* may be downloaded from www.MatureMarketInstitute.com. They can also be ordered by writing to: MetLife Mature Market Institute, 57 Greens Farms Road, Westport, CT 06880.



The MetLife Mature Market Institute®

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