



News Release

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ADULT FINANCIAL EXPLOITATION COST VICTIMS AN ESTIMATED \$28.2 MILLION IN SFY 2015

(RICHMOND, Va.) — Adult financial exploitation costs elderly and vulnerable Virginians an estimated \$28.2 million, a figure that could well top \$1 billion, according to a review by Adult Protective Services.

The 2016 General Assembly requested [the report](#), the first look at the scope of adult financial exploitation in the Commonwealth. The Virginia Department for Aging and Rehabilitative Services was asked to convene a group of stakeholders to develop recommendations to fight this problem that robs its victims of economic security.

“Financial exploitation leaves victims and their families devastated,” said DARS Commissioner Jim Rothrock. “We need a closer collaboration with employees of financial institutions, who may be the first individuals outside the victim’s family to suspect something amiss.”

The estimate of \$28.2 million is likely a small fraction of the funds actually lost, given that national estimates suggest that only 1 in 44 cases of financial exploitation are reported to officials. DARS believes that the full impact of financial exploitation thus may rob Virginia victims of an estimated \$1.2 billion a year.

“We must commit to protecting our most vulnerable citizens from exploitation,” said Del. Christopher Peace, R-Hanover, who asked DARS to convene a work group to provide an estimate of the cost of financial exploitation and recommend ways to stop it. “Virginia should examine its current resources for Adult Protective Services, for our public guardianship program that allows proper oversight of the affairs of incapacitated adults, and for education and training of Adult Protective Services staff.”

The report outlines the findings of a random sample of the 1,016 cases substantiated in state fiscal year 2015 by APS workers who investigate complaints of suspected exploitation, abuse or neglect of older or vulnerable adults.

Seventy-six of the case records pulled in the random sample contained sufficient information to examine the funds taken, which ranged from \$10 to \$1 million. Given an average loss of \$27,782 and the number of cases substantiated by APS workers, the report concluded that an estimated \$28,226,512 was taken from victims.

However, as financial exploitation is significantly underreported, as many as 44,051 victims may have lost an estimated \$1.2 billion, according to APS Director Paige McCleary. She added that exploitation's costs are expected to grow as the ranks of Virginians older than 60 swell with boomers in the coming years.

Victims of financial exploitation are typically age 60 or older and perpetrators are typically relatives. It's rarely reported, often because victims may blame themselves, be dependent on the perpetrator, feel embarrassed or want to protect the perpetrator.

The work group's recommendations aim to improve collaborations between Adult Protective Services and financial institutions staff and to strengthen investigations of this problem. They include changes to certain definitions in the Code of Virginia, improving training for APS workers and developing educational materials for financial institutions. Members of the group included state and local law enforcement officials, financial institutional representatives, stakeholders and employees from related state agencies familiar with the problem of financial exploitation.

"I want Virginia to create a culture of reporting and investigating these cases much like we have with issues of domestic violence and incidents of child abuse. I applaud the DARS staff and work group that worked diligently to produce actionable recommendations to make Virginians safer from harmful exploitation," said Peace.

The report, "Adult Financial Exploitation in Virginia: Collaborative Approaches to Address the Issue," is available at <http://bit.ly/2hDclec>. Suspected cases of adult financial exploitation may be reported to a local department of social services' Adult Protective Services unit or by calling the toll-free, 24-hour APS hotline at (888) 832-3858.

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The Virginia Department for Aging and Rehabilitative Services, in collaboration with community partners, provides and advocates for resources and services to improve the employment, quality of life, security, and independence of older Virginians, Virginians with disabilities, and their families. For more information, visit www.vadars.org or follow DARS on Facebook at www.facebook.com/vadars or Twitter at @vadars.