

Preventing Financial Fraud for Older Adults with Alzheimer's & Other Dementias

People with dementia are at higher risk for fraud due to cognitive decline affecting their decision-making abilities and financial judgment. As memory and thinking skills deteriorate, individuals may struggle to recognize scams or manage their finances effectively. Additionally, changes in the brain associated with Alzheimer's disease, even before clinical symptoms appear, can increase vulnerability to financial exploitation.



SET UP FINANCIAL SAFEGUARDS

- Establish durable power of attorney on key accounts¹
- Add trusted contacts to financial accounts^{1,7}
- Set up dual signature requirements for large withdrawals⁴
- Create daily withdrawal limits monitored by a trusted person⁴
- Update your estate plan

SIMPLIFY FINANCIAL MANAGEMENT

- Set up automatic bill payments¹
- Cancel unused or extra credit cards¹
- Consolidate accounts for simplicity and easier monitoring⁵



MONITOR FINANCIAL ACTIVITY

- Regularly review bank statements and credit card activity and set up alerts⁵
- Check credit reports for unexplained debts and place a security freeze to prevent any new credit accounts^{5,10}
- Watch for signs of financial exploitation (e.g., unopened bills, unusual purchases, unexplained withdrawals)²

PROTECT PERSONAL INFORMATION

- Never share sensitive information (Social Security #, account details) with unsolicited callers or emails⁵
- Shred or properly dispose of documents containing personal information⁵
- Use a locked file cabinet for important financial documents⁴
- Sign up for the National Do Not Call Registry

UTILIZE COMMUNITY RESOURCES

- Engage with local support services for money management assistance²
- Connect with the local Alzheimer's organization for financial planning guidance⁴

"Margaret, an 82-year-old widow with early-stage Alzheimer's, received a call from a man claiming to be her grandson. He said he was in trouble and needed \$5,000 immediately. Confused and worried, Margaret withdrew the money from her savings and wired it to the caller. It wasn't until her daughter visited the next day that they realized Margaret had fallen victim to a common scam targeting seniors with cognitive impairment."

BE AWARE OF SCAMS

- Tech support scams⁵
- Fraudulent prizes or sweepstakes⁹
- Phony home or auto repair offers⁸
- Government impersonator scams⁸
- Romance scams: online and mail romantic relationships with people who they have not met¹¹
- Grandparent scams: impersonating grandchildren who call in urgent need of help
- Text messages from unknown numbers with links impersonating trusted sources about money

EDUCATE & COMMUNICATE

- Discuss potential fraud risks with the older adult⁵
- Encourage them to consult a trusted person before making financial decisions⁵
- Explain that legitimate offers don't come with urgent deadlines⁵

TEACH SOCIAL MEDIA SAFETY

- Be cautious when accepting friend requests
- Do not click on suspicious links, especially those shared in comments on posts
- Be aware that information you share on social media is public

ENHANCE BANKING SECURITY

- Choose a bank with age-friendly services and staff trained in elder fraud prevention⁴
- Opt for in-person banking if online services are challenging⁴

STAY INFORMED

- Keep up to date on local scams targeting older adults¹
- Review resources from trusted organizations like the Consumer Financial Protection Bureau³

CREATE A SUPPORT NETWORK

- Hold regular family financial meetings¹
- Designate multiple trusted individuals to oversee finances⁴

ADDITIONAL RESOURCES

National Elder Fraud Hotline: (833)372-8311

Federal Trade Commission (FTC): consumer.ftc.gov

Consumer Financial Protection Bureau (CFPB): consumerfinance.gov/consumer-tools/fraud

Fraud Watch Network Hotline: (877)908-3360

AARP: aarp.org/money/scams-fraud

Los Angeles County Consumer & Business Affairs: dcba.lacounty.gov/smarter seniors

San Diego County District Attorney: sdcdca.org/helping/elder-abuse

Orange County Social Services Agency: ssa.ocgov.com/abuse-reporting/elder-disabled

¹fidelity.com/viewpoints/wealth-management/elder-fraud

²blog.ssa.gov/minimizing-the-risk-of-scams-for-people-living-with-dementia

³consumerfinance.gov/consumer-tools/educator-tools/resources-for-older-adults/money-smart-for-older-adults

⁴synovus.com/personal/resource-center/financial-newsletters/2025/january/protecting-elders-with-dementia-from-financial-fraud

⁵cnb.com/personal-banking/insights/prevent-elder-fraud.html

⁶alzheimers.org.uk/sites/default/files/migrate/downloads/short_changed_-_protecting_people_with_dementia_from_financial_abuse.pdf

⁷consumerfinance.gov/consumer-tools/educator-tools/resources-for-older-adults/protecting-against-fraud

⁸nia.nih.gov/health/legal-and-financial-planning/managing-money-problems-people-dementia

⁹seniors.insurance.ca.gov/fs/financial-abuse.cfm

¹⁰usa.gov/credit-freeze

¹¹states.aarp.org/california/romancescams