

## Helping Elders Avoid Debt



Elders are accumulating debt in record numbers. Many adult children do not realize that their parents are in debt until the situation has escalated alarmingly. According to Matt Plummer, who runs a financial counseling program in Milwaukee for its older residents, “A classic scenario is that the son or daughter comes into town when a parent goes into the hospital, then stays at the house and finds that the refrigerator is bare, and there are past-due bills around.” Adult children may be able to help by proactively looking for the following red flags:

- **Frequent trips to casinos:** Many older people use gambling as an escape; often they have recently lost a spouse or been diagnosed with a serious illness. Investigate further if a parent has lost interest in previously enjoyed activities, blocks of time are unaccounted for, possessions or assets are missing, personal needs are neglected, secrecy has increased, or discussions of time and money are avoided. Help is available through Gambler’s Anonymous and The National Council on Problem Gambling.
- **Shopping addiction:** Compulsive shoppers are often escaping from anxiety, loneliness, depression, or boredom. Whether it is bidding on eBay merchandise, shopping online or phoning in catalog orders, elders can get caught up in the myth that filling their lives with material things will bring happiness. There’s also the bonding that comes from chat rooms devoted to doll collecting or developing a brief, but comforting, relationship with a friendly customer service rep. Start asking questions if you see many new purchases or multiple copies of shopping catalogs. Encourage your elder to keep credit and debit cards just for emergencies and help them to find opportunities for socialization. If necessary, get help from Debtors Anonymous.
- **Falling for scams:** One of the latest scams is a frantic call to an elder, supposedly from his or her grandchild, saying he or she is under arrest in Canada and needs bail money to be wired. Often the grandparent agrees not to tell the parent, and the money is sent. Then there are the “contractors” who offer to fix a roof, a sidewalk, or a fence. They must be paid up front in order to buy supplies, but they take the money and disappear. Elders are continual targets for telephone and mail solicitations offering “free” vacations, deep discounts or required “donations.” A proactive conversation about these scenarios may avert more victims.

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