

Financial Exploitation: Finding Solutions

BLANE BROWN-VICE PRESIDENT OPERATIONS/ACMG FEDERAL CREDIT UNION
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Awareness: Elder Financial Exploitation

- ▶ 70% of our nation's wealth is held by individuals over the age of 50.
- ▶ 1.6 Billion lost in New York State annually
- ▶ Every community and ALL socioeconomic levels are affected.
- ▶ It is underreported and under prosecuted
 - ▶ 2011 NYS Prevalence study indicated only 1 in 43 were reported
- ▶ It is often tied with other forms of elder abuse

Understand: Elder Financial Exploitation

- ▶ Forms
- ▶ **Those you do not know**
 - ▶ "Stranger Danger"
 - Frauds and Scams
- ▶ **Those you know**
 - ▶ Persons of trust
 - Family
 - Friends or neighbors

Elder Financial Exploitation: "Stranger Danger"

- **Home improvement/contractors**
- **Internet fraud**
- **Telephone/telemarketing frauds and scams**
 - Gift Cards/Green Dot
- **Healthcare fraud**
 - Medicare "salesperson"
- **Sweepstakes and "Sweetheart Schemes"**
 - Canadian Lottery
 - Facebook

Elder Financial Exploitation "Those you know"

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- Theft- stealing cash, ATM card, valuables, cars, home
- Fraud- Tricking or lying even if it causes harm to you (ex. check fraud)
- Embezzlement- Using your money for things you did not agree to
- Forgery- Signing your name to checks or other important documents
- Changes to legal documentation- Power of attorney, wills

Financial Institutions: Recognizing Elder Financial Exploitation

- ▶ Train all financial institution employees to prevent, detect and report instances of possible financial exploitation.
 - ▶ Train at least annually
 - ▶ Training should include red flags on behaviors and actions of elder abuse/financial exploitation
 - ▶ Training should include process for internal reporting to the person or department who will review activity and report to Adult Protective Services (APS) and/or Law Enforcement and file a Suspicious Activity Report (SAR)

Financial Institutions: Recognizing Elder Financial Exploitation

- ▶ Use technology to monitor transaction activity for changes in transaction activity that may be a sign of elder financial exploitation
 - ▶ Changes in frequency or dollar amount of transactions
 - ▶ Accounts that are overdrawn or have returned payments, when account has never had issues with overdrafts previously
 - ▶ Debit card activity out of the norm; changes in type(s) of transactions, frequency of use, change in locations used, and times of day card is used.

Financial Institutions: Recognizing Elder Financial Exploitation

- ▶ Graham-Leach-Bliley Act
 - ▶ allows for safe harbor provision to financial institutions and their employees for reporting suspected elder abuse to law enforcement and other government agencies, such as APS.

Financial Institutions: Recognizing Elder Financial Exploitation

- ▶ **Section 314(b) of the USA PATRIOT Act (Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001)**
 - ▶ allows financial institutions to voluntarily register to share information with each other to prevent money laundering, terrorist financing and other crimes such as elder financial exploitation. There are also safe harbor provisions within this act that protect financial institutions and their employees when sharing information if illegal activity is suspected.

Financial Institutions: Recognizing Elder Financial Exploitation

- ▶ File a Suspicious Activity Report (SAR) for any suspected elder financial exploitation or abuse.
- ▶ SARs are required to be filed with 30 days of determination of a crime and every 90 days following the initial filing date if the activity continues. One of the requirements of filing the SAR is reporting criminal violations aggregating \$5,000 or more when a suspect can be identified. SARs can be filed for lesser amounts or when no amount is involved.

Financial Institutions: Finding Solutions

- ▶ Reporting suspected cases to APS and law enforcement
- ▶ Notify joint account owner, agent or Power of Attorney on account regarding any suspicions
- ▶ Financial institutions are limited by the Privacy Act and cannot contact a family member or other responsible individual if they are not an owner on the account or an agent of the account owner

Financial Institutions: Finding Solutions

- ▶ Train staff to be aware that they do not have to immediately process every transaction requested of an account owner.
- ▶ Delaying a transaction to contact the Bank Secrecy Officer of the financial institution can prevent some instances of financial exploitation

Financial Institutions: Finding Solutions

- ▶ Training staff to request a discussion with account owners only.
 - ▶ Sometimes difficult if account owner states that it is all right for the non-account owner to stay.
 - ▶ May put victim at higher risk if individual accompanying the account owner thinks that financial institution is discussing the possibility of financial exploitation or abuse.
 - ▶ Discussing what the financial institution is concerned about with the account owner privately may eliminate or confirm a suspicion of abuse or at least let the account owner know that the financial institution is concerned about them.
- ▶ Refer cases to Multi-Disciplinary Team to determine what can be done to assist victim.

Adult Protective Services: Recognizing Financial Exploitation

- ▶ Adult Protective Services receives referrals on vulnerable adults. The most frequent referrals concerning financial exploitation come from financial institutions but referrals can come from friends, family, service providers, hospitals, etc.
- ▶ Financial Exploitation may be discovered during open investigation by observing rent not being paid, going without necessities such as food or medicine, etc.

Adult Protective Services: Recognizing Financial Exploitation

- ▶ Adult Protective Services has the legal authority to obtain bank records in cases where financial exploitation is suspected.
- ▶ Onondaga County Adult Protective Services currently has access to a forensic accountant. The forensic accountant is able to decipher lengthy bank records into a concise report.
- ▶ Adult Protective Services can demand an accounting from a Power of Attorney and if an accounting is not provided the case can be brought to court for legal action.

Adult Protective Services: Finding Solutions

- ▶ Adult Protective Services is mandated to report to law enforcement when it is believed a crime has been committed.
- ▶ Adult Protective Services can assist a person in obtaining a representative payee for Social Security funds.
- ▶ Various agencies can become representative payee if person is agreeable to the service.
- ▶ Adult Protective Services is the only agency that can become representative payee involuntarily.

Adult Protective Services: Finding Solutions

- ▶ Refer case to Multi-Disciplinary Team to explore possible solutions.
- ▶ Adult Protective Services can be named financial guardian of a person if the court finds the person to lack capacity and there is no one else willing or able to act as guardian.

Enhanced Multi Disciplinary Team

A team of professionals that meet to discuss and trouble shoot complex cases of financial exploitation of older adults

Enhanced Multi Disciplinary Team

- ▶ Victim Advocate
- ▶ Representative from:
 - ▶ Onondaga County Sheriff's Office
 - ▶ Onondaga County District Attorney's Office
 - ▶ Onondaga County Department of Law
 - ▶ Onondaga County Department of Adult and Long Term Care
 - ▶ Adult Protective Services
 - ▶ Office for Aging
- ▶ Forensic Accountant

Enhanced Multi Disciplinary Team

- ▶ Is bound by the common purpose of addressing the safety and wellbeing of a victim of exploitation
- ▶ Cases are referred by financial advisors, Adult Protective Services, and other community service providers

Enhanced Multi Disciplinary Team: Function

- ▶ Provide expert consultation to service providers
- ▶ Plan and carry out coordinated investigations and or care planning
- ▶ Identify gaps in service provision and systems responses
- ▶ Update members about new services, programs and legislation

Enhanced Multi Disciplinary Team: Benefits for Victim

- ▶ Lessens the burden on the victim
- ▶ Fewer systems to navigate
- ▶ Enhances opportunity to access necessary services
- ▶ Provides more informal supports for victim, monitoring and follow up beyond the crisis (with the goal of reducing further incidences of exploitation)
- ▶ Provides creative approaches and solutions to complicated circumstances that could not be achieved through one single agency

What does the victim want and how will the victim maintain his/her safety?

Enhanced Multi Disciplinary Team: Benefits for Service Provider

- ▶ Gain a more complete picture of the situation
- ▶ Different disciplines provide different perspectives
- ▶ Risk assessment
- ▶ Strengthen community relationships
- ▶ Enhance knowledge and understanding of systems and services for the elderly
- ▶ Agency limitations

Solutions: Benefits, Risks and Resources

▶ Representative-payee services

▶ **ARISE Syracuse**

635 James St Syracuse, NY 13203
(315) 472-3171; TTY (315) 479- 6363

▶ **CNY Services**

518 James Street Suite 240/280 Syracuse, New York 13203
Phone: (315) 478-2453

▶ **Adult Protective Services**

(315) 435- 2815

Solutions: Benefits, Risks and Resources

► Bill paying services

► Jewish Family Service- Solutions

Hodes Way 4101 East Genesee St. Syracuse 13214
(315) 446-9111

► Silver Bills

<https://www.silverbills.com/>

Solutions: Benefits, Risks and Resources

► Elder Advocate- Vera House

(315)425-0818

► Law Enforcement

911

► Onondaga County DA's Office

315-435-2470

► Attorney General's Office (Frauds and Scams)

General Helpline: 1-800-771-7755

► Run a credit report

► Determine if there are any accounts, cards or other questionable activity

Discussion and Questions
