

Preventing Elder Financial Exploitation

The Role of Financial Institutions in Connecticut

Elder financial exploitation and fraud is the illegal taking, misuse, or concealment of funds, property, or assets of an older adult. This is a growing concern. Financial institutions can play a key role in the identification, detection, and prevention of this form of elder abuse and are encouraged to recognize the signs of elder financial abuse and fraud, taking the proper steps to protect their older customers, and making the proper report or referral in the event elder financial abuse or exploitation is occurring.

RED FLAGS

10 Commonly Arising Signs & Risk Factors of Elder Financial Abuse & Exploitation

- Noticeable signs of neglect or decline in appearance
- Increased confusion, word-finding, or memory issues
- Unusual degree of fear, anxiety, or submissiveness
- Noticeable changes in financial management habits
- Abrupt changes to financial documents and accounts
- Unexplained disappearance of funds
- Unusual and uncharacteristic account activity
- Sudden “non-sufficient” fund activity
- New associations or “friendships”
- Sudden changes in the management of older customer’s finances

QUICK FACT: In 2015, the estimated cost of elder financial abuse was \$36.5 billion.

ACTION STEPS

5 Important Questions to Answer When Developing Internal Protocol

1. When personnel have a concern:
 - Who should they tell?
 - When should a supervisor be told?
2. Who will determine if and/or when a report is made to local, state, or federal agencies?
3. What information or documentation should be gathered?
4. What information should be provided to local or state agencies, or law enforcement?
5. Who will respond to requests from Protective Services for the Elderly (PSE)?

QUICK FACT: The non-financial impact of financial abuse is devastating. Almost 1 million seniors are skipping meals as a result of financial abuse.

4 Steps Managers Can Take When They Suspect Elder Financial Abuse

1. **SEPARATE:** Consider speaking with your older customer one-on-one to get a better idea of the situation at hand
2. **EXPLAIN:** Advise your older customer and explain risks, options, and concerns to prevent abuse or when it occurs
3. **DELAY OR STOP TRANSACTIONS:** To stop any further exploitation of your older customer’s accounts and funds
4. **NOTIFY:** Either by filing an appropriate SAR, or contacting internal levels of management. You may also consider contacting local law enforcement or other appropriate state and federal agencies.



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REPORTING

Exceptions to Federal Confidentiality Laws

- To protect or prevent fraud, unauthorized transactions, claims or other liability
- To law enforcement regarding public safety
- With consent of consumer
- Subpoenas
- States with mandated requirements to report

The toll-free In-State referral line for
Protective Services for the Elderly (PSE) is
1-888-385-4225

In Connecticut:

- Financial institutions may **VOLUNTARILY** report:
 - Publicly viewed safety concerns and/or concerns of behavior or well-being in branch
 - if **CONSENT** is obtained from your older customer; CT gives immunity from liability for good faith reporting
- Non-public information under federal exception guidelines (see above)
- Public information

SCAMS & TACTICS

- SCAMMER TACTICS:**
- Secrecy
 - Authority
 - Urgency
 - Legitimacy
 - Reciprocity

9 Scams to Watch Out For ...

1. **Obituary Scam**– Using obituaries to target recent widows, scammers attempt to collect false debts of the deceased.
2. **Magazine Subscriptions**– Company sends free magazines and convinces a senior he owes money for the subscription.
3. **Sweepstakes**- ‘Contest’ claims a senior won a prize and needs to send in money to collect winnings.
4. **Charitable Donations**- Unscrupulous charities take advantage of generosity and memory loss to request donations repeatedly.
5. **Investment Scams**– Salesperson convinces a senior that an unusual asset , like a horse farm, is worth significant investment.
6. **Grandparent Scam**– Scammer calls late at night pretending to be a grandchild in need of emergency funds by wire.
7. **Helpful Nephew Scam**– Trusted relative visits a senior frequently and asks to borrow money, knowing the request will be forgotten.
8. **Sweetheart Scam**– Scammer befriends a lonely older adult to get access to money or be written into the will.
9. **TV Shopping Trickery**– As-Seen-On-T.V. products hide extra fees and charges in the fine print