

PREVENTING FINANCIAL EXPLOITATION OF THE ELDERLY:

The Role Of Financial Institutions

A public/private training initiative between the Department of Health and Human Services Office of Aging and Disability Services, the Maine Department of Professional and Financial Regulation, the Maine Bankers Association, the Maine Credit Union League, Legal Services for the Elderly, and Maine's five Area Agencies on Aging.

About this Presentation

This presentation was created to accompany the training materials from the Maine Department of Health and Human Services' "Maine Reporting Project for Financial Institutions." These materials are available at:

https://www.maine.gov/dhhs/oads/aging/aps/bank_training.htm

- Unless otherwise indicated, nothing in this presentation is meant to be construed as legal, statutorily-defined language.
- Unless otherwise specifically noted the term "financial exploitation" should be read in the broad sense to include all adults whether or not dependent or incapacitated

Disclaimer

The information provided in these materials is general information, may contain errors, and is not intended, or to be relied upon, as legal advice. While the information pertains in part to legal issues, it is not intended as a substitute for the particularized advice of your own counsel. Anyone seeking specific legal advice or assistance should retain an attorney.

This Training will Cover the Following Information

- Benefits of identifying and reporting exploitation
- Why this issue is so important to all of us in Maine
- Common red flags
- What you can do to make a difference
- Case studies

Financial Institutions Can Play a Key Role in Stopping Financial Exploitation

- Regular customer contact puts financial institutions in a unique position to detect behavior changes and to assist in protecting customers.
- Proactive measures help to promote goodwill within the communities where institutions have footprints.
- Reporting is consistent with role of financial institutions to protect assets, prevent losses, and safeguard customer information.

Benefits of Reporting and Referring

- **Community Benefits**

- Improved safety in the community for seniors and other customers.
- Proactive measures help promote goodwill in the community.
- Protecting the finances of an elderly person helps to preserve that person's financial independence.

- **Business Benefits**

- Preservation of reputation, increased community recognition, increased employee satisfaction, and decreased uninsured losses.
- Confirmation of concern for customers' well being and financial independence.

Why Addressing this Issue is so Important...

It Can Happen to Anyone.



“To those seniors and especially elderly veterans like myself, I want to tell you this: You are not alone and you have nothing to be ashamed of. If elder abuse happened to me, it can happen to anyone.”

Mickey Rooney

Testimony to Senate Special Committee on Aging, March 2, 2011

Why Addressing this Issue is so Important

- Vulnerable population is large and growing
 - Maine has the oldest median age in the country
 - In 2012, 17% of Maine's population was 65+
 - By 2030, more than 25% of Maine's population is projected to be 65+
- Financial health affects overall health
- Financial loss impacts available food, medication, housing, and other services
- Almost a third of older adults live within 150% of the poverty level
- Average savings of 50-year-old boomers is about \$50,000

Why Addressing this Issue is so Important

- 34% of the net worth in America, or a collective net worth of over \$15 trillion, is held by citizens 65 and older
- Even older adults with savings in the low millions can't afford to lose substantial amounts, as they don't have the time to make it up
- Of all elder abuse cases reported, 30% were for financial exploitation¹
- Often one spouse handles the finances potentially leaving a surviving spouse ill-equipped to manage their affairs and vulnerable to exploitation

¹ National Elder Abuse Study, 1998

Why Addressing this Issue is so Important

- 7.3 million older Americans – one out of every five citizens over the age of 65 – already have been victimized by a financial rip off
- 37% of seniors report that they are currently being pitched by people calling or mailing them asking for money, claiming the senior won a lottery or other schemes
- 44% of those surveyed got at least two out of four questions wrong about basic investment knowledge¹
- Older adults are more willing to take financial risks and are more trusting often taken in by fake kindness and compassion

¹ Investor Protection Trust Elder Fraud Survey, 2010

Goal of this Training

To prevent the financial exploitation of Maine's senior population before assets/funds are depleted by:

- Educating financial institution employees about financial exploitation in an effort to prevent future abuse.
- Explaining the role of financial institution employees in preventing, detecting, and reporting financial exploitation.
- Introducing the new Senior\$afe brochure.

WHAT CAN FINANCIAL INSTITUTIONS DO?

Financial institutions are in a unique position to have early, and often the only, knowledge of financial exploitation.

What Can Financial Institutions Do?

1. LEARN TO IDENTIFY COMMON **RED FLAGS** THAT COULD INDICATE ACTUAL OR POTENTIAL FRAUD, EXPLOITATION, OR ABUSE
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In order to know when to act, you first need to know how to identify the suspicious behaviors or account activity which could indicate actual, or potential fraud, exploitation, or abuse.

This section will describe the most common **RED FLAGS**. This list will include the activity that can trigger a Suspicious Activity Report (SARs), as well as other common **RED FLAGS** that have been identified by Adult Protective Services (APS), and the BITS Financial Roundtable (BITS).

RED FLAGS

Suspicious
BEHAVIOR
That Could
Indicate Actual or
Potential Fraud,
Exploitation, or
Abuse

You should be concerned if any of the following **RED FLAGS** are present:

- Caregiver or person accompanying senior (C/PA) shows **excessive interest in senior's finances or accounts**, does not allow senior to speak for him or herself, or is reluctant to leave the senior's side during conversations. *(SARs Red Flag)*
- Senior shows an **unusual degree of fear, anxiety, submissiveness, or deference** towards C/PA. *(SARs Red Flag)*
- Senior **lacks knowledge about his or her financial status** or shows a reluctance to discuss financial matters. *(SARs Red Flag)*
- Senior moves away from existing relationships and **toward new associations** with other "friends" or strangers. *(SARs Red Flag)*

RED FLAGS

Suspicious
BEHAVIOR
That Could
Indicate Actual or
Potential Fraud,
Exploitation, or
Abuse

- Financial institution is **unable to speak directly** with the senior despite repeated attempts to contact him or her. *(SARs Red Flag)*
- Senior displays **unexplained or unusual excitement over a financial windfall** or prize check; may be reluctant to discuss details. *(BITS)*
- **Noticeable neglect** or decline in appearance, grooming, or hygiene. *(APS)*
- **Sudden appearance of previously uninvolved relatives** claiming their rights to the senior's affairs and possessions. *(BITS)*

RED FLAGS

Suspicious ACCOUNT ACTIVITY

That Could
Indicate Actual or
Potential Fraud,
Exploitation, or
Abuse

- A new caretaker, relative or friend **suddenly begins conducting financial transactions on behalf of a senior** without proper documentation or through a sudden change of C/PA or Power of Attorney. *(SARs Red Flag)*
- **Abrupt changes to financial documents**, such as power of attorney, account beneficiaries, wills and trusts, property title, and deeds. *(SARs Red Flag)*
- **Uncharacteristic nonpayment** for services, which may indicate a loss of funds or access to funds. *(SARs Red Flag)*
- Closing of CDs or accounts **without regard to penalties**. *(SARs Red Flag)*

RED FLAGS

Suspicious
**ACCOUNT
ACTIVITY**
That Could
Indicate Actual or
Potential Fraud,
Exploitation, or
Abuse

- Noticeable change in senior's established banking or financial management habits or patterns, including:
 - **Frequent large withdrawals**, including daily maximum currency withdrawals from an ATM. *(SARs Red Flag)*
 - **Sudden NSF activity.** *(SARs Red Flag)*
 - **Inconsistent debit transactions** or uncharacteristic attempts to wire large sums of money. *(SARs Red Flag)*

RED FLAGS

Suspicious ACCOUNT ACTIVITY

That Could
Indicate Actual or
Potential Fraud,
Exploitation, or
Abuse

- **Change of address** on accounts to new recipient's address, especially when distant from senior's home. *(BITS)*
- Large withdrawals from a **previously inactive account** or a new joint account. *(BITS)*
- **Suspicious signatures.** *(APS)*
- **Unexplained disappearance of funds or valuable possessions**, such as safety deposit box items reported missing by senior. *(BITS)*

What Can Financial Institutions Do?

2. OFFER SAFER ALTERNATIVES

Consider offering safer alternatives that might prevent abuse.

For example:

- Suggest alternatives to large cash withdrawals;
- Make customers aware of ways to limit the risk of joint accounts;
or
- Check with your supervisor about other products or services offered by your institution.

What Can Financial Institutions Do?

3. FOLLOW YOUR FINANCIAL INSTITUTION'S INTERNAL PROTOCOL

Your manager will provide you with your financial institution's internal protocol, should one exist.

A clear internal protocol ensures timely, efficient, and effective management of reports of suspicious behaviors.

What Can Financial Institutions Do?

4. EVEN IF YOUR FINANCIAL INSTITUTION DOESN'T HAVE AN INTERNAL PROTOCOL, REPORT THE SITUATION TO YOUR SUPERVISOR OR MANAGER
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Remember that no dollar amount is too small to report.

Case Studies

The case studies your trainer(s) will provide are based on real-life situations that have occurred at financial institutions in Maine. While the names and locations are fictional, scenarios like this are very real, and it is critical for financial institution personnel to identify the red flags of elder financial exploitation and know what steps to take.

- What red flags do you see in each situation?
- What should the teller do?

Repeat Reporting

Sadly, even if the suspicious behavior is reported, victimization can continue. There can be complex underlying relationships which can make it very difficult for a senior to admit they are being abused, or to accept help if it is offered. Even if a senior accepts help, they may be victimized again. It may be that APS, law enforcement, or other agencies do not have sufficient evidence to pursue an action based on the first report.

Because of this, it is incredibly important that you remain vigilant in keeping a close eye out and respond and report ***every time*** there is suspected exploitation or abuse, regardless of whether the customer has refused help in the past.

This Training Has:

- Highlighted common red flags that can indicate potential fraud, exploitation, or abuse; and
- Provided action steps:
 - Refer to your financial institution's internal protocol
 - Offer safer alternatives

Managers & Supervisors at your financial institution will receive additional training on reporting the suspicious behavior and referring to community resources.

Questions?

PREVENTING FINANCIAL EXPLOITATION OF THE ELDERLY:

Reporting and Referring

A public/private training initiative between the Department of Health and Human Services Office of Aging and Disability Services, the Maine Department of Professional and Financial Regulation, the Maine Bankers Association, the Maine Credit Union League, Legal Services for the Elderly, and Maine's five Area Agencies on Aging.

Goal of this Training

To prevent the financial exploitation of Maine's senior population before assets/funds are depleted by:

- **In part one of this training:**
 - Educating financial institution employees about financial exploitation in an effort to prevent future abuse.
 - Explaining the role of financial institution employees in preventing, detecting, and reporting financial exploitation.
- **In part two of this training:**
 - Preparing financial institution managers and supervisors to respond to reports of suspicious activity.

Preventing the Financial Exploitation of Maine's Seniors

Once the employees at your financial institution have been trained to identify the red flags of fraud, financial exploitation, and abuse, key managers and supervisors will begin to receive more reports of suspicious behavior.

- What happens next?

Preventing the Financial Exploitation of Maine's Seniors

- Confident and consistent reporting of elder financial abuse occurs when financial institution managers understand the law.
- The following slides provide an overview of certain confidentiality laws and their exceptions.
- The materials do not provide, and should not be considered, legal advice.

Confidentiality Laws: State and Federal

MAINE

Financial institutions may not disclose financial records to any person except the customer or the customer's authorized agent. See 9-B M.R.S.A. § 162.

- Financial records include the records held by the financial institution, or their agents, and include information derived from such records.

FEDERAL

Financial institutions may not disclose nonpublic personal information to non-affiliated third parties without providing notice to the customer and an opportunity to opt-out. See Gramm Leach Bliley Act (GLBA), 15 U.S.C. 6802.

- Nonpublic personal information is personally identifiable financial information.

Exceptions to Confidentiality Laws

Maine and federal confidentiality laws contain exceptions that allow reporting of elder financial abuse.

The Maine Banking Code permits voluntary disclosure of financial records in two ways:

1. To assist Maine Adult Protective Services (APS) protect dependent and incapacitated adults; and
2. To the extent permitted for all adults under federal GLBA.

Exceptions to Confidentiality Laws

Reporting under 9-B M.R.S.A. § 162(5)

The Maine Banking Code allows optional reporting to APS when there is reasonable cause to suspect that an incapacitated or dependent adult has been or is at substantial risk of abuse, neglect, or exploitation.

- “Exploitation” means the illegal or improper use of an incapacitated or dependent adult or that adult's resources for another's profit or advantage.

Importantly, disclosure under §162(5) provides certain advantages over the broader GLBA reporting for a subset of elders- those who are dependent or incapacitated:

- Disclosure triggers intervention by the APS, available 24/7; and
- Maine law provides immunity for the financial institutions that make a report, thereby encouraging reporting.

Exceptions to Confidentiality Laws

Reporting exploitation of incapacitated or dependent adults to APS. Who is covered?

- **"Incapacitated adult"** means any adult who is impaired by reason of mental illness, mental deficiency, physical illness or disability to the extent that that individual lacks sufficient understanding or capacity to make or communicate responsible decisions concerning that individual's person, or to the extent the adult can not effectively manage or apply that individual's estate to necessary ends. 22 M.R.S.A. §3472.

Exceptions to Confidentiality Laws

Reporting exploitation of incapacitated or dependent adults to APS. Who is covered?

- "**Dependent adult**" means an adult who has a physical or mental condition that substantially impairs the adult's ability to adequately provide for that adult's daily needs. "Dependent adult" includes, but is not limited to, residents of nursing and assisted living facilities. 22 M.R.S.A. §3472.

Exceptions to Confidentiality Laws

Immunity from Liability

Applies to reports to APS related to exploitation of **dependent** or **incapacitated adults**.

The Maine Banking Code provides immunity from civil or criminal liability for good faith disclosure of information by financial institutions and their affiliates to APS pursuant to 9-B M.R.S.A. §162(5).

- In any proceeding regarding immunity from liability, the law provides a rebuttable presumption of good faith. 9-B M.R.S.A. §164.
 - In simple terms, presumption means that it will be assumed that reports are made in good faith. The responsibility to prove otherwise rests with the person challenging the report. (Good faith- honest belief/absence of malice).
- For greater detail, consult with your legal department.

Exceptions to Confidentiality Laws

The bigger picture: Reporting under 9-B M.R.S.A. § 161(2)(M) and (O) and the Gramm Leach Bliley Act.

- Maine law permits disclosure to the extent permitted under federal GLBA.
- This includes reporting financial abuse of elders who are not dependent or incapacitated adults.

Exceptions to Confidentiality Laws

- Federal Agencies, including the Federal Reserve, CFTC, CFPB, FDIC, FTC, NCUA, OCC, and the SEC recently issued reporting guidance known as the *Interagency Guidance on Privacy Laws and Reporting Financial Abuse of Older Adults*. (9-24-13)
- The federal guidance acknowledges that “[p]rompt reporting of suspected financial exploitation to adult protective services, law enforcement, and/or long-term care ombudsmen can trigger appropriate intervention, prevention of financial losses, and other remedies.”
- The guidance clarifies that “reporting suspected financial abuse of older adults to appropriate local, state, or federal agencies does not, in general, violate the privacy provisions of the GLBA.”

Exceptions to Confidentiality Laws

“**Financial abuse**” is broadly defined in the guidance as:

- Illegal or improper use of an older adult’s funds, property, or assets.

Two definitions of exploitation are footnoted in the guidance.

- “**Exploitation**” is the illegal taking, misuse, or concealment of funds, property, or assets of a vulnerable elder. (National Center on Elder Abuse -also used by FinCEN)
- “**Exploitation**” is the fraudulent or otherwise illegal, unauthorized, or improper act or process of an individual, including a caregiver or fiduciary, that uses the resources of an elder for monetary or personal benefit, profit, or gain, or that results in the depriving an elder of rightful access to, or use of, benefits, resources, belongings, or assets. (Older Americans Act)

Exceptions to Confidentiality Laws

The interagency guidance indicates that 15 U.S.C. 6802 of the GLBA permits disclosure of nonpublic personal information to local, state, and federal agencies for the purpose of reporting suspected financial abuse of older adults without the consumer's authorization.

- Disclosure is always permissible with the consumer's consent.

Exceptions to Confidentiality Laws

GLBA permits disclosure to local, state, and federal agencies without consumer authorization:

1. To comply with federal, state, or local laws, rules, and other applicable legal requirements. Such as laws that require reporting of suspected abuse.
2. To respond to a properly authorized civil, criminal, or regulatory investigation, subpoena, or summons.

Exceptions to Confidentiality Laws

3. To protect against or prevent actual or potential fraud, unauthorized transactions, claims, or other liability. This exception generally allows a financial institution to disclose nonpublic personal information in order to:
 - a) Report incidents that result in taking an older adult's funds without actual consent, or
 - b) Report incidents of obtaining an older adult's consent to sign over assets through misrepresentation of the intent of the transaction.
4. To the extent specifically permitted or required under other provisions of law...to law enforcement agencies...or for an investigation on a matter related to public safety.

Preventing the Financial Exploitation of Maine's Seniors

Has your financial institution created an internal protocol?

- The financial institution will benefit from a clearly defined internal protocol by:
 - Eliminating confusion and response delay by clearly delegating reporting responsibility to specific people.
 - Improving reporting efficacy by having specific, highly trained individuals singularly responsible for reporting, referring, and follow-through.

Model Protocol

Your financial institution should consider creating an internal protocol, if one does not already exist.

This next section will provide you with some potential components of a model protocol.

MODEL INTERNAL PROTOCOL

ACTION STEPS

That Might Be
Included In An
Internal Protocol

- Front Line Staff might be directed to **immediately report** suspicious activity to identified supervisor or manager.
- Upon receipt of that report, Front Line Staff might be directed to take any, or all of these steps:
 - Inquire about the withdrawal.
 - Ask if someone claiming to have a lot of money has asked the senior to do this transaction “in good faith.”
 - Share an “awareness” document with information about common schemes with consumers to read prior to receipt of large out-of-pattern withdrawals.
 - Check documentation of the third party.
 - Activate surveillance camera.
 - Follow up with internal auditor.

MODEL INTERNAL PROTOCOL

ACTION STEPS

That Might Be
Included In An
Internal Protocol

- If Front Line Staff suspects coercion in the presence of a third party they might be directed to:
 - Separate the senior from third party by ushering him or her to another location on the pretense of discussing private account information.
 - Notify another colleague of the situation.
 - Contact Security or have a colleague do so.

MODEL INTERNAL PROTOCOL

ACTION STEPS

That Might Be
Included In An
Internal Protocol

- Front Line Staff might be directed to contact their manager, loss prevention and/or legal departments for assistance and guidance. These departments might:
 - Interview the reporting employee and document steps taken by the employee.
 - Take immediate protective action on accounts by placing holds or restraints and follow normal prevention and recovery steps to follow the money as needed.
 - Interview the customer, if willing. Document this interview. Offer customer safer alternatives for desired outcome.
 - Collect and document surveillance videos and photos.
 - Complete a Suspicious Activity Report for FinCEN.
 - Report to appropriate agencies.
 - Advise customer contact staff and appropriately document files of final outcome.

Understanding Your Reporting Obligations and Referral Options

- Mandatory Reporting—SARs
- Voluntary Reporting Options (without consent)
- Referrals for Services (with consent)

Understanding Your Reporting Obligations and Referral Options

Reporting or referring cases of suspected elder abuse can be frustrating.

- The process is often slow;
- Many individuals and organizations may be involved;
- Lack of follow-up, both internally and externally; and
- Confidentiality may limit how much information can be shared with the reporting institution or individual.

Mandatory External Reporting: Suspicious Activity Reports

Financial institutions are required to file Suspicious Activity Reports (SARs), these filings include reports of elder financial exploitation.

- A SAR is appropriate where the financial institution knows, suspects, or has reasons to suspect that a transaction has no business or apparent lawful purpose or is not the sort in which the particular customer would normally be expected to engage, and the financial institution knows of no reasonable explanation for the transaction after examining the available facts.
- The Financial Crimes Enforcement Network (FinCEN) requests that financial institutions include the term “**elder financial exploitation**” when filing a SAR in instances of financial exploitation of the elderly. See FIN-2011-A003.

Mandatory External Reporting: Suspicious Activity Reports

SARs filings are not a substitute for local reporting and investigation.

- FinCEN urges SARs filers to continue to report all forms of elder abuse according to institutional policies and requirements of local laws and law enforcement.

Voluntary External Reporting and Referral Options Depend Upon the Situation

Each situation is unique, but it is crucial that the responsible manager/supervisor consider all options and if at all possible make **at least** one referral.

Calling 911

Call 911 if you believe that the customer is in **immediate danger!**

Voluntary External Reporting and Referral Options

Any adult in immediate danger: **911**

Without senior's consent

Dependent or incapacitated seniors

- **Adult Protective Services**
1-800-624-8404

Reporting to Adult Protective Services

If you have reason to believe that there has been abuse, neglect, or exploitation of an incapacitated or dependent adult, it should always be reported to Adult Protective Services:

1-800-624-8404 (24/7)

- **Incapacitated Adult:** Any adult who by reason of mental illness, mental deficiency, physical illness or disability lacks sufficient understanding or capacity to make or communicate responsible decisions about him/herself or effectively manage or apply his/her estate to necessary ends.
- **Dependent Adult:** Any adult who has a physical or mental condition that substantially impairs the adult's ability to adequately provide for that adult's daily needs. It includes but is not limited to residents of nursing and assisted living facilities.



Reporting to Adult Protective Services

The following are examples of signs that indicate a senior might be incapacitated or dependent:

- Difficulty communicating with staff
- Challenging behavior such as agitation, delusions, or inappropriate comments
- Wandering into financial institution or becoming lost within institution
- Frequent loss of checkbook or credit cards/ATM cards



Reporting to Adult Protective Services

- If you have reason to believe that the customer is dependent or incapacitated, report the suspicious behavior to APS as soon as possible.
- **If you are in doubt, call APS!** If APS determines that the senior is not incapacitated nor dependent, APS will refer the senior to the appropriate local resource.

Reporting to Adult Protective Services

The APS Process and Timetables

- Within 24 hours of a report being made it is forwarded to the area supervisor.
- Within 1 week a decision will be made to assign it or screen it out.
 - **Emergency referrals are decided the same day.**
- When a report is screened out, the referent is notified by phone or by mail.
- After assignment, a caseworker will be given a “see by” date that can range from same day to 1 week, depending on severity.
- The caseworker will call the referent before seeing the client.
- The caseworker has 60 days to complete the investigation, this is generally only extended if the court is involved.



Adult Protective Services Intervention Timetable

- SSA/I/D – When an investigator has enough evidence to support exploitation we can immediately contact SS to suspend benefits.
- APS will work with financial institutions to provide sufficient information to “freeze” accounts, when that is warranted.
- If guardianship seems to be the only option, a court study will be done, all relatives located and noticed, and a petition filed.
- Temporary Guardianship can be granted ex-parte and done very quickly, but these are rare and very difficult to get the court to grant.
- Regular Guardianship requires a court hearing that can take up to 6 months to be heard.



Adult Protective Services

What Happens When a Referral is Screened Out?

- The referent is notified.
- APS may refer the report to a more appropriate agency: LTCOP, Licensing, LSE, etc.
- If APS screens out a referral, it will be sent to The Maine Office of Securities as part of this cooperative effort.
- REMEMBER – You, as the reporter, are the most informed person regarding this incident. If you believe a report was inappropriately screened out, or if you just have questions, please call and discuss it with the APS Supervisor.



Reporting to Adult Protective Services

The Maine Reporting Project for Financial Institutions provides a detailed description of how and when a financial institution should make a report to Adult Protective Services.

These materials are available at:

http://www.maine.gov/dhhs/oads/aging/aps/bank_training.htm

Voluntary External Reporting and Referral Options

Any adult in immediate danger: **911**

Without senior's consent

Dependent or incapacitated seniors

- Adult Protective Services
1-800-624-8404
- **Law Enforcement**

Reporting to Local Law Enforcement

A non-emergency report to local law enforcement is appropriate when pursuant to a GLBA confidentiality exception or with the senior's consent. Examples could include:

- Senior presents a fraudulent check or other forged document
- Senior is cashing in coins that are potentially worth more than face value, particularly if you are suspicious of the situation – the items could be stolen
- Senior or person accompanying the senior appears to be impaired or intoxicated, particularly if you believe they may be operating a motor vehicle

Best Practice

Each financial institution manager can identify a specific member of their local law enforcement, the State Police, or county Sheriff's office to have on speed dial. This will allow the institution to have a consistent law enforcement contact who can help with quick questions.

Reporting to Local Law Enforcement

Non-emergency reports to local law enforcement made pursuant to a GLBA confidentiality exception or with the senior's consent should be limited to very basic information:

- Name, age (estimate), address, and telephone number of the victim
- Full description of the suspect
- Description of the incident
- Location of the incident (financial institution, branch, and address)
- Description of suspect's car and license plate number (if known)

Remember

If you believe that the customer is in **immediate danger**, always call 911.

Voluntary External Reporting and Referral Options

Any adult in immediate danger: **911**

Without senior's consent

Dependent or incapacitated seniors

- Adult Protective Services
1-800-624-8404
- Law Enforcement

Not dependent or incapacitated seniors (i.e., Pursuant to GLBA & Maine GLBA exception)

- **Maine Office of Securities**
1-877-624-8551

Referring to the Maine Office of Securities

A referral to the Maine Office of Securities is appropriate when pursuant to a GLBA confidentiality exception or with the senior's consent.

The Office of Securities regulates the securities industry in the State of Maine and welcomes consumer complaints and questions, including questions about investments, financial professionals, and securities laws. The Office can also assist with the investigation or referral of cases involving elder financial exploitation.

- The Office also educates seniors on how to identify red flags for financial fraud and exploitation and learn how to protect themselves.

Phone: (877) 624-8551 (toll-free in Maine)
or (207) 624-8551

Website: www.investors.maine.gov



Referring to the Maine Office of Securities

If you have reason to believe that there has been financial exploitation of a person who is **not** an incapacitated or dependent adult, you can contact the Maine Office of Securities. When in doubt about the senior's dependency or incapacity, **contact Adult Protective Services!**

You can reach the Office by calling 1-877-624-8551. Ask to speak with the Investor Education Manager. If the IEM is not available, ask to speak with the LEE Officer of the Day.



Why the Maine Office of Securities?

The Maine Office of Securities has agreed, for purposes of this program, to act as the intake agency for those individuals who do not appear to be dependent or incapacitated. As the intake agency, the Office has agreed to:

- Receive telephone calls from financial institutions;
- Review information received to determine whether to investigate the case or refer it to another appropriate federal or state agency; and
- Advise the financial institution if a subsequent referral is made to another agency.



What can the Maine Office of Securities Do?

- Speak with the senior to gather information and evaluate the situation.
- If the incident involves a security, conduct an investigation and pursue administrative, civil, or criminal action which may include recovery of assets.
- Whether the incident involves a security or not, if the senior may need other resources such as housing, legal aid, protection from abuse, or sexual assault services, refer the senior to other organizations.



What can the Maine Office of Securities Do?

If the incident does not involve a security, refer the case to an appropriate federal or state agency. Agencies to which there may be a referral include:

- Adult Protective Services
- Maine Office of the Attorney General
- Local District Attorney's Office
- State, County, or Local Law Enforcement
- Bureaus of Financial Institutions, Insurance, or Consumer Credit Protection
- United States Attorney's Office
- Federal Bureau of Investigation
- United States Postal Inspector
- Internal Revenue Service
- Securities and Exchange Commission
- Federal Trade Commission
- Commodity Futures Trading Commission
- Consumer Financial Protection Bureau
- US Department of Labor



What can the Maine Office of Securities Do?

- When an issue is reported, the IEM or LEE officer will take down key information
- An intake form will be completed and reviewed with General Counsel and/or the Administrator to determine if the office has jurisdiction over the matter
- If the issue is within the office's jurisdiction, the case will be assigned to an investigator who will gather evidence, interview witnesses, etc.
 - If there is sufficient evidence and depending upon the violation, we will either take administrative action or make a criminal referral to the Attorney General's Office.
- If not within the office's jurisdiction, we will make a referral to an appropriate agency



Voluntary External Reporting and Referral Options

Any adult in immediate danger: **911**

Without senior's consent

Dependent or incapacitated seniors

- Adult Protective Services
1-800-624-8404
- Law enforcement

Not dependent or incapacitated seniors (i.e., Pursuant to GLBA & Maine GLBA exception)

- Maine Office of Securities
1-877-624-8551
- Law enforcement

With senior's consent

Suspected Financial Exploitation

- Maine Office of Securities
1-877-624-8551
- **Legal Services for the Elderly**
1-800-750-5353

Helping a Customer Contact Legal Services for the Elderly

Contacting LSE requires the senior's consent; however, it is easy to help seniors make the first call to the LSE toll-free number, **1-800-750-5353** for help.

- This can be done by calling with the senior using a speaker phone, calling with the senior on a conference call, or making the initial call and then putting the senior on the phone to make the initial request for help.
- Once a senior makes a request for help and gives LSE permission to speak with others, LSE can begin to gather information from those trying to help the senior.



Legal Services for the Elderly

Mission Statement: To provide free, high quality legal services to Maine's socially and economically needy elderly age 60 and over.

- LSE provides statewide services and focuses on situations where a senior's basic human needs are at stake.
- Seniors call the LSE toll-free number, **1-800-750-5353**, to ask for help. The phone is answered Monday through Friday during regular business hours and those calling after hours can leave a message.
- The senior or someone with legal authority to act for the senior must make the initial request for services.



What Can a Legal Services for the Elderly Attorney Do?

- Meet with the senior to gather information and evaluate the situation.
- Depending on when the call for help comes in, if a senior's personal or financial safety are at risk, that first meeting may be the same day or the very next day.
- Take legal action to restore financial safety, including revoking powers of attorney and seeking protection orders.
- Take legal action to recover assets.



What Other Kinds of Legal Problems Can Legal Services for the Elderly Help With?

- Legal Services for the Elderly handles a broad range of civil legal issues.
- Common areas of need include Powers of Attorney, health care advance directives, will referrals, consumer debt, eviction, foreclosure, and public benefit appeals.
- When Legal Services for the Elderly can't help, we always provide a referral.



What are the Possible Positive Effects of Representation by Legal Services for the Elderly?

- Educates seniors about their rights.
- Restores individual rights.
- Secures the senior's safety.
- Recovers assets thereby restoring the senior's ability to support and care for himself or herself.
- Assists with restoring MaineCare (Medicaid) when eligibility is lost.



Voluntary External Reporting and Referral Options

Any adult in immediate danger: **911**

Without senior's consent

Dependent or incapacitated seniors

- Adult Protective Services
1-800-624-8404
- Law enforcement

Not dependent or incapacitated seniors (i.e., Pursuant to GLBA & Maine GLBA exception)

- Maine Office of Securities
1-877-624-8551
- Law enforcement

With senior's consent

Suspected Financial Exploitation

- Maine Office of Securities
1-877-624-8551
- Legal Services for the Elderly
1-800-750-5353
- Law Enforcement

Helpful support services

- **Local Area Agency on Aging**
1-877-ELDERS-1

Helping a Customer Contact the Local Area Agency on Aging

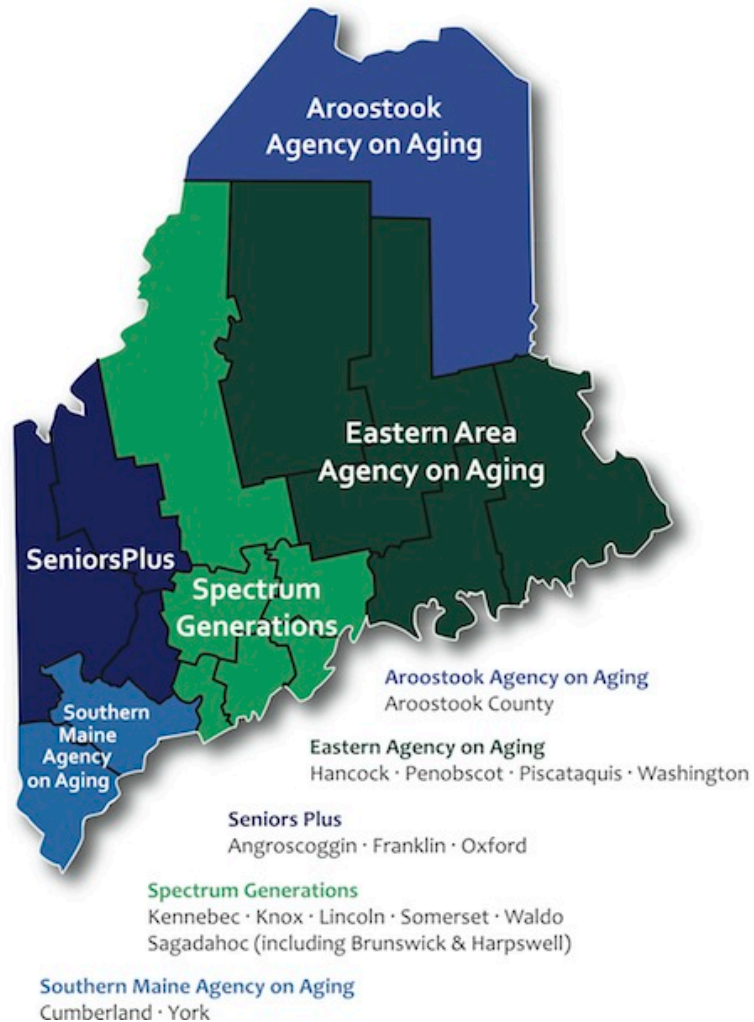
Your local Area Agency on Aging has supports and services available to assist older victims of financial exploitation, abuse, and neglect. Contacting your local Area Agency on Aging requires the senior's consent.

One number gets you to your local agency
1-877-353-3771

Aroostook Area Agency on Aging in Presque Isle
Eastern Area Agency on Aging in Bangor
Spectrum Generations in Augusta
SeniorsPlus in Lewiston
Southern Maine Agency on Aging in Scarborough



5 Area Agencies on Aging in Maine



Local Area Agency on Aging

Our mission: Maine's AAAs are the leading source of information for seniors on aging, healthy living and benefits. If you make a referral to your local Area Agency on Aging, the agency will wrap services around the senior. We make sure seniors:

- Are getting the nutrition they need (Meals on Wheels/Congregate)
- Are getting benefits they're entitled to (SNAP, VA, Medicare, etc)
- Get connected with services in their area (heat, food, transportation)
- Get help managing their chronic conditions/preventing falls
- Get help providing care to loved ones (respite, training)
- Understand their options as they age (long term care)
- Are referred to help if they're victims of abuse



What Can the Area Agencies on Aging Do?

For seniors who are struggling with health issues or problems managing their finances, AAAs will try to connect the individual to quality primary care to address health needs and will try to help the client put other necessary supports in place. We can:

- Identify possible alternative housing if client needs to leave home
- Assist in getting benefits & in-home supports and services
- Provide money management (in 2014 expanding statewide)
- Provide caregiving support, training, and respite



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1-800-750-5353
- Law Enforcement

Helpful support services

- Local Area Agency on Aging
1-877-ELDERS-1
- **Domestic Violence Hotline**
1-866-83-4HELP
- **Sexual Assault Hotline**
1-800-871-7741

Helping a Customer Contact Sexual Abuse & Domestic Violence Services

Different forms of elder abuse rarely happen in isolation.

If you suspect someone is the victim of sexual abuse or domestic violence, Maine's sexual assault support centers and domestic violence resource centers can help. With the senior's consent, contact:

Sexual Abuse:

1-800-871-7741 or TTY 1-888-458-5599

www.mecasa.org

Domestic Violence:

1-866-83-4HELP or TTY 1-800-437-1220

www.mcedv.org

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Repeat Reporting

Sadly, even if the suspicious behavior is reported, victimization can continue. There can be complex underlying relationships which can make it very difficult for a senior to admit they are being abused, or to accept help if it is offered. Even if a senior accepts help, they may be victimized again. It may be that APS, law enforcement or other agencies do not have sufficient evidence to pursue an action based on the first report.

Because of this, it is incredibly important that you remain vigilant in keeping a close eye out and respond and report ***every time*** there is suspected exploitation or abuse, regardless of whether the customer has refused help in the past.

Best Practices for Preventing Financial Exploitation of the Elderly

- Train all financial institution employees on how to recognize signs of potential financial exploitation.
- Designate managers/supervisors to receive reports from front line staff and train these individuals on how to respond to reports of suspicious behavior based on the financial institution's internal protocol for handling and reporting instances of suspected financial exploitation.
- Managers/supervisors should make appropriate external reports and referrals to APS and law enforcement. Managers/supervisors should refer any senior who might benefit from help to community resources such as Legal Services for the Elderly or the Area Agencies on Aging.

Trainers have a list of local resources who can assist financial institution personnel with providing this presentation to their front line staff and managers.

This Training Has:

- Highlighted common red flags that can indicate potential fraud, exploitation, or abuse;
- Provided action steps for front-line staff, including the new Senior \$afe brochure;
- Explained how reporting suspected elder financial abuse is consistent with federal and state confidentiality laws;
- Discussed the importance of an internal protocol and what it might include;
- Reviewed reporting obligations – SARs;
- Provided list of referral options, including state agencies and community organizations, available to assist in stopping elder financial exploitation.

Questions?