

# Senior Financial Exploitation

- What to Look For, When and How to Report, and Where We Go Next

**iowa  
insurance  
division**

# Who We Are

- Elijah Hansen
  - Senior Financial Exploitation Investigator
  - 15 Years of Law Enforcement Experience
- Heather Schaffer
  - Assistant Bureau Chief of Securities
  - 21 Years of Government Experience (Regulatory and Law Enforcement)

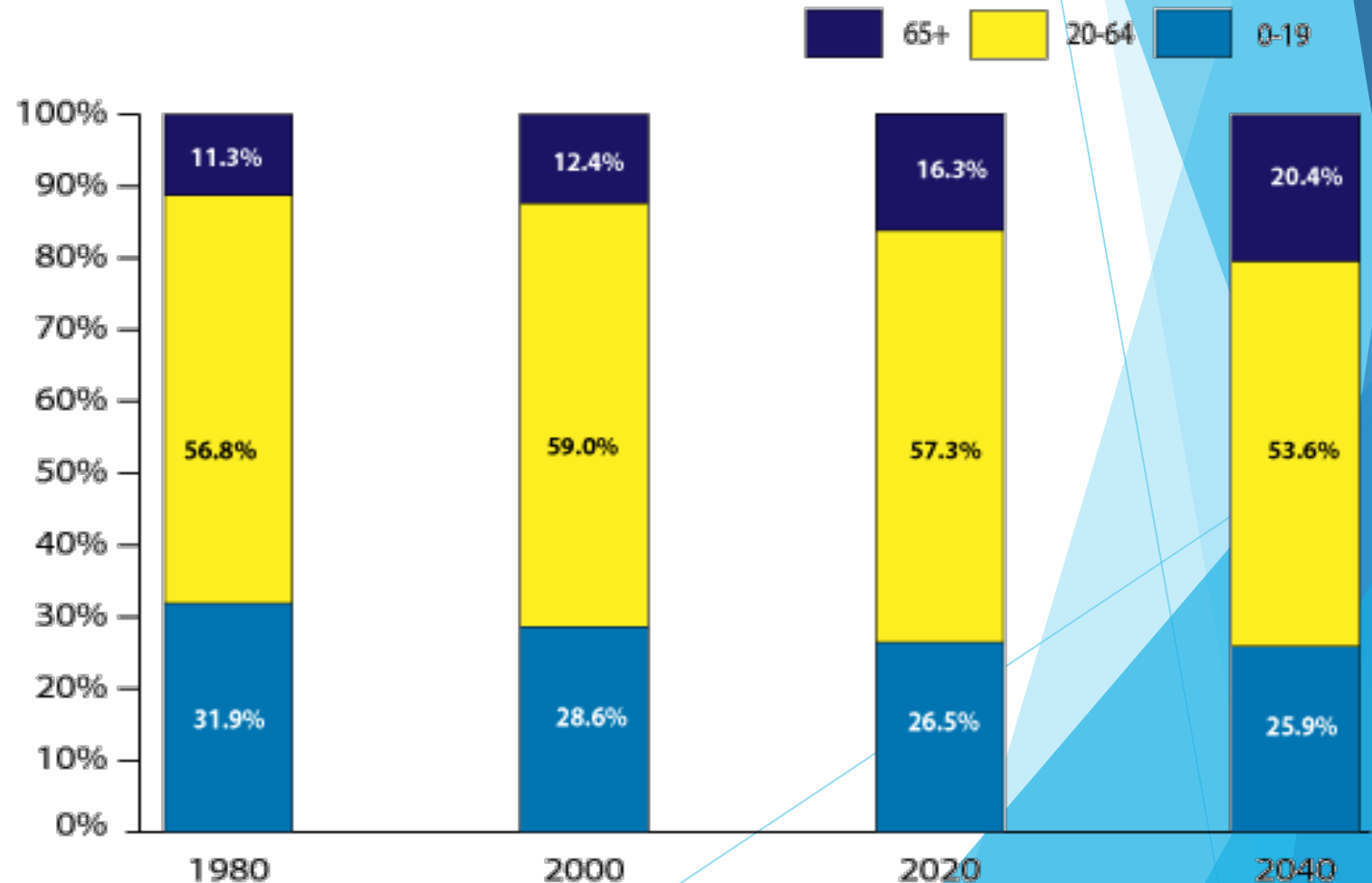
# Goals of Training

- What is Senior Financial Exploitation
- Who is Affected
- What are Signs
  - How to Identify Potential Victims
- Senior Financial Exploitation Legislation Review
  - In Depth Review of Article 8 of Iowa Code 502
- What To Do When a Case is Identified
  - Proper Reporting Steps
- What You Can Do (Intervention and Education)
- Overall Goal: Protect Our Consumers

# Number of Older Americans

Age Distribution of the Population, 1980-2040

- Percentage of lowans Over 65 - 17.5%
- Numbers continue to increase
- Nationally Trends Similar
- 52.4 million today
- 80 million by 2040



# Senior Financial Exploitation Statistics

- Baby boomers worth
  - \$8.5 trillion (estimated) in assets
  - 40 years, expected to inherit \$11.6 trillion more
- \$6 billion - Estimated loss or attempted losses between 2013 to 2017
  - \$34,000 average loss per victim
- 1 out of every 5 victimized
- SFE Victim = Increased Poor Health Outcomes
- Increased Population + Increased Wealth = Increased Opportunities for Victimization

# Who Exploits Seniors and How

- Family Members/Caretakers
- New Friends
- Neighbors
- Con Artists
- Telemarketers
- Online Schemes
- Precious Metals

# Reporting Barriers

## Barriers to Reporting

- Isolation
- Fear of Retaliation
- Fear of Loss of Independence
- Fear of Upsetting Family
- Uncertainty in Reporting Systems

# Red Flags

- Sudden Changes to Habits
- Change in POA or New Person Added
- New Person Involved in Senior's Life
- Unexplained Checks Made to Cash
- Suspicious Signatures on Checks or Other Documents
- Unexplained Disappearance of Assets (cash, valuables, securities, etc....)
- Increase in Care Costs



# Red Flags (continued)

- Appearance of Non Previously Involved Relatives
- Increase of Fear/Submissiveness to Caregiver
- Change in Appearance, Grooming, or Hygiene
- Increased Isolation from Family Members or Friends
- Frequent Password Resets
- Excitement Over “Too Good to Be True” Windfall

# History of Senior Financial Exploitation Legislation

- NASAA Model Act (2016)
- FINRA Rule 2165/4512 (2017)
- Congress' Senior Safe Act (2018)

# Iowa Law - Senior Financial Exploitation

- Iowa Code chapter 502 §§ 801-810
- Definitions
  - Eligible Adult
  - Financial Exploitation
  - Permissible Third Party
- Reporting Exploitation to IID
- Questions? - Call or Email

# Iowa Law - Senior Financial Exploitation (cont.)

## Notification to the IID/Permissible Third Party - Immunity

- Reasonably and in good faith
- Immune from administrative and civil liabilities

## Delaying Disbursements or Transactions

- Possible Loss → Internal Review → Delay Disbursement/Transaction
- After Delay, Written Notification to Parties on Account\*
- Notify IID
- Continue Internal Review, Keep IID Up to Date

# Iowa Law - Senior Financial Exploitation (cont.)

## - Disbursement/Transaction Delay Expiration

- No Longer Contribute to Exploitation
- 15 Business Days
- Or
- 25 Business Days (If Extension Requested by IID)

## - Information and Records Sharing

- Shall Provide Records to IID
  - Either upon request or...
  - Upon providing notification of suspected exploitation

## - Training

- Shall be provided

# Privacy and Confidentiality

## - Gramm-Leach-Bliley Act (GLBA)

- Nonpublic Personal Information Disclosures
- Opt-Out

## - Exceptions

- To Comply with State Law
- To Protect or Prevent Fraud
- To Comply with an Authorized Investigation

## - How to Help

- Implement Proactive Disclosure Measures
- Get Updated Information

# Intervention and Education

- Relationship Building with Clients
- Adding a Trusted Contact/ Identify Permissible Third Party
- Collaborate with the Iowa Insurance Division
- Make a Timely Report

# Timeline of Investigations

## - Case Referral

- Online Portal
- Complaints to Office
- Referrals from other Agencies

## - Document Collection

## - Victim Contact

- Internal Referral (Fraud and/or Enforcement)



# Current Cases

- 26 Total Cases
- Case Breakdown
  - 8 Romance
  - 6 Caretaker/Family Member
  - 4 Sale of Unregistered Securities
  - 3 Computer Virus
  - 3 Miscellaneous
  - 2 Lottery or Publisher's Clearing House
- Financial Impact
  - Total Loss = \$11.9M (Est.)

# Questions and Contact Information

Questions?

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- [Reporting Link](#)

- [appengine.egov.com/apps/ia/iid\\_exploitationreporting](http://appengine.egov.com/apps/ia/iid_exploitationreporting)

- [Iowa Law Regarding Senior Financial Exploitation](#)

- [www.legis.iowa.gov/docs/ico/chapter/502.pdf](http://www.legis.iowa.gov/docs/ico/chapter/502.pdf)

- Iowa Insurance Division Website

- [iid.iowa.gov](http://iid.iowa.gov)

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