
Green with envy: Financial Abuse

While anyone can be a victim of financial abuse, dependent adults and the elderly are especially vulnerable. First of all, they often have sufficient assets to be attractive to thieves. Secondly, age and disability often require that relatives, friends, and strangers be solicited to help manage finances--- in other words are given easy access to assets. Thirdly, perceptions of physical and mental limitations can make financial abuse seem easy and low risk.

We are all victims of financial abuse. Because, when a senior's or dependent adult's assets are stolen, the state must step in with our tax dollars to help with food, shelter, health care and support.



County of San Luis Obispo Department of Social Services

During Business Hours:
(Mon-Fri, 8 am to 5 pm)
(805) 781-1790
Or
(24-Hour Line)
TOLL FREE 1-844-729-8011



County of San Luis Obispo
Department of Social
Services

MANDATED REPORTING OF FINANCIAL ABUSE



County of San Luis Obispo
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The Problem of Abuse

When the term “abuse” comes up- as it does too often these days- most of us think physical abuse:

- Assault or battery
- Sexual Abuse
- Chemical or physical restraint
- Over/under medicating

But there are other major types of abuse:

- Neglect
- Self-neglect
- Abandonment
- Isolation
- Abduction
- Emotional or verbal abuse/mental suffering

And one of the most devastating is financial abuse:

- Taking, secreting, appropriating, or retaining real or personal property.
- Assisting in the above

The scope of elder/dependent adult financial abuse:

- 600,000+ incidents yearly in California (estimated)
- Only 1 in 25 cases are reported to the authorities
- Nationwide, \$40 billion is “stolen” annually

Reporting Financial Abuse

When it comes to financial abuse, no one is in a better position to see and report suspected abuse than those working in the financial services industry.

Reporting is now mandatory

Effective January 1, 2007, financial institutions, and affiliated enterprises doing business in California, must report any suspected incidents of possible financial abuse. Other mandated reporters already include care custodians, clergy, health practitioners, law enforcement, and social services.

Willful failure to report makes the financial institution subject to fines ranging \$1,000-\$5,000 per incident. On the other hand, Civil Code and Welfare & Institutions Code protect institutions and their personnel from liability arising from reporting.

Who must report?

This new law applies to:

- Depository institutions in California: banks and savings associations
 - Credit Unions in California
- Parties affiliated with these institutions, such as consultants, joint venture partners, and independent contractors.

Personnel required to initiate reporting are:

- Directors, officers, controlling shareholders
- Employees
- Any agent of the institution

What must be reported?

Financial abuse of the elderly (65+) or dependent adults (18-64, with mental, physical, or developmental disability) is subject to mandatory reporting. Such incidents include:

- Observed abuse of customers, non-customers, applicants, and former customers, when on the financial institution’s premises or at its transaction sites.
- Abuse seen, or suspected, while providing financial services:
 - Via personal contact with victim/abuser
 - By telephone or remote contact with victim/abuser
 - During routine or requested reviews of financial documents, records, or transactions

How are reports handled?

Adults Protective Services (APS) is mandated by California to investigate allegations of elder/department adult abuse, financial and otherwise. We accept reports 24/7.

- Confidentiality is maintained: the identity of the reporter will be shared with investigating and licensing agencies but will not be revealed to others unless court ordered.
- If a victim is in immediate danger, immediate steps are taken to ensure safety. Otherwise, APS will make an in-home visit and recommend services to reduce or eliminate the abusive situation.

How to Report Abuse

Reports must be phoned in immediately to APS when subject resides in the community; a long-term care Ombudsman when subject resides in a long-term care facility; or to law enforcement, if dire financial loss seems imminent.

A written “Report of Suspected Dependent Adult/ Elder Abuse” (Form SOC342) must follow within two working days.