Financial Exploitation of Maine's Older Adults

An Analysis of Maine Adult Protective Services and Legal Services for the Elderly Case Records

State Fiscal Years 2010 – 2016

UNIVERSITY OF SOUTHERN MAINE

Muskie School of Public Service
Cutler Institute for Health and Social Policy

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Prepared by:

Eileen Griffin
Catherine McGuire
Kimberly Snow

Muskie School of Public Service

Prepared for:

Legal Services for the Elderly

Office of Aging and Disability Services
Department of Health and Human Services

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FINANCIAL EXPLOITATION OF MAINE'S OLDER ADULTS

Financial Exploitation Increases the Vulnerability of Maine's Older Adults

Financial exploitation occurs when a person misuses or takes the assets of a vulnerable adult for his or her own benefit. As a result of financial exploitation, victims may be robbed of the resources they need to meet their personal needs.

Because **only a fraction of financial exploitation cases is ever reported**, we used the APS and LSE data to estimate the total amount of money Maine's older adults lost as a result of financial exploitation, including both reported and unreported cases.

$74 to $451 million

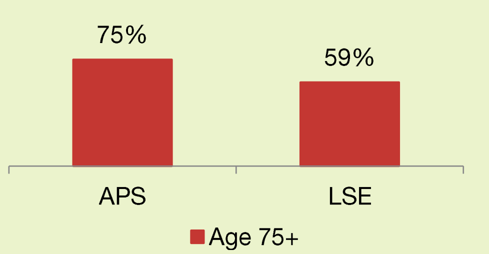
The estimated range of how much money Maine's older adults lost as a result of financial exploitation between July 1, 2009 through June 30, 2016.

*According to different estimates only one in 10 or one in 44 cases of financial are reported

Estimated loss does not include the cost of public benefits required because of the loss (e.g., nutrition assistance, housing, or Medicaid and Medicare) or the cost of protective services, legal services or the criminal justice system.

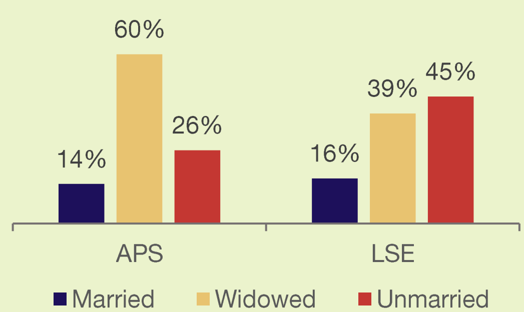
The Victims of Financial Exploitation

▶ Victims of financial exploitation are more likely to be **older.**



75% of APS and 59% of LSE financial exploitation victims were age 75 and older.

▶ Victims of financial exploitation are less likely to be **married**



For APS, 15% of victims of financial exploitation were married. For LSE, 16% were married. (Unmarried includes divorced separated and never married.)

This Study

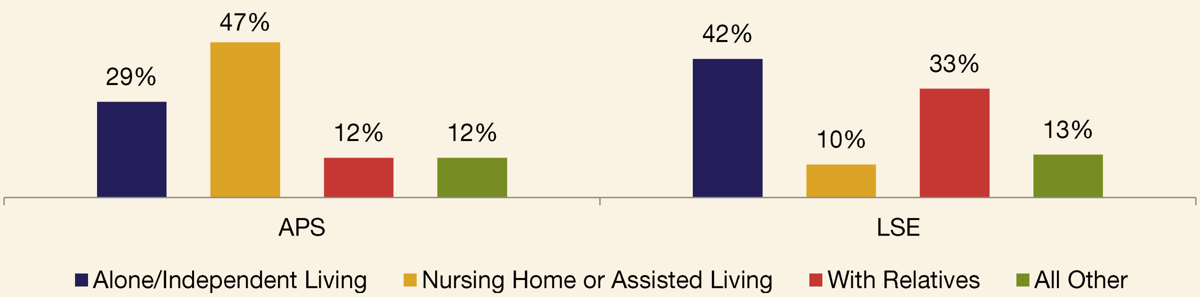
To better understand the nature of financial exploitation in Maine, this study analyzes cases handled by Maine's Adult Protective Services and Maine's Legal Services for the Elderly for **state fiscal years (SFY) 2010 – 2016** (459 cases and 205 cases respectively).

Adult Protective Services (APS) serves victims of abuse, neglect and exploitation who are incapacitated or dependent because of a disability.** **Legal Services for the Elderly (LSE)** provides free legal services to Maine residents age 60 or older when their basic human needs are at stake.

** APS serves adults age 18 and older. This study is limited only to adults age 60 and up.

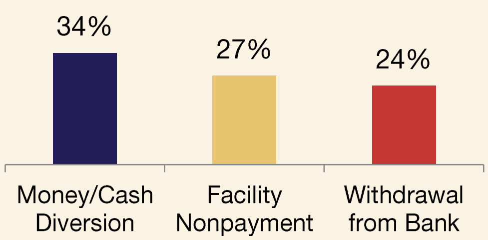
Where Victims of Financial Exploitation Live at the Time They Are Exploited

▶ Victims served by APS are more likely to reside in a **nursing home or assisted living facility (47%)**. Those served by LSE are more likely **to live alone or independently (42%)** or **with relatives (33%).**

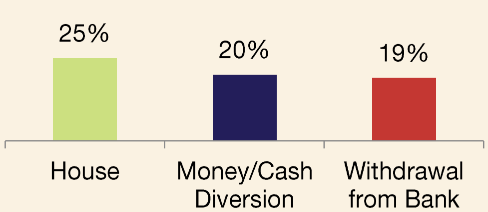


The Most Common Types of Financial Losses

▶ For APS, **diversion of cash** (34%), **failure to pay for nursing facility services**,(27%), and **withdrawal from bank accounts** (24%) were the most common types of losses.

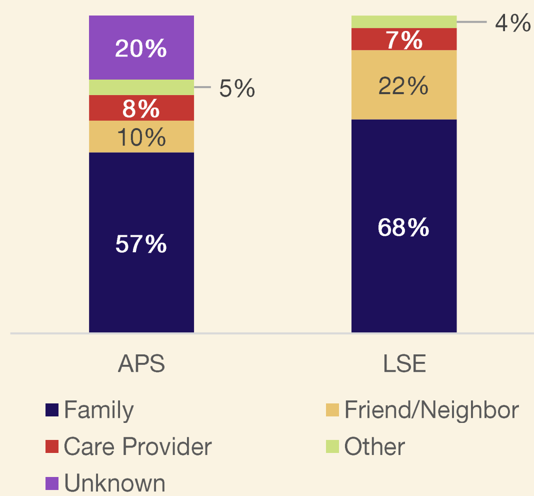


▶ For LSE, the **loss of a house** (25%) was most common, **diversion of cash** next (20%), and **withdrawal from a bank** (19%) was the third most common type of loss.



The Perpetrators

▶ In most cases, financial exploitation is perpetrated by a **family member**. For those perpetrators who were family members, the majority were **the victim's child**.



For APS, 57% of perpetrators were related to the victim; for LSE 68% were related. Among related perpetrators, for APS 66% were the victim's child; for LSE, 60% were the victim's child.

The prevalence of financial exploitation in Maine suggests the need for more public awareness; new strategies for detecting and preventing financial exploitation before it occurs; and improved capacity to recover lost personal resources, protect vulnerable older adults, and bring perpetrators to justice.

FINANCIAL EXPLOITATION IN MAINE

Financial exploitation takes many forms. It might be the result of a scam perpetrated by a stranger or an exploitive deal perpetrated by an attorney, a financial advisor or another type of professional. More typically, financial exploitation is the taking or diversion of money or property by a family member or friend.

The costs associated with financial exploitation of older adults in Maine are not well understood. Data is not systematically collected on reported cases and it is estimated that the reported cases account for only a small portion of all cases of financial exploitation.

To address this gap, Legal Services for the Elderly (LSE), in collaboration with Department of Health and Human Services (DHHS), contracted with the Muskie School to analyze data collected by Maine's Adult Protective Services (APS) program and LSE. The data analyzed in this report cover the time period of 2010 through 2016 and includes a total of 459 victims of financial exploitation served by APS and a total of 205 victims of financial exploitation served by LSE.

The goal of this study was to capture information about the amount of money Maine's older adults have lost to financial exploitation, along with information about those exploited, the perpetrators of financial exploitation, the type of loss, and amount of money lost. This report summarizes key findings emerging from this analysis. In particular, we found that, when compared to Maine's general population of adults age 60 and older, the victims of financial exploitation served by APS and LSE are more likely to be:

- Age 80 and older;
- Female; and
- Widowed, single, or divorced compared to the general population of Maine's older adults.

Consistent with the different populations served by APS and LSE, we also found that the victims of financial exploitation served by APS are more likely than those served by LSE to reside in a nursing facility.

The victims of financial exploitation served by APS and LSE experienced significant financial losses. For the time period of 2010 through 2016, the total loss for those served by APS was $19 million; for LSE the total loss was $9.0 million. The median loss for LSE clients was higher than that experienced by APS clients: the median loss for LSE clients was $27,000 while the median loss for

APS clients was $8,802. This difference may be attributable to the difference in financial circumstances for those served by APS.

Overview of Financial Losses

	APS	LSE
Number of Cases	459	205
Total Loss	$19,085,622	$8,985,405
Median Loss	$8,802	$27,000

The three most common types of losses experienced by APS and LSE clients overlapped but with one key difference reflecting the different characteristics of the two population groups. The most common type of loss for LSE clients was the loss of a house. For APS clients, who were more likely to reside in a nursing facility, the most common type of loss was the diversion of money.

Top Three Types of Financial Losses

APS	LSE
Money/Cash/Diversion	House
Facility Nonpayment	Money/Cash/Diversion
Bank Account Withdrawal	Bank Account Withdrawal

For both groups, financial exploitation is most commonly perpetrated by the victim's child or another family member: for clients served by APS, 57 percent of perpetrators of financial exploitation were family members, with the victim's child accounting for 66 percent of related perpetrators. For clients served by LSE, 68 percent of perpetrators were family members; of those, the victim's child accounted for 60 percent of all related perpetrators.

Although APS and LSE serve only a subset of those older adults victimized by financial exploitation, the findings of this study provide a basis for estimating the total cost of financial exploitation in Maine. The estimated financial loss to victims of financial exploitation over the six-year period ranges from a low of $74.7 million to a high of $451.5 million. These estimates do not account for the cost of services provided by Maine's APS program or LSE, private attorneys, or the criminal justice system. Nor do they include the cost of additional public benefits required because of the financial loss, including nutrition assistance, Medicaid or Medicare services, or subsidized housing.

The following sections describes the data sources used for this analysis and how the data sets were constructed and findings.

The Victims of Financial Exploitation
Case Example #1

An elderly couple in Waldo County was befriended by a handyman and neighbor who offered to help with simple home repairs. This handyman insinuated his way into the couple's lives and convinced the couple to sell their home to him in return for a nominal amount plus a life estate in the home. The town valued the home at around $30,000. The couple believed the life estate meant they could live there for the rest of their lives and that in exchange for getting the house after they were gone the neighbor would assist in taking care of the home. However, the handyman had included a provision in the deed that allowed him to evict the couple.

The handyman moved a large mobile home onto the elders' lot and as soon as he was settled in he told them he was going to evict them from their home. The couple sought help from LSE. An LSE Staff Attorney investigated the case and discovered that the handyman had an extensive criminal history including other situations involving elders. LSE filed a civil action in Superior Court and obtained a temporary restraining order protecting the property and keeping the handyman out of the elders' home. Eventually the handyman, through his attorney, agreed to deed the house back to the couple and remove his trailer. A "no trespass" order remains in place, keeping the handyman away from these elders.

METHODS

Data Sources

This report includes data from two different data sources:

- Data collected by the Maine Department of Health and Human Services (DHHS) Adult Protective Services (APS) program.
- Data collected by Legal Services for the Elderly.

These programs serve two different population groups, although each program's service population may include individuals who are victims of financial exploitation.

The Adult Protective Services Program

The APS program operates within the statutory authority defined for it under the Adult Protective Services Act[1] and may serve only those adults who are determined to be "incapacitated" or "dependent." These terms are defined by statute:

> A *dependent adult* is an adult who has a physical or mental condition that substantially impairs the adult's ability to adequately provide for his or her daily needs. A person is considered a dependent adult if he or she is wholly or partially dependent upon one or more other people for care or support because the person suffers from a significant limitation in mobility, vision, hearing or mental functioning or is unable to perform self-care because of advanced age or physical or mental disease, disorder or defect. A dependent adult includes an adult residing in any setting including a nursing facility, assisted living, or a residential care facility.[2]

> An *incapacitated adult* is any adult who is impaired by reason of mental illness, mental deficiency, physical illness or disability to the extent that the individual lacks sufficient understanding or capacity to make or communicate responsible decisions concerning his or her person or effectively manage his or her estate.[3]

APS' statutory authority is also limited to those cases where danger or significant risk of danger exists. If APS does not find allegations of abuse, neglect or exploitation or circumstances that present a substantial risk of abuse, neglect or exploitation, it may not intercede. These terms are defined as follows:

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[1] 22 M.R.S.A. Chapter 958-A.

[2] 22 M.R.S.A. §3472(6).

[3] 22 M.R.S.A. §3472(10).

Abuse is the infliction of injury, unreasonable confinement, intimidation or cruel punishment that causes or is likely to cause physical harm or pain or mental anguish; sexual abuse or exploitation; or the intentional, knowing or reckless deprivation of essential needs. Abuse includes acts and omissions.

Neglect is a threat to an adult's health or welfare by physical or mental injury or impairment, deprivation of essential needs or lack of protection from these.

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

Danger is defined as a situation or condition of abuse, neglect or exploitation, or the inability to give informed consent when there is no responsible substitute decision-maker. The risk of danger is substantial when it is more likely than not that abuse, neglect or exploitation will occur.

Over a six-year period (State Fiscal Years 2010 through 2016), 14 percent of APS cases with at least one substantiated allegation and involving adults age 60 and older involved a substantiated allegation of financial exploitation.[4]

Legal Services for the Elderly

LSE provides free legal services to Maine residents who are sixty years of age or older when their basic human needs are at stake. This includes things like safety, housing, food, health care, and public benefits. Over the six-year period, 28% of LSE's financial exploitation cases involved allegations of exploitation that were supported by witness statements, documents or admissions that enabled LSE to estimate the value of the lost assets. Although the ethical rules applicable to attorneys contemplate that an attorney may provide legal services to someone with diminished capacity LSE does not represent seniors in situations involving allegations of financial exploitation unless the senior who is the alleged victim of exploitation can express his or her wishes and participate in directing LSE's actions on his or her behalf.

SUBSTANTIATED FINANCIAL EXPLOITATION CASES AS A PERCENT OF ALL LSE EXPLOITATION CASES[5]

Year	Total Cases	Financial Exploitation Cases	Percent
2010	110	28	25%
2011	100	27	27%
2012	86	25	29%
2013	76	22	29%
2014	108	30	28%
2015	132	36	27%
2016	125	38	30%
TOTAL	737	206	28%

[4] Department of Health and Human Services (July 2016). *Adult Protective Services (General Adult Population) FY 2010 – FY2015,* page 9. Accessed July 23, 2017 at http://www.maine.gov/dhhs/oads/trainings-resources/reports.html.

[5] Data provided by LSE, September 12, 2017.

Data Sets

Data sets were constructed based on the data collected through the APS program and by LSE.

MAPSIS

The APS data set was extracted from the data collected in the Maine Adult Protective Services Information System (MAPSIS), the information system used by APS caseworkers to collect information about each APS client, all allegations of abuse, neglect and exploitation, the outcome of any investigation, and the disposition of the case. Using data for fiscal years 2010 through 2016, 682 cases with substantiated allegations of financial exploitation were identified. Key data elements about the APS client were also extracted from the data set.

MAPSIS does not have a data field to record the amount of client losses or the type of client losses. A search of the case notes attached to the 682 cases was conducted to identify case notes where the dollar amount associated with financial exploitation might have been recorded. A search of the 12,280 case notes corresponding to the 682 financial exploitation cases was conducted using "$," "dollar," "thousand," "hundred," or ".00" as search terms.

This search resulted in 2,133 rows of case notes which were reviewed manually to identify the dollar amounts associated with a client loss. Not all dollar amounts referenced in the 2,133 rows of case notes were related to a client's financial loss. Some may only say how much money is left in the client's bank account, how much they receive each month from Social Security or some other dollar amount unrelated to their financial loss. There also may be additional case notes rows that do not match any of the search terms used, but still record the dollar amount of a financial loss. For example, if a note says, "Client's granddaughter cashed a check for 2,150," it would not have been picked up by the search terms we've used.

In the end, we were able to identify 460 cases with usable dollar amounts, a total of 72% of the APS cases with substantiated allegations of financial exploitation. One outlier case of $1,200,000 was removed from the analysis for a final sample of 459 cases (67%).

LSE

The LSE data set was extracted from the data collected in an electronic case management system called Legal Files. Using data for state fiscal years 2010 through 2016, 737 cases involving allegations of financial exploitation were identified. Of those, 206[6] involved allegations LSE determined had merit for further investigation and as a result included valuations of the stolen property and assets.

[6] While 206 cases were identified with merit, one case was deemed a financial outlier and removed from this analysis. The analysis was completed with the remaining 205 cases.

Limitations
The data sources used in this report do not capture the universe of financial exploitation cases in Maine nor the total financial loss associated with the financial exploitation.

1. *APS Data.* As discussed above, some detail related to financial exploitation is not collected systematically in MAPSIS. In addition, it is possible that the methods used to extract detail on financial exploitation from the case notes did not capture all the data that was recorded in the case notes, meaning that the findings in this report are likely to underestimate the number, type and dollar amount associated with different types of financial exploitation. Finally, the cases in this study are limited to those for which the allegations were substantiated. It does not include allegations which APS did not find to be untrue but for which there was insufficient evidence to substantiate.

2. *LSE Data.* LSE Data. As with the APS data, the cases in this study are limited to those where the allegations were determined to have merit. Some of the excluded cases were simply too old to investigate or involved seniors who were unable to participate in directing the action she or he wanted taken on her behalf. In addition, under the Older Americans Act, LSE must restrict its services to situations where a senior would not otherwise have access to an attorney. This means the data involving elderly victims helped by LSE excludes situations where a private attorney was willing to get involved with the case. These cases may involve much larger sums of money and more valuable assets. This means the LSE data predominately reflects the types and magnitude of losses experienced by lower income seniors.

3. *Cases Handled by Others or Otherwise Unreported.* This study does not include any data on financial exploitation cases, whether because they were handled through a private attorney or the criminal justice system and APS or LSE involvement was not necessary, or because the cases were unreported. Estimates vary on how many cases of financial exploitation are unreported. One study found that one in 10 cases of financial exploitation are reported, while another found that ratio to be much higher, with only one in 44 cases were reported (National Center on Elder Abuse, 1998; Lifespan of Greater Rochester, Inc. *et* al., 2011). Following the methodology used in other states, this report applies these studies to estimate the total financial loss Maine's older adults experience when victims of financial exploitation.

In addition, this report only calculates the financial loss experienced by the victim of exploitation and does not include the cost of any public benefits accessed when a victim's own resources are depleted because of the exploitation. For example, when resources to pay for nursing facility care are diverted and cannot be recovered, a victim of financial exploitation may need to rely on Medicaid in order to pay for those services.

Case Examples
LSE also provided four case examples to illustrate some of the ways that financial exploitation occurs, often perpetrated by people known to the victim. These case examples appear on pages 3, 8, 12 and 28. DHHS also provided a case example which appears on page 18.

THE VICTIMS OF FINANCIAL EXPLOITATION

The next pages present data on the characteristics of the older adults who have experienced financial exploitation, including their age, gender, marital status, and living arrangement. Because APS and LSE serve two distinct groups of older adults with relatively rare overlap, the characteristics of each group are presented separately, to provide insight into how these two populations differ and how those differences may relate to any differences in the nature and type of financial exploitation across the two groups, as discussed in subsequent sections. Demographic information for all older adults in Maine is presented as a point of comparison.

In comparison to the general population of Maine's older adults (age 60 and up), the victims of financial exploitation served by each of these organizations are older, more likely to be female, and more likely to be widowed, single, or divorced.

Between APS and LSE, the APS clients in this analysis were older and more likely to be widowed. APS clients were more likely to live in a nursing home compared to LSE clients, while LSE clients were more likely to live alone or with relatives compared with the APS group.

The Victims of Financial Exploitation
Case Example #2

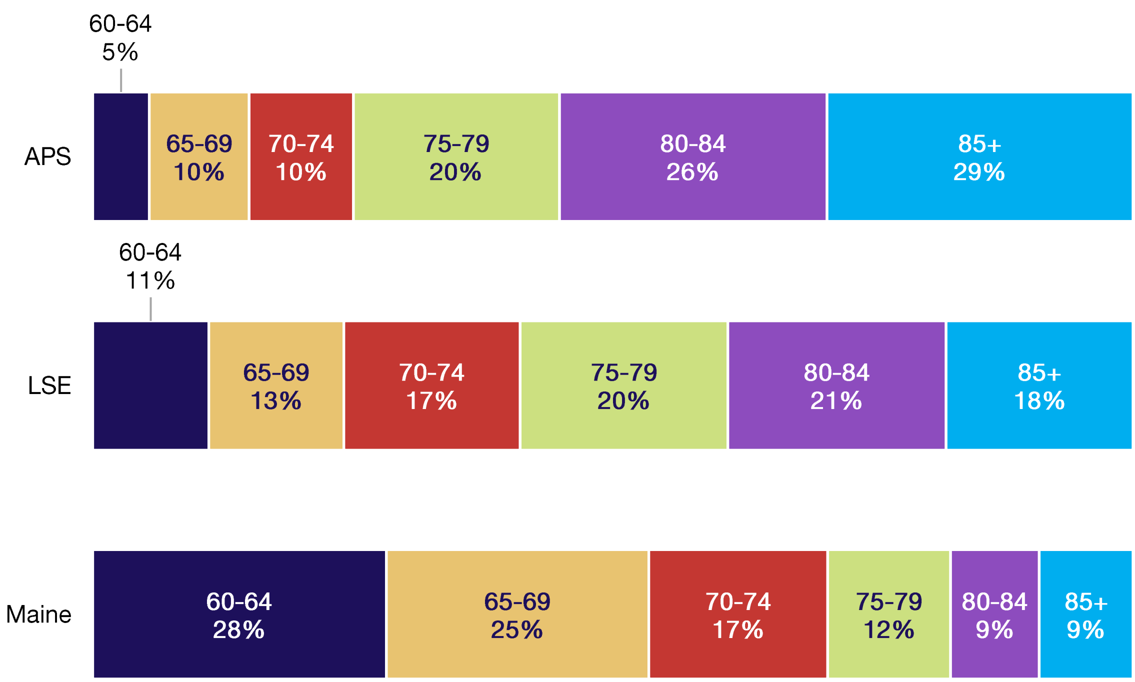
A 78-year-old widow living in Androscoggin County was convinced by her daughter (and agent under Power of Attorney) and her boyfriend that it was time to sell her home and move in with the daughter and her husband. They promised that they would look after her and manage her finances and medical issues. Instead, they moved her into a camper in their backyard in the heat of summer, where the woman's health declined and she eventually ended up needing nursing home care. Over the course of two years they spent her entire nest egg, leaving her without a home and disqualified for MaineCare. LSE sued the couple in Superior Court and ultimately came to a monetary settlement. LSE also negotiated with the State of Maine to get the woman MaineCare coverage for her care in a long term care facility.

Age

The victims of financial exploitation served by both APS[7] and LSE tend to be older than the general population of older adults in Maine. Among all Maine residents age 60 and older, the majority are under age 70 (53 percent), while only 15 percent of APS financial exploitation clients and 24 percent of LSE financial exploitation clients fall in that age group. Over half (55 percent) of APS clients experiencing financial exploitation were age 80 or older; 39 percent of LSE's clients fall into that age group. Only 18 percent of the general population of Maine's older adults are age 80 or older. See CHART 1.

The average age for those victims of financial exploitation served by APS was 80; for LSE the average age was 77.

CHART 1. Age (SFYs 2010 - 2016)



NOTES: Based on 459 APS client records and 205 LSE client records. Percentages for Maine residents age 60 and older from U.S. Census Bureau population estimates as of July 1, 2016.

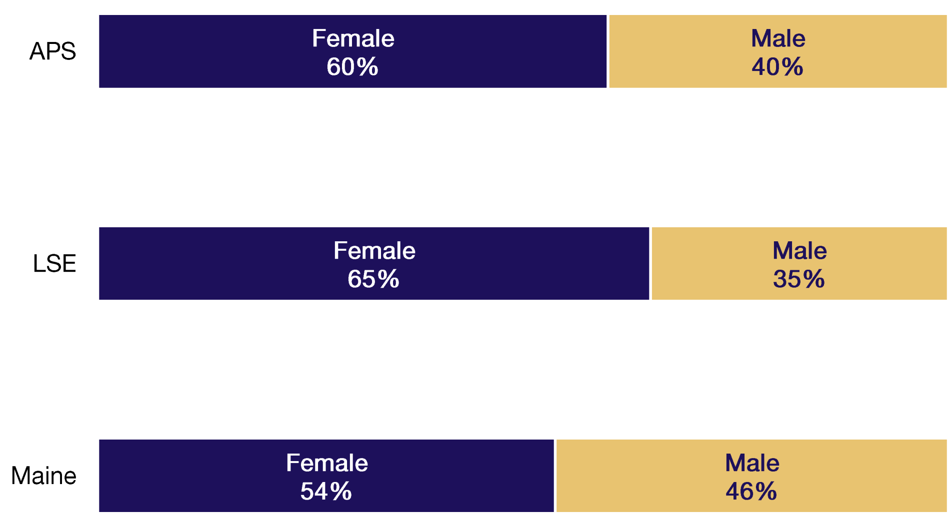
[7] Maine Adult Protective Services serves adults age 18 and older. As discussed in the introductory section of this report, the data analyzed in this report is limited to those victims of financial exploitation age 60 and older.

Gender

Victims of financial exploitation are more likely to be female than the general population. While 54 percent of Maine's population age 60 and older are female, 65 percent of LSE's financial exploitation clients are female and 60 percent of APS' financial exploitation cases are female. See CHART 2.

For female APS victims of financial exploitation, the average age was 80; the average age of male APS financial exploitation clients was 79. For LSE clients, the average age for female clients was 76; the average for male LSE clients was 77.

CHART 2. Gender (SFYs 2010 - 2016)

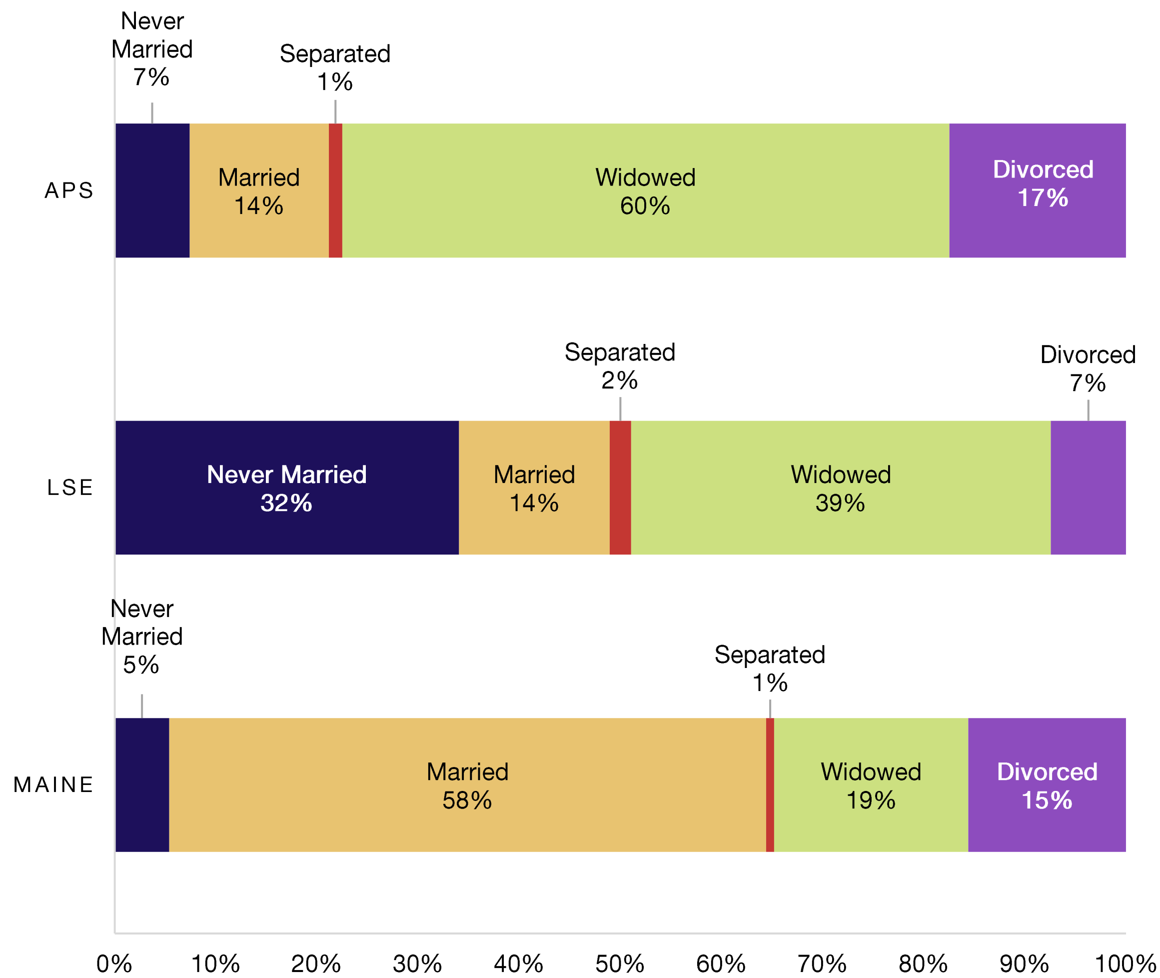


NOTES: Based on 459 APS client records and 205 LSE client records. Percentages for Maine residents age 60 and older from U.S. Census Bureau population estimates as of July 1, 2016.

Marital Status

Compared to Maine residents age 60 and older, both APS and LSE clients are less likely to be married: 58 percent of Maine residents age 60 and older were married, compared to 14 percent for APS and 14 percent for LSE clients of the same age. The largest portion of APS clients was widowed (60 percent), 17 percent were divorced and 7 percent were never married. For LSE, 39 percent of those served were widowed, 32 percent single, and 7 percent divorced. See CHART 3.

CHART 3. Marital Status (SFYs 2010 - 2016)



NOTES: Marital status information was recorded for 432 APS cases. From that, this chart omits 54 records for which marital status was recorded as "Unknown." Marital status was recorded for 205 LSE cases. Marital status for Maine age 60 and older is derived from 2011-2015 American Community Survey 5-Year Estimates.

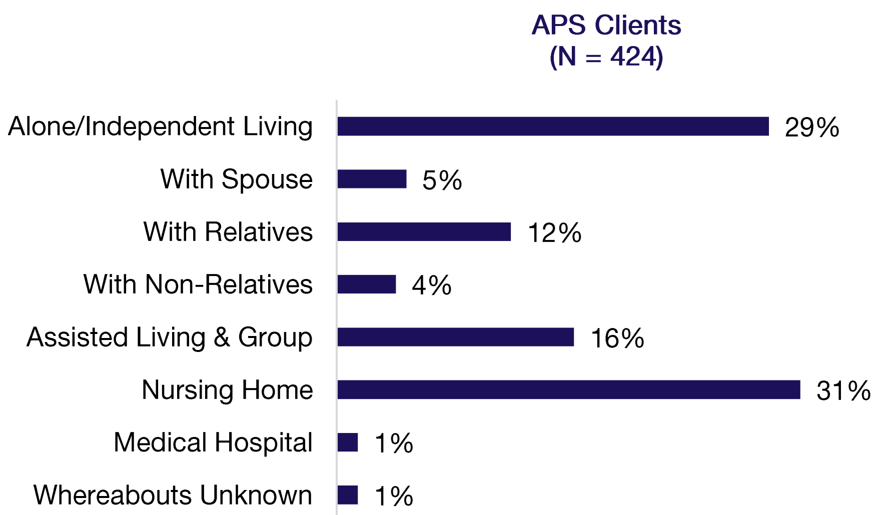
The Victims of Financial Exploitation
Case Example #3

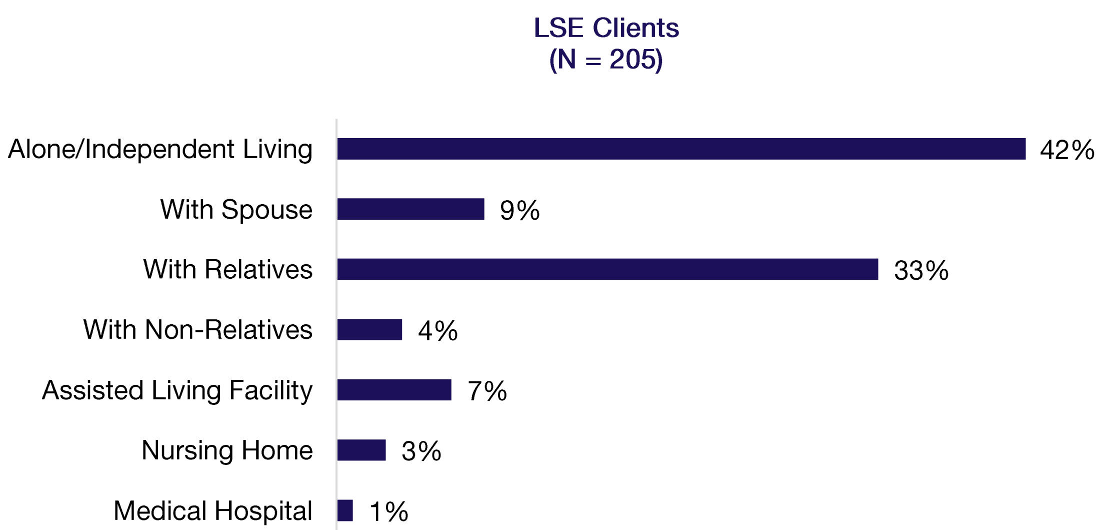
An 82 year-old WWII veteran living in Cumberland County sought help from LSE after his daughter refused to allow him access to his own money. After suffering two strokes he was confined to a wheelchair and homebound. He had bought a mobile home and his daughter had moved in with him after his wife passed away. He had also named his daughter Power of Attorney and added her to the title of the home and his bank accounts. The daughter had taken steps to isolate her father from other family and friends and repeatedly told him no one loved him anymore. He became increasingly upset when she refused to give him money to buy pizza or gifts for his grandchildren. When he sought help from LSE he believed he had $20,000 in savings, but the LSE attorney discovered that only $15 remained in his accounts. Bank records revealed that his daughter had taken his money for her personal use, opened and charged thousands on credit cards in his name, and purchased a new car using her Power of Attorney authority to add him as a co-signer. This man knew that his money was long gone but he wanted his daughter and her boyfriend evicted from his home and wanted her off the deed as a joint tenant. LSE was able to evict the daughter from the home, recover the home, and clear his credit history.

Living Arrangement

APS victims of financial exploitation were more likely to be living in a residential or institutional setting while LSE clients were more likely to live independently or with family. For APS financial exploitation clients (31 percent) were residents of a nursing facility and 16 percent lived in assisted living or in a group home; another 29 percent lived alone or in an independent living arrangement. The majority of LSE financial exploitation clients (42 percent) lived alone or independently; 33 percent lived with relatives. A total of just 3 percent of LSE clients lived in a nursing facility or assisted living (7 percent).

CHART 4. Living Arrangement, (SFYs 2010 - 2016)





Geographic Distribution

Compared to the general Maine population, victims of financial exploitation served by APS and LSE are less likely to live in urban areas but are more likely to live in large rural cities or town. See CHART 5.

CHART 5. Geographic Area, (SFYs 2010 - 2016)

THE COST OF FINANCIAL EXPLOITATION

When it comes to the type of financial loss experienced by the victims of financial exploitation, there are many similarities between APS and LSE victims. For example, the loss of liquid assets – money diverted or stolen, or withdrawn from a bank – are common across both groups. However, there also important differences. Those served by LSE are more likely to lose a house than those served by APS, while APS victims are more likely to experience a loss when payments for nursing facility or other services go unpaid.

TABLE 1. Type of Loss, APS and LSE (2010-2016)

Type of Loss	APS	LSE
Check Forgery	10%	6%
Credit Card	7%	16%
Facility Nonpayment	27%	2%
House	3%	25%
Loan not Paid Back	5%	17%
Money/Cash/Diversion	34%	20%
Personal Property	6%	14%
Retirement Account	2%	4%
Scam	10%	6%
Vehicle	7%	4%
Withdrawal from Bank Account	24%	19%
Other	10%	3%

Both groups are most likely to experience financial exploitation at the hands of a child, or another family member: 57 percent of all APS perpetrators were family members and 68 percent of all LSE perpetrators were family members.

The victims of financial exploitation served by APS and LSE experienced significant financial losses. For the time period of 2010 through 2016, the total loss for those served by APS was $19 million; for LSE the total loss was $9 million. The median loss for LSE clients was $27,000 while the median loss for APS clients was $8,802. See TABLE 2.

TABLE 2. Overview of Financial Losses, APS and LSE

	APS	LSE
Number of Cases	459	187[8]
Total Loss	$19,085,622	$8,985,405
Median Loss	$8,802	$27,000

TABLE 3 compares the median loss for the top three types of losses for APS and LSE. For those victims served by LSE, the loss of a house was the most common type of loss and the median amount lost was $66,000. In comparison, the most common loss for APS clients was the taking or diversion of money, with a median amount of $7,500.

TABLE 3. Median Value of Top Three Types of Losses, APS and LSE (SFYs 2010 - 2016)

APS

Type of Loss	N	Median
Money/Cash/Diversion	155	$7,500
Facility Nonpayment	125	$11,015
Bank Account Withdrawal	110	$12,905

LSE

Type of Loss	N	Median
House	47	$66,000
Money/Cash/Diversion	38	$31,098
Bank Account Withdrawal	36	$21,900

The differences in the financial loss for LSE and APS clients may be attributable to differences in financial circumstances of the two populations. Those served by LSE were slightly younger and more likely to live independently, while over half of those served by APS were over age 80; almost a third were living in a nursing facility.

The next subsection provides more detailed information about the financial losses experienced by APS financial exploitation victims, followed by another subsection for LSE.

[8] The 18 confirmed cases with missing costs have been excluded from the cost analysis. As a result, the number of cases and percentages may vary from earlier charts and tables.

APS

There were a total of 659 financial losses associated with the 459 APS cases involving financial exploitation. As indicated in the table below, the majority of APS clients (70 percent) experienced just one loss. Another 20 percent experienced two different losses. The remaining 10 percent of APS clients had three or more losses.

NUMBER OF LOSSES	COUNT	PERCENT
1	321	70%
2	92	20%
3	25	5%
4	21	5%

For APS clients, two of the most common types of losses involved the loss of money (33.8 percent) or the withdrawal of money from the bank (24.0 percent). Because many of the victims of financial exploitation served by APS reside in a nursing facility or in assisted living, it is not surprising that failure to pay for nursing facility care or other residential care accounted for 27.2 percent of financial losses.

The majority of perpetrators of financial exploitation were family members, with the victim's child accounting for the largest share. Among the 367 perpetrators identified, a total of 57 percent were family members. Another 11 percent were categorized as a friend of the client and 8 percent were care providers. For 20 percent of the perpetrators, the relationship to the client was unknown.

For those perpetrators who were family members, 66 percent were the victim's child and 14 percent were the victim's grandchild.

From 2010 through 2016, APS clients lost $19 million to financial exploitation. The majority of losses were under $200,000. The mean amount lost varied from a low of $29,035 in 2011 to a high of over $61,531 in 2015. The median amount lost was much lower, ranging from $5,362 in 2015 to $11,673 in 2010.

The charts and tables on the following pages provide more detail on the nature and amount of financial losses experienced by APS clients.

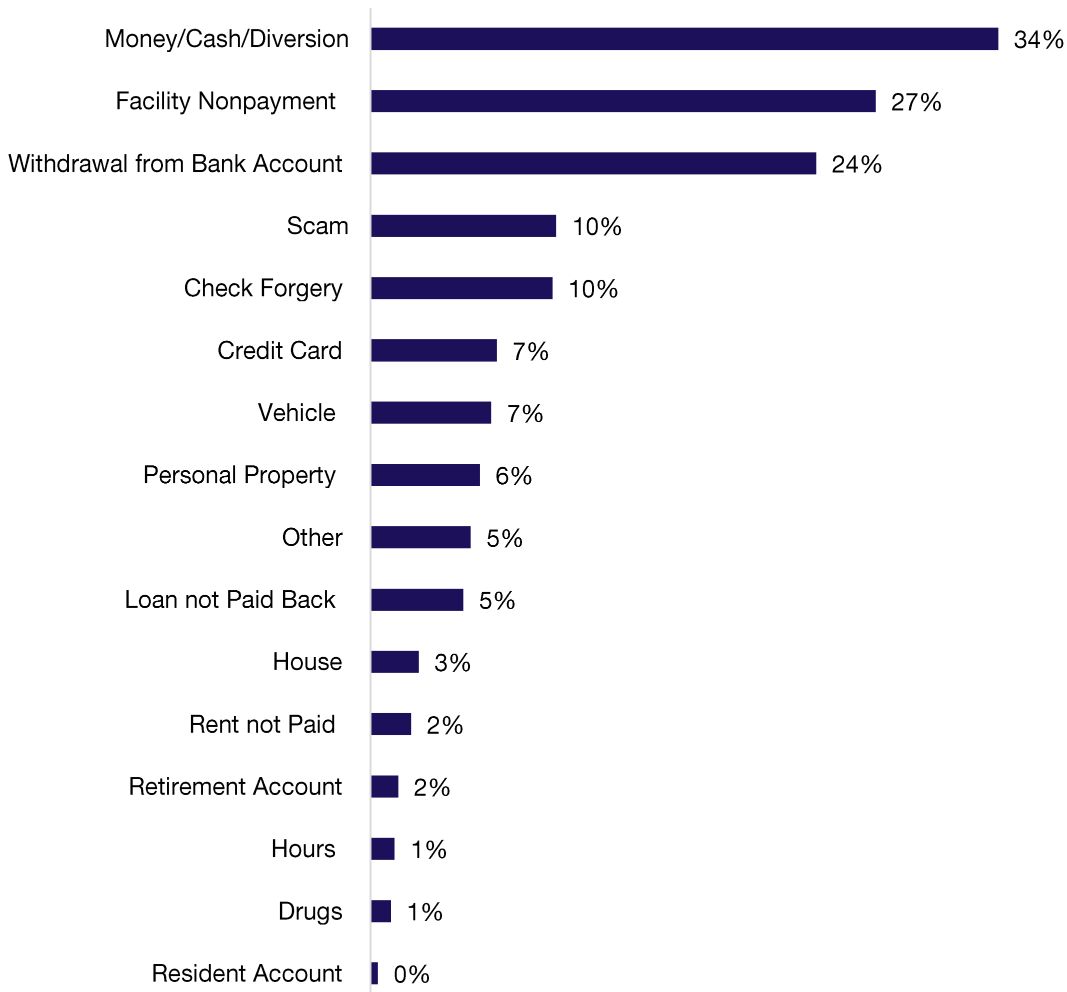
The Victims of Financial Exploitation
Case Example #4

In York County, the stepdaughter of a 67 year-old widow from York County – listed as the Power of Attorney – withdrew over $300,000 from her stepmother's bank account and sold stepmother's house, leaving her homeless. The investigator for the APS Financial Abuse Specialist Team (FAST) helped the woman obtain legal representation, find housing and access other benefits. There is now a civil suit pending against the stepdaughter and the bank that allowed inappropriate withdrawals. The FAST investigator received a letter from the woman expressing her thanks for the assistance she received from APS.

Type of Loss | APS

There were a total of 659 financial losses associated with the 459 APS cases involving financial exploitation. Two of the most common types of losses involved the loss of money (34 percent) or withdrawal from the bank (24 percent). Failure to pay for nursing facility or other residential care accounted for 27 percent of financial losses. See CHART 6.

CHART 6. Type of Loss, APS (SFYs 2010 - 2016)



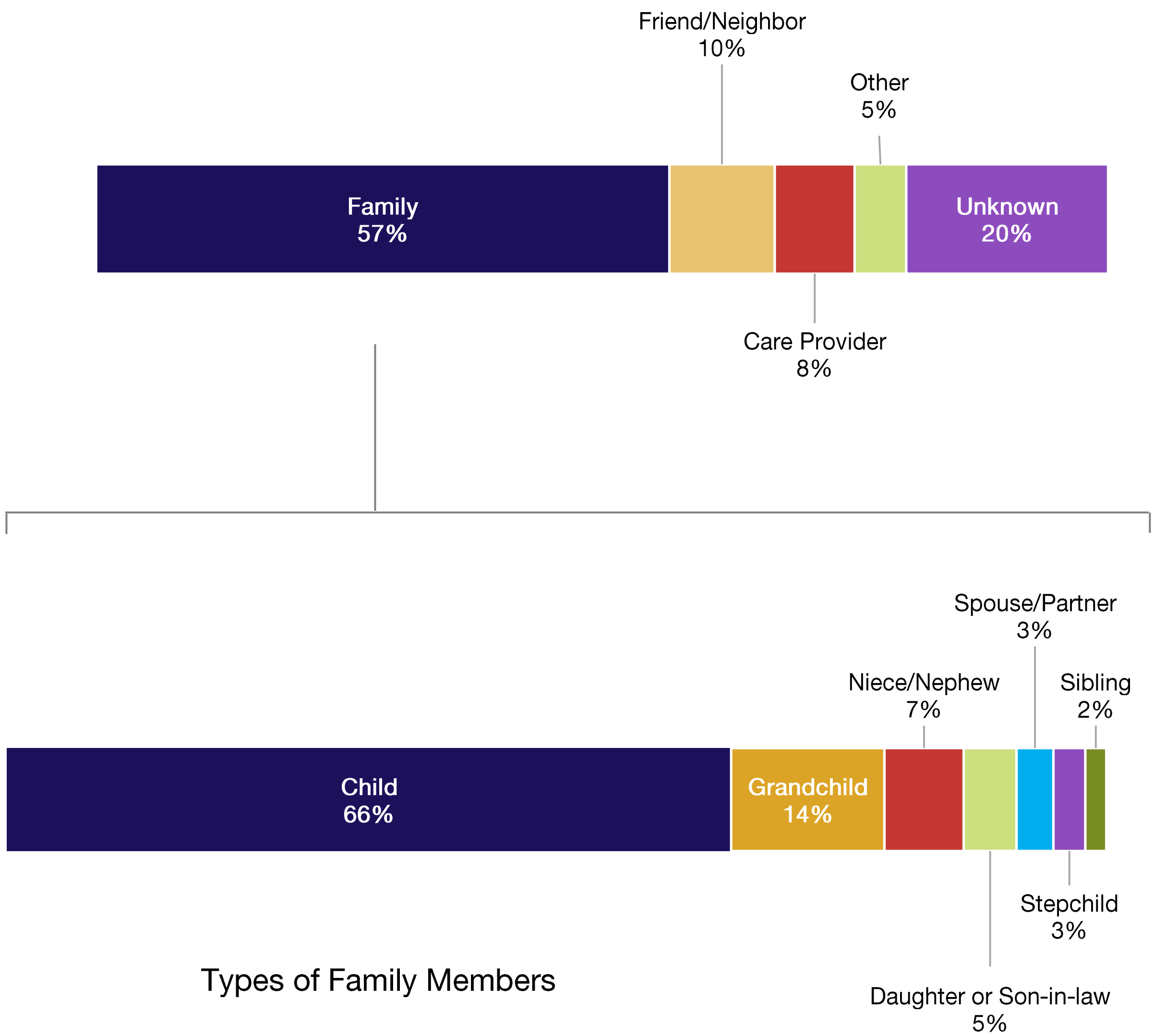
NOTE: Because a client may have more than one financial loss, percentages will total more than 100 percent. (There were a total of 659 losses across 459 cases.)

Type of Perpetrator | APS

Among the 367 perpetrators identified, a total of 57 percent were family members. Another 11 percent were categorized as a friend of the client and 8 percent were care providers. For 20 percent of the perpetrators, the relationship to the client was unknown.

For those perpetrators who were family members, 60 percent were the victim's child and 14 percent were the victim's grandchild. See CHART 7.

CHART 7. Type of Perpetrator, APS (SFYs 2010 - 2016)



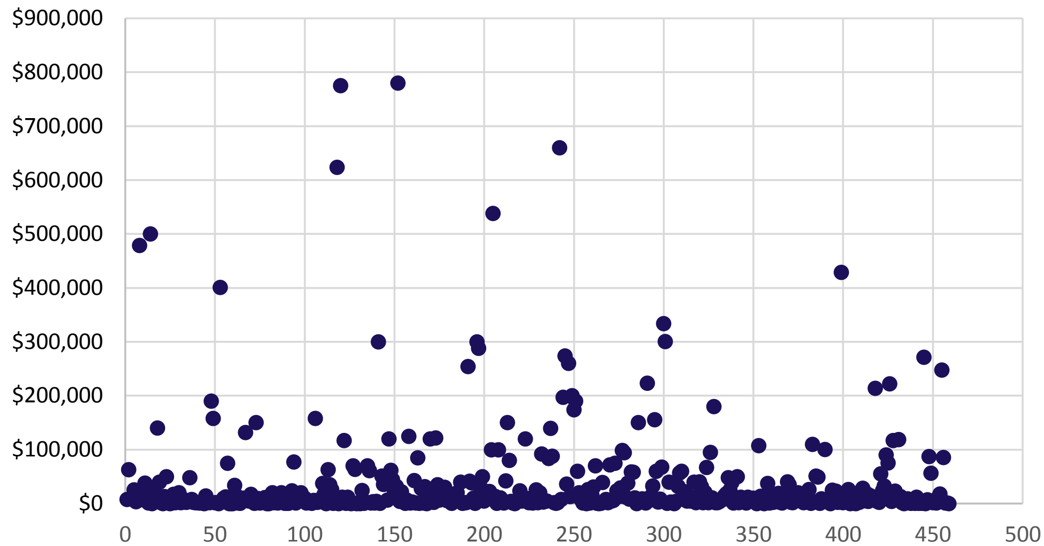
NOTES: We identified perpetrator information in 331 cases; 128 cases lacked any information about perpetrators. Of those 331 cases, a total of 367 perpetrators were identified, with some cases having multiple perpetrators. We were unable to classify 73 (20 percent) of those perpetrators because there was missing or insufficient data to identify their relationship to the APS client.

"Other" groups together perpetrators categorized as landlord, attorney, financial institution and other.

Amount of Financial Loss | APS

The majority of financial exploitation losses experienced by APS clients were under $200,000. However, there were several very high losses that increase the average amount lost over all clients.[9]

CHART 8. All Financial Losses by Amount, APS (SFYs 2010 - 2016)



As TABLE 4 indicates, the mean amount lost varied from a low of $29,035 in 2011 to a high of over $61,531 in 2015. The medians are much less, ranging from $5,362 in 2015 to $11,673 in 2010.

TABLE 4. Summary of APS Financial Losses

CASE YEAR	CASES	TOTAL LOSSES	MEAN	MEDIAN
2010	82	$3,436,104	$41,904	$11,673
2011	65	$1,887,257	$29,035	$10,529
2012	68	$2,147,313	$31,578	$7,000
2013	54	$2,048,300	$37,931	$9,748
2014	71	$3,481,344	$49,033	$7,500
2015	48	$2,953,501	$61,531	$5,362
2016	71	$3,131,803	$44,109	$10,000
Total	459	$19,085,622	$41,581	$8,802

[9] This study sample already omits one outlier case of $1,200,000, in order to eliminate its disproportionate impact on the analysis of financial losses.

TABLE 5 provides a summary of the total amount of financial loss experienced, by the type of loss an individual experienced.[10] The diversion of money was the most common type of loss. Although the median financial loss experienced by individuals suffering this type of loss was relatively low ($7,500), the total loss experienced was third highest and accounted for $6.2 million. The highest total loss is attributable to individuals who experienced a loss associated with facility nonpayment, at $9.4 million. Individuals experiencing the loss of a house had the highest median loss, at $67,646. However, this type of loss accounts for only 2.6 percent of all losses for APS clients.

TABLE 5. Summary of APS Financial Losses by Type

Type of Loss	N	Percent	Total Loss	Mean	Median
Money/Cash/Diversion	155	34%	$6,219,135	$40,123	$7,500
Facility Nonpayment	125	27%	$9,478,563	$27,828	$11,015
Bank Account Withdrawal	110	24%	$7,105,047	$64,591	$12,905
Scam	46	10%	$2,494,962	$54,238	$9,850
Check Forgery	45	10%	$1,573,723	$34,972	$7,050
Credit Card	31	7%	$1,275,190	$41,135	$13,800
Vehicle	30	7%	$1,387,602	$46,253	$14,750
Personal Property	27	6%	$1,705,401	$63,163	$14,000
Other	25	5%	$824,677	$32,987	$2,964
Loan not Paid Back	23	5%	$2,644,791	$114,991	$40,000
House	12	3%	$1,124,897	$93,741	$67,646
Rent not Paid	10	2%	$144,225	$14,423	$1,926
Retirement Account	7	2%	$494,524	$70,646	$34,749
Hours	6	1%	$471,906	$78,651	$44,415
Drugs	5	1%	$45,700	$9,140	$2,000
Resident Account	2	>1%	$1,275	$638	$637

NOTES: Because there can be more than one loss per case, percentages will not total to 100%. (There were a total of 659 losses across 459 cases.) The dollars shown are for the total dollars lost, across all losses, by a person with that type of loss.

[10] The dollars shown are for the total dollars lost, across all losses, by a person with that type of loss.

LSE

There were a total of 278 financial losses associated with the 205 LSE cases involving financial exploitation. The majority of LSE clients (76 percent) experienced one financial loss; 15 percent experienced two. The remaining 9 percent experienced three or more financial losses.

NUMBER OF LOSSES	COUNT	PERCENT
1	156	76%
2	31	15%
3	14	7%
4	2	1%
5	2	1%

For LSE clients, the most common type of loss was the loss of a house, accounting for 25.3 percent of all clients. The taking or diversion of liquid assets account for the next four most common types of loss (loss of money or cash, withdrawals from the client's bank account, a loan not paid back, and misuse of a credit card), together accounting for 69.3 percent of all types of losses experienced by LSE's financial exploitation clients.

The majority of perpetrators (68 percent) were family members. Another 22 percent were categorized as a friend of the client and 7 percent were care providers. For those perpetrators who were family members, 60 percent were the victim's child and 13 percent were the victim's grandchild.

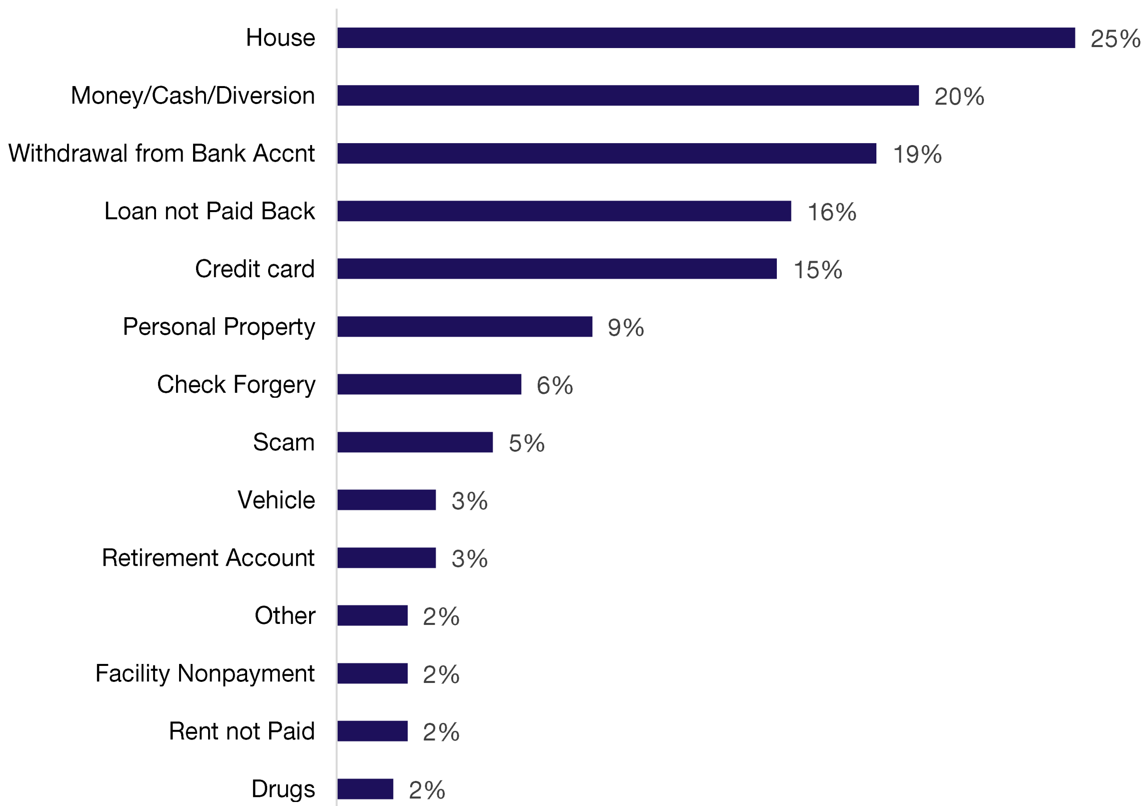
From 2010 through 2016, LSE clients lost $9 million to financial exploitation, with a mean loss of $48,050 and a median loss was $27,000. The mean varied from $36,904 in 2011 to $66,852 in 2013. The median range was lower, ranging from $13,900 in 2010 to $40,308 in 2013.

The charts and tables on the following pages provide more detail on the nature and amount of financial losses experienced by LSE clients.

Type of Loss | LSE

LSE's 205 financial exploitation clients experienced a total of 278 losses. Of these, the most common type of loss was the loss of a house, accounting for 25 percent of all losses. The next four most common types of loss relate to the loss of money or cash (20 percent), withdrawals from the client's bank account (19 percent), a loan not paid back (16 percent) and misuse of a credit card (15 percent). Together, these methods of financial exploitation account for more than half (70 percent) of all types of losses experienced by LSE's financial exploitation clients. See CHART 9.

CHART 9. Type of Loss, LSE (SFYs 2010 - 2016)

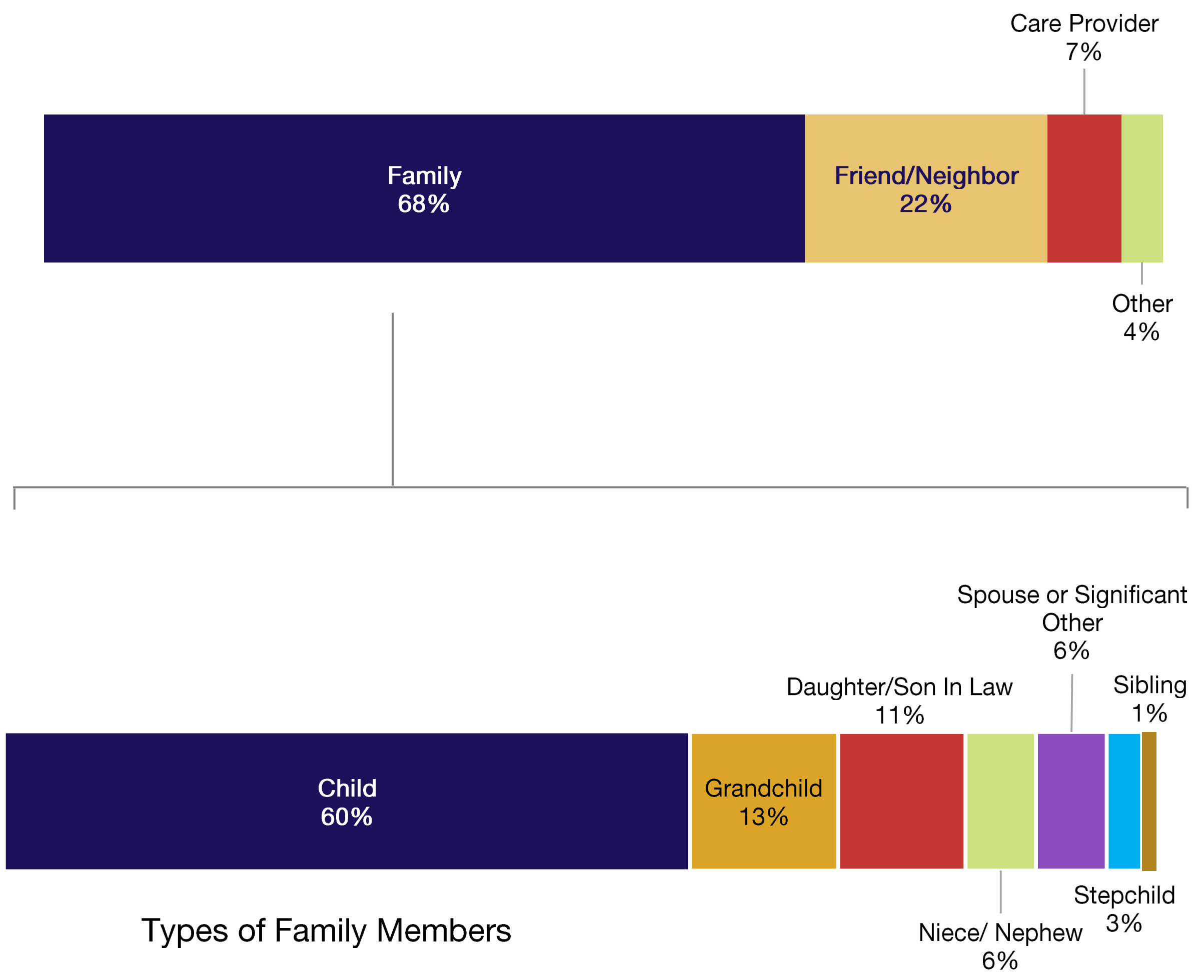


NOTE: Because a client may have more than one financial loss, percentages will total more than 100 percent. (There were a total of 278 losses across 205 cases.)

Type of Perpetrator | LSE

Among the 240 perpetrators identified, a total of 68 percent were family members. Another 22 percent were categorized as a friend of the client and 7 percent were care providers.[11] For those perpetrators who were family members, almost 60 percent were the victim's child and 13 percent were the victim's grandchild. See CHART 10.

CHART 10. Type of Perpetrator, LSE (SFYs 2010 - 2016)



NOTES: Perpetrator information was identified in 205 cases. For those 205 cases, a total of 240 perpetrators were identified, with some cases having multiple perpetrators. "Care Provider" groups include service provider, facility staff and medical service provider. "Other" groups together perpetrators categorized as attorney, financial institution and other.

[11] Only 9 percent of perpetrators were acting under a Power of Attorney or as the victim's guardian.

Amount Lost | LSE

From 2010 through 2016, LSE clients lost $9.0 million to financial exploitation, with a mean loss of $48,050 and a median loss of $27,000. The mean varied from $36,904 in 2011 to $66,852 in 2013. The median range was lower, ranging from $13,900 in 2010 to $40,308 in 2013.

The chart below displays the distribution of losses by the amount lost. While still predominantly less than $200,000, the losses experienced by LSE clients are more widely distributed than those experienced by APS. The maximum loss is lowered to $365,000.

Chart 11. All Financial Losses by Amount, LSE (SFYs 2010 - 2016)

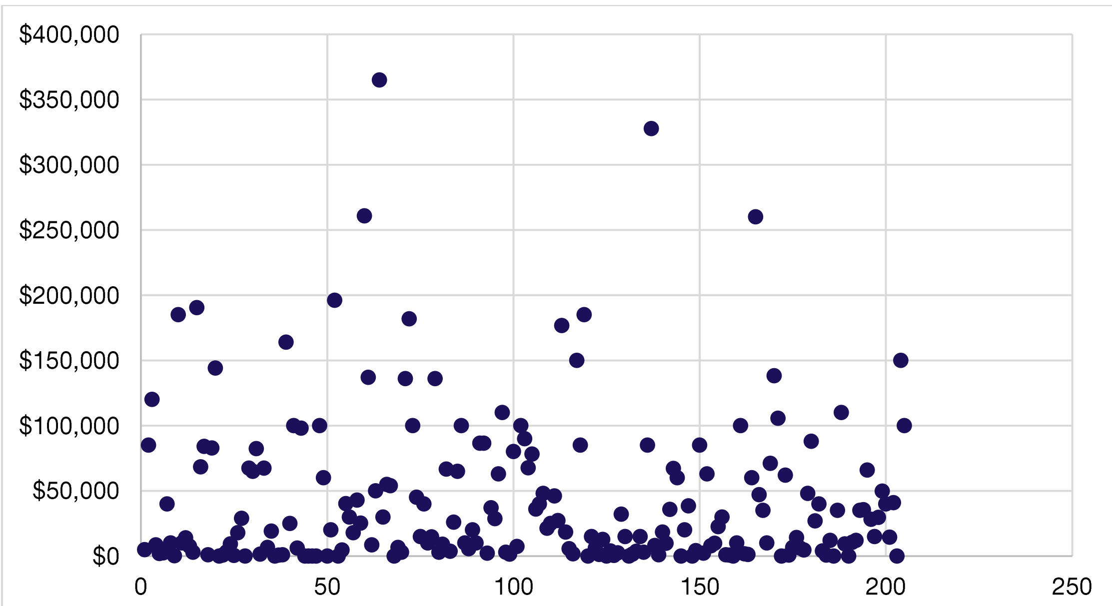


Table 6. Summary of LSE Financial Losses

CASE YEAR	CASES	TOTAL LOSSES	MEAN	MEDIAN
2010	26	$1,211,756	$46,606	$13,900
2011	27	$996,414	$36,904	$27,196
2012	18	$1,012,271	$56,237	$30,000
2013	19	$1,270,181	$66,852	$40,308
2014	28	$1,412,508	$50,447	$21,073
2015	34	$1,559,893	$45,879	$32,278
2016	35	$1,522,382	$43,497	$18,400
Total	187	$8,985,405	$48,050	$27,000

TABLE 7 provides a summary of the total amount an LSE victim lost by the type of financial loss experienced.[12] The loss of a house was the most common type of loss, with 25 percent of clients experiencing this type of loss. The total loss experienced by individuals who experienced the loss of a house was $3,312,006, with a median loss of $66,000. The next most common type of loss was the diversion of money; 20 percent of victims experienced this type of financial loss. The median financial loss experienced by individuals who suffered this type of loss was $31,098, significantly higher than the $7,500 for APS clients. The highest median loss was experienced by individuals who experienced a loss from their retirement account: four percent of individuals experienced this type of loss with a median loss of $100,000.

TABLE 7. Summary of LSE Financial Losses by Type

	N	Percent	Total Loss	Mean	Median
House	47	25	$3,612,006	$76,851	$66,000
Money/Cash/Diversion	38	20	$1,748,077	$46,002	$31,098
Withdrawal from Bank Account	36	19	$1,460,716	$40,575	$21,900
Loan not Paid Back	32	17	$1,721,390	$53,793	$23,615
Credit card	29	16	$1,072,306	$36,976	$12,000
Personal Property	14	7	$510,716	$36,480	$9,650
Check Forgery	12	6	$300,114	$25,010	$19,850
Scam	11	6	$604,256	$54,932	$14,800
Retirement Account	7	4	$840,117	$120,017	$100,000
Vehicle	7	4	$161,428	$23,061	$14,500
Other	5	3	$315,321	$63,064	$7,584
Facility Nonpayment	4	2	$175,218	$43,408	$44,933
Drugs	3	2	$717,745	$23,915	$19,000
Rent not Paid	2	1	$13,800	$6,900	$6,900

Notes: Because there can be more than one loss per case, percentages will not total to 100%. (There were a total of 240 losses across 205 cases.) The dollars shown are for the total dollars lost, across all losses, by a person with that type of loss.

[12] The dollars shown are for the total dollars lost, across all losses, by a person with that type of loss.

The Victims of Financial Exploitation
Case Example #5

A 75 year old widow was living in her own home in Penobscot County. The home was valued at over $80,000. She and her deceased husband had paid off the mortgage long ago. The woman had some health problems and a family member from southern Maine offered to help. After helping with the housework and routine chores for only two days the family member arranged for a notary to come to the house and a deed was executed transferring the woman's house to the family member. The woman was told that this transfer would protect her home if she needed long term care. Three months later she received an eviction notice. She called the LSE Helpline after being told to pack up and move to senior housing. An LSE attorney brought a civil action in Superior Court to recover the home and soon after the family member agreed to convey the home back to the woman.

STATEWIDE ESTIMATE OF FINANCIAL EXPLOITATION

Financial exploitation often goes unreported, sometimes because the victim is embarrassed, or afraid of reprisal, or does not understand or have confidence in the legal process or their rights (Rabiner *et al.*, 2004). Estimates of the number of cases of financial exploitation that go unreported varies widely. To estimate the total financial loss if all cases of financial exploitation were reported, this analysis adopts the methodology used by other states (Utah Division of Aging and Adult Services, n.d.; New York State Office of Children and Family Services, 2016). In particular, the total number of reported and unreported cases of financial abuse was calculated using both a low and high estimate of unreported cases and multiplying that by the median loss for documented for reported cases. The low estimate is based on an estimate from the National Center on Elder Abuse, which estimated that one out of 10 cases of financial exploitation is reported (National Center on Elder Abuse, 1998). The high estimate is based on another study which estimates that only one in 44 cases is reported (New York City Department of Aging, 2011).

To develop an estimate for Maine, all reported losses for APS and LSE (a total of 646 cases) were combined and a new median loss calculated. The combined reported losses totaled over $28 million, with an average of $43,454 and a median of $11,557. See TABLE 8.

TABLE 8: Total Reported Losses, (SFYs 2010 – 2016)

FOR APS & LSE CLIENTS	
Total Cases	646
Total Reported Losses	$28,071,027
Average	$43,454
Median	$11,557

Estimated Loss Based on Cases for Which the Value of the Loss was Reported

The total number of reported cases was multiplied by 10 to calculate the low estimate of total cases of (reported and unreported) financial exploitation, and 44 to calculate the high end. The median loss of $11,557 was used to calculate a low estimate of total financial loss at over $74.7 million and a high estimate of $328.5 million. See Table 9.

TABLE 9. High and Low Estimate of Total Loss Based on All Cases with Value of Loss Reported, (SFYs 2010 – 2016)

LSE & APS	STATEWIDE ESTIMATE	
Reported Cases with Dollar Value for Financial Loss	Number of Cases Low Estimate (1 in 10)	Number of Cases High Estimate (1 in 44)
646	6,460	28,424
Median Loss	Total Loss Low Estimate (1 in 10)	Total Loss High Estimate (1 in 44)
$11,557	$74,656,217	$328,487,357

Estimated Loss Based on All Cases with Substantiated Allegations of Exploitation

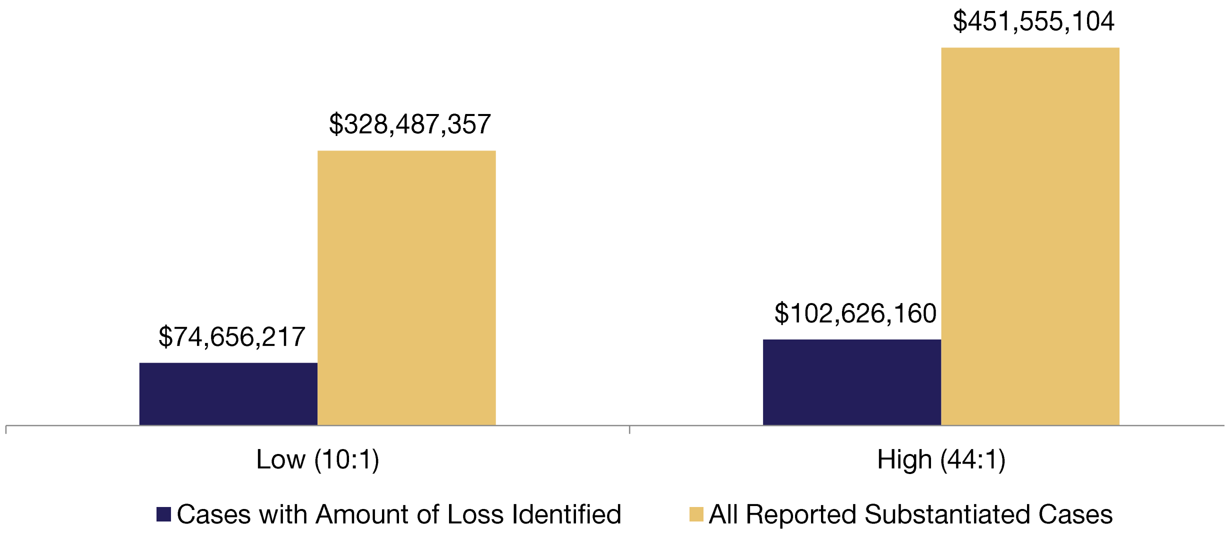
A second estimate was calculated using the same methodology except that the total count of cases includes 242 APS and LSE cases with substantiated allegations of financial exploitation for which the dollar amount of the loss was not recorded. The higher number of cases (a total of 888 cases) multiplied by the 10 and 44 results in a higher estimate of the number of losses (8,880 and 39,072 respectively) and a higher range of estimated loss (from $102.6 million to $451.5 million). See TABLE 10.

TABLE 10. High and Low Estimate of Total Loss Based on All Cases Reported, (SFYs 2010 – 2016)

LSE & APS	STATEWIDE ESTIMATE	
All Reported Cases	Number of Cases Low Estimate (1 in 10)	Number of Cases High Estimate (1 in 44)
888	8,880	39,072
Median Loss	Total Loss Low Estimate (1 in 10)	Total Loss High Estimate (1 in 44)
$11,557	$102,623,407	$451,542,992

CHART 12 presents the range of estimated costs due to financial exploitation – from over $74 million to a high of over $451 million.

Chart 12: Estimated Losses Resulting from Financial Exploitation in Maine (SFYs 2010 – 2016)



While these estimates attempt to measure the total financial loss experienced by victims of financial exploitation in Maine, they underestimate the total losses associated with financial exploitation in Maine. For example, these estimates do not account for the cost of services provided by Maine's APS program or LSE, private attorneys, or the criminal justice system. Nor do they include the cost of additional public benefits required because of the financial loss, including nutrition assistance, Medicaid or Medicare services, or subsidized housing.

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