



U.S. Senate Special Committee on Aging Field Hearing
“Trust Your Instincts? Tools to Empower Seniors to Identify Scams and Fraud”
August 5, 2014

Testimony of Mr. Mark Lindenlaub
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five counties in South Central Indiana)

Good Morning. My name is Mark Lindenlaub, and I am the Executive Director for Thrive Alliance in Columbus, Indiana. Thrive Alliance is the Area Agency on Aging, or “Triple A”, serving five counties in South Central Indiana. Currently, I also serve as the President of the Indiana Association of Area Agencies on Aging, or “I Four A” the trade association representing Indiana’s 16 AAAs.

On behalf of Indiana’s AAAs and the older Hoosiers, persons with disabilities, and their families and caregivers that the AAAs serve, I thank Senator Donnelly, his staff members, other Special Committee on Aging members and witnesses, and all in attendance for giving me this opportunity to speak about the role Indiana’s AAA network plays in helping to protect older adults from senior financial exploitation.

In Indiana, AAAs are the gateway through which most Hoosiers access long-term care services. They administer local, state, federal and private resources such as Aged & Disabled Medicaid waivers, Older American’s Act Title III, Social Services Block Grant, and a state appropriation called CHOICE, all of which allow older adults and people with disabilities of any age to live and age safely and independently in their own homes and communities. AAAs also assess all Indiana residents seeking nursing home admission.

Thanks to the foresight and investment of the Indiana Family and Social Services Administration in the mid-2000’s, Indiana was the first state in the nation to have all 16 of its AAAs designated as Aging and Disability Resource Centers, or ADRC’s, by the U.S. Administration on Aging. ADRCs comprise specialized, streamlined “No Wrong Door” systems that serve as highly visible and trusted places available in every community across the country where people of all ages, incomes and disabilities can go to get information and one-on-one person-centered counseling on the full range of long-term services and supports options and issues.



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As the state’s front-door to senior services, Indiana ADRCs know first-hand the toll that fraud, scams and other forms of financial exploitation have on Hoosier older adults. But we cannot stop what older adults don’t report. To this end, Indiana’s AAAs are the vital trusted local resource that seniors feel comfortable contacting to talk about sensitive matters, especially for exploitation victims who are embarrassed, feel stigmatized or don’t know or aren’t comfortable contacting local law enforcement or other officials.

Victims also can contact their local AAA for assistance in navigating the complex web of agencies that are involved in handling in cases of fraud of exploitation, including Medicare, the Postal Service, Social Security, Indiana Medicaid, the Indiana Attorney General, the Indiana Secretary of State, Indiana Adult Protective services and local law enforcement.

Every Indiana AAA has horrific stories to share regarding their discovery of financial exploitation of the clients they serve. Here are a few stories from my own agency.

- A widowed 83 year-old woman living in rural Brown County reported feeling as though she were being run out of her home because she received a series of threatening calls from a male caller requesting her bank account information. At one time, the caller threatened to kill the woman if she reported him to the sheriff’s dept. The woman blocked numerous phone numbers and changed her own phone number, but the calls continued—one call came disguised as a relative’s phone number. Her family lived close by but was not involved with her care. The woman thought her only answer was to move.
- A retired professional in Jennings County was forced into bankruptcy after responding to numerous flyers declaring he has won thousands, even millions of dollars. He lost his retirement savings and received stacks of mail each day from these companies. His family reported that the man often would not leave his home for days because he had to respond to each of these mailings because he knew that “he would hit the jackpot!” He would not allow the family to throw away any of these flyers when they came, and they were distraught with trying to figure a way out of his debt.



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- An 89-year old woman from Columbus called to say she thought she had just been scammed. She received a call from a man who told her that due to the Affordable Care Act taking effect, she needed to update her Medicare information through him, including her Medicare number and her bank account number. She gave the scammer the information, subsequently decided she should not have done so, and notified her bank. When he could not access her account, the man called again and became aggressive with her. She hung up on him, but felt she needed to tell someone. She called Thrive Alliance (AAA) because she was familiar with the organization and felt she could trust Thrive Alliance to help her.
- At a recent presentation by Thrive Alliance to a group of older adults on senior financial exploitation and abuse, a 79 year-old gentleman revealed that he had been scammed by an organization that offered him an opportunity to work from home and supplement his Social Security income. All he had to do was make an investment of \$7,000, which he did by placing a charge on his VISA card. He never received the materials and the VISA card company refused to take the charge off his account. He thought that if he did not make a payment on his card that he was actually not paying this fraudulent company. Information was given to the gentleman on how to report the crime to consumer protection of the Attorney General’s Office and obtain a police report to send to the credit card company.

In conjunction with its AAA and senior center partners, IAAAA administers Indiana’s Senior Medicare Patrol, which identifies and reports cases of potential fraudulent activity such as:

- An 89-year-old woman in South Bend, Indiana, whose medical and financial identity was stolen by a telephone scammer claiming to be a Medicare representative who told her she needed a new Medicare card.



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- A man from Hamilton County who received an unsolicited phone call from a durable medical equipment, or DME, company advising him that he could receive some free durable medical equipment. This is considered a marketing violation as DME companies are not allowed to solicit beneficiaries directly, unless beneficiaries have given written permission or already received the item, or the supplier has furnished a Medicare-covered item within the previous 15 months.
- Medicare beneficiaries who received calls during the Affordable Care Act open enrollment period. Scammers ostensibly tried to enroll them in the Healthcare Marketplace, for which Medicare enrollees are NOT eligible, with the intention of stealing the beneficiaries' medical and financial identities. The scammers told the beneficiaries they needed a new card because of Obamacare, and that there was a small fee. Luckily, they didn't fall for this trick, but we still reported it so the government can track fraud trends.

Indiana's SMP also works with news media to get coverage of current frauds, schemes and scams targeting seniors. We find seniors will realize that they received a similar letter, email, or phone call as the one detailed in a news story. Having knowledge of how these scams work empowers seniors to identify when they are being targeted.

Statewide, reports of senior financial exploitation have exploded over the past decade. Covering the twelve year period from 2001 through 2013, Indiana Division of Aging / Adult Protective Services' indicates the following:

- Calls for services rose 400%.
- Abuse cases increased 30%.
- Neglect cases increased 13%.
- Financial exploitation increased an alarming 83%.



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Current reports of financial exploitation to APS now average 126 reports per month, a 15% from FY 2013 to FY 2014. Further, financial exploitation also represents nearly 15.0% of total APS cases opened in FY 2014. Total APS calls for service in FY 2014 were 30,448; total cases opened and investigated were 10,719; of these financial exploitation cases totaled 1,506.

Given the epidemic proportions of senior financial exploitation in Indiana, ensuring the sustainability of the AAA network is critical. Indiana’s AAAs play a key role in fraud and exploitation prevention and intervention:

- We provide general fraud & abuse information and education in our communities, and inform and empower consumers.
- We refer consumers to proper authorities or other legal assistance.
- We host Senior Medicare Patrol staff and volunteers, integrating them into our full continuum of services to provide a special emphasis on Medicare fraud prevention, and medical and financial identify theft.
- On a statewide level, we have built strong partnerships with law enforcement agencies, the Attorney General's office, the Secretary of State's Office, Better Business Bureau and Adult Protective Services. Many AAA’s also play leadership roles in their own local community-wide coordinated efforts.
- We have a “No Wrong Door” system set up with legal and protection agencies. AAAs refer to the legal services, adult protective services and law enforcement agencies, and in turn make referrals to the AAAs. For instance, APS often contacts AAAs when they work with someone who is suspected to be a fraud or abuse victim to refer that person for an in-home assessment for needed home and community-based services. AAAs are able to expedite these APS-referred assessments.
- The home and community-based services and supports that the AAAs can put into place through our funding sources and community resources can provide some safety and oversight for fragile individuals at-risk for abuse, neglect and financial exploitation.
- Finally, the AAAs help victims rebuild after exploitation has taken place and try to ensure abuse does not happen again.



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This amazing network is in place in Indiana now. But, the network’s long-term sustainability is far from assured. Therefore, we urge the Senate Special Committee on Aging to champion the reauthorization of the Older Americans Act, which has been stalled in Congress. Among its titles, the Older Americans Act’s Title VII supports elder abuse prevention and ombudsman programs. We believe reauthorization will have bi-partisan support. Further, we urge the Committee to ensure sustainable and adequate funding for the AAA network through the Older Americans Act. Older American’s Act funding has remained flat for more than 10 years despite both demand for services that is accelerating exponentially given the demographics of our aging society and the increased prevalence of senior financial exploitation.

The Committee can also play an integral role in advocating funding for the Elder Justice Act of 2009. Many parts of this vital act have languished for lack of any appropriation. However, the work of the Elder Justice Coordinating Council, established by the Act to coordinate activities related to elder abuse, neglect, and exploitation across the Federal government, has begun. The Elder Justice Coordinating Council is directed by the Office of the Secretary of Health and Human Services and the Secretary serves as the Chair of the Council. To further the implementation of the remaining parts of the Elder Justice Act, we urge the Committee to advocate support for the President’s \$25 million Elder Justice Initiative included in his FY 15 budget proposal.

Finally, we anticipate that elder justice and senior financial exploitation will be an important topic for the 2015 White House Conference on Aging. We urge Congressional support of the Conference, and particularly ask Senator Donnelly to assure Indiana Association of Area Agencies on Aging’s representation and full participation in the conference.

Thank you again for your consideration of our testimony and request for support.

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