

SENATE SPECIAL COMMITTEE ON AGING

“Broken Trust: Combating Financial Exploitation Targeting Vulnerable Seniors”

February 4, 2015

Ranking Member Claire McCaskill

Opening Statement

Thank you Senator Collins. And thank you for your leadership on this Committee. The issues you tackled and the bipartisan spirit with which you ran this Committee with Senator Nelson during the last Congress provide a great blueprint for what we can do together this Congress. I am eager to use the oversight functions of this Committee to shine a light on a wide range of abuses of our senior population.

Senior financial exploitation is not new to any of us. Roughly one in five seniors will be a target of some form of financial exploitation, to the tune of billions in losses each year. However, this hearing will focus on those cases with an additional conflicting factor: when the perpetrator is a family member, trusted caretaker, or friend. The numbers here don't really tell the story, and thankfully we have several witnesses who can share firsthand accounts of some truly horrible instances of financial exploitation.

Perpetrators are constantly developing new ways to gain access to our seniors' life savings and have focused upon a generation that typically has been more trusting and less able or willing to self-report. When the victim is a family member, however, these become some of the most complex cases around—often a family member is legally appointed as the guardian of assets. A victim or those around them may suspect what is happening, but feel even more powerless or ashamed to report. Often, a victim will struggle with filing criminal charges against a child or other family member. Prosecution involves not only criminal action, but civil action to regain control of assets.

Today, I want to reiterate that we cannot shy away from holding these perpetrators accountable for their actions. The fraud and abuse perpetrated on our seniors is absolutely unconscionable.

It is really a fairly recent phenomenon that we have started discussing these types of cases in this criminal arena because for far too long they were dismissed as family matters. Today we will hear from Page Ulrey, a Seattle prosecutor who specializes in elder abuse criminal cases, and she will talk about just how few colleagues she has in this arena. Only a handful of offices around the country have an office like the one she works in in King County, Washington, and this is really troubling.

Financial exploitation cases involving the elderly are very difficult to prosecute. You need competent and trained professionals at every level, from the detectives and mental health professionals all the way up to the DA's office. Ms. Ulrey will share how she is trying to train people in her area and around the country. In fact, this past year, she came to Missouri to help develop ways to protect seniors in my state who suffer from cognitive impairments from becoming victims of financial fraud.

We must address the desperate need for increased cooperation at the federal, state, and local level to find, prevent and prosecute those that exploit seniors, and make certain that those individuals can never do so again. There are those who say that this is a state issue; I disagree. There is much that the federal government can do better to assist state and local prosecution of these cases. GAO found in its 2012 review of this issue that seven federal agencies were working to solve this problem in ways that are consistent with their own mission, but not necessarily in support of the overall goal. Since that time, these agencies have begun to work together – and I want to highlight the work of one of them with material on hand today – the Consumer Financial

Protection Bureau – that is providing real guidance for family members and caregivers on how to responsibly take care of someone else’s finances.

But there is still so much more that we could be doing and are not. The reality is that we don’t even have national data on the scope of the problem. We don’t know how many cases are reported to Adult Protective Services, nor do we know how many elder abuse cases are criminally prosecuted or how many civil cases have been filed in this arena.

I hope that our witnesses today can help us to examine ways in which to become more creative and assertive against these perpetrators. I look forward to speaking with our witnesses about how we can start to eliminate aging discrimination and bias in our attitude toward prosecution of these cases; too often they are dismissed because they are difficult to prove, easier to address purely as a civil matter, or involve complex mental capacity issues. My home state of Missouri passed a law in 2012 strengthening the definition of financial exploitation of seniors; I intend to do everything I can do to support their efforts.

Thank you, again, to Senator Collins and our witnesses, for taking the time to be here today, and I look forward to listening and learning from your experiences.