COUNCIL OF THE CITY OF PHILADELPHIA

COMMITTEE ON AGING

Room 400, City Hall
Philadelphia, Pennsylvania
Wednesday, December 7, 2016
10:15 a.m.

PRESENT:
COUNCILMAN AL TAUBENBERGER, CHAIR
COUNCILMAN ALLAN DOMB
COUNCILMAN DEREK S. GREEN

RESOLUTION 160646 - Resolution authorizing the Committee on Aging to conduct public hearings regarding financial abuse of senior citizens in Philadelphia.

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COUNCILMAN TAUBENBERGER: Good morning. My name is Al Taubenberger. I am the Chair of the Aging Committee, and I would like to welcome you to the first-ever Aging Committee hearing. I'm very honored that Council President Clarke appointed me to this position. I'm also very honored that I have a majority of our members here present. To my left is Councilman Green, also Co-Chairman of this Committee, and also to my right is Councilman Allan Domb, and we're looking forward to hearing the testimony here.

I'm going to have the Clerk read out the resolution title and then I'll have some opening comments as well, and I know my colleagues might as well.

Clerk, please read the title of the resolution.

THE CLERK: Resolution No. 160646, resolution authorizing the Committee on Aging to conduct public hearings regarding financial abuse of

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senior citizens in Philadelphia.

COUNCILMAN TAUBENBERGER: I think it's important that we start off with this, because I think the more people that know about this sort of abuse that is going on, the better.

I'm anxious to hear what law enforcement can do, and in some cases they can't do much, but I think the important thing is that we can educate seniors and folks that deal with seniors on the seriousness of this crime and how commonplace it is as well and how easily people sometimes fall in the trap. So hearing the comments from the AARP and the Police and the District Attorney's Office is very, very good. And, of course, my colleagues will have some questions and comments as well. The more we can talk about it, I think the better we all are served.

It is important here today to discover what is happening with senior fraud, what is happening on the front

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lines, so we can talk about it and educate all about the problems with it.

Councilman Green.

COUNCILMAN GREEN: Thank you, Mr. Chair. It's a pleasure to be here at this Committee, this Committee of Aging. I'm glad that we as a body decided to put together this Committee. It's also an honor to serve as Vice Chair.

As we are in the holiday season, I thought it was very important, I think the entire Committee thought it was very important to have this hearing at this time. During the holiday season, there are a lot of requests for gifts and giving, and I know having served as the Board Chair of Center in the Park -- and I believe members of the Center in the Park are listening in and participating in today's hearing. As Board Chair of Center in the Park, which is a seasoned citizen facility here in the City of Philadelphia in Germantown, I know a number of seniors, a lot of our members

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have gotten involved in financial fraud over the years, especially during the holiday time when a number of people are reaching out and asking for gifts and other type of donations during the holiday season. And I think seniors can be more prone to those type of fraud opportunities in this time of the year.

So it's very important to have this hearing. It's also important that we use this as an opportunity to educate people regarding the work that a lot of our public safety organizations from the Police Department, District Attorney's Office, as well as other organizations like AARP that are trying to inform and educate people regarding the issues regarding financial fraud.

So I'm glad to be here for this hearing. I'm glad this is the start of this Committee, because there's a lot of great things that we as a Committee can do going forward to help some of the more vulnerable people of our population that

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have done such great work in our city, state, and nation.

COUNCILMAN TAUBENBERGER: Councilman Domb.

COUNCILMAN DOMB: Thank you, Mr. Chairman, and good morning. I just have a very quick statement.

These frauds, I mean, think about it, it's not just with seniors. Think of all the fraud that goes on in the financial world, from Michael Milken back in the '80s to -- was it Bernie Madoff recently? It goes on everywhere.

In fact, when I used to be in the security business, 78 percent of all theft actually is internal. Internal. But my adage is the following: If it's too good to be true, it usually is and you just have to keep your eyes open. And so many people think they're going to hit a home run. It doesn't happen.

So that's my only comment on this. Thank you.

COUNCILMAN TAUBENBERGER: We're

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about to begin. I want to also thank everyone that is here today, because together, we can do some really good things about this very terrible situation.

Councilwoman Gym is on her way and Councilwoman Parker cannot make today's hearing, but she and I talked this morning and I will be briefing her later in the week in regards to what happened here, and of course, the notes of testimony, the exact things that you're saying, will be available to all to review.

Will the Clerk please call the first panel.

THE CLERK: George Mosee, Captain Francis Healy, Lydia Hernandez.

(Witnesses approached witness table.)

COUNCILMAN TAUBENBERGER: You can begin whenever you're set. Lydia, we can start with you, if you're prepared, or whoever.

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MS. HERNANDEZ: Good morning, Councilman Taubenberger and members of the Committee. I am Lydia Hernandez Velez, Deputy Managing Director for Aging. Thank you to the members of the Committee on Aging for engaging in an important conversation regarding one of the challenges facing older Philadelphia residents.

Financial abuse of the elders of our community is a great concern to the aging network. Time and time again there are frustrating stories of the intentional abuse of the trust and respect of our elders at a time when they are vulnerable, dependent, and significantly challenged by constricted resources.

The Mayor's Commission on Aging Information and Referral receives inquiries every day regarding services and assistance to address pressing issues faced by our elder residents. The majority of those inquiries relate to

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obtaining information on benefits that will enable residents to remain in their homes, receive benefits such as Social Security, property tax, and rental rebates or obtaining the Supplemental Nutritional Assistance Program support. There are also inquiries regarding real estate title issues, guardianship concerns, and misappropriation of resources. Our office then makes referrals to the appropriate aging network office to ensure that our residents obtain the best assistance to address their concerns.

This results in acknowledging that some of our residents do not have the information they need to make decisions that will promote their dignity and safety they so deserve. The network of elder-focused organizations works from the premise that there was no wrong door. Some elders face the issue of financial abuse because of language isolation, declining cognitive capacity,

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administrative delays or inability to connect with the services that will ensure their safety. In partnership with the Philadelphia Corporation for Aging, the Center for Advocacy for the Rights and Interest of the Elderly, CARIE as it is known, the SeniorLAW Project, Community Legal Services, and other organizations, there is a focus on ensuring that connection with the right partner will be made.

Thank you for the opportunity to participate in this hearing, and I am ready to collaborate in whatever way will ensure the dignity and safety of our residents. I will respond to any questions that you might have.

COUNCILMAN TAUBENBERGER: Well, maybe what we'll do is we'll hear from the whole panel, then we'll ask questions.

MR. MOSEE: Good morning, and thank you, Chairman Taubenberger and Councilmembers, for inviting the

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Philadelphia District Attorney's Office to testify. I'm George Mosee, the First Assistant in the District Attorney's Office.

Our Economic and Cyber Crime and Community Engagement Units are on the forefront lines of prosecuting economic crimes where our elderly are victims. We also work to raise their awareness about how to reduce the chances of becoming a victim.

In the past two years, the Economic and Cyber Crime Unit has had three significant prosecutions involving elderly victims. There was a funeral director who stole over $300,000 from an elderly neighbor's credit card. Another offender took advantage of an elderly widower by becoming his friend and handyman, gained access to his checking account and withdrew large amounts of cash. And there was a contractor who targeted four separate seniors in scams. I'm happy to say that each of those

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defendants were successfully prosecuted.

We do have several active investigations involving cases where seniors have been the victims of economic crimes. They center on the illegal use of a power of attorney. There are also foreclosure rescue scams, financial fraud, and house stealing by an individual who in fact had done that before.

With regard to forged deed owner victims over the age of 60, we currently have an open investigation involving approximately 50 properties, where nine of the victims are over the age of 60.

The elder in those situations may not be the named owner of the stolen property, but may be an heir who didn't raise an estate or transfer the title into the new lawful owner's name.

In 2014, a series of changes were made to our state laws related to powers of attorney. The original version

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of the legislation would have permitted commingling of funds between an individual and his or her attorney. But we were able to amend the language to the bill to ensure that most instances of commingling are not permitted, knowing that without the change, we might likely see more elderly victims.

Preventing economic crimes against the elderly is critical. To that end, our Community Engagement Unit actively works with seniors to teach them to protect themselves against scams and to be smart with their financial safety.

We have made more than 30 visits to churches as well as community and senior centers to deliver a targeted presentation about how seniors can protect themselves from scam artists in person and on the phone and also what to look out for online.

The presentation also addresses identity theft, phone scams, including one that says their grandchild has been

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arrested and they need bail money, surveys to collect Social Security and financial data, and letters claiming the senior has won the lottery but needs to pay their taxes to retrieve the winnings.

The response and interest about the outreach has been excellent. There is a thirst for this kind of information in our city, and the more individuals we can talk to, the greater the likelihood that we will have prevented some economic crimes is even greater.

Again, thank you for the opportunity to join you here today, and I'm happy to answer any questions that you might have.

COUNCILMAN TAUBENBERGER: Thank you, Mr. Mosee. And I also understand this is your last testimony?

MR. MOSEE: Unless you guys call me tomorrow.

COUNCILMAN TAUBENBERGER: Well, no, we don't want to bother you tomorrow, but what I do want to say, thank you

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very, very much for your service, your dedication to the people of Philadelphia and the job you've done. It is something that a lot of my colleagues have talked about, and your service is greatly appreciated by this Chairman and I know by all members of Council.

MR. MOSEE: It's been a pleasure and honor to work with this body.

COUNCILMAN GREEN: I was going to say a similar point. George, you've done phenomenal work in the District Attorney's Office. You've done great work there for a number of years. During my brief stint there, you were also supportive of me. Somehow you kept all of your hair, but I lost mine in that time period. But you've been a great prosecutor and have mentored countless prosecutors who have really made an impact in the City of Philadelphia. So thank you for your service.

MR. MOSEE: Thank you very

much.

COUNCILMAN TAUBENBERGER: Mr. Mosee, if you have any statements on helping gentlemen like myself and Councilman Green keep their hair, we would like to -- no.

MR. MOSEE: A lot of it is camouflage.

(Laughter.)

COUNCILMAN TAUBENBERGER: Captain.

CAPTAIN HEALY: Good morning, Chairman Taubenberger and other members of the Committee on Aging. My name is Francis Healy and I'm the Special Advisor to Commissioner Ross. Seated with me behind me is Captain Mark Burgmann, the Commanding Officer of the Department's Special Victims Unit. On behalf of the Commissioner, thank you for allowing the Police Department to participate in this hearing regarding Resolution 160646.

The Philadelphia Police Department is keenly aware of the

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susceptibility of senior citizens to victimization by fraudsters. As you may know, the Special Victims Unit is the primary investigative unit for crimes against the elderly. This is the reason why I've asked Captain Burgmann to attend today's hearing with me.

To enhance the Special Victim Unit's ability to better impact this special population, the SVU maintains a working relationship with the Philadelphia Corporation on Aging, the Center for Advocacy for the Rights and Interests of the Elderly, and other community groups concerned with issues of the aging. These groups are encouraged to report suspected crimes against the elderly directly to the Special Victims Unit.

As background, currently the Special Victims Unit assigns all cases of crimes against the elderly to its Special Investigations Unit, the SIU. The SIU works closely with the District

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Attorney's Office, Homeland Security, and other law enforcement agencies to protect seniors who are the victims of fraud, and the supervisors of the SIU regularly meet with the Philadelphia Corporation of Aging and other community groups to address concerns of the elderly. Additionally, personnel from the Special Victims Unit participate in seminars, community fairs, and other forums, just as the DA's Office does, in an effort to educate the elderly about the various types of frauds and scams to guard against. In this regard, the Philadelphia Police Department fully concurs with the provision in this resolution that states that education and awareness can go a long way towards reducing instances of financial abuse.

While education and awareness are the frontline defense against financial fraud, it is also difficult for many elderly persons to understand and comprehend the complexity of these

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schemes. Thus, the Philadelphia Police Department is very receptive to exploring ways the banking and financial system could insert financial safeguards or address existing loopholes to better protect elderly citizens without compromising their independence and dignity.

Finally, from a criminal investigative perspective, the Philadelphia Police Department does what it can when crimes are reported. In fact, thus far this year, the Special Victims Unit has been involved in 20 investigations of fraud against elderly victims. Eight of these cases have been cleared, with six resulting in arrest. The remaining cases are under active investigation. Nonetheless, even when an arrest is made, many times recovering the money lost is often difficult, if not impossible. So a component of any solution should include enhanced penalties. Special populations require

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special protections to dissuade and deter criminals. For this reason, the Philadelphia Police Department also supports the notion of enhanced penalties for financial fraud committed against the elderly as referenced in this resolution.

In closing, the Philadelphia Police Department's commitment to protecting senior citizens from fraud is unwavering. The Department will continue to work with any and all groups in furtherance of this goal, and we fully appreciate and support any assistance that this Committee and the City Council as a whole can lend to this cause.

This concludes my testimony. Myself and Captain Burgmann are available to answer any questions you may have.

COUNCILMAN TAUBENBERGER: Captain, I do have one, and this is -- I know these are difficult, but when you have a case where the criminals are out of state, out of the country even, targeting victims in Philadelphia, what

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do you do? Is there some protocol? I know it's very difficult.

CAPTAIN HEALY: Well, on that I could defer to Captain Burgmann, who actually oversees the actual investigations. I'm more of a policy wonk here. I'd rather defer to the expert in the field, and that would be Captain Burgmann.

COUNCILMAN TAUBENBERGER: Come forward and please identify yourself for the record.

CAPTAIN BURGMANN: Good morning. Captain Mark Burgmann, Special Victims.

I'm not sure I understood the question exactly. You're saying when the offenders are out of state?

COUNCILMAN TAUBENBERGER: Yes. Or out of the country. Is there anything --

CAPTAIN BURGMANN: When they're out of the country, we work with Homeland Security. I talk to my people. They

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tell me they do an excellent job. When they refer to Homeland Security, they've actually had good results with that.

COUNCILMAN TAUBENBERGER: Is there an ability to track the call? I mean, let's say somebody called me. I had had them on the phone for an hour, and they got on me and they got some of my money. Is there a way to trace that call later?

CAPTAIN BURGMANN: I couldn't tell you specifically how to do it, but I know that they can. It's not my unit that does it. That's why we refer to Homeland Security, but they are able to do that. Maybe not in every case, but they can do it.

COUNCILMAN TAUBENBERGER: Oh, I know. I know it's exceptionally difficult. Thank you.

Councilman Green.

COUNCILMAN GREEN: Thank you.

And thank you to the panel, Ms. Hernandez Velez, for your work in the

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aging population, Captain Healy, and Mr. Mosee. Thank you for all being here and testifying.

Mr. Mosee, in particular you talked about presentations you've made in churches and community centers, and I'm curious, one, in reference to the nature of those presentations, are they in a social media format? The reason I raise that is that many people I think make the incorrect assumption that people who are seniors are not on the Internet, when actually that's not true from my experiences, both from my mother who is very prolific on Facebook and -- not Twitter, but definitely on Facebook and other forms of social media, as well as from my experiences being Board Chair of Center in the Park where we've done a lot of initiatives on social media, because with seniors having free time and I think initially they were connecting with grandchildren and other relatives who may not be in the area using Facebook and

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then started connecting with friends and other people that they know.

So that presentation where you're talking about fraud and crime that you made to churches and community centers, is that information that can be presented in a social media format?

MR. MOSEE: It's not presented in a social media format currently, but it does address the issues that you've raised. It talks to seniors. There's no assumption that because somebody is over the age of 60 that they're not familiar with the Internet and that they're not an active participant. So that is addressed, but I think that's an excellent suggestion.

COUNCILMAN GREEN: Because I think sometimes you've got to battle fire with fire. So when people are receiving messages over the Internet, if there's counter-information, especially through social media, and I think organizations like AARP and maybe PCA and others could

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maybe work collectively together looking at how we can take that information and put it out in a social media format, especially during this time of year when people are getting bombarded with all kinds of information.

Another question, which is actually to all of the panelists. Before I was in the DA's Office here in Philadelphia, I was in the Attorney General's Office in Delaware as a prosecutor, and in that capacity, I also worked in the Delaware Securities Commission, and that was during a time period we had a lot of day trading and Internet security fraud. And one of the things that I found with victims is that there's a sense of pride, that they don't want to come forward and talk about their story because for many, they were the person that everyone in the family went to when they had issues and concerns, but as they got older and got possibly more susceptible to some of these frauds, they

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get caught in a situation that they don't want to tell anyone they got into a fraud situation, and it gets worse and worse and worse until it gets to a point where it's almost on its last string and people are now in a very precarious situation.

So what have been your experiences in getting people to be more open and talking about a situation where they may have gotten in fraud to help warn others?

MR. MOSEE: You know, it's interesting that you mention pride and how that impacts this particular area. Pride is what I believe causes people to allow the fraud to continue. You know, even when family members are saying, What are you doing, you shouldn't be sending money to Africa, nothing is going to happen with that, they continue to do it, because pride is dictating that they're not making a bad financial decision.

Certainly it has delayed reporting the crimes, and the longer it

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takes to get the information, the less likely, as Fran indicated, we're going to be able to recover what's been taken.

COUNCILMAN GREEN: Just to follow up and if any of the other panelists have anything to say, I know when I was working with Councilwoman Tasco and we were addressing the issue of predatory lending, one of the ways we were able to get the information out is that we had a senior in the Tioga section of the City who became the face of predatory lending. So when we did a lot of advertisements and information through either water bills or with the Office of Housing and Community Development to get the word out, she was the face of the predatory lending issue, and Councilwoman Tasco also kind of became that face, because she had constituents and members of Bright Hope that were coming to her who got involved in some of these predatory scams.

So if there's a way that we can

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pull together victims in a way that they'll be willing to talk about their stories, I think it helps a lot to get the word out.

COUNCILMAN TAUBENBERGER: Councilman Domb.

COUNCILMAN DOMB: Thank you, Mr. Chairman.

Thanks for being here today. I just have a few quick questions for you.

Do you think there's more fraud against the elderly than the rest of the population? Anyone can answer that one.

CAPTAIN BURGMANN: I'm not sure.

COUNCILMAN TAUBENBERGER: And particularly I guess telephonic where people are called. Do you think it's, I guess --

CAPTAIN BURGMANN: I can tell you this -- like I said before, I've been in Special Victims since March, and before that I was in the Detective Divisions. I was in East. And the

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amount of fraud I saw coming through with people that were not senior citizens was incredible. It's just non-stop, the fraud. But I can tell you this: I think that a lot of the fraud against seniors does not get reported for a lot of different reasons, as we already spoke about, pride, they're embarrassed, they don't want to come forward.

I have 20 investigations for people, elderly citizens, that have been exploited financially. There's got to be more than that. There's got to be more than that. Common sense would tell you that there is. So I think most of it goes unreported. Whether or not there's more amongst the elderly, I'm not sure.

COUNCILMAN DOMB: So I'm not a senior yet, but I'm getting there. So I get these e-mails all week long. Here's an example: I lost my wallet, I'm overseas, send me money. Or there's $5 million waiting for me at LaGuardia Airport, just give them my credit card.

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Or someone died and left me $13 million, some relative I have overseas. So all these things are automatic deletes, but I'm just wondering, is there an education process for everyone that these are the types of e-mails you just want to delete them?

CAPTAIN HEALY: Well, sir, I'll be very honest with you. What the comments that were made by your colleague, Councilman Green, I honestly -- I'm writing notes here. What can we do, especially during this Christmas season, is put some messaging out. We're very prolific as to Facebook ourselves, like your mother, but we also have Twitter and we have a very good social media department where I'm going to try to develop something that we should put out that maybe we can put out at least to everybody that we can touch that you should be cognizant that anybody asking for money is basically not a good thing. Unless you identify that you're

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sending it on your behalf, but people should not be reaching out to you for any kind of money whatsoever. But I like the idea. I was trying to write while I was talking, but I think I'll reach out to my PR folks and see what we can get out today or by the end of the week, especially in light of the season.

COUNCILMAN DOMB: Great.

CAPTAIN HEALY: To better educate them.

COUNCILMAN DOMB: And it's also with senior citizens who have people, home care workers, who come into their homes. I'm not accusing anybody, but I know my own grandmother, the person who took care of her stole a lot of her things. And so there's an expression, don't tempt honest people, because most people are honest until they get tempted and get away with a little and then they keep taking more.

I'll give you one example. I'll admit this. In the 1990s I had a

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bookkeeper who stole $250,000 from my company. I called the District Attorney. I think at the time it was Lynne Abraham. I'm not positive, but I think it was. District Attorney's Office took care of it. The Police investigated it, went to court, and now I get a check every month for $300. It will take me probably until I'm 140 years old to get paid back the 250, but the system worked. It just was a low number. But now I don't trust anything. I sign every check myself. I look at every little detail. Once you get burned, you learn from that lesson.

So I'm just sharing that, because you should come forward and anyone who has had a crime should come forward and let you guys investigate it.

CAPTAIN HEALY: I will make one comment. I do also work with the LEP, limited English language issues, and the whole issue of fraud, there's a whole element of pride and embarrassment that comes into it when people think -- and

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once they know they've been taken advantage of, oftentimes pride kicks in and people don't report. So as the Captain mentioned, there's far more going on out there that people won't come forward because they feel embarrassed that they got scammed. Now, it may not be for their entire bank account, but nonetheless, they don't come forward when I wish they would. So we'll do the best we can to educate, and hopefully they'll feel comfortable coming forward, realizing that they're a victim. It's not their fault.

COUNCILMAN DOMB: So what I'm hearing, though, is overall the number one preventive medicine is education.

CAPTAIN HEALY: Education is absolutely, yes.

COUNCILMAN DOMB: Are there any other ideas that any of you have on how to educate our population in Philadelphia to prevent this?

CAPTAIN HEALY: I think a

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coordinated campaign. There's a lot of different ways, marketing ways. We use tools for marketing. We could use those very same avenues to touch as many people. We have things you can stuff in mailers. There's something from the City as a whole. Like I'm not speaking for other agencies right now, but there are ideas out there that you could put out there that you could get the message out, a unified message. We'll do it from the Police Department's perspective the best we can, but the Water Department, the electric company, they all mail things out, and everybody reads, especially some of the older folks read everything in those flyers. It may be a good source of information.

COUNCILMAN DOMB: I think that's a good idea.

CAPTAIN HEALY: We do have a lot of vehicles to message things out to our citizens that maybe if we as a team sit down together, see how we can do

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this.

COUNCILMAN DOMB: I think it's a very good idea. I know PGW, I know Councilman Green is on the Board there. They do a great job of messaging. So maybe you want to talk to them also. But who is going to carry that ball and make sure that happens?

CAPTAIN HEALY: I'll reach out to my PR person and I'll have them reach out to the individual agencies' PR folks as well, see what we can do. I know we had done something a year or so ago regarding the fake utility workers coming to the door, and we had a campaign. We put out a campaign, and that was a united campaign. I can tap into those same resources and see what we can do here.

COUNCILMAN DOMB: Let me ask you a question. Is it possible to have the Social Security Administration send out a notice?

CAPTAIN HEALY: I'm sorry. I didn't hear you.

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COUNCILMAN DOMB: The Social Security Administration. They send Social Security checks to the elderly, right? Is it possible to have them include a notice in that check?

CAPTAIN HEALY: This one is beyond my pay grade.

MS. HERNANDEZ: Councilman, in fact, we collaborate with the Social Security Administration and have discussed with them, for example, having networks to our websites at the City that will link with theirs to make sure that people can click if they're interested in more information. And, yes, we have conversations exactly about the issue of people who have, for trust reasons and whatever, basically given folks the payee status on their Social Security check, and before they realize it, the money is gone, the person is gone. And so working and making those referrals to Social Security.

COUNCILMAN DOMB: I understand,

but is it possible to have an insert or something on the check or something in that -- when the check is received about these types of things that are going on so they're alerted?

MS. HERNANDEZ: I'll explore it with them, because we do have a relationship. I think more effective and one of the best ways is the utility bills. In the past the City has used them. For example, seniors are significantly underrepresented as recipients of the Supplemental Nutritional Assistance Program. So we, with the Water Department, did do an insert where folks were told, it's worth it to reach out to Benefits Data Trust and find out if you're eligible for SNAP benefits. That's a very effective way.

Another effective way that we have found has been the City's TV station. We did a major outreach three years ago for people to be in a senior community service employment program, and

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one of the methodologies we used was to flash information on the City's TV station, and we were surprised at the number of seniors who came in to apply. When we asked them, Where did you hear about it, they said, I was flipping channels at 2 o'clock in the morning and this caught my eye. So that's another medium which enables folks to basically say, Oh, that's interesting, let me follow up and reach out.

COUNCILMAN DOMB: So I think they're all good suggestions. I think all the utility companies, I think the Water also, which is a utility. But the target of this Committee, of the Chairman's Committee here, is the elderly, and so that's really where Social Security plays a big, big role. That's the target. So if we can include that in an insert, that will be helpful with the utilities.

MS. HERNANDEZ: We will explore that.

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COUNCILMAN DOMB: Thank you.

COUNCILMAN TAUBENBERGER: That is the goal really, Lydia. And thanks so much for being here as well, all that are here, to really promote this, let people know this is another extension of PR in many ways. Maybe someone is tuning in now to the local television and so on, so they know the story, and the news media is here. I know that. And so there's a continued dialogue about this so people know. I don't think we, to be very blunt, can talk about it enough. But I do like what Councilman Domb has suggested with Social Security. Now, it's not as easy as doing the Water Department, because that's under our jurisdiction. Social Security, unfortunately, is not. However, I'd like you to reach out, because if it doesn't work or the answer comes back they can't, we could follow up in some way or reach out to a federally elected official to suggest this, but I'd like to be and this

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Committee would like to be a part of that. So if you could spearhead the first ask and then the second ask, if it's a no or even if it's a yes, then we can help with that and thank them, but to continue that dialogue, because who targets the seniors more than Social Security.

MS. HERNANDEZ: Correct.

COUNCILMAN TAUBENBERGER: Councilman Green.

COUNCILMAN GREEN: I just want to follow up on Captain Healy's point about PSAs. We often do a lot of PSAs here in this building with City Council and technical staff. So that's something that we can put together quickly with the Police Department. I was just talking to Meisha Carrington Malone from my staff about trying to put together a PSA that we can do regarding financial fraud and we can film it right here in City Hall. That's something that we could put together pretty quickly to get the word

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out, especially since we're in the holiday season.

MS. HERNANDEZ: Yeah.

CAPTAIN BURGMANN: Could I just add along the same lines that you have to target the elderly for education also, but a lot of times it's family members that come into us and make us aware that their elderly relative has been victimized. We have to target the people that are taking care of them also to educate them what to look for. You'll see it all the time with public service announcements during heat advisories. Go check on your family members. They need to know what to look for also and how to monitor somebody, make sure they're not being victimized.

COUNCILMAN TAUBENBERGER: This is for all the members of this panel. How many of these things do you think because the elderly are just so fortunate -- not so fortunate; are just so happy that someone is calling that

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they can talk to about anything. I mean, do you think loneliness kind of plays in the way? Oh, I got this guy on the phone from Illinois, sounds like a really nice guy and he's calling about the work they're doing in the Caribbean in the poor areas or in Africa or anywhere.

CAPTAIN BURGMANN: PCA could probably speak on it much better than I can, but yesterday I met with them and we were discussing how trusting people become when they get older. They trust everything anybody says. I'll let them speak about that, because they're much more authorities than I am on that, but I would agree, yeah.

COUNCILMAN TAUBENBERGER: That's where I think PSAs can be of great help and continued dialogue.

Lydia, I'd like to talk to you more about your PSAs that you've had in the past, model something off of that.

MS. HERNANDEZ: I also want to emphasize the diversity of language in

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our city. Our residents are more and more diverse, and the issue of language isolation is one that is affecting seniors as cohorts get older and have that lack of the network that would have supported them in their home country doesn't exist here and, therefore, they're relying on folks who are like them.

The other issue also is that when you give people information that they can act upon, language becomes very important, because although they may be able to communicate in English, if you want them to move to the next level and do something, the communication has to be in the language they feel most comfortable.

COUNCILMAN TAUBENBERGER: Do you think there is a lot of fraud then in someone calling and speaking in Spanish or in French or German?

MS. HERNANDEZ: A lot of folks, yes, absolutely.

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COUNCILMAN TAUBENBERGER: So there is fraud being committed by people that are speaking another language?

MS. HERNANDEZ: That are reaching out and finding that comfort in the language that they're using in the sense of, Oh, you speak my language, so I'm going to trust you. And that's not necessarily true. And also the issue of not having any other contact in a language that makes folks feel comfortable. We run into that.

COUNCILMAN TAUBENBERGER: That's a very interesting point.

MS. HERNANDEZ: Making sure that our staff is bilingual or reaching out to the City's language translator to make sure that people get the information in the language they're most likely to act upon.

COUNCILMAN TAUBENBERGER: That is a very interesting point, one that I didn't think of, but let me be very blunt. I am bilingual, if you don't know

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it. I speak German, because that's what my parents spoke to me. And I get that. When someone would call and speak in German to me, my guard isn't as high up. Now, I'm not a senior -- well, I might be a senior. I'm not sure. Yeah, I am a senior, but I'm a member of AARP, but the fact is, I get -- I never even thought about that. That opens another door to camaraderie, You must be a good guy, you're speaking Spanish, you're speaking French, you're speaking German, yeah, come on, let's talk.

I have a question for law enforcement in this regard. Is there a -- and it could be anyone on the panel. Is there a place in the City government where insurance agents or financial advisors can report suspected cases while limiting these advisors' liability when they act in good faith to protect their clients which may be senior citizens from potential fraud? I mean, some of these people might be on the phone with their

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trusted, their real financial advisor. He detects there's a problem or she. Is there a place where they can go to report this?

MR. MOSEE: The District Attorney's Office has its Insurance Fraud Unit and we would actually proactively investigate the allegation, but that's certainly a place where those kinds of allegations can be made.

COUNCILMAN TAUBENBERGER: And I mean where the actual agent who has known the person for years and is a good guy says, I think Mrs. Jones is getting scammed, can you help? And Mrs. Jones really doesn't want to make the call for all the reasons we said, pride or anything else. So there is a place where they can --

MR. MOSEE: That's right.

CAPTAIN BURGMANN: Some of our reports are third-party reports. We'll get the information from someone else and then we'll investigate it. But a lot of

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times they won't cooperate with us. Even though somebody else is telling us they're being victimized, they won't. But sometime they do. But, yeah, we do get third-party reports.

COUNCILMAN TAUBENBERGER: Your opinion on the following: Do you think legislation providing liability protection for these very trusted advisors would help in reporting cases going forward?

CAPTAIN BURGMANN: I would think so, yeah.

COUNCILMAN TAUBENBERGER: Really? Okay.

Any other questions?

One more question.

COUNCILMAN DOMB: Thank you, Mr. Chairman.

One last question. Is there a form? Like we have financial literacy for kids in school. Is there a financial literacy for seniors?

CAPTAIN BURGMANN: I'm not

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aware.

MR. MOSEE: When you say "financial literacy," would that include things like teaching them how to prepare a power of attorney, what to take into consideration, how to perfect an estate?

COUNCILMAN DOMB: Right.

MR. MOSEE: If, for example, the husband died but everything was in his name and now the widow believes that the property belongs to them, but it really doesn't?

COUNCILMAN DOMB: Right. It would cover all that. Everything you have to deal with when you're a senior on financial literacy, as simplified as possible, in multiple languages, but that's probably what we need to be used as an insert in whatever we can insert it into.

COUNCILMAN TAUBENBERGER: Councilman Green.

COUNCILMAN GREEN: I would think the SeniorLAW Center may have some

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of those resources regarding those type of initiatives, but I still think the more information, the better to help get the word out.

COUNCILMAN TAUBENBERGER: Thank you.

Thank you, panel. Thank you very, very much.

Will the Clerk please call the next and final panel.

THE CLERK: Kristin Keckeisen, Joseph Snyder, Katherine Block.

(Witnesses approached witness table.)

COUNCILMAN TAUBENBERGER: Whenever the panel is ready, you can go as you see fit.

MS. KECKEISEN: Good morning, Council President Darrell Clarke, City Councilmen at-large Al Taubenberger and Derek Green, the City Council Committee on Aging, City Councilmen and Councilwomen, ladies and gentlemen joining us at this public hearing today.

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I am Kristin Keckeisen, Campaign Director for the AARP Fraud Watch Network, and I thank you for the opportunity to testify on the prevalence of scams and on the importance of fraud prevention.

Every two seconds somebody's identity is stolen. Millions of Americans fall victim to fraudulent schemes every year, resulting in tens of billions of dollars landing in the pockets of con artists and other criminals.

According to Javelin's ID Fraud survey conducted in late 2015, over 13.1 million victims were defrauded of $15 billion last year. That's billion with a B. And the true number is likely higher due to the fact that, as we've discussed before, a lot of people don't report fraud because of shame, embarrassment, and a range of other reasons.

There are countless scams, including social media scams, tech scams, public WiFi scams, auto fraud scams,

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government impersonation, e-mail scams, intimidation or extortion, real estate fraud, romance scams, holiday scams, the list goes on and on.

Considering the numerous fraud schemes and the devastating impact that they can have on those who fall victim, AARP launched the Fraud Watch Network in 2013 to arm people of all ages, AARP members and non-members alike, with the tools they need to spot and avoid frauds and scams so they can protect themselves and their families.

The Fraud Watch Network provides realtime alerts about the latest scams, tips on how to spot them, and the inside scoop on how con artists think so people can outsmart them before they strike.

The AARP also features the Con Artist Playbook, which consists of interviews with con artists who reveal how they steal your hard-earned money, the strategies of fraud basically; a

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fraud hotline you can call to talk to a trained volunteer for advice if you are worried that you or your loved one has been scammed or you think you've spotted a scam; a nationwide scam tracking map that gives you access to a network of people and local law enforcement who have spotted scams in your community and the opportunity to share your own experiences so other people can benefit from it. In partnership with the AARP Foundation, our help line has helped 43,000 people over the last few years nationally. And here in Pennsylvania, we have 1.8 million members, including 600,000 here in the Philadelphia area.

All of our state offices participate in this campaign. They hold events, then they recruit and train volunteers to hold educational events in their communities and across the states. And here in Pennsylvania, the State Office is a leader in this work, having signed up more people than any other

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state in the nation to receive our watchdog alerts, and they have a great team of volunteers trained and out in their communities holding events to educate, like I said, not just AARP members but everybody about how to protect themselves.

With our free online resources and the passionate dedication of our staff and volunteers, AARP is leading the charge to educate the general public on fraud prevention and consumer protection. AARP is working in local communities to connect individuals with resources to arm them with the information they need and to listen to their experiences so that we can learn better how to help people protect themselves. We also work with local officials, as we are here today, to highlight the prevalence of frauds and scams and to strengthen our mutual commitment to protecting consumers in our communities.

I am pleased to bear witness to

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the City Council's commitment to ensuring the safety and well-being of Philadelphians, and I look forward to a continued collaboration with the AARP Pennsylvania State Office towards fraud prevention, education, and outreach.

Thank you.

COUNCILMAN TAUBENBERGER: Thank you very much.

Mr. Snyder -- or, Ms. Block, you can go forward.

MS. BLOCK: Good morning. My name is Katherine Block. I'm a Victim Advocate at CARIE, the Center for Advocacy for the Rights and Interests of the Elderly. Thank you for sponsoring this hearing and the opportunity to present testimony today.

Financial exploitation of the elderly has vast implications, not only to one's finances but to one's health, relationships, sense of safety, and connection to community. At CARIE, we often see older adults once a crime has

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been committed, like Mrs. C, an 89-year-old woman whose neighbor gained her trust and stole $300,000 from her, or 89-year-old Mrs. M who was taken advantage of by a member of her church who conned her into giving him $26,000 for driving her to see her husband at a nursing home and unmet promises of housework.

The hardship for both of these women is extraordinary. They will not see the return of their finances in their lifetime or get back the time spent or stress exerted dealing with the criminal justice process.

Preventing financial exploitation is possible. We urge the City to put forth a coordinated outreach effort to educate older adults about the reality of exploitation and teach tangible skills to help people protect themselves against predatory practices.

CARIE is pleased to help in any way, and we're looking forward to see

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what actions come out of this hearing.

Thank you for your time.

COUNCILMAN TAUBENBERGER: Thank you very much for being here.

Mr. Snyder.

MR. SNYDER: Good morning. My name is Joe Snyder and I'm the Director of Older Adult Protective Services at Philadelphia Corporation for Aging since 1993. PCA is the fourth largest area agency on aging in the country, delivers a variety of services to over 100,000 older Philadelphians. All of these services have a common goal - to improve the quality of life for older Philadelphians and to assist them in maintaining the greatest possible degree of dignity and independence. I'm also the Co-Founder and Chair of the Philadelphia Financial Exploitation Prevention Task Force. On behalf of President Holly Lange, I'd like to thank the Councilmembers for holding this hearing and being here today.

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Financial exploitation of the elderly has been called the crime of the 21st century by the New York Times. There are five million victims of elder abuse in the United States, which is more than the combined total of child abuse and domestic violence put together, without the benefit and support of funding from the federal government. In addition to the 2.9 billion that you cite in the resolution, TruLink did a study in 2015 citing the cost of $36.48 billion. The next study will say 50 or 100 billion. It's only going to get bigger. Older victims who suffer abuse, neglect, and exploitation are three times more likely to die, four times more likely to go to a nursing home, and almost one in ten victims will turn to Medicaid as a direct result of their own money being stolen from them. And you talked about not being reported. Only one of these 44 cases, according to the best incident study we have, are reported to anybody,

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whether it be Adult Protective, whether it be the Police, whether it be the DA, whether it be AARP, anywhere.

Older Americans control the majority of wealth in this country. The kids know it, the grand-kids know it, and the con artists know it. The Financial Industry Regulatory Authority says that older Americans between 65 and 74 have about $35.7 trillion in assets.

Isolation and loneliness are two major risk factors often used by the perpetrators to their advantage. Philadelphia has approximately 291,000 older persons in the City, the second highest percentage of the ten largest cities in the country, of whom 250,000 of them have one or more chronic illness. Older Philadelphians experience poverty at twice the rate of senior citizens elsewhere in Pennsylvania and in the nation. Among those 60 and older, 45 percent are living below 200 percent of the poverty line. In addition, 58

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percent of the City's aged 60-plus population is minority, foreign or both.

The Philadelphia Financial Exploitation Prevention Task Force was formed in 2010 in partnership with the City, financial institutions, and a host of relevant organizations to enhance collaboration between the agencies to prevent, detect, investigate, recover, and prosecute elder financial abuse. The Task Force also delivers training and is developing an awareness and prevention campaign.

Prevention is the key to this complex problem that involves health, wealth, families, financial wellness, and safety of the most vulnerable of our older citizens. We are promoting the concept of wealthcare, which is a term coined by Dr. Jason Karlawish, who is the Co-Director of the University of Pennsylvania's Healthy Brain Research Center and a Task Force member, as the connection between health and wealth is

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obvious.

Thank you for the opportunity to provide testimony today, and we hope to work together to combat this insidious problem.

COUNCILMAN TAUBENBERGER: Thank you, Mr. Snyder, and I want to thank the panel. We do have some questions.

Councilman Green.

COUNCILMAN GREEN: Yeah. I'm very intrigued by this whole concept, you said wealthcare, and I would like for you to explain some more. That connection of health and wealth and especially for seniors is very interesting.

MR. SNYDER: Sure. Thank you. And we're developing this as we speak, and I'll talk a little bit about it. Just like we've put together prevention for heart attacks and strokes, all of us of a certain age are taking the relevant medications to get us into normal rates, we can do the same for financial exploitation. And we have some pieces already in place. The financial services industry is sitting on a wealth of information, not just financial but of how the aging brain works as we go forward. There is technology out there. There's companies like EverSafe, who exists, who -- and EverSafe is a company founded by a serial entrepreneur whose mother was scammed and joined by the former District Attorney of Manhattan as the Vice President, and what it does, it allows you to, with the agreement of your parents, to be on their account, but you can't see the amount. You have no ability to move money, but you set rules that say if mom processes more than ten checks this month, boom, you get an alert. If mom does a check over 10,000, boom, you get an alert. So we're using technology to fight the crime the criminals are using.

You talked before about financial literacy, the panel did. We just met with Wharton School of Business

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as part of our wealthcare initiative. They have a program called Bridges to Wealth that they did with a local high school in Philadelphia, and we're going to have them meeting in January with all the senior centers' directors, and it's about financial literacy and investing to underserved communities. I think it's a great program. The results -- I think it was Latin Charter School -- are phenomenal. The results they had were phenomenal.

We worked with the City Empowerment Centers. Until recently, Carey Morgan, who just resigned from the position, was a member of our Task Force, and there's just ways to put together this -- because not only do we have -- you talked about the pride and the way people look at things. One thing we have to look at is the role of the aging brain in all of this. And we're not just talking about dementia. You probably are familiar with the fact that once you get

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85, you have a one in two chance of having some kind of dementia. But also research is piling up. There's a Harvard economist who says our ability to make -- and this won't make any of us happy. Our ability to make astute financial decisions peaks at 53, starts going downwards and can take a precipitous drop after the age of 70. Now, this doesn't happen to all of us.

There's research at Iowa that says the normal aging of the prefrontal cortex leads to a reduction in skepticism and an increase in gullibility. There's that trusting factor again. So we have all of this to work with. And as we work with the Healthy Brain Memory Center -- and Dr. Karlawish is an international expert in cognitive aging and financial capacity -- we're looking at all of these and figuring out how do we get this in advance, because the police will tell you the same thing that I'll tell you in Protective Services, once we get it, the

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damage is done. And not only is the money gone, but the three times more likely to die and four times more likely to -- all that comes into play.

So we need to put together a system that protects our health and wealth, and we need to get together. And we actually have a good start in Philadelphia, and if we put our minds to it and put together and with your help, I think we can do it.

COUNCILMAN TAUBENBERGER: Absolutely. I'm going to commit our help in any way that we can possibly help and have continued dialogue.

Councilman Domb.

COUNCILMAN DOMB: Thank you, Mr. Chairman.

Thank you, panel, for being here today. A couple of quick questions. Is there any information that your organizations have on financial literacy for seniors, one-pagers that can educate our population?

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MS. BLOCK: I believe that our organization does, yeah. We also do outreaches and we get to see people in the court systems, unfortunately after things have happened, but we talk to them. We have an empowerment model, so we kind of give them the skills to really combat future exploitation. Also, oftentimes if somebody is not completely isolated, they are seeing friends at their senior center in their neighborhood, and they do share if they have a good experience with somebody in the court or with the police, I know that they're sharing that information. So we do a lot of word of mouth, but we also do have documents.

COUNCILMAN DOMB: If you have any information that's one page, keep it simple, and you can forward it to the Chairman of the Committee, that will be helpful. He can then distribute it to us.

MS. BLOCK: Yes.

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COUNCILMAN DOMB: We have a similar problem with something called Earned Income Tax Credit, EITC. I'm just going to take a moment because it's something that we are very interested in. We left $100 million on the table last year in Philadelphia that could have gone to 40,000 families who qualify. Earned Income Tax Credit. Its refunds are anywhere from up to $6,000 a year. You can file back three years. That's 18,000. So 10 percent of the people in this city qualify.

Now, it's not going to help seniors, because it works best when they have children. These are serious checks. The Revenue Department came up with a form, a one-pager, that explains the whole program that we've been using. It's excellent. I'm just suggesting we have something like that for this situation.

Let me just make sure I understand some of this data that you

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gave us in your testimony. You're saying that 20 percent of the population of Philadelphia is over the age of 60?

MR. SNYDER: I don't know if I know the total population, but those numbers are --

COUNCILMAN DOMB: The population is a million 560.

MR. SNYDER: 290,000 is right.

COUNCILMAN DOMB: That's 20 percent.

MR. SNYDER: And the report I read, it said like 18.1 percent.

COUNCILMAN DOMB: So we have a population of a million 560, and there's actually 291,000, maybe 18, 19 percent. But we have 400,000 people in poverty. That's 26 percent. We have 181,000 what's called deep poverty, less than a thousand a month of income. But what you're saying is that between 18 and 20 percent of our population is over 60, and of that population, you're saying 45 percent are below the poverty line?

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MR. SNYDER: Yeah. This is from the PHMC health survey.

COUNCILMAN DOMB: So you're saying almost one out of two people over the age of 60 are in poverty?

MR. SNYDER: I guess that's what that would be, yeah.

COUNCILMAN DOMB: Okay. I just wanted to make sure I got that, because that's astounding to me.

MR. SNYDER: It is astounding.

COUNCILMAN DOMB: That's astounding.

Okay. Thank you.

COUNCILMAN TAUBENBERGER: Question, and it is in regards to AARP. And, Ms. Keckeisen, first of all, thank you very much for coming all the way up from Washington, DC.

MS. KECKEISEN: Thank you.

COUNCILMAN TAUBENBERGER: We're honored for your presence, and we're learning and we want to work with you. In fact, I believe we have a town hall, a

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telephone town hall later, and I think that will be also very good in educating folks about this really big problem, and it is really a major problem.

Is AARP currently pushing or lobbying any specific policies or legislation that AARP believes would benefit or prevent or decrease senior fraud? Is there anything specific?

MS. KECKEISEN: Well, first of all, thank you for having me here. I'm honored to come here to testify.

The Fraud Watch Network is an education campaign and, as such, our role is to make this information readily available and very simple and easy for people to understand. So we do have materials that are pretty clear and simple one-pagers, that kind of thing. That's our major goal.

So as an education campaign, this particular initiative does not pursue advocacy. However, our Government Affairs Office does pursue advocacy with

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respect to the protection of seniors from financial abuse and exploitation. We've been working on uniform guardianship laws all over the country and in fact have been quite successful in working with our partners across the country to gain passage of those. We work on a range of issues and initiatives designed to help keep seniors safe and free from predators, and we've worked in a number of places on task forces that bring together all sorts of agencies and non-governmental organizations across the discipline to come together and really think in a very broad way about how to protect seniors, how to work together. These task forces in various places have come up with really good and useful legislation to strengthen the laws to protect seniors.

So the answer is yes.

We also have another initiative that we were just discussing called BankSafe. It's under the AARP umbrella,

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which works together with banks and financial institutions to come up with new systems and processes to help keep seniors safe. One of those was EverSafe that was mentioned earlier, which would allow children or family members of seniors to view their accounts. Another piece of that initiative involves training bank tellers and employees to spot fraud, and when they do spot it, what they can do to help prevent the money from leaving the bank account, because as we know, once that money leaves the bank account, it is almost always gone and cannot -- will not be returned to the senior.

COUNCILMAN TAUBENBERGER: Thank you.

Councilman Green.

COUNCILMAN GREEN: Yeah. I just wanted to follow up regarding those two products, BankSafe and EverSafe. How would someone if their child or parent is interested in getting that information,

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how could they get access to that information? Is that a proprietary product? Could you provide us some more information regarding that?

MS. KECKEISEN: My understanding is that this has not yet been implemented in financial institutions. It's in the process of development. There's a lot of legalities that need to be resolved to do that.

And I'll let you talk a little bit more about that.

MR. SNYDER: So the BankSafe, I'm on the BankSafe committee. We meet in Washington, and it should be ready for this spring. There was seven or eight states that took the initial grant from AARP. Pennsylvania was not one of them. But there's a number of them, and it will be available. But once it starts, it will spread. It will be available to bank tellers.

The EverSafe is available right now. You just go to -- I mean, I don't

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have the information in front of me, but if you Google EverSafe, you'll come up with it. You can call. And they occasionally come in the area. The prosecutor from Manhattan is a Philadelphian originally, so she has a warm place in her heart for Philadelphia and comes visits us now and again. You can sign up now for that.

COUNCILMAN GREEN: That will be very interesting, because that's something we definitely wanted to get some more information regarding.

And I guess my final point is that often when you see advertisements that try to target seniors, they often use celebrities, spokespeople of a certain age. I think of the late Senator Fred Thompson, Alex Trebek, others that really -- that people are more inclined to be receptive to those type of messages from those messengers.

On the counter -- and AARP has a very strong lobby. I know when people

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get to a certain age, they're very proactive in getting them to become a member of the organization and will send membership cards every day, every week. Very aggressive lobby, I'll just say that. But considering the broad connection of AARP, has there been any conversation about trying to bring in members who have certain celebrity status to kind of provide the counter information of saying why you should not be susceptible to fraud and those type of things?

MS. KECKEISEN: Well, interesting that you should mention that. I just came from a wonderful event yesterday over in New Jersey where our Fraud Watch Network ambassador, Frank Abagnale, gave a great presentation about how to -- how people can prevent themselves from frauds and scams. So this actually sort of brings together two strands. One is that people always love to hear from a celebrity. You know, as

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you say, we can really leverage that, because people know who Frank Abagnale is. He is the former scammer who was portrayed in the movie Catch Me If You Can. And so people are just enthralled by his story, and they love to come hear him.

The other thing that we learned, though, when we were doing some message research about how to structure this campaign, how to talk to people about frauds and scams so we could make this information really simple so they could listen, what we discovered was people want to get inside the head of the scammer. They love to hear from the scammer. So by having Frank Abagnale as our ambassador, it sort of brought those two things together. They're enthralled. He's an excellent speaker. He makes it very clear and simple how people can protect themselves. And so he's done 20 events for us across the country for the past two years. He was in Pittsburgh a

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few months ago, and we'll hope to have him back in Pennsylvania again. But it's really a wonderful way to tell people how they can protect themselves.

COUNCILMAN GREEN: Thank you.

COUNCILMAN TAUBENBERGER: Councilman Domb.

COUNCILMAN DOMB: Thank you, Mr. Chairman.

This is just a suggestion. And I'm floored by this number of 45 percent of the people in the City over the age of 60 are in poverty. So this was a thought, because all of you deal with people generally over the age of 60, and they wouldn't qualify probably for EITC, but their children and their grandchildren are the beneficiaries of EITC. So if you could do an awareness campaign with the seniors, people over 60, talking about EITC. Ask your child. Help your grandchild financially. These are checks that are 2,000, 5,000, 6,000. You can file back three years. This is

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real money.

Look at the big picture for one second. We left $100 million in Philadelphia on the table that could go to 40,000 families in Philadelphia. That money is sitting in Washington, DC. We have 400,000 people in poverty. It's 10 percent of those people can get free money from the federal government. There's nothing I think we can do more than get this money in the hands of Philadelphians. It's the most powerful message we can get across, and the results are huge. So when you're talking about 45 percent of the people who are over 60 in poverty, if their kids and grand-kids got checks, I'm sure many of these seniors are helping their kids and grand-kids. It might help them also. So whatever you can do, the Revenue Department has great information on this. We'll connect you with them. We need to do it, though.

Thanks.

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COUNCILMAN TAUBENBERGER: Councilman Domb, thank you for that. And I'll have to say, we can't talk about this enough, because there's so many people that don't know about it. It sounds like we're broken records, and maybe we are, but on the other hand, people need to hear the story even if they're just tuning in like right this moment. Your agencies, I mean, it's really a give and take. I'm glad we're able to provide you with some information.

Councilman Domb.

COUNCILMAN DOMB: I just want to do a follow-up to that. I appreciate that, Chairman Taubenberger.

But I look at money from government in the following context: One, the first goal is to get as much money as possible from the federal government and the second is the State of Pennsylvania and the last is the City of Philadelphia. So we need to make sure

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all that federal money comes to the City. That's number one. And this is $100 million, and you can file back three years. This is an insane amount of money. I mean, people should be like saying, Let's get the word out.

Thank you. Whatever you can do.

Thanks, Mr. Chairman.

COUNCILMAN TAUBENBERGER: Thank you.

I have a question for anyone on the panel. In your experience with all these cases, do you think senior fraud is perpetuated by family members with a power of attorney or by people that know the victims or is it more from strangers, con artists, if you would, where the target is very random?

MS. BLOCK: Yeah. Mostly it is family members or people who are their friends or people who come into their lives, like the example I said from a church who gained people's trust. I mean, we mentioned it before about isolation. One of the things is that, sadly, many seniors are isolated. So they do grab onto the relationships that are around them, and it's very easy for someone to play on the emotions of somebody, and family members and friends and neighbors unfortunately are able to just take advantage of that. So that is a reality. And I think that's one of the things that we need to do in terms of doing outreach, is really teaching people how to protect themselves against someone while navigating those complicated emotional relationships, because when your son is stealing from you, you still love your son.

COUNCILMAN TAUBENBERGER: What you're saying I find as a human being, as a father very, very, very, very sad. Very sad.

Anyone else want to comment?

MR. SNYDER: Yeah. I mean, you hit the nail on the head. It is family

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members. And it's one of the reasons why this has remained a hidden problem, because it's hard to comprehend on many levels. Just as dangerous are the scam artists and the people. We break it down to people with a relationship with the person and people who don't have a relationship, are strangers and the like, and they're both equally devastating, but it's done much more by family. It's a very complex issue, and when you think about -- I say this all the time. The first time Congress mentioned this issue, elder abuse, was 1950, and 60 years later we finally got a law called the Elder Justice Act in 2010. It took 60 years. And since 2010, it sits there without a penny in it, and it passed as part of the Affordable Healthcare Act. So we don't know what's going to happen anyway. But it's astounding to me that we're still talking literally 67 years later and the awareness isn't there and the impetus to do something about it isn't there. It

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just is an incredible story.

COUNCILMAN TAUBENBERGER: Well, I'm going to tell you something. I am very shocked at that. We all come here, we learn. That's why we have these dialogues. I think it's a great thing of democracy. In fact, to give you a sense how it started in my mind, it started over 18 months ago. I wasn't even a Councilman at that time. I was actually campaigning in my dining room table calling up voters. All of the sudden I realize -- and I had a couple volunteers with me and making sure that I get the right call and said hello to Mrs. Jones and ask her for her vote, but while I'm doing that, my wife is on the phone and she is like all the sudden really in total distress. Well, somebody was on the phone and -- she's a bit younger than me, so she's not a senior, but someone on the phone had told her that they just got into an accident with her brother-in-law and there was a need for money, and if

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the money wasn't paid, this man's cousin was going to shoot my brother-in-law. I happen to like my brother-in-law, so I don't want him shot. But she really, really got upset about it. I wish he would have called me, because I'm an only child. They could have said they had my brother, I would have said shoot him and that's the end of that. But the fact that it happened so easily, that they had her cell number, that she answered the phone and that she was on the phone as long as she was with him.

I then talked to my son, who is a Pennsylvania State Trooper. Just a little bit of battle, like would we report it. We actually still had the person's number, and he said, Dad, there's very little you can do about it. You can report it if you want to, but the person probably was not in this country when he called. He probably was somewhere else, even though it was a local number. It was a 215 number. It

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wasn't like unmarked, so you're more readily to answer the phone. But you can buy those phones from a variety of sources.

So that's what spurred me on, that once I had been put on as Chair of this Committee, that was something that was driving me. And even today now is driving me even further in the sense of what I have just learned today in regards to family members doing this, because the whole thing is sad. Even when -- but it's even sadder when it's really, you know, someone you know. And my son from the State Police did give me an example of someone he was working with right now. They're in the suburbs. They were a principal of a high school. Principal of a high school was called up on the phone, said he had won several thousand dollars and if he would please send his banking information to this particular address. So the former principal, retired man, pretty well educated, goes to the post

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office and wants to mail this, and the post master saw that. The postman saw it and said, You know what, this is the address of a known scam artist. Do not send it.

He said, Okay. I didn't.

So he goes back. He has the number of the person that he called and said, Sir, I'm very sorry, but I was told your address is no good. Please give me another address where I can send you this information. And he did. And he did it, and he got scammed.

I mean, it's very sad when you can get educated people like this to act in such a way for a variety of sources. And in the end, these perpetrators were not caught. So it's an ongoing thing. This is much more common than we realize.

Is there anything that you see specifically -- we have some great ideas from you. We're going to do some announcements. We're going to as a panel go forward with talking to the Social

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Security, but is there something you see that we could do very easily that we have not talked about?

MS. KECKEISEN: Well, I would say from AARP's perspective, we are very focused on prevention, because as we see, when the money is gone, the money is gone. So we're very interested in getting that information to people before they are victimized, before they're targeted so that they're aware of what the scam is and they can see it coming, they say, no, no, no, that's what -- I've heard about this, this is a scam, good-bye. There are going to be those cases where the person says, you know, no, no, I'm determined to do this. But for the most part, if people recognize it and we've had people tell them that over and over again, if they recognize it, they're much more likely to say no and hang up the phone and not go for it.

So we put together lots of educational materials. We have -- we're

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having wonderful online initiatives, online advertising initiatives that we do about four per year. We do a lot of social media. We certainly encourage everybody, all branches of government and all of our partners, to pick up our social media and use it, take it, post it, forward it, tweet it. Use whatever you want. Take what we have online and put your logo on it. We develop these materials so they get out there. We don't care how they get out there.

We're also developing partnerships with folks across the spectrum. We partner with the Postal Inspection Service. We partner with Attorneys General across the country. We actually have a great partnership going with a regional bank in the Northeast where they're going to be distributing our materials in their lobby.

So what we really encourage is that partnership. We're happy to provide great and simple materials that people

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can look at and learn quickly. To Councilman Domb's great suggestion, the stuff has to be digestible. So I would just encourage a lot of partnerships, and that's easy and simple.

COUNCILMAN TAUBENBERGER: Great.

MR. SNYDER: There's a wonderful new video out from Nashville public television -- it's about a week old -- that has all people from this field in there, and one of the speakers is Judith Shaw, who is a state regulator for the State of Maine, and she said something I really, really like. She said, My wish for all of this is that people would call their family members as much as the scammers do. And I took that as a very powerful statement.

In addition, a few years ago we put together something from the federal government, Department of Justice, called the Elder Justice Roadmap Project to tell us which way to go next, and a lot of the

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group was just what we heard, formed multi-disciplinary teams, but one of the things -- and it's the first time in our group that we invited people that we usually don't invite to our meetings to hear different thoughts, and there was a person there, said that what you need is a Got Milk campaign for elder financial exploitation.

And we said, Okay, will you do that for us?

They said, Yeah, we'll get back to you. But we never heard from them again, but that idea also resonated with me. We've been talking -- every time you see an initiative, whether it be federal or state, always in the top ten, if not number one, is a public awareness campaign on this issue, and it's never been done to the effect that you can, because you all know as well as I do the problem of reaching the people that you don't reach. And that's way beyond my expertise, but that stuck with me too, a

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Got Milk campaign for elder financial abuse. And as all of you probably know, when someone is exploited, often it doesn't exist alone. There's also physical abuse or neglect involved. They call it polyvictimization. So it's not just the abuse. But I think that's something that I wanted us to do and I don't know how to do it.

COUNCILMAN TAUBENBERGER: Very sad.

Councilman Domb.

COUNCILMAN DOMB: Thank you, Mr. Chairman.

Is there a way to educate the children of people over the age of 60 or even over the age of 70 as to what you should be doing as a child to help your parents with checkbooks? Because from personal experiences, I understand that as you get older, your memory slips. You can write two checks to the same person. Things happen. And it's not just fraud. It's just mistakes that go on.

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Is there something that your organizations do?

MS. KECKEISEN: Well, I actually wrote two checks to the same person last week, so you're hitting a little close to home. But, yeah, we actually have a caregiving campaign under our AARP umbrella as well that talks to caregivers about how to take care of them self as they're taking care of their loved ones, and we have certainly talked about incorporating elements of fraud protection into our caregiving campaign. So exactly as you say, the children of aging parents. Sometimes the aging children of aging parents can help educate their parents, watch out for them, make sure that they're not being scammed.

We do, of course, run into that intersection where as we discussed before, family members are sometimes the ones who are victimizing. But we think it's really worthwhile. I mean, our

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organization is made up of not just seniors, as we say 65 plus, but we are in fact 50 plus. And so we have older baby boomers and seniors as our members, and that is a focus of both these campaigns.

COUNCILMAN DOMB: But I would think as people are living longer, the children that are 60 many still have parents alive that could really help them also.

MR. SNYDER: So June 15th is World Elder Abuse Awareness Day and it's celebrated all across the United States. We have an event in Washington at the SEC for the last five years from my national organization, but our task force has put on events for the last four or five years in Philadelphia, and we aimed it at financial institutions one year, consumers one year, children and caregivers the next year, and we're planning the event right now. My assistant director, Jennifer, who will be on the tele-town hall, is organizing that

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with SeniorLAW and the Alzheimer's Association, and we'd love your support and help in making it a big one. We've had a couple ideas floating around of -- we've done it in one place. We talked about doing it in a number of places or we talked about doing it with a video. And the Alzheimer's Association Delaware Valley Chapter in Pennsylvania is one of the best in the nation. The Healthy Brain Research Center has video capability. And we have so many partners, and our event last year was at the Philadelphia Free Library and was pretty well attended.

COUNCILMAN DOMB: Thank you. Unfortunately, I have to leave, but I want to thank you all for being here, and my colleagues I'm sure will carry it forward.

Thank you.

COUNCILMAN TAUBENBERGER: Thank you. Councilman Domb, thank you very much.

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Councilman Green.

COUNCILMAN GREEN: Yeah. I just wanted to follow up. I think that initiative is something very important. I have participated with Center in the Park in the past. That's something I think through City Council we could help get the word out either through a resolution or other type of things and try to make it a larger event to help get the word out regarding that type of issue. So I'm sure we'll be willing to help.

COUNCILMAN TAUBENBERGER: Oh, absolutely. Wherever we can help you get the word out.

MR. SNYDER: We need a big space.

COUNCILMAN TAUBENBERGER: We'll figure out something. We're Councilpeople. We can do this.

MR. SNYDER: Appreciate it.

COUNCILMAN TAUBENBERGER: Mr. Snyder, I do have one final question

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for you. You had talked about BankSafe and EverSafe. And BankSafe is not online yet, but is there a sense when it might be?

MR. SNYDER: This spring they're supposed to run -- it's supposed to be ready for the states that are participating, and the first line of that is training for tellers.

COUNCILMAN TAUBENBERGER: Is Pennsylvania one of those states?

MR. SNYDER: Pennsylvania is not one of those states, but a lot of financial institutions have training. We have the first and still only partnership between an adult protective service program and a national back in Wachovia in 2003 to 2007. And so we've done a lot of this training. We have five or six banks and credit unions on our task force. So most places have their own training. What BankSafe is trying to do is to make it better and bigger. So they're doing a lot of research around

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how to do the training and --

COUNCILMAN TAUBENBERGER: What would it take to get Pennsylvania on board or is it something that the City of Philadelphia could do?

MR. SNYDER: We're going to call --

MS. KECKEISEN: We're going to call Deb.

MR. SNYDER: We're going to call Deb, who heads it in AARP, and try to do that. Some banks are resistant because they have their own training, but most of them will like this because they're making it bite size. Somebody talked about, you know, one-pager. I think it was Councilman Domb. And these are for tellers who are immensely busy and, according to AARP, are millennials and they want their Instagrams and little bites, and so they're going to have it at their computer, saying what are the signs of financial abuse, what are the signs of neglect in five minutes, 20 minutes, so

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they know. And it's coming together really nicely, and I think it will be available to everybody, but we can talk to them.

COUNCILMAN TAUBENBERGER: For the states that are doing it, is this done voluntarily or is it done --

MR. SNYDER: There was, I think, a $10,000 grant to each state that was put out.

MS. KECKEISEN: It's voluntarily.

COUNCILMAN TAUBENBERGER: And EverSafe, which is currently being --

MR. SNYDER: Which is a company.

COUNCILMAN TAUBENBERGER: Is that used by Philadelphia banks?

MR. SNYDER: It's used across the country and can be used by anybody. And it's a year or so old, so they're moving across the country to do this. Anybody -- I can pick it up. You can pick it up tomorrow.

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COUNCILMAN TAUBENBERGER: You do it as an individual?

MR. SNYDER: Individual. Yeah, it's an individual product.

COUNCILMAN TAUBENBERGER: Individual product and the bank then goes along with that?

MR. SNYDER: Yeah.

Go ahead.

MS. KECKEISEN: Actually, what it is -- I was just listening to the former prosecutor of Manhattan at a conference last week, and basically what the EverSafe product does is, it doesn't just look at one financial institution. It allows the person and their family members to look across the range of all of their financial institutions. Because you might have your checking account and your savings account at one bank, but maybe you have your retirement accounts at other banks. And so it allows you to look at all of the range of those accounts all together sort of on one

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dashboard, and it gives you the alerts if anything happens above a certain threshold. And there's apparently, from what I've heard, no other product that looks across all of your accounts. So it's pretty revolutionary.

The prosecutor is really an amazing person. She says, you know, I spent my life trying to prosecute these frauds. She had prosecuted the -- what was the famous -- yeah, the Brooke Astor case, and just said, You know what, I can't fight it from this side. We need to prevent these things from happening in the first place, because once the money is gone, the money is gone. And so it's a really interesting product. I mean, we don't -- we're not endorsing, but all of these products and these processes and these trainings that are coming up are going to be one piece of the puzzle in terms of providing protections for older Americans.

MR. SNYDER: So I sit on a

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national financial exploitation board with Howard Tischler and Liz Loewy, who are the founders of EverSafe, and when I met Howard, I said, How do I know you're not trying to scam me with this?

And he said, That's a good question.

So we sat down and talked for a while. And I trust him implicitly. And I'm not endorsing it either, because I'm not allowed to, but I trust him implicitly, and I have to talk about it because it's a way to use technology to protect us and to fight the bad guys who are using technology and the Internet to scam us.

So I really -- I think it's a great idea and product. It requires -- and Liz Loewy, who is the prosecutor and is, as I said, a Philadelphian, will tell the story of how she had to convince her parents who live in Rittenhouse to go along with this, because it's not just we're doing this, it's a conversation,

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but it's a conversation that we all have to have.

COUNCILMAN TAUBENBERGER: Thank you. Thank you very much.

Councilman Green.

COUNCILMAN GREEN: Just one other point. I'm very active in the National League of Cities, and I think that's another organization that you can reach out to in reference to BankSafe, and then the founders of EverSafe may want to reach out to them as well, because we just had our annual national conference in Pittsburgh a few weeks ago and it's an organization that can get the word out to Councilmembers and Mayors all across the country, and I'm sure we are one of numerous cities who are dealing with this issue of financial fraud with their seasoned population.

MR. SNYDER: Yeah. I think Liz and Howard would be thrilled. We get that contact, I'll put you in contact with them, or however you want to do

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that. I think they'd be thrilled. I think it's just a fabulous product.

COUNCILMAN TAUBENBERGER: Thank you all very, very, very much. I thank everyone in the audience.

Is there anyone in the audience that would like to testify?

Sir, okay. Two of you? Well, come to the table.

Panel, you're dismissed. Thank you very, very, very much, particularly for traveling from Washington.

(Witnesses approached witness table.)

MS. FINLAYSON: Good morning.

COUNCILMAN TAUBENBERGER: Good morning. Please state your name for the record. Who goes first is entirely up to you two.

MS. FINLAYSON: Good morning. Leah Finlayson, SeniorLAW Center. I'm a staff attorney.

MR. DONAHUE: William Donahue and I am with Zion Tabernacle Church here

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in the City.

COUNCILMAN TAUBENBERGER: Very good. We met earlier, I believe.

MR. DONAHUE: Yes, Councilman.

COUNCILMAN TAUBENBERGER: Great. Well, thank you for being here.

The time is yours.

MS. FINLAYSON: Good morning. Thank you, Chairperson Taubenberger, Councilman Green, and members of Council for this opportunity to address the growing concern over financial abuse of our seniors here in Philadelphia. Our work at SeniorLAW Center is protecting the rights of older Pennsylvanians. Located here in Center City Philadelphia, we were founded in 1978 to protect the rights of seniors in need and now serve over 7,000 seniors each year, 60 years and older, across Pennsylvania with legal representation, education, and advocacy.

We save homes, prevent homelessness, fight for grandparent and voting rights, stop elder abuse, fraud

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and exploitation, and promote independence and dignity. We're an independent non-profit and the only non-profit organization solely dedicated to providing legal protection to Pennsylvania senior citizens.

We serve over 7,000 Pennsylvania seniors each year with limited resources, and all our services are free. We welcome any opportunity for greater collaboration with our city's leaders in law enforcement, in this Council, with the Kenney Administration, and with all governmental and quasi-governmental agencies in the City, as all should be highly concerned with the health and welfare of our over quarter million seniors.

We service several of our colleagues present today on Philadelphia's collaborative Financial Exploitation Prevention Task Force for Older Philadelphians, which includes representation from Police and District

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Attorney's Office. Several of us also serve on diverse other coalitions addressing victims' needs here in Philadelphia, in Harrisburg, and across the nation, enduring the voices of the senior victims we serve.

As to Resolution No. 160646, we support authorizing the Committee on Aging to conduct public hearings regarding financial abuse and senior citizens in Philadelphia. We are in the midst of a crisis in the elder abuse and exploitation in our city and in our nation. In 2010, financial exploitation cost older Americans over the age of 60 $2.9 billion nationally, as estimated by MetLife Mature Market Institute and the National Committee for the Prevention of Elder Abuse, and the numbers continue to grow. In 2014, the Pennsylvania Uniform Crime Reporting System listed over 74,000 -- I'm sorry; 7,400 persons over the age of 60 who are victims of fraud, forgery or counterfeiting. These numbers

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reflect only those crimes which were reported. National research reveals that underreporting is vast in the area of elder abuse. Recent data indicates only one in 44 cases of elder financial exploitation are reported. Those elders often suffer in silence, unknown, often in shocking conditions.

Our population in Philadelphia is particularly at risk, as we have the largest percentage of seniors of the ten largest cities in the country, nearly 20 percent. Almost one in five of Philadelphia seniors is low income and most are women. Research confirms that the seniors we serve are the most vulnerable to physical and financial abuse. These are the oldest with the lowest income and women.

Philadelphia with its predominantly poor and female elder population is home to the largest of these victims population. These statistics justify an emphasis on

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services targeted toward elder victims, as our programs do.

Female elders are abused at a rate higher than their population in the aging population. Elders are more vulnerable to thefts. About one in five of personal crimes against the elderly was theft compared to one in 33 for persons age 12 to 49.

Those 80 or older are abused and neglected two to three times their proportion of total elderly population.

Almost 90 percent of elder abuse involves a perpetrator who is a family member. Two-thirds of perpetrators are adult children or spouses. Those at the lowest income have the highest incidence of abuse. Those with income less than $10,000 experience 57.1 percent of physical abuse and 47.9 percent of financial abuse. Income levels less than $15,000 account for 75.6 percent of physical abuse and 77.7 percent of financial abuse.

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We welcome an opportunity for Philadelphia's seniors to share their own stories with the Committee on Aging and to examine and strategize responses and needed resources to this crisis facing our seniors.

We need your partnership and support to make this city home to one of the largest and most vulnerable populations of seniors in the country, one that truly demonstrates respect for our elders and their safety, dignity, and well-being. We look forward to working with you to make Philadelphia a safer home for our senior population and to empowering our senior citizens in their fight against exploitation.

Thank you very much.

COUNCILMAN TAUBENBERGER: Thank you. Please stay in case there's other questions, and I might have one.

But, sir.

MR. DONAHUE: Thank you, Chairman.

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COUNCILMAN TAUBENBERGER: And please state your name for the record.

MR. DONAHUE: Yes. William Donahue.

Mr. Chairman, Councilman Green, how are you? And our friend Councilman Domb, we count Councilman as our friend of the church, and I know he's doing great work on Council.

I have something that's anecdotal. I'm sure at this point you have statistics that will shore up your case here for making your case, but a number of years ago a dear friend who at the time was 82 years old was scammed, and this came from California, an attorney in Los Angeles, who apparently had a former client that had done some time in the California penal system. The attorney had multiple identities, was in the habit of flying on a private jet to Aspen, Colorado on weekends from LA, lived at Marina del Rey, office on Wilshire Boulevard, Mercedes-Benz

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convertible, nice life. And she got a phone call one night. And this was a woman who was -- boy, she was the Energizer Bunny. She was 82 years old, but she was running all over taking care of all of her friends. She'd get on a bus and go anywhere. One of her relatives had been Deputy Commissioner, Police Commissioner of Philadelphia and was the head of L&I in Mayor Rendell's Administration. She had two nephews that were two of the top corporate attorneys in the City. She had terrific family support.

Her husband was gone at that point in her life. They owned the home free and clear. She probably had in addition to a professionally managed portfolio from Prudential maybe $150,000 liquid in her asset base. And I called her one day just to check in and say hi, and she started telling me about this phone call that she had received, soliciting her in the evening after

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dinner -- and I think this is one of the things that people need to look for -- to invest in a wireless cable television communications company of some sort. And she had written a check for $15,000 and sent it to this fellow in LA and apparently thought better of it and cancelled it. And they called her back, and she wound up sending them another check for $6,500, which they cleared. And I said, Well, is there anything else going on here other than, you know, the LA thing? And I had a pad -- I was sitting at a desk and I had a pad and I started taking notes, and when she hit $50,000, my head felt like it was going to come off my shoulders and I said, Stop, stop, stop. I said, I'm coming to the house. I'll be at the house tomorrow. And I got off the phone and called someone I knew with the FBI. And it wasn't what this fellow's squad handled, so he passed it on to another agent at a squad that handled this sort

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of thing, and that agent was there at her home the next day at 1 o'clock in the afternoon to interview her and to collect evidence, because she was getting these mailings of all these lovely looking four-color brochures and all this sort of thing.

And so there's a picture here of a population that is very vulnerable, but the most vulnerable that you would think of, if you had a picture in your mind, aren't necessarily the only ones that were vulnerable. She was lucid. She was, you know -- and when I thought about it afterwards, I thought, Well, how could this happen to her? People come to her for help. You know, how could this -- and I think a lot of it, for whatever this is worth, has to do with people wanting to be independent in their thought process and their actions, and they hang on to that for as long as they can. They want to make their own decisions. Because I remember her saying

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to me, I feel so foolish.

And I said, No, it's okay. I said, Don't feel foolish.

She said, Please, whatever you do, please don't tell her nephews. And that's what she was concerned about, more than losing the 50,000. She was concerned about looking foolish to her attorney -- very well accomplished, very well educated attorney nephews and what they might think of her.

COUNCILMAN TAUBENBERGER: It really shows that anyone -- this can happen to anyone.

MR. DONAHUE: It's an insidious process. And I commend you for undertaking this, and I think you're probably going to hear some stories here when you do your public hearings that will just spin your head, and maybe when you go home that night, you might toss and turn a bit.

I remember one of the FBI agents telling me he had a personal

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situation where he was working on a case and a retired teacher in Florida had signed over his home to these guys.

This situation, this particular situation, this woman's situation, turned into a multi-state and national law enforcement operation conducted by the FBI that was dubbed Operation Senior Sentinel. And I believe it was December of -- might have been '95, '96. So that's the timeframe, where the FBI cast their net nationally and pulled in over 400 people that were involved with these scams and boiler room operations. And I guess the LA attorney and his former client got to be cell mates at that point after the process took place.

But, yeah, it's quite a problem. And when I spoke with Shannon -- greeted Shannon coming in today and heard what was going on here, I thought, well, this is a good thing, but it might be -- in the end you might find that this is going to be a depressing thing also.

COUNCILMAN TAUBENBERGER: Well, in some ways you're very right. A couple things here really depressed me, particularly when it results from family members and people that the victims hold dear that are intrusive into their lives and are known already and they're exploiting them. I don't see anything -- this is as cruel as you can get.

MR. DONAHUE: As hard as she had, as difficult as it was for her to say no to a stranger, I can only begin to imagine how difficult it would be for a family member to say no to someone in their family, which is really -- if you're starting from that point, it can only get worse from there.

COUNCILMAN TAUBENBERGER: Absolutely. Thank you very much.

Councilman Green.

COUNCILMAN GREEN: I just wanted to follow up. When I was doing prosecutorial work in Delaware and we

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were dealing with people that got involved in some of those day trading and other type of scams, I mean, I almost could verbatim restate some of the statements that you made, that they didn't want anyone to know, they feel how could I be so foolish. They're the exact same statements. And I tried to explain to some of the people who were victims that the people who are preying on you are professionals. They know -- they've been doing this and practicing their craft, just like a person who is an attorney or a cello player or a football player who are professionals. These fraud artists are professionals. And so they try to identify people. They look for clues and information, and once they get in, they specifically narrow -- and it's just a little bit at a time. And the reason why they prey on seniors I believe because, one, the trust factor, because as you become older, you're somewhat more trusting; two, because of

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people who are used to being very independent and as they get old, there's an own self-concern of am I getting older, can I still hang on and do what I want to do and be an independent person, from driving to -- I may be retired, but I'm still involved in other activities. So they prey on all those issues. And that's what's so insidious about this, because they know more likely than not even if they're able to take advantage of someone, that person is not going to tell anyone. And when they finally do get to a point of letting someone know, it's often too late.

So having this panel where SeniorLAW Center, giving your information about the data you've done and the excellent work you've done -- in fact, I referenced you earlier in today's hearing -- is wonderful.

And then your anecdotal perspective that I'm sure so many people can tell that exact same story of

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saying -- the victim eventually said, How could I be so foolish and please don't tell anyone. And I think that's the message we've got to change, that, no, you're not foolish. You were taken advantage of by someone who is a professional at his craft. And we need more people to come out and share their story so that other people don't be the victim like unfortunately that person was.

MR. DONAHUE: And this particular story, this scenario wasn't completely tragic because she had a sufficient enough asset base that she wasn't wiped out and it didn't affect whether or not she was going to eat next week, her rent was going to be covered, et cetera, or in the case of that fellow in Florida that signed his house over. But it's very well organized. It's very well structured, and they cooperate -- these groups cooperate with one another. An agent told me they sell lists to one

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another.

COUNCILMAN GREEN: Absolutely.

MR. DONAHUE: And that normally a name on the list could be worth 10 or 15 dollars, and he said to me, Bill, her name is worth about 50 bucks. And so they would, you know -- they keep track of how much they get into them for. They put all that down, and then when they sell these lists, you know, here's a well. This one is going to be 50 bucks. And then they pass that information along. So, yeah, it's quite an operation.

COUNCILMAN GREEN: And thank you for your advocacy, because it could have been much worse if someone like you did not step up.

MR. DONAHUE: I was glad she told me. I mean, I was sick, but I was glad that she mentioned it to me. My great uncle and aunt lived on a street that came up to the back of their property, their yard, and when I was a

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kid, I would stop to see them. And then the local playground was on -- the entrance was on that street and I would hop the fence and run through their yard and up -- you know, it was a stone twin and that was my shortcut. So I had known her for a long time. And I kept my pledge not to tell her nephews, but I was glad that I had somebody to call. I just happened to know some of the fellows, and they got right on it and they did -- they couldn't do much about getting money back from most of the folks, although we recovered some funds for her. I'll tell you that conversation off -- I'll give you that conversation off record some day maybe how I reacquired some of her funds, but, you know, it's a serious -- and it's got to be so much more sophisticated today. I'm referencing early, mid '90s here, and now with all of the advances with the IT stuff and the way -- and the Internet, the way people can be contacted, it's got to be really a

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headache for law enforcement. And when they cross state lines like that, of course, local people have to go to the feds to put the case together, and that takes time. So it's -- you'll be doing good work here.

COUNCILMAN TAUBENBERGER: Thank you. And that testimony and your intervention in that particular case is very, very helpful and maybe someone has listened to this or will listen to it or will report on it, and it might motivate someone else or at least give them the expertise to follow through.

MR. DONAHUE: Just keep an ear out for your older neighbors and your older family members and just listen to what they're saying. It might come to you in different ways, but I think they get to a point where they realize, Oh, no, what did I do here, and then they just have to find a way to get a hold of somebody that can help them. I think that can be a sticking point for a lot of

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them because of that embarrassment factor.

COUNCILMAN TAUBENBERGER: Very, very true.

MS. FINLAYSON: One last thing.

COUNCILMAN TAUBENBERGER: And I have a question for SeniorLAW Center.

MS. FINLAYSON: For our clients, it's not just the exploitation that is the problem. It's once the exploitation happens and now they don't have the funds, they can't pay their rent, they can't pay their utility bills and now they're faced with a shut-off or an eviction or mortgage foreclosure or not paying the taxes. So it spawns many other legal problems.

COUNCILMAN TAUBENBERGER: My question for you is, how many cases like that do you get a year, approximately?

MS. FINLAYSON: I will say -- I just started at SeniorLAW --

COUNCILMAN TAUBENBERGER: Well, I'm not going to audit the books. This

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is not a budget hearing or anything like that.

MS. FINLAYSON: My grant is actually focused on domestic violence and financial exploitation. So of the 7,000 cases a year we get, the problem again, as we've seen, it's not reported. So I think the numbers that we're saying is pretty true. Only a small percentage of those cases of the -- say, only 10 percent of those cases have been reported now. We're doing concerted outreach efforts to all the senior centers to make sure the education abuse is out there, but usually in passing when I speak to a client, they'll say, Well, I'm here for a power of attorney or will and, oh, by the way, I transferred the deed of my house to my son six years ago and now I don't have anywhere else to go and I'm paying rent somewhere else.

COUNCILMAN TAUBENBERGER: That's really --

MS. FINLAYSON: So it's the

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same idea of they're reporting it too late.

COUNCILMAN TAUBENBERGER: Well, I thank you both for your testimony.

MR. DONAHUE: Thank you, Councilman.

COUNCILMAN TAUBENBERGER: Is there anyone else that would like to testify at this point?

(No response.)

COUNCILMAN TAUBENBERGER: Seeing none, I'm going to recess this Committee at the call of the Chair to gather some more information. I think we gathered a lot of information. I think we shared some. We've received some. And we look forward to going forward in a positive way and getting some things done, and it only came about because of your caring and your passion for this very important and sometimes very sad situation. These crimes are really crimes against, in many ways, all of us, but we really should do something about

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it, and this is the least we could do and we're very pleased to be a part of it.

Councilman Green, any final remarks?

We are having after this, starting at 1 o'clock, a telephone town hall, tele-town hall meeting from this very Chambers. So anyone that wants to be part of it or be here, please come back at 1 o'clock. And this is via AARP. These are great partners, and this is all part of getting the word out and working to eradicate as best we can, because some of the situations are just going to go on, but the more education we can give, the better off we all are. And I thank you so much for your help and support.

Thank you.

(Committee on Aging concluded at 12:00 p.m.)

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CERTIFICATE

I HEREBY CERTIFY that the proceedings, evidence and objections are contained fully and accurately in the stenographic notes taken by me upon the foregoing matter, and that this is a true and correct transcript of same.

MICHELE L. MURPHY
RPR-Notary Public

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