

Mr. Chairman and members of the Committee, I am Vicki Hersen, Director of Operations for Elders in Action. I am honored to be here today and thank you for convening this hearing to address the critical issue of "Old Scams- New Victims: Breaking the cycle of Victimization".

Elders in Action is a powerful voice for local seniors in the greater Portland Oregon area. We have a 37 year history of tackling important issues of concern to seniors. We believe the quality of life should never depend on age.

Our small staff relies on the time and talent our 200 volunteers provide in delivering key services. We provide information to the public via our newsletter, program brochures, electronic news line, and website www.eldersaction.org

Today, I would like to share with you how our unique volunteer driven program assists older adults. The Ombudsman philosophy embodies the concept of **neighbor helping neighbor**. Our volunteers provide personal support, information, guidance, and advocacy to fill gaps in meeting the needs and solving problems for our growing senior population.

For seniors who are alone, confused or afraid, or have no where else to turn, our volunteers provide a lifeline. More than 2,460 elderly victims of crime in the Portland area have been helped by Elders in Action Ombudsman since this innovative program began in 1998. Victims of Crime Act funds, through the Oregon Department of Justice, help support this vital service.

We helped individuals such as Georgia, who was terrified when a friend of her son's moved in temporarily, then refused to leave and began threatening her. With our help, Georgia filed a restraining order and was able to take the steps necessary to live in an abuse-free environment. Then there was May who hired a contractor for some maintenance on her home and ended up being a victim of his fraud.

Last year, we helped victims of scams and fraud recover \$90,764 in benefits owed and funds lost to crime. Our volunteers have the time and the heart to keep working with the senior for a positive solution.

When, an urban renewal area became a hot bed for opportunists to buy houses from seniors who had lived in the area for more than 30 years, we were there to see that these seniors were prepared to make informed choices. One 82 year old victim, was targeted by a man who came to her house and said that: " the market was down and the house was not worth more than \$88,000." With his high pressure sales pitch she signed some papers, and later was confused about what had transpired. She called our Ombudsman services, and after reviewing the paperwork and making phone calls to the State Board of Realtors, we were able to reverse the below market agreement. She ended up selling the house for \$136,000 a few months later and now lives comfortably in her retirement home.

Our Ombudsman saved her from a \$48,000 loss.

Our Community Education volunteers work to prevent local seniors from becoming victims in the first place by providing practical information and resources, about Senior Scams and Fraud, I.D. Theft Protection, Home Security and Safety, and Predatory Lending schemes.

Last year we provided 7,100 seniors with information about how to protect themselves from scams and fraud, and other important consumer topics at 94 community events. Such senior to senior prevention education is critical to help seniors become more attentive to their surroundings. These include the many fraudulent schemes that are becoming rampant via: mail, phone, door to door and e-mail.

One of our volunteers says, "You can be robbed by a gun or robbed by the phone, and the phone is a lot easier". She provides practical tips on cutting down the paper, credit cards, and sensitive ID information that people carry with them.

Our Multnomah County Assistant District Attorney who specializes in elder issues, advises that education to seniors, their friends and family is the key to breaking the cycle of victimization. The more aware people are of their environs, and what is happening in their neighborhood is critical. Elders in Action volunteers advise seniors to "keep their antennae up for things that just don't seem right". The old adage holds that "If it sounds too good to be true, it probably is". The key is to break the cycle and give seniors effective tools with which they can respond.

Communication and prevention of isolation of seniors is crucial to breaking the cycle of victimization.

- We encourage seniors to call Elders in Action to see if a mail, e-mail, door to door or phone offer is real.
- Our volunteers help file reports to our State Attorney General's Financial Fraud and Consumer Protection Division, the Construction Contractors Board, the Oregon Division of Finance and Corporate Securities and other consumer protection groups.
- Creating opportunities for seniors to get involved in their neighborhood or at their local senior centers is a way to break barriers to isolation.
- We encourage seniors to talk with each other if they are suspicious and or if they have been a victim, so their peers may be informed.

A Portland Oregon senior service agency case manager has said that 25% of their elderly clients have been a victim of ID theft or scams. One key solution to ID theft is to install mail slots or locked mail boxes, to pick up new checks at your bank and to only put you mailing address on checks with your first initial.

Medicare Part D –Prescription Drug Benefit changes creates new fodder for scammers and other opportunists.

- We have received calls about 3 types of schemers who prey on seniors and take advantage of their uncertainty about the upcoming changes in the Medicare Part D Prescription Drug Benefit that will take effect in January 2006. One involved an insurance company using heavy handed sales by phone and not fully disclosing all information, not allowing the consumer to make an informed choice. A second stated that “ the President has announced the guidelines for Medicare reform.”... making it sound like an official notice, then asking for phone, name , address and birth dates of the Medicare Beneficiary and spouse. No company name or contact information was listed, and the return address was a Post Office Box (which is a red flag as well). The third involved a company calling a woman in an Assisted Living Facility. They made it sound like they were an official Medicare Company and offered her \$20.00 to answer a questionnaire which lasted an hour. In reality, they were fishing for confidential information.

There is a significant link to financial loss from a robbery, ID theft and health deterioration. Most of the victims we assist live on very low fixed incomes, and a loss of a few hundred dollars can tear their world apart. The trauma of a stolen purse exacerbated an already existing health condition in one of the seniors we assisted. She ended up in a nursing home as a consequence. The criminal was a repeat offender, who stole the client’s ID, wrote checks and cashed her tax refund.

Please consider the following solutions:

1. Provide help and assistance within the police and court system for Aging Awareness training, and tracking of scams.
2. Present senior sensitive messages, TV spots, newspaper stories and ads, about where to get help.
3. Provide more significant funding for programs that educate seniors so they know how to avoid being victims.
4. Provide funds for programs to train peer advocates for senior victims of crime.

I thank you for the opportunity to share how Elders in Action works to prevent problems and solve difficult situations for seniors. Our elders deserve much more, given the contributions they have made to our society. Let us translate this into funds for those who really need it, and create ways to gather the talent and wisdom that our elders can give to our community.