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# United States Senate

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May 9, 2016

## VIA ELECTRONIC TRANSMISSION

Andy Mao  
Coordinator, Elder Justice Initiative  
Department of Justice  
950 Pennsylvania Avenue, NW  
Washington, D.C. 20530

Dear Coordinator Mao:

Elder financial exploitation has been called the crime of the 21<sup>st</sup> century.<sup>1</sup> Studies indicate that it is the most widespread form of elder abuse,<sup>2</sup> costing seniors in the United States an estimated \$2.9 billion or more annually.<sup>3</sup> And these crimes have consequences far beyond older Americans' pocket books. Victims of financial exploitation may experience "loss of independence, decreased health, and psychological distress, all of which culminate in a diminished quality of life for older adults[.]"<sup>4</sup> With the number of Americans over the age of 65 continuing to increase, it is likely that—absent strong and effective intervention—the scope and prevalence of these crimes will also increase.

No doubt, the Department of Justice ("Department") is uniquely positioned to fight back against elder financial exploitation because vigorous enforcement plays a critical role in deterring criminal behavior and "may send a strong message that society does not tolerate this kind of behavior."<sup>5</sup> Given its jurisdiction, expertise, and resources, the Department should be prioritizing the prosecution of individuals who financially exploit older Americans, particularly individuals perpetrating fraud and exploitation schemes that cross state lines or international boundaries. Yet, the Department admits that "prosecution [of financial exploitation] remains relatively uncommon."<sup>6</sup> This is troubling, and as such, it remains unclear to me how and the extent to which the Department is working to prosecute, or to support the state-level prosecution of, individuals who financially exploit our Nation's seniors.

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<sup>1</sup> MetLife Mature Market Institute, National Committee for the Prevention of Elder Abuse (NCPEA) and Center for Gerontology at Virginia Polytechnic Institute and State University, *The MetLife Study of Elder Financial Abuse*, p.5 (June 2011) available at <https://www.metlife.com/assets/cao/mmi/publications/studies/2011/mmi-elder-financial-abuse.pdf>.

<sup>2</sup> Elder Justice Initiative, U.S. Department of Justice, *Elder Abuse Frequently Asked Questions*, available at <https://www.justice.gov/elderjustice/support/faq.html> (last visited May 6, 2016); citing R. Acierno, et al., "Prevalence and Correlates of Emotional, Physical, Sexual, and Financial Abuse and Potential Neglect in the United States: The National Elder Mistreatment Study," *American Journal of Public Health*, 100(2), 292-297 (2010).

<sup>3</sup> *Supra* note 1, at 7.

<sup>4</sup> Elder Justice Initiative, U.S. Department of Justice, *Financial Exploitation in a Nutshell*, available at <https://www.justice.gov/elderjustice/financial/financial-exploitation-in-a-nutshell.html> (last visited May 6, 2016).

<sup>5</sup> Elder Justice Initiative, U.S. Department of Justice, *Society's Response to Financial Exploitation*, available at <https://www.justice.gov/elderjustice/research/societys-response-to-financial-exploitation.html> (last visited May 6, 2016).

<sup>6</sup> *Id.*

I understand that the Department has an Elder Justice Initiative (“Initiative”) which is intended to coordinate and support the Department’s law enforcement efforts and policy activities on elder justice issues.<sup>7</sup> I would like to learn more about the status, progress, and results of any specific efforts of the Initiative—or at the Department more broadly—aimed at combatting and deterring elder financial exploitation. Accordingly, I respectfully request a written response to the following questions by no later than May 30, 2016.

1. What specifically is the Department doing to combat and deter elder financial exploitation? Given the often-complex nature of these cases, what specifically is the Department doing to help coordinate a multi-faceted response?
2. Is the Department currently tracking or collecting data on the frequency and prevalence of elder financial exploitation across the country, including the law enforcement and prosecutorial responses to such cases? If so, what data is being collected and from what sources? Does the Department currently have the authority and tools necessary to track and collect data on elder financial exploitation? Please explain.
3. The Elder Justice Coordinating Council’s 2014 report to Congress states that the United States Attorney’s Offices “aggressively prosecute fraud schemes targeting the elderly – from Ponzi schemes, to what are known as ‘grandparent schemes,’ ‘lottery schemes,’ ‘affinity fraud,’ ‘phantom debt,’ and other ‘strike it rich’ scams.”<sup>8</sup>
  - a. How many cases have the United States Attorney’s Offices brought against “fraud schemes targeting the elderly” in the past ten years? Please provide specific data on cases initiated, the type of fraud schemes or scams in each case, and the results of each case.
  - b. What specific role has the Department’s Elder Justice Initiative played in the USAO’s “aggressive” prosecution of financial fraud and schemes targeted at seniors? Please provide specific examples.
4. The Department acknowledges the “broad consensus that elder abuse is underreported.”<sup>9</sup> One state-level study, for example, estimates that only 1 out of 44 cases of financial exploitation is reported to Adult Protective Services or law enforcement authorities.<sup>10</sup> What specifically is the Department doing to help empower and encourage seniors—and their caregivers, loved ones, and others—to report suspected instances of financial exploitation to authorities?
5. Does the Department currently have the necessary statutory authority to track, investigate, and ultimately prosecute crimes involving the financial exploitation of seniors? Please explain.

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<sup>7</sup> Office of Public Affairs, U.S. Department of Justice, *Department of Justice Launches 10 Regional Elder Justice Task Forces* (Mar. 30, 2016) available at <https://www.justice.gov/opa/pr/departments-justice-launches-10-regional-elder-justice-task-forces>.

<sup>8</sup> Elder Justice Coordinating Council, U.S. Department of Health and Human Services, *Report of the Secretary Detailing the Activities of the Elder Justice Coordinating Council for 2012-2014*, p.18 (June 2015) available at [http://www.aoa.acl.gov/AoA\\_Programs/Elder\\_Rights/EJCC/docs/EJCC-2012-2014-report-to-congress.pdf](http://www.aoa.acl.gov/AoA_Programs/Elder_Rights/EJCC/docs/EJCC-2012-2014-report-to-congress.pdf).

<sup>9</sup> Elder Justice Initiative, U.S. Department of Justice, *Elder Abuse Frequently Asked Questions*, available at <https://www.justice.gov/elderjustice/support/faq.html> (last visited May 6, 2016).

<sup>10</sup> Elder Justice Initiative, U.S. Department of Justice, *Financial Exploitation Frequently Asked Questions*, available at <https://www.justice.gov/elderjustice/financial/faq.html> (last visited May 6, 2016).

6. Since January 1, 2010, how much money has the Initiative spent in total (including, but not limited to, salary expenses, operational costs, and litigation support costs)?
7. Has the Initiative developed any objective criteria to measure its effectiveness and impact? If so, what are the criteria?
8. How many, if any, Full Time Equivalent employees are on staff for the Initiative? Does the Initiative have—or has it had in the past—any detailed employees from other federal agencies? If so, how many and from which agencies?
9. Under what federal statute, if any, does the Initiative receive its funding and spending authority? If it is not specifically authorized by statute, please explain how the Initiative receives funding for its operations.

Thank you for your attention to this matter. If you have any questions, please contact Kyle McCollum of my Judiciary Committee staff at (202) 224-5225.

Sincerely,



Charles E. Grassley  
Chairman  
U.S. Senate Committee on the Judiciary