

**Statement of Joseph Marquart
AARP Iowa Executive Council
Before the Committee on the Judiciary
United States Senate
Hearing on
“Protecting Older Americans from Financial Exploitation”
June 29, 2016**

My name is Joseph Marquart and I am a member of the AARP Iowa Executive Council and an AARP Fraud Watch Network volunteer. AARP is a nonpartisan, nonprofit organization with nearly 38 million members nationwide. AARP helps individuals protect themselves and their families from fraud and scams by sharing important information through our Fraud Watch Network, a free resource that is available to everyone. Through one of our Fraud Watch Network events two years ago, we met Karla Sibert, a hard-working Iowan whose parents were financially exploited by a telemarketing company. Karla was scheduled to testify today, but she had an emergency appendectomy late Monday evening. The Committee has graciously invited AARP to tell her story. The good news is that Karla is back home and on the mend. The bad news is that what happened to her parents is all too common.

In April, 2014 Karla’s mother became seriously ill. Karla’s mother is the primary caregiver for Karla’s father who has dementia. As Karla cared for her mother in the hospital and worried about her father at home, she took a call on her mother’s phone from a salesman who was interested in sending her mother more health supplements. Through that phone call, Karla discovered that a company named “Leading Health Source” had been selling her mother thousands of dollars of supplements—in fact, more than \$44,000 worth. Karla was shocked and heartbroken because she knew her parents could never afford that debt.

While still in the hospital, Karla asked her mother about the outrageous credit card charges. Karla heard a very common story – a man would call and persuade her mother that she would feel better with their products, and she started buying their supplements, eventually giving them access to all her credit cards. One card Leading Health Source got a hold of had not been used in 9 years and had a limit of \$15,000 on it; yet 7 charges went through in 15 days for more than \$21,000 worth of supplements. Leading Health Source took complete advantage of Karla’s parents, preying on their poor health and gullibility. As Karla said in her written statement to the Committee: “My parents were hard-working people. They are just middle class, Midwestern folks who wanted a good life for themselves and their children. What happened to them is just wrong.”

Fortunately, Karla already had a power of attorney for her parents and she was able to use it to help them. With the help of the office of the Iowa Attorney General, and through her own dogged determination, Karla’s parents were able to get all of their money back, and Leading Health Source is no longer allowed to market supplements in Iowa.

Too frequently at the fraud workshops AARP Iowa hosts, we hear stories like the one that happened to Karla's parents. We also hear from younger boomers and Gen X participants that they are not so concerned about being a target of fraud themselves– but they are very concerned for their parents and other older loved ones. Through our Fraud Watch Network, we are helping Iowans to stay one step ahead of the crooks. Those who engage learn about the 'tools' scammers use to defraud consumers; how to increase cyber security to protect against identity theft and on-line scams; and the most common frauds in their area. If a legal remedy is needed, we link them to state government resources through the enforcement arms of the Iowa Attorney General and the Iowa Insurance Division.

Thank you again for this opportunity to speak about the prevalence and serious consequences of financial abuse targeted toward seniors in Iowa and throughout the US.