

Executive Session - Sub. on Aging Hearing on Financial Abuse and Exploitation

Bill Number: Oversight

Hearing Date: October 29, 2003 - 10:00 AM

Witness:

Richmond Chambers

Victim

Chevy Chase, MD

Testimony:

I am pleased to be here today to describe a scam against elderly Visa credit card holders. I live in a condominium apartment at 8101 Connecticut Avenue in Chevy Chase, Maryland.

I received a telephone call on April 2, 2003 from a man purporting to be a representative of the Visa organization. He said Visa had sustained a computer problem in which information on 5,000 accounts had been lost and that certain information had to be retrieved if my account was to remain active. I had received a similar call some months before from a source that hung up when I refused to answer his questions. I was again suspicious. I asked this caller a number of questions, which he answered very convincingly. He finally gave me a toll-free phone number, which he said would verify his identity. I called back and was answered by a female who said " Visa" and connected me with the original caller. I believed he had established his identity, and I gave him the three numbers on the back of my Visa card, my mother's maiden name and my social security number. He, in some way, had already secured my address, Visa card number and obviously my phone number.

The next day on leaving my apartment, I found a flyer at my door entitled "Resident Alert". The document was issued by my apartment manager and described exactly the Visa fraud in which I had been victimized the previous day. I immediately called the fraud unit at Visa and related the incident. After verifying several charges to my account, I was asked if I had charged \$2,750 to Western Union. I had not. I later discovered that Visa had authorized the claim, but had not issued payment against the charge. My account was closed and reestablished with a new number.

I was fortunate that I had sustained no financial loss in the matter. I reported the entire affair to the Montgomery County Maryland Police, who arranged two television appearances for me to publicize the scam. The Montgomery County Maryland Police and the State Attorney for Montgomery have updated me on this case. The police determined that the scam operators were based in Miami, Florida. Officers were dispatched to Miami to investigate. With the cooperation of the local police, eleven suspects were arrested and extradited to Montgomery County Maryland to face trial. I was recently informed that approximately forty residents in the general Chevy Chase area were victimized by this scam. A number of the victims actually had money paid from their Visa account to Western Union for pick up.

At least five additional residents of my condominium were victimized in this scheme along with residents across the street in an assisted care residence. I have no information regarding whether those arrested had information on the ages of their victims. I was favorably impressed with the reaction of the valid Visa representative, the Montgomery County Police, the local television stations, and our alert building manager, Katie Wyrsh, all of whom had a part in bring these alleged criminals to justice.