## KENNETH R. FEINBERG AND CAMILLE S. BIROS

## CO-ADMINISTRATORS OF FIVE INDEPENDENT AND VOLUNTARY PROGRAMS FOR FIVE PENNSYLVANIA DIOCESES INCLUDING THE ARCHDIOCESE OF PHILADELPHIA AND THE DIOCESES OF SCRANTON, PITTSBURGH, ERIE AND ALLENTOWN TO COMPENSATE CLAIMS OF CLERGY SEXUAL ABUSE OF MINORS OCTOBER 2, 2019

Senator Baker and Members of the Committee:

I thank you and the Committee for the opportunity to testify today along with my colleague and co-administrator Kenneth Feinberg. My name is Camille Biros and, along with Mr. Feinberg, we are co-administrators of five separate compensation programs established by five Dioceses in the Commonwealth of Pennsylvania – the Dioceses of Pittsburgh, Erie, Scranton and Allentown, and the Archdiocese of Philadelphia. These programs were designed to provide efficient, swift, cost-effective resolution and compensation to those victims of clergy sexual abuse who were abused as children. During the past 12 months, beginning with the Philadelphia Archdiocese, these five Dioceses retained us to design, implement and administer programs to determine victim eligibility and amounts of compensation that would be paid to eligible claimants.

These five programs in the Commonwealth should be viewed in the context of our successful work in designing and administering similar church programs in New York, New Jersey, California and, beginning next week, the State of Colorado. These programs – nationwide in scope – have already resulted in 2,889 filed claims. To date payments totaling \$281,773,000 have been distributed to some 1,485 eligible victims throughout the Nation. In Pennsylvania alone – during the period beginning November 2018 through September 29, 2019 -- the five Pennsylvania Dioceses paid \$53,223,000 to 278 eligible claimants. Although the period for submission of new claims to the Pennsylvania programs expired on September 30, 2019, we continue to process the large volume of claims that were filed in the past 60 days. (Additional claims will be submitted and accepted that are postmarked on or before September 30, 2019.)

These various compensation programs offer a credible alternative to protracted, costly and uncertain litigation in the courts of our Nation.

We deem it important in evaluating our ongoing work to highlight the key characteristics of these programs, with special emphasis on the successful programs here in the five Pennsylvania Dioceses.

• <u>All of these programs are independently administered by Mr. Feinberg and me.</u> Once the terms and conditions of the individual programs are agreed upon by each Diocese,

there is an express, formal written understanding that the two Administrators, and the Administrators alone, will evaluate and determine compensation for eligible claims. Our decisions are final. The individual Dioceses cannot reject or alter our final decisions concerning victim eligibility, nor can they reject the compensation we offer any eligible claimant.

- <u>These various compensation programs are entirely voluntary</u>. No individual claimant is required to participate in our compensation programs. The choice is that of the victim. Any claimant can enter the program and await our decisions concerning eligibility and the amount of compensation. Only if the victim decides to accept the amount offered is a Release promising not to sue required. Until and unless the claimant accepts our offer of compensation, he/she can opt-out of the program and consider the litigation alternative.
- <u>Courtroom rules of evidence and legal defenses which might bar any litigation claim in</u> particular the statute of limitations which may preclude successful access to the courts – <u>do not apply.</u> Claimants are invited to participate in our compensation programs regardless of when they were abused.
- <u>All of the programs are non-adversarial in character.</u> The various programs are designed to assist victims who are emotionally vulnerable as a result of the sexual abuse. Unlike the courtroom setting, where victims and testifying witnesses are subject to vigorous cross-examination by lawyers, the various programs we administer promote empathy, compassion and understanding. We are there to help all claimants.
- Each claimant can voluntarily request a confidential and private opportunity to be heard. This is an important feature of our programs. Many claimants desire to be heard in person or by telephone or Skype to comment on the trust they placed in the church, and how that trust was destroyed when they were sexually abused as minors. These individual claimants seek something much greater than mere compensation; they seek acknowledgment and validation of the wrong they suffered, recognition by the Administrators that their claims of abuse are credible and were ignored by church officials, often for decades. To date, we have held 147 such meetings with claimants in the Pennsylvania program alone, with requests by other claimants awaiting completion of their claim review and the scheduling of an appointment. Our programs are much more than mere secular compensation programs; they provide an opportunity for individual victims to come forward and, in a confidential setting, to express the agony and the emotional damage they have suffered. All of our various programs offer each claimant access to Victim Assistance Coordinators within each Diocese who provide

<u>referrals for mental health counseling and therapy, and arrangements for treatment</u> <u>reimbursement</u>. Each individual claimant has the voluntary choice of seeking such assistance.

- <u>The programs are entirely confidential</u>. Claimants are understandably embarrassed and concerned that their sexual abuse by clergy will somehow become public knowledge despite the fact that, in many cases, their own spouses and children are unaware of the abuse they suffered decades ago. Our programs make expressly clear that our process is entirely confidential and will not be publicly disclosed. The claimant, and the claimant alone, reserves the right to make the claim public. Neither the Administrators nor the church can do so. Preserving confidentiality is an essential characteristic of our programs.
- <u>The programs are efficient and cost-effective.</u> Once a claimant files a claim, and the claim is deemed complete and eligible, compensation can be offered in approximately 90 120 days. Compare this to public and protracted uncertain litigation in the courtroom.
- <u>Lawyers are welcome but not required.</u> Claimants have a choice in deciding whether they want the assistance of a lawyer in the filing and processing of their claims. This is entirely a claimant decision. Approximately 60% of the claimants in our various compensation programs seek the assistance of lawyers; the remaining claimants decide to file claims on their own and do not seek such legal assistance. Pro bono legal assistance is provided to all unrepresented claimants for the sole purpose of explaining the scope, terms and conditions of the Release. This is a requirement for all programs.
- <u>All of our independent compensation programs permit the filing of claims previously</u> <u>made known to the church; most of the Dioceses in Pennsylvania and elsewhere permit</u> <u>the program to accept the filing of new claims.</u> All of the programs prioritize those claims in which the victim previously contacted the church about the abuse (in some cases decades ago). We process these claims first, since there is usually existing documentary evidence of sexual abuse when the claimant was a minor.

Current statistics demonstrate the overall success of these independent, voluntary and confidential compensation programs. We offer the following statistics that we believe highlight the success and effectiveness of our five Pennsylvania compensation programs:

• 1,255 claims were submitted in the five separate Pennsylvania programs as of September 29, 2019. Several additional filings are expected to be submitted that will be postmarked on or before the September 30 deadline.

- Of this total number of claims, 313 were determined by the independent administrators to be eligible for compensation to date; 28 were deemed ineligible for various reasons. The remaining 914 are, as of this date, in various stages of the review process.
- Of the 313 that were deemed eligible, resulting in an offer of compensation, only 4 to date have officially rejected our offer. This high acceptance rate – proof-positive of the success of our compensation programs – is consistent with similar acceptance rates of well over 99% in both New York and New Jersey. (The California program has just commenced, so no data is yet available.)
- The five Pennsylvania Dioceses distributed \$53,223,000 to 278 eligible claimants who have accepted the compensation. The average value of a claim in Pennsylvania is currently \$191,449. Once these claimants accepted our offer, they each signed a Release promising not to litigate the claim. (The average value of a claim across all programs is \$189,746.)

The five programs we are administering in the Commonwealth of Pennsylvania, and the successful programs we continue to administer on behalf of various Dioceses in New York, New Jersey, California and soon to be Colorado, are all designed to strike a careful balance between considerations of compensation to assist claimants who are often in financial distress; at the same time, the programs appreciate and prioritize the need to provide claimants with compassion, empathy and understanding. The non-adversarial nature of the process, providing all claimants the opportunity to be heard in confidence, and the ability of any claimant to be referred to designated Victim Assistance Coordinators in the various Dioceses, as well as mental health professionals, strike this careful balance.

It is a privilege and an honor for the two of us to design, implement and administer these various programs in the Commonwealth of Pennsylvania and throughout the Nation. Senator Baker, and members of this Committee, we welcome your comments and questions.