

# Medical Identity Theft Participant Handout



According to the Federal Trade Commission (FTC), medical identity theft occurs when someone uses your personal or financial information to get medical care, health insurance coverage, or prescription. It has severe consequences for individuals and families affected. Researchers, financial professionals, and consumer protection agencies are still learning more about this aspect of identity theft. Understanding the effects of medical identity can help consumers take steps to protect their personal information.

### What you need to know about medical identity theft

- It is a growing financial problem
  - Approximately 2.3 million cases were reported in 2014, a 22 percent increase from the previous year (Consumer Report, 2016).
- In a report for the Ponemon Institute (2016), 90 percent of the healthcare organizations in a study experienced a data breach, and they estimated that data breaches cost healthcare companies an estimated \$6.2 billion.
  - No healthcare organization is immune to a data breach

#### Warning signs of possible medical identity theft

- Medical bills or invoices for services you did not use
- Reports from medical providers about delinquent accounts for services not received
- Letters from your insurance company about services not received
- Calls from debt collection agencies for unknown, unpaid, medical expenses
- Denial of new credit even though you have had good or excellent credit
- Denial of prescription refills or new medication
- Abrupt loss of health coverage due to fraud

#### Effects of medical identity theft

- Misuse of medical information which is in someone's medical file can lead to misdiagnosis, improper treatment, and denial of medical services
- Economic loss result from victims who lose benefits and may become legally liable for charges from regular, expensive, or overbilled services
- Problematic credit history
- Legal challenges due to prescription abuse or other fraudulent activities by the thief

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• On a positive note, more consumer protection laws have been created

## Protecting your medical information

You can take steps to prevent medical identity theft:

1) Safeguard your Social Security Number (SSN) and insurance information

- The Centers for Medicare and Medicaid Services (CMS) released a report regarding a new law to remove Social Security Numbers from Medicare cards and replace them with a new unique number. This change helps people with Medicare from misuse of SSN for fraud and illegal use of Medicare benefits.
- Identitytheft.gov has instructions on how to report identity theft and how to get a personal recovery plan in place.
  - If you suspect or become a victim of medical identity theft, take these steps right away:
    - Contact your health insurer and get your Explanation of Benefits (EOB)
    - Review your medical records and contact your service provider where the thief used your information (e.g., doctor, lab, pharmacy), request copies from MIB.com. (formerly the Medical Information Bureau).
    - Report identity theft to the FTC <u>www.identitytheft.gov</u>, 1-877-438-4338
    - File a police report for suspected identity theft

2) Protect your credit report

- Check your report for free at <u>www.annualcreditreport.com</u>
- Consider setting up a credit freeze by contacting each credit bureau

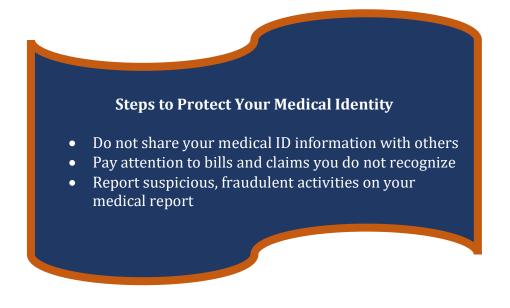
3) Talk with your medical insurance provider about what steps and internal procedures they use to prevent identity theft. Possibilities include:

- Measures to ensure the correct customer/client used the service billed
- Follow-up processes to dispute claims
- Clear internal procedures that inhibit employees of the insurance company

4) Other actions Track all claim

- Request your medical records
- Request a list of all benefits
- Rely on your instinct, ask questions, and follow-up on the information in the mail

Medical identity theft is a type of financial exploitation that has physical, emotional, and relational effects on consumers' economic well-being. In other words, when thieves use your medical information for treatments or prescriptions, it can lead to immediate, serious, severe, and lasting challenges for victims. If you are concerned about medical identity theft, the strategies described above can help.



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