



## OKLAHOMA COOPERATIVE EXTENSION SERVICE

# 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. While 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 additional measures to protect their personal information.

### What you need to know medical identity theft

- It is a growing financial problem
  - Aproximately 2.3 million cases 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 the 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

### Signs of medical identity theft

- Medical bills or invoices for services you did not use
- Letters confirming claims against your insurance policy for services not received
- Calls from collections agencies for unknown, unpaid, outstanding medical fees
- Denial of new credit even though you had good or excellent credit
- Denial of prescription refills or new medication
- Reports from medical providers about delinquent accounts for services not received
- Abrupt loss of health coverage (max out limit)

### Effects of medical identity theft

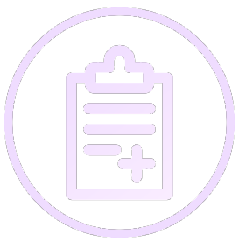
- Misuse of medical information can lead to misdiagnosis, improper treatment, denial of medical services
- Economic loss, victims lose benefits and may become legally liable for charges from regular, expensive, or overbilled services
- Result in a problematic credit history
- Legal challenges due to prescription abuse or other fraudulent activities by the thief

- The prevalence of identity theft fueled more consumer protection laws

### Protecting your information

Efforts to prevent medical identity theft:

- 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 protect 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
  - Things to do right away if you suspect or become a victim of medical identity theft
    - Contact your health insurer and get your Explanation of Benefits (EOB)
    - Review your medical records and contact service provider where the thief used your information (e.g., doctor, lab, pharmacy), request copies
    - Report identity to the FTC – [identitytheft.gov](http://identitytheft.gov), 1-877-438-4338
    - Other steps include checking your credit report once per year
      - [Annualcreditreport.com](http://Annualcreditreport.com)
      - Set up a fraud alert or a credit freeze
- Talk with your medical insurance provider about steps and internal procedures to prevent theft
  - 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
- File a police report for suspected identity theft
- Other actions
  - Track all claim
  - Request your medical records
  - Request a list of all benefits
  - Rely on your instinct, ask questions, and follow-up of information in the mail



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

### Steps to Protect Your Medical Identity

- Do not share your medical ID information others
- Pay attention to bills and claims you do not recognize
- Report suspicious, fraudulent activities on your medical report

### Resources

annualcreditreport.com

Center for Medicare and Medicaid Services. (2018). Transition to new Medicare numbers and cards. Retrieved from <https://www.cms.gov/blog/new-medicare-cards-are-coming-soon>

Consumer Reports. (2016). The rise of medical identity theft. Retrieved from <https://www.consumerreports.org/medical-identity-theft/medical-identity-theft/>

Identitytheft.gov

Ponemon Institute. (2016). Sixth annual benchmark study on privacy and security of healthcare data. Retrieved from <https://www.ponemon.org/blog/sixth-annual-benchmark-study-on-privacy-security-of-healthcare-data-1>

Victimized provider project, CMS, retrieved from <https://www.cms.gov/About-CMS/Components/CPI/VictimizedProviderProject>

<https://www.thebalance.com/common-types-of-medical-identity-theft-4157717>

<https://www.consumer.ftc.gov/blog/2018/09/free-credit-freezes-are-here>