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Medical identity theft is a national healthcare issue with life-threatening and hefty financial consequences. According to the [2013 Survey on Medical Identity Theft](#) conducted by Ponemon Institute, medical identity theft and “family fraud” are on the rise; with the number of victims affected by medical identity theft up nearly 20 percent within the last year. The survey,

sponsored by the [Medical Identity Fraud Alliance](#) (MIFA) with support from

[IDEXperits](#)®, finds that medical identity theft affects an estimated 1.84 million people in the U.S.; with victims forking out more than \$12 billion in out-of-pocket costs incurred by medical identity theft. For a free copy of the [2013 Survey on Medical Identity Theft](#), visit

<http://medidfraud.org/2013-survey-on-medical-identity-theft>

For the purposes of this study, medical identity theft occurs when someone uses an individual's name and personal identity to fraudulently receive medical services, goods, and/or prescription drugs, including attempts to commit fraudulent billing.

Consumers are Vulnerable; “Family Fraud” is a Growing Problem

Half of the consumers surveyed are not aware that medical identity theft can create life-threatening inaccuracies in their medical records, resulting in a misdiagnosis, mistreatment, or the wrong prescriptions. Yet, 50 percent of consumers surveyed do not take steps to protect themselves, mostly because they don't know how.

The survey also finds that consumers often put themselves at risk by sharing their medical identification with family members or friends—unintentionally committing “family fraud”—to obtain medical services or treatment, healthcare products, or pharmaceuticals.

“Medical identity theft is tainting the healthcare ecosystem, much like poisoning the town's water supply. Everyone will be affected,” said Dr. Larry Ponemon, chairman and founder of the Ponemon Institute. “The survey finds that consumers are completely unaware of the seriousness and dangers of medical identity theft.”

Medical Identity Fraud Alliance Formed

The medical identity theft problem is getting bigger and more complex with the Affordable Care Act and the increased use of electronic health records (EHRs). Healthcare organizations cannot solve the medical identity theft problem alone. The Medical Identity Fraud Alliance (MIFA) is the first cooperative public-private sector effort to unite all stakeholders involved in the protection of consumers—policy decision-makers, organizations that hold protected health information (PHI), health plans, law enforcement, regulatory agencies, companies, nonprofit organizations, and consumer advocates—to jointly develop best practices, solutions, and technologies for the prevention, detection and remediation of medical identity theft and fraud.

More information is available at

<http://medidfraud.org/>

“With the formation of the Medical Identity Fraud Alliance, we have an opportunity to bring a serious societal problem to the forefront and protect the public,” said Robin Slade, development coordinator for the Medical Identity Fraud Alliance. “MIFA will act as the intersection between industry, government, and consumers. We are working together to vaccinate against medical identity theft and fraud.”

Key Findings of the *2013 Survey on Medical Identity Theft*

Several government agencies helped develop the [2013 Survey on Medical Identity Theft](#) to measure the prevalence, extent, and impact of medical identity theft in the U.S. to consumers and the healthcare industry. Following are key findings of the 2013 report:

- **Medical identity theft is growing in volume, impact, and cost.**

Medical identity theft and fraud are major societal problems, placing enormous pressure on the country’s healthcare and financial ecosystems. In 2013, the economic consequences of medical identity theft to victims are estimated at more than \$12.3 billion in out-of-pocket expenses. Fifty-six percent of victims lost trust and confidence in their healthcare provider. Fifty-seven percent of consumers would find another provider if they knew their healthcare provider could not safeguard their medical records.

- **Medical identity theft can cause serious medical and financial consequences, yet most consumers are unaware of the dangers.**

Half of the consumers surveyed are not aware that medical identity theft can create permanent, life-threatening inaccuracies and permanent damage to their medical records. Medical identity theft victims surveyed experienced a misdiagnosis (15 percent of respondents), mistreatment (13 percent of respondents), delay in treatment (14 percent of respondents), or were prescribed the wrong pharmaceuticals (11 percent of respondents). Half of respondents have done nothing to resolve the incident.

Most consumers don't take action to protect their health information.

Fifty percent of respondents do not take any steps to protect themselves from future medical identity theft. Fifty-four percent of consumers do not check their health records because they don't know how and they trust their healthcare provider to be accurate. Likewise, 54 percent of respondents do not check their Explanation of Benefits (EOBs). Of those who found unfamiliar claims, 52 percent did not report them.

Consumers often share their medical identification with family members or friends, putting themselves at risk.

Thirty percent of respondents knowingly permitted a family member to use their personal identification to obtain medical services including treatment, healthcare products or pharmaceuticals. By sharing medical identification with family members or friends, consumers unintentionally leave themselves and their health records vulnerable. People do not know that they are committing fraud. More than 20 percent of people surveyed can't remember how many times they shared their healthcare credentials. Forty-eight percent said they knew the thief and didn't want to report him or her.

Consumers Can Take Action With These Seven Steps

MIFA recommends that individuals be the first line of defense in protecting their PHI; and suggests that individuals follow these seven steps:

1. **Review your Explanation of Benefits (EOBs).** Ensure the doctors listed and services provided are accurate. If you find an incorrect item, even if no money is owed, contact your insurance company immediately.
2. **Obtain your “benefits request” annually.** Your insurance provider can provide a list of all benefits and services paid in your name, which you can review to confirm all the services listed were received.
3. **Protect your medical insurance card.** Leave your insurance card in a safe place, and don’t carry it with you unless it’s necessary.
4. **Safeguard your insurance-related paperwork.** Shred or file your Explanation of Benefits in a safe, and preferably locked location.
5. **Report lost or stolen health insurance identification cards.** Alert your insurance carrier of misplaced, lost, or stolen cards to avoid unauthorized use.
6. **Use vigilance when providing your personal or insurance information.** Be sure you’re dealing with a reputable healthcare provider. Be cautious when offered free medical services. Often fraudsters use this as a way to obtain your health information.
7. **Review your credit reports annually.** You have a right to request a [free annual credit report](#) from each of the three credit bureaus. Be sure your reports are free of any medical liens.

For a free copy of the [2013 Survey on Medical Identity Theft](#), visit <http://medidfraud.org/2013-survey-on-medical-identity-theft>