

## Health Information Compliance Alert

### Industry News: Medical Identity Theft Plagues Half-Million Americans

Another assault to PHI is quietly gathering strength: medical identity theft.

Rising health care costs are turning stolen health care ID and pharmacy cards into a coveted commodity, reports The Wall Street Journal.

How it works: People who have their wallet stolen almost always call their credit card companies, but they seldom think to call their health insurers. Stolen health plan cards allow thieves to pose as patients and obtain medical services and drugs -- all without the victim's or the insurer's knowledge.

Stealing protected health information is sometimes an inside job, according to the Journal. Sometimes workers in hospitals or doctors steal PHI and sell it to criminals. At least half-million Americans have been medical identity theft victims, estimates **The World Privacy Forum**.

Insurers are paying the price, Aetna special investigation unit director **Mike Stergio** told the paper. His company recently got hit with \$3.5 million bogus claims for services provided to 400 "patients" over a 2-week period.

Benes are also taking some serious hits. Most are unaware that the theft has occurred because the thieves have the medical bills sent to different addresses. So legitimate benes can end up with false information in their medical records because of services or drugs the thieves have stolen.

Patients may find themselves with falsified medical records saddling them with conditions they don't have and other dangerously incorrect medical information. For example, their credit can become tarnished or they may be unable to get a procedure like an appendectomy because the thief has already gotten it.

For more information on medical identity theft, visit The World Privacy Forum's Web site at <http://www.worldprivacyforum.org>.