

Help Seniors Prevent Medical Identity Theft



Identity theft is one of the fastest growing crimes in the United States. According to the [Federal Trade Commission](#), **almost 9 million Americans are victims of some form of identity theft each year with an average loss of \$4,800 per person.** Identity theft is the fraudulent use of another person's name, Social Security number, driver's license, bank account, PIN, or credit / debit card number.

Medical identity theft

Medical identity theft is more specific than standard identity theft; it involves the theft of insurance information to obtain goods or services related to medical care.

Medical identity theft / fraud forces victims to sort out what happened with doctors, hospitals, insurance companies, credit agencies and sometimes even lenders that might have granted a loan for medical reasons. **The [average cost of medical identity theft](#) is \$20,160 per victim.** According to a National Study on Medical Identity Theft, conducted by the Ponemon Institute, nearly half of medical identity theft victims lose coverage as a result of the theft. And [Medicare fraud](#) is one of the most common forms of medical identity theft / fraud, with 1 in 10 Medicare claims determined to be fraudulent.

Vulnerability of seniors

According to an Experian survey, **[11 percent of people over age 65 have been victims of identity theft.](#)** Seniors are especially targeted by identity thieves because they have higher cash reserves and home equity than younger adults, they are typically less technologically savvy and don't research scams online, and they often don't monitor their credit and financial accounts very closely.

[Senior consultant Minda Cutcher](#) postulates that older adults are also vulnerable to identity theft for the following reasons:

- Seniors belong to a trusting generation, and they remember a time when door-to-door salesmen were common — and legitimate.
- Seniors as a group are more homebound than the average population, which makes them easily accessible targets.
- Seniors raised during the Depression learned how to save for a rainy day and may have sizeable nest eggs.

- Seniors may be reluctant to report crimes, out of a sense of shame or guilt — particularly if the perpetrator is an acquaintance or family member.
- Sometimes, seniors who have memory problems can be poor witnesses when they are victims of a crime — a fact that many criminals count on.

How thieves steal identity information

[Identity security expert Ora DeMorrow](#) explains that thieves steal data in a variety of ways.

- **Personal theft:** Personal information is stolen by an employee, nurse, relative or friend.
- **Wallet or purse theft:** Many seniors carry their Social Security card or Medicare card.
- **Phone scams:** Thieves pose as insurance companies, charities or other businesses.
- **Dumpster diving:** Scammers dig for personal information in the trash of homes and businesses.
- **Record theft:** Medical records, Social Security records and other personal documents.
- **Online fraud:** Fake emails and Web sites (i.e., phishing).

Identity Theft Resources

Nationwide Credit Reporting Bureaus:

Equifax

P.O. Box 105873
Atlanta, GA 30348-5873

800-685-1111

<http://www.equifax.com>

Fraud reporting: **800-525-6285**

Experian Information Services

P.O. Box 949
Allen, TX 75013-0949

888-397-3742

<http://www.experian.com>

Fraud reporting: **888-397-3742**

TransUnion

P.O. Box 390
Springfield, PA 19064-0390

800-888-4213

<http://www.tuc.com>

Fraud reporting: **800-680-7289**

*National Crime Prevention Council
resources for preventing fraud and
identity theft:*

<http://www.ncpc.org/topics/fraud-and-identity-theft>

Preventing identity theft

Tips to protect against identity theft, including medical identity theft, include the following:

- Sign up for the [National Do Not Call Registry](#).
- Don't give out any personal information over the phone unless you initiate the call.
- Protect your Social Security number and Medicare number. Don't carry the cards in your wallet, and don't give out your numbers unnecessarily.
- Keep sensitive documents at home in a locked file cabinet.
- Photocopy the contents of your wallet, and store the photocopy in a safe place in case of loss or theft.
- Shred all sensitive financial documents.
- Opt out of receiving prescreened offers based on your credit data.
- Cancel any lost or stolen credit cards immediately.
- Check your financial statements and credit report regularly.
- Research the authenticity of charities and other organizations before you donate any money.

Recovering from identity theft

Identity thieves can wreak havoc on anyone's life, but especially a senior's. They can open new bank and credit accounts, drain existing accounts or rack up credit card charges, obtain loans, refinance victims' homes and even obtain medical care.

Identity theft can take years to recover from — years that older adults might not have. Seniors will need the help of their trusted and knowledgeable advisors to prevent and recover from this type of crime.

Lynn Schmidt is a Certified Senior Advisor (CSA) which has provided her with advanced knowledge and practice tools in the areas of key health issues as well as financial and social issues that are important to seniors. Lynn is eager to serve the tax, financial and family concerns of seniors at the highest level possible. When you work with a professional who has added the CSA designation to his or her achievements, you know you're working with someone who has invested the time and effort into learning about the things that are important to ***you*** or ***your loved one***. For more information, please visit our website at [Lynco Financial & Tax Services Inc.](#)