

**MEDICAL IDENTITY FRAUD IN HEALTH INSURANCE SCHEMES: CREATING
AWARENESS IN NIGERIA.**

ABSTRACT

Medical identity fraud, which includes medical identity theft and impersonation, is becoming a source of concern to many healthcare institutions. The cases reported in this study were medical identity impersonation, which involves knowingly giving one's health insurance card to be used by another person to access medical services. Medical identity theft, which is uncommon in the Nigerian healthcare system, involves 'stealing' and using another person's card/identifying information to access medical services without his/her knowledge. Medical identity fraud places financial losses on the healthcare system and can also result in medical error, misdiagnosis, mistreatment and patient safety challenges. Healthcare facilities management and workers should be educated on medical identity fraud prevention and detection. Further research on medical identity fraud in the Nigerian healthcare system is also recommended.

Key words: Medical identity; Fraud; Theft; Impersonation; Health Insurance; Nigeria.

INTRODUCTION

Medical identity fraud which includes medical identity theft and impersonation is becoming a source of concern to many healthcare institutions. Medical identity theft is “when someone uses another individual's identifying information, such as name, health insurance information or social security number, without the individual's knowledge or permission to obtain medical services or goods, or uses the person’s identity information to make false claims for medical services or goods.”^{1, 2} While medical identity theft has been reported in many advanced countries, it is uncommon in the Nigerian setting if based on the definition given by Pam Dixon, the founder of the World Privacy Forum, who coined the term medical identity theft and released the first major report about it in 2006.³

The major form of medical identity fraud in the Nigerian health insurance system is medical identity impersonation, a practice in which a person uses another individual’s personal information, i.e. health insurance identification number and name to access medical services under a health plan; usually with the insured person’s knowledge, consent and collusion.

Medical identity impersonation involves a fraudulent collusion between an insured and uninsured person, in which the uninsured uses the insured health insurance card or identification to access medical services under the insured health plan. Medical identity impersonation is a type of healthcare fraud perpetrated by consumers. A fraud is any intentional deception, manipulation of facts and/or documents or misrepresentation made by a person or

organization with the knowledge that the deception could result in unauthorized financial or other benefit to herself/himself or some other person or organization. ⁴

The cascading effects of the negative financial and healthcare impacts (both individuals and public health) of medical identity theft have been cited in some other **countries**, ⁵⁻⁷ but there is information dearth regarding the occurrence of medical identity fraud in Nigeria.

The following illustrate various cases that were detected as incidences of medical identity impersonation in some healthcare facilities under the health insurance schemes.

CASE REPORTS

Case 1

A 52 year old man on a health insurance plan presented to the hospital, accompanied by a younger family member. He went to the medical records section to retrieve his folder while the accompanier waited at the outpatient clinic. When the health card owner's name was called, the accompanier entered into the consulting room to see the physician, while the health card owner waited outside.

The main complaints were fever, headache and body pains. There **was no history** of any other contributory associated symptom. The general and systemic examination was satisfactory, except for a blood pressure (BP) of 180/120mmHg. The patient denied history of chronic systemic hypertension.

The physician took a retrospective review of the patient's folder and saw normotensive BP readings, and that at no time had such an elevated BP been observed before, he also noticed that the last recorded weight about three months back was 71kg, while the patient's current weight was 96kg. A detailed history and thorough interrogations revealed that the patient was using another person's health insurance card.

Case 2

A 4-year old boy with convulsion was rushed to the healthcare facility in the night. The attending physician aborted the seizure with paraldehyde and then stabilized the child. There was history of intermittent fever for four days, for which the mother has been administering paracetamol. The mother denied any other associated symptoms including cough, eye/ear/nasal discharge, neck stiffness and irritability. There was no other contributory history.

Blood sample was taken for urgent Full blood count (FBC) and Malaria Rapid Diagnostic Test (RDT). The FBC was normal and the Malaria RDT positive. A diagnosis of febrile convulsion, secondary to malaria was made and treatment instituted.

The treatment was done under health insurance, as the mother presented a health insurance card for the child. However during the documentation by the medical records in the following morning, it was discovered that the card belonged to the patient's 9 year old brother, as the 4-year old boy was not on the health insurance patient register.

Case 3

A man came to the hospital with his pregnant wife for antenatal care booking. She was a 19 year old primigravida, however the card she presented was that of a 38 year old Para 6 woman when the folder was retrieved. Upon further questioning and investigation by the midwife, the man admitted that the woman was his new wife, and he assumed that the other wife's insurance card could be used, since both of them are his wives.

Case 4

A young lady presented to the hospital pharmacy of a Teaching Hospital with prescriptions for diabetes, hyperlipidemia and systemic hypertension. The attending pharmacist felt suspicious and decided to interrogate the lady. It was discovered that the prescription was for her mother, who she brought to access care on her own health plan.

Case 5

A 35-year old casual worker presented at a hospital's Surgical Outpatient Clinic of a tertiary healthcare facility with deformity of the left hand and was ushered by a hospital staff into the consulting room with a health insurance folder. After clinical evaluation, he was scheduled for reconstructive surgery, which was done few weeks later. He was subsequently given a clinic appointment upon **discharge where he spent two weeks as inpatient**. The patient visited a hospital

staff known to him to help appreciate someone who allowed him to use his health insurance folder, as he was 'indigent'. It was thus revealed as a case of impersonation.

Case 6

A 16-year old girl presented to her primary care provider accompanied by her mother. The main complaints were fever, headache and generalized body pains, no other history was contributory. The attending primary care physician made a diagnosis of malaria after evaluation and she was managed accordingly.

The mother came back with 'her' the next day, saying that the symptoms were unremitting. The doctor on call did a thorough review and physical examination again, and observed a marked difference between the patient's weight and what was measured the previous day. After ruling out measurement error and making further interrogations, it was discovered to be a case of identity swap. The mother admitted that they were twin girls and both twins were using a case folder together, and that it was the first twin that came for treatment the previous day. Only one twin was registered on health insurance, but both twins were using it concurrently.

Case 7

A man came to the Emergency Room of a hospital on a weekend with a woman who he claimed was his wife, registered on the Health Insurance Scheme. She

presented with severe abdominal pain and a diagnosis of acute appendicitis was made, warranting an emergency appendectomy.

The immediate post-operative period was uneventful. However, a hospital worker noticed some irregularities between the patient details, health insurance enrollees register and previous information in the patient's folder. The patient and the man were both interrogated and the man admitted that he brought his mother to impersonate his wife.

Discussion

Medical identity fraud is happening in healthcare and it is becoming an enormous challenge. What is often reported or found out is the tip of the iceberg. Medical identity theft became one of the fastest growing crimes that stemmed from identity theft, placing a tremendous burden on healthcare leaders and government programs in developed nations.^{8, 9} The cases reported in this study are some evidences of the variant of medical fraud perpetuated within the Health Insurance Schemes.

Fraud does not just happen by chance. There are usually certain factors that influence most individuals to commit fraud. An American criminologist, Donald Cressey developed the Fraud Triangle Theory; which explains the three factors (pressure, opportunity and rationalization) that often lead to fraud and other unethical practices.¹⁰ These three factors when looked at within the context of medical identity impersonation are: Pressure, which could be financial challenges and sick relative etc., pushing the perpetrators to commit the

criminal act. Opportunity, which could include poor internal controls in healthcare facilities etc., creating a high possibility of not being detected. And rationalization, which is the mindset justifying the act.

In a study in USA, 30% of respondents reported that they have knowingly permitted another person (family/friend) to use their personal identification to obtain medical services including treatment, healthcare products or pharmaceuticals, and the most common reasons were because the family person did not have insurance, could not afford to pay for the treatments or in emergency situations. ¹¹

The interwoven family relationships in Nigeria; which is typical of Africa, financial constraints and psychological burden of a sick family member/friend, perceptions about health insurance contributions/prepayment and the notion that services should be utilized at all cost may be some of the factors influencing medical identity impersonation. Also, weak internal monitoring and coordination systems as well as poor collaborative efforts in many hospitals make the perpetrators to take advantage of the system without being caught, and sometimes patient-healthcare worker collusion may be some of the factors influencing this practice.

Several sectors and stakeholders are negatively impacted by medical identity theft, including healthcare providers, payers and healthcare consumer.⁴ Medical identity theft and impersonation can result in serious consequences for

the individual whose identity is fraudulently used, the person who is acting as the impostor and the entire healthcare system.

Medical identity theft and impersonation can result in medical error and patient safety challenges for the card owner and impostor due to mixed, mingled and swapped medical information.¹² Patients may be misdiagnosed and receive wrong medications and treatment, with fatal or life-threatening consequences in some cases.

According to Pam Dixon and John Emerson; “the consequences of medical identity theft still remain among the most severe of all identity crimes, and time has not lessened the severity of consequences victims may experience.”¹³

The financial burden of medical identity fraud on the healthcare system; healthcare facilities, Health Maintenance Organizations (HMOs), and the government, up to the tax payers is also another major problem.

A study in USA reported that medical identity fraud cost **was** about \$20 billion in 2014.¹⁴ In 2017 another study reported that the rampant effects of identity theft raised major concerns as the financial losses from medical identity theft totaled \$36 billion yearly.¹⁵ Though it is difficult to put a figure on the financial loss associated with medical identity fraud in the Nigerian health insurance system, anecdotal reports from some healthcare providers show that it is a growing challenge. The burden of impersonation is primarily borne by healthcare providers and HMOs. A primary healthcare provider suffer losses when a person who is not registered on the hospital’s patient panel access care at primary level using another individual’s card, while the HMOs suffer losses

when persons who are not registered on the HMO's patient register access care at secondary level under another person's identification.^{16, 17} These ultimately affect healthcare utilization, expenditures and funding, the effects of which spill over to the entire system.

The legal aspect of medical identity fraud is another area which should be explored. The insured person who offers his/**her** health insurance card to be used and the uninsured person who impersonates the insured to receive medical benefits have both perpetrated fraud. Impersonation is a crime and it is duly provided for in the Nigeria Criminal Code Act, Chapter 46. Section 484 of which states that; "any person who, with intent to defraud any person, falsely represents himself to be some other person, living or dead, is guilty of a felony, and is liable to imprisonment for three years."¹⁸ Similarly, as provided for in section 487 of the Act; **"**any person whom a document has been issued by a lawful authority to certify him for certain privileges and proceeds to lend or give such documents to another with the intention that the other person presents himself to be the person named therein is guilty of felony and liable to imprisonment for three years.**"**¹⁸

The NHIS operational guideline also made provisions for addressing impersonation. Section 4 (Offences, Penalties and Legal Proceedings), states that; **"**when a beneficiary willfully and intentionally allows the usage of his NHIS card by unauthorized persons to access service, the persons involved are

liable to prosecution and the enrollee will be made to refund the cost of consumed medical care.”¹⁹

Conclusion

The medical identity fraud reported in this study is medical identity impersonation, which involves knowingly giving one’s health insurance card to be used by another person. Medical identity theft is uncommon in the Nigerian healthcare system and it involves ‘stealing’ and using another person’s card to access medical services without his/her knowledge.

Usually, undetected fraud generally continues and increases; hence, there is a need to take concrete steps towards curbing it. The general populace should be enlightened that impersonation is a crime for both the card lender and the impostor. People need to be aware that the notion of helping someone by lending him/her their health insurance card is wrong and dangerous to all parties. It is essential also to include the ills of medical identity fraud in health insurance enlightenment and advocacy fora.

Healthcare facilities need to improve on the use of patient information e.g. full names, date of birth/age, medical history, anthropometric measurements e.g. height and weight, and photo identification in the verification and authentication processes. The use of family folders (rather than individual folders) should also be discouraged.

Healthcare workers should be trained in medical identity fraud detection and encouraged to work together as a team. Healthcare facilities should create a

“zero tolerance” policy towards fraudulent behaviours and also set up institutional frameworks to ensure that necessary actions are taken according to the provisions of the law when fraud is detected.

Further research on medical identity fraud in the Nigerian healthcare system regarding the incidence and strategies on detection and prevention is desirable.

This will inform on the magnitude of the problem and assist in making appropriate policies to mitigate this challenge confronting the health insurance scheme in Nigeria.

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