

## Identity Theft Assistance: How to Protect Your Employees From Today's Fastest Growing Crime

Are you a victim of identity (ID) theft, or do you know someone who is? Unfortunately, the answer is probably yes. ID theft is one of the fastest growing crimes in the world.

In a recent survey, more than 33.4 million Americans reported that they have been victims of identity theft or fraud since 1990. The survey also shows that victims' out-of-pocket expenses were an average of \$500 apiece, the Federal Trade Commission (FTC) reports. Over the same period, businesses and financial institutions lost \$48 billion, or \$4,800 on average, on fraudulently purchased items. Last year, identity theft was the most common consumer complaint registered with the FTC.

### Identity theft's impact on employees

Experiencing the crime of ID theft has been compared to having your home burglarized. The onset of fear and anxiety is almost instantaneous, much like that of a home invasion. Here is one real-life example:

“It was quite a shock to us when we suddenly found out that we had no credit. We were being accused of defaulting on loans, not making car payments, and overdue on credit card payments. We were suddenly being called by stores that we never heard of, banks demanding payment on cars or loans that we didn't have, collection agencies demanding that we pay immediately on some account we never heard of, or face legal action against us. We have been fighting this nightmare since March 1997, when we first realized what was happening. It has cost us over \$6,000 in attorney fees.”  
(Source: Federal Trade Commission)

If a company's employee becomes a victim of ID theft, her workflow may become disrupted or even come to a standstill with the stress caused by this crime. She may spend countless hours calling credit card companies and reporting services to reclaim her good name and credit.

The unfortunate news for most victims of ID theft is that it is their burden alone to fix their credit and pick up the pieces after the devastation has occurred. On average an ID theft victim can spend between 30 and 600 hours recovering from this crime.

### How ID theft/fraud is committed

The following responses were provided by actual victims of ID theft from a 2003 Harris Interactive survey conducted online of 3,462 U.S. adults. Of those who knew how the ID theft or fraud was committed:

- 34 percent said someone obtained their credit card information, forged a credit card in their name and used it to make purchases
- 12 percent said someone stole or obtained improperly a paper or computer record with their personal information on it and used that to forge their identity
- 11 percent said someone stole their wallet or purse and used their identity
- 16 percent said it was a friend, relative or co-worker who stole their identity

### How employers can help

Referring an ID theft victim to the employee assistance program (EAP) is one of the most helpful and empathetic gestures an employer can make. The very nature of an EAP is to *help* employees deal with external factors that cause an employee to become less productive in the workplace. There has never been a greater need for employees to have access to a comprehensive program that can address and mitigate ID theft issues that cause pain, suffering and overwhelming stress. By providing an employee with access to a fraud resolution program, employers enable their employees to protect themselves and also establish a formal process so that if and when ID theft occurs, they can direct their employees appropriately in a timely manner.

As of January 1, 2005, ValueOptions is providing ID theft services to all clients who have legal/financial services through the EAP.