

Identity Theft Supplement

An Overview of Issues and Problems in 2008 and the Resulting Changes for 2012 and Beyond

Problem 1. Inability to distinguish attempted from successful incidents of identity theft.

Cause

Instrument dichotomy- Successes versus Attempts

The household NCVS identity theft questions measure whether a household was victimized by the *use or attempted use* of personal information for fraudulent purposes. The supplement, however, was designed to differentiate episodes of id theft as either successes (meaning some monetary loss, new account opened, or personal information was used to complete a fraudulent act) or attempts. Attempts were directed to a separate 'Attempted but failed module' and therefore, were skipped out of questions pertaining to the most recent date of the identity theft (items 7d1 and 7d2), victim impact, and direct financial loss. The attempt module included modified questions pertaining to victim response, police response, and relationship to the offender. The survey instrument blurs the distinction between the two modules. For example, a victim of credit card theft should be in the attempt module if the offender was not successful in charging anything to the credit card. However, in the first question of the attempt module, one response option is that the victim discovered the attempted identity theft after he/she 'contacted the credit card company to report a theft and was told that fraudulent charges had already been made.'

H. ATTEMPTED BUT FAILED MODULE	
INTRO 2: Now, I would like to ask you some questions about the attempted misuse of your personal information to commit identity theft during the last 2 years.	
43. How did you FIRST find out someone had attempted to misuse your personal information? When answering this question, please think only about when you found out about the attempted misuse.	<p>DISCOVERED BY RESPONDENT</p> <p><input type="checkbox"/> a. I contacted the credit card company or bank to report a theft and was told that fraudulent charges had already been made.</p> <p><input type="checkbox"/> b. I applied for credit, a bank account or loan, telephone service, employment, or government benefits, etc. and had problems.</p> <p><input type="checkbox"/> c. I checked my credit report</p> <p>NOTIFIED BY FINANCIAL INSTITUTION</p> <p><input type="checkbox"/> d. I received a bill that I did not owe.</p> <p><input type="checkbox"/> e. Credit card company or bank contacted me about suspicious activity on my account.</p> <p><input type="checkbox"/> f. My credit monitoring service contacted me.</p> <p>NOTIFIED BY OTHER PARTY</p> <p><input type="checkbox"/> g. A law enforcement agency notified me.</p> <p><input type="checkbox"/> h. A company or agency notified me.</p> <p>OTHER</p> <p><input type="checkbox"/> i. Had something else happen - Specify _____</p>

Solution

Single instrument with identification of successes and attempts during the data analysis

Rather than attempt to separate successes from attempts in the instrument, all victims and attempted victims will be asked the same questions. The identification of attempted versus successful identity theft victimizations will be done during the analysis on the basis of whether the victim suffered any direct loss as a result of the theft. If the direct losses are zero and the offender did not obtain any money or services using the victim's identity, this is an attempted theft. If the offender obtained any money or services, regardless of whether the victim was reimbursed, this will be classified as a successful incident of identity theft. The single module approach will significantly simplify the instrument and provides a clearer means of distinguishing between attempted and successful incidents of identity theft.

Problem 2. Inability to report a 1-year prevalence of the number and percentage of identity theft victims.

Cause

Missing date information

Asking respondents to remember incidents during a two-year reference period and then ask them to pinpoint the year and month in which the incident occurred was challenging

for respondents. For 148 cases (success only), the month of the last incident of id theft was missing so it is not known whether the id theft occurred in the past year or the past two years. The date of last incident was not asked of those respondents in the attempted module at all, so it was not possible to attribute attempts to a one- or two- year reference period. Therefore, all 2008 data had to be reported for a two-year reference period, which is more complicated for data uses who are generally conditioned to expect annual rates and frequencies.

Solution

One-year reference period

In order to simplify the instrument and ensure the ability to report on the annual prevalence of identity theft victimization, the reference period was reduced from two years to one year. An analysis of the 2008 cases that could be classified as within a one- or two- year reference period, revealed a disproportionate number of incidents occurring during the most recent 12-months, compared to the number occurring in months 13-24. This is in line with other research that suggests that a 12-month reference period results in less recall error than a longer reference period. Thus, the one year reference period not only simplifies the instrument but also eliminates some of the error associated with a respondent's inability to recall information that happened more than 12-months earlier.

Long-term consequences

OVC raised concerns that identity theft victimization can take years to resolve. The reduction in reference period would exclude victims who experienced identity theft more than 12-month prior to the interview but were still experiencing the consequences of the identity theft. In order to include these victims and ensure that these potentially serious cases were being picked up, a new section on the long-term consequences of identity theft was added to the instrument. The new section targets respondents who experienced the identity theft more than one-year previously and would have been excluded from the majority of questions about the consequences of identity theft victimizations, but who are still working to resolve the problems associated with the theft.

Problem 3. Inability to attribute the consequences of identity theft victimization to a single type or incident of identity theft.

Cause

Lack of specification following the screener

In the 2008 ITS, identity theft victims did not specify whether they experienced one or more incidents of identity theft. Regardless of the number of incidents experienced, victims moved forward from the screener to the follow-up questions without any specification of the particular incident to which they referred with their responses. Therefore, the response to the detailed questions cannot be attributed to a particular type or incident of identity theft. For the victims who reported multiple types of identity theft, it was unknown whether the multiple types occurred at the same time or separate times, yet the follow-up questions do not ask the respondent to consider one particular incident

in his or her responses. A victim that experienced multiple incidents may have responded one way one time and another way another time, but these responses are all melded into one. Similarly, a victim may have experienced more than one incident of the same type of theft (for example, the victim experienced two separate situations in which an existing credit card account number was misused) but again, the follow-up questions assume that the response and consequences are associated with a single incident.

Solution

Focus on most recent incident

The revised instrument provides the respondent with instructions on how to define an incident (i.e. please count a series of related misuses or transactions as a single incident or occasion) and then asks if they experienced one or more incident during the prior 12-months. For those who experienced more than one incident, the field representative instructs them to consider only the most recent incident in their response to the follow-up questions. While this approach may introduce some error among respondents who have difficulty discerning whether misuses should be attributed to the same incident, it provides substantial clarification to the 2008 approach.

Problem 4. Inability to adjust for possible double counting of monetary losses due to individuals with joint accounts.

Cause

The complexity of ascertaining how to treat joint accounts

Ascertaining whether the respondent is reporting the misuse of a joint account that has already been noted by another respondent is difficult. A victim could be a joint account holder with someone under the age of 16, someone outside of the household, or have experienced the misuse of more than one account with only one being a joint account and in all these scenarios the victim's responses would not be examples of a potential double counting of the same victimization.

The 2008 ITS contained a series of questions pertaining to joint account. However, for several reasons the 2008 data was ultimately not adjusted to account for these joint accounts. First, joint accounts were only defined for successes and not attempts. Therefore, we could only adjust for direct loss in successes and not indirect loss for attempts with joint accounts. Joint accounts with persons outside of the survey age range (under the age of 16) could only be identified for accounts with persons within the household and not for accounts with persons outside the household. Additionally, victims of multiple types of identity theft only reported if one of the accounts used was a joint account but did not specify the number of used accounts that were jointly held or if any of the used accounts were not joint accounts. Therefore, it was not clear how much of the reported 2-year financial loss should be adjusted for joint accounts.

Solution

Removal of joint account questions

It was determined that the joint account questions were unnecessarily burdensome and complicated for respondents without having much practical use. These questions were removed in the revised instrument. In terms of the prevalence of identity theft, the argument can be made that each holder of a joint account that is misused is a victim of a crime and may suffer personal consequences as a result of this victimization. The direct financial losses may be somewhat overestimated because of the double counting of loss coming from a small number of misused joint accounts. The readers will be made known of this potential error and also of the areas in which the direct financial losses associated with identity theft may be underestimated (for example, the losses suffered by child identity theft victims).

Problem 5: Inability to report on victim impact for all victims

Cause

Attempt versus success modules

In 2008, the victim impact items were only asked for successes. However, it is quite likely that even if nothing was successfully taken or used, a person will still need to go through the process of acquiring new cards, information, credit checks/alerts, etc. and this could have a similar impact on the victim's life, stress and relationships as a successful crime. The inability to report on the emotional and physiological impact of identity theft for all victims may have been confusing for the reader. It can also be seen as diminishing the potential seriousness of having someone attempt to use one's personal information.

Solution

Single module approach

The elimination of the attempted versus successful modules will solve this problem. All victims will be asked questions about the emotional and physiological impact of victimization.

Problem 6: Offender data not collected for the majority of victims

Cause

Skip patterns

First, the skip process for "success" did not function properly. The skip pattern inadvertently skipped out single types of successful/completed thefts. Only successes from multiple types with a single theft and all attempts were given the offender questions. Only 276 cases out of the 1970 successful cases received the offender questions.

Second, offender questions were only asked if the victim experienced one type of identity theft(s) or if multiple types of theft occurred during a single episode. If the victim experienced more than one incident of the same type of id theft (e.g. multiple credit card thefts during the course of two years) the offender information would only be provided for one incident. If the victim experienced multiple types of id theft resulting from separate incidents (86 cases), the offender questions were not asked.

Solution

Simplification and checking of CAPI instrument

The revised instrument has been simplified to reduce the number of skip patterns and check items. This will reduce error on the part of the field representatives and the programmers of the CAPI instrument. BJS has also requested a review copy of the CAPI instrument prior to administration to ensure that it functions properly and the skip patterns were programmed correctly.

Problem 7: Inability to adjust for victim risk and exposure

Cause

The 2008 ITS did not ask respondents questions about credit card or banking account ownership and use. Thus the prevalence of respondents who experienced the misuse of an existing credit card or banking account is based on the total population, rather than on the population of those respondents who had these types of existing accounts in the first place. Without this baseline information there was no way to assess individual risk or exposure which severely limited our ability to establish demographic estimates and to understand patterns of victimization.

Solution

The revised instrument contains questions in the screener about whether the respondent had a credit card and banking account during the prior 12-months. Respondents who did not have an existing credit card are skipped out of the question about the misuse of an existing credit card account and the same with banking accounts. This change will allow for the calculation of a rate of credit card account misuse among those who had a credit card which is a more accurate calculation.

Problem 8: Inability to establish causal ordering of risk avoidance behaviors and victimization

Cause

The 2008 ITS asked all respondents, victims and non-victims, to report on whether they had engaged in risk avoidance behaviors, such as shredding documents and getting regular credit reports during the past year. However, the 2008 ITS did not ask whether these behaviors occurred prior to or as the result of an identity theft victimization. Thus, the analysis could not speak to the effectiveness of these behaviors in preventing identity theft or to the percentage of respondents that engaged in these behaviors proactively versus the percentage that engaged in these behaviors to prevent further victimization.

Solution

In the revised ITS, a respondent who reports 'yes' to any of the risk avoidance behavior questions is immediately asked "Did you do this in response to the most recent or any prior misuse of your personal information?" This addition will not increase the respondent's burden significantly but will provide important context for when the

behavior began in relation to any identity theft victimization that the respondent experienced.