

Testimony of Judy C. Rivers
Before the Committee on Homeland Security and Governmental Affairs
United States Senate

March 16, 2015

Examining Federal Improper Payments and the Death Master File

Good afternoon Chairman Johnson, Ranking Member Carper, and distinguished members of the Committee. Thank you for inviting me to speak about my experience with the Social Security Administration's Death Master File.

As I prepare to tell you about my experiences, allow me to introduce myself. My name is Judy Rivers and I am a communications, marketing, and product development specialist with over 35 years experience. I founded my own firm in the late 1980's in Birmingham, AL. My clients included a broad mix of industries and businesses on a local and national level.

J. Rivers and Company, Inc. received numerous awards for creativity, marketing, and public relations—including the prestigious International Packaging of the Year Award.

My public service work included Board of Directors for Birmingham's University of Alabama Fund Raising, the Alabama Small Business Associations' Board of Directors, St. Jude's Children's Hospital Fund Raising, and the Alabama Muscular Dystrophy Fund Raising Board.

The Death Master File

It's often been said that Washington, DC is the capital of unintended consequences. That is certainly true of the Social Security Administration's Death Master File, created at the behest of U.S. business interests in hopes of ending identity theft and other personal security abuses

Instead, this computer file has become a testament to bureaucratic blundering that often leads to Orwellian nightmares for Americans who have difficulty convincing a data-driven world that they are, in fact, alive. Ironically, families of the deceased often have difficulties in proving that the deceased is their family member.

This file has become an aid to the very crooks it was intended to thwart—contributing to the billions of dollars of government waste in fraudulent and incorrect payments, medical theft, and tax and health-care fraud. Yet each week, Social Security continues to send out a report riddled with mistakes. Mistake estimates range from 700 to 2,800 entries a month. Based upon the many contradictions discovered during my research, I don't think anyone actually knows. Considering the list has been distributed for over 34 years, the total has been estimated to be well over half a million people.

The announcement by CNS news on March 9, 2015 that an audit conducted by the Social Security Administration's Inspector General on March 4, 2015 discovered 6.5 million active cardholders' names age 112 or older. I think we can safely assume that the number of mistakes on the DMF is probably closer to seven million. That's a lot of errors, which translates into even larger amounts of financial waste and identity theft.

The cost doesn't affect just the government but individuals as well. It has been estimated that the average

cost incurred by an individual in correcting an identity theft is over well over \$2,000.00. According to the Ponemon Institute the estimated cost for correcting medical identity theft is much higher—\$20,000.00 to \$100,000.00

My Experience With The Death Master File

“Rumors of my death have been greatly exaggerated.”

Mark Twain

I have twice experienced life as a “cyber-ghost” through mistaken listings on the Death Master File. The first incidence was fairly painless and occurred in 2001. I had a couple of minor identity problems but I didn’t think anything about it. Like most Americans, I had never heard of the DMF. The second time I not only found out about it, I lived it for five years.

I could never have imagined I would reach the point of hopelessness, homelessness, financial destitution, loss of reputation and credibility, unable to obtain a job, an apartment, a student loan or even a cell phone. Suspected as an identity thief by nearly every apartment manager or Human Resource Director I encountered became a way of life. Each time I got into my car I was panic stricken that the police would stop me and I would have to try and prove my identity.

I want to make clear that every problem or obstacle I encountered during this period was not a direct result of the DMF. Fate, bad luck, poor timing, my age among other things, each contributed to my problems. However the DMF was always there like a propagating Hydra magnifying every problem I encountered.

There is no good time to be listed on the Death Master File as anyone that has lived through the experience can confirm. My cyber-ghost ordeal started in 2008 during the worse point in my life. I had just lost both parents after nearly 17 months of providing full time care. I was physically and emotionally exhausted, financially drained and facing serious problems.

Years earlier my parents made a will leaving me their home and property. I knew I would always have a home so was never concerned about it. But fate has a way of stepping in and I did not receive my property. So, along with the loss of my parents, I lost my home, my savings, and given four days to leave. I had no time to be angry or ask questions I had to act quickly.

I frantically began a search for an apartment that I could move into quickly and inexpensively. Over the next four days I followed every lead, visited every apartment complex, and even looked at trailers, which terrified me. I completed application after application with no positive results.

Selling most of my coin collection gave me a financial back up so I had ample funds for the apartment but nothing closed. I was at a loss as my references were impeccable. Out of desperation I called my best friend, Russell. I quickly told him what had happened and asked if I could move into his spare room for a few weeks. He said yes and the next day I packed my few things and moved in.

I spent the next couple of days cleaning, getting my things in order, and setting up my computers. By the fourth day I was on the computer searching for an apartment, reconnecting with contacts, job searching, writing resumes, and studying the job market to determine what type of skills I would need to start a new career.

My contacts gave vague promises of “calling around” for job opportunities. I continued to apply at apartment after apartment, moving further out of town in hopes of finding something more price sensitive and that would accept me. This time I took my resume, a statement of my bank account, and letters of reference.

Again, nothing worked out. I was turned down for reasons I couldn't understand. Responses included: “could not confirm information;” “information inaccurate;” or “income cannot be verified.” I assumed being out of the workforce and having no contact with the world for nearly two years must be the problem.

I decided on the type of training I needed and starting applying for a school loan. Again, I met with nothing but rejections after they received my paperwork. Week after week working 12 hour days made the months pass quickly.

Then, unexpectedly, I was asked to leave the apartment by the landlord because I was not on the lease. For the first time in my life I was homeless and with no prospects.

My only solution was to live in my car. I searched the net and found articles on the subject. Leaving most of my things in the apartment, I carefully packed necessities, my two puppies, told Russell to hold my mail, and carefully drove away, my tears making it nearly impossible to see.

Nearly three months passed in a nightmare of despondency and desperation with my only contacts the computer, job interviews that went nowhere, and apartment managers turning me down. I did find odd jobs paying minimum wage or slightly more for care giving and house cleaning. \$8.00 to \$10.00 an hour was a lot less than my last 6-figure job in Dallas, TX. However, I was grateful for the work and saved every penny possible.

By early December I was ready to give up. I couldn't sleep, focus, or work efficiently. I was convinced my life would never be the same and questioning reasons to continue it. I knew something was wrong but couldn't pinpoint the problem.

A couple of days I was leaving a mall after I had applied for a job when I ran into an old friend, Mary Kate. While talking I mentioned I was looking for an apartment and a job and found she had an apartment to rent. I told her my situation and asked if I could see it right away. By evening I was in *MY* apartment watching the puppies play and enjoying my first cup of coffee.

Empathic for my situation, Mary Kate made a deal on the rent and deposit. She even went to her warehouse and brought back a few pieces of furniture, house hold, and kitchen items. Compared to the car, I was living in the Ritz. I thought my luck had turned.

I intensified my job search sending resumes by the dozens and, lowering my expectations, wrote and mailed resumes for any kind of job at any level available. My pride had long ago vanished.

The rejections came as quickly as I sent mail out. The return messages changed to constant variations of “social security number could not be confirmed,” “identity could not be confirmed,” and “social security number inactive.” Puzzled I went to the Social Security office and requested a check on my records. I was assured my accounts were in order and was given a letter stating that. From that point on, I included it with every application I mailed.

In March 2009, one of my contacts came through with a job. I was going back to work and it would give me the opportunity to make great contacts. Monday, March 8, 2009 I dressed in one of my best business

suits and arrived at work early eager to begin. I worked late into the evening and headed home in the night, thanking God for a home and a job. That's the last thing I remembered.

I awoke on a hospital table, my entire body clenched in pain. Groggy, I tried to answer questions from nurses, doctors, and police officers. There was some confusion over who I was, who the car belonged to, and my insurance. Unable to really understand what I was being asked, I suddenly saw Russell and his father walk into the room. He was my emergency contact and the police had called him immediately.

"What happened?" I asked weakly. A police officer explained that I had been struck by a car going over 30 mph while I was stopped at a red light and my car was totaled. I groaned, but this time in disgust.

I don't know what Russell said but the questions stopped and a lengthy examination began while I begged for aspirin or something for the pain.

Finally, the doctors came back and told me the news. No internal injuries but a concussion, severe bruising, glass fragments which had to be removed, and seven damaged vertebrae but could not be sure of the extent until the results came back. They gave me something for pain, and then placed me in a neck and back brace. I realized in a single moment, I had lost my job, my car, seven perfectly good vertebrae, and the last of my hopes.

The next few months were filled with doctor's appointments, meetings with attorneys, pain, and utter despondency. My attorney visited several times requesting additional identification and references. I had no idea what he was doing and, in my present mood, didn't care. I just gave him anything he requested and told him to call my insurance agent.

I replaced the car with the insurance check and a small loan from the dealer's bank. Other than that I sat at home, depressed and going out only when absolutely necessary.

After several weeks, I got back on my computer and the phone searching for jobs and a school loan. I received calls for interviews but after completing forms never received a call back. Banks and admission offices kept turning down loan requests. Advances from my legal firm paid the hospital and doctor bills and kept me afloat. However my despondency had turned into a deep depression. I lived on caffeine and Advil and continued to lose weight until I hit 103 lbs at 5'8". I looked ten years older than my age and felt like I was 100.

After 14 months the insurance company settled the case and my attorney brought the checks to me. The same day I went to the bank that handled the car loan and opened a checking account and deposited the checks.

A couple of days later, I went back to open a second account. The clerk took all of my information, typing it into the computer. She frowned, shook her head and said "I must have done something wrong," and entered all the information again.

This time she excused herself and came back with the bank manager and we went through the entire routine again. The manager stood up, handed me my identification and said, "I'm sorry but we won't be able to help you today. Your social security number has been inactivated. We are going to have to freeze your account," and turned to walk to her office.

I stormed after her and spent the next hour in an exercise in futility. The manager refused to shed any more light on the subject. She'd become a Fort Knox. She knew nothing. She saw nothing. She reported to no one. By the end of the encounter, even her name appeared to be top secret.

I demanded to know where the information came from and the manager refused to provide any information or a copy of the report, which I thought, by law I was entitled to. She finally took the one page report, folded it until only one line showed. It read,

“Social Security Number deactivated _____ 2008 due to death.” I couldn’t quite make out the date. I thought it said April but the manager again refused and personally started to escort me out of the bank.

I pulled away and softly asked, “You’re trying to tell me I’ve been dead for two years and no one bothered to tell me?”

I had had enough, “You’re freezing my bank account and seem determined to tell me nothing. What do I do now?” I asked angrily.

The only sliver of information she offered was that I should double-check my “death” with the Social Security office and see if they could confirm that I was who I said I was and my Social Security number was still active.

I was in shock. This bank had given me a car loan a few months earlier. They were happy to open a checking account and take my money, and were now telling me I was dead and keeping my money.

I have since thought that we trust computers because we can type virtually anything into them and get an answer. Because they are often right, we believe they are always right. The bank manager goose-stepped right into that mind-set. Her computer system told her something, and she chose to believe it over her own eyes.

Determined to get to the bottom of my death before the end of the day, I went back to the Social Security office.

“Yes, I’m really sorry, ma’am, but there’s absolutely nothing we can do about this,” the same girl at the counter said. “It really is a banking issue.”

“Look, just a couple of weeks ago you told me my records were fine, no problems. The bank just told me I have been reported as deceased on some report they refused to let me see. They have frozen my checking account and treated me like an idiot. Until someone starts giving me some answers that make sense, I will plant myself here until I get some. They’re pointing the finger at Social Security; you’re pointing the finger at the bank. One of you is wrong! I’ve run in circles all day. I need someone to take responsibility. I need some help.” I stopped, exhausted and realizing I was ripping this poor girl apart for my problems.

I inhaled deeply, calmed down and quietly asked, “Who is reporting me as dead?”

The girl ran a hand through her hair, making it as frazzled as I was feeling. “I don’t know. As I’ve told you, it wasn’t us.”

“So you say, but you must have some idea where this is coming from—maybe not specifically in my case, but in general? Surely I’m not the first person to come in your office with this complaint.”

The girl sighed. “No, you’re not. If I had to take a guess, I would say it’s one of the consumer credit reporting agencies or financial institutions. But I’m no expert and you did not hear that from me.”

“Okay,” I said, delighted to finally make some headway. “So it’s TransUnion, Experian or Equifax?”

“Sort of, but financial institutions have their own credit reporting agencies, like ChexSystems, Telecheck, and SCAN. However reports of death usually come from the Death Master File.”

“The what?” I asked quickly grabbing a sheet of paper and scribbling notes.

She rolled her eyes as if I were brain dead then explained that the Death Master File is a list the government keeps of all citizens with a Social Security card listed as deceased and advised me to keep the letter she had provided with me at all times. She couldn't or wouldn't tell me anything else.

Now even more confused, I headed to the bank where I had held an account for nearly 30 years and met with the manager. I told her my story and she listened, nodding her head.

That's when my education on the Death Master File began. She informed me the Patriot Act requires all banks and financial institutions to check the identity of new customers as a way to cut down on fraud. Because I'd been with this bank for so long, my account was “safe” until someone ran my Social Security number. Since banks don't make a policy of checking the ID numbers associated with existing accounts on a regular basis, it would be less likely that my account would be flagged, even if the system listed my Social Security number as inactive.

However, for new customers as I was at the first bank, an identity check was required. Financial institutions use Customer identification programs (CIPs) to compare basic information such as name, age, address, and Social Security number against your credit report.

Regulations state that the banks and their counterparts adopt reasonable policies to verify the identity of customers, keep records of the information used to identify customers, and cross check customers' identities against federal government lists of suspected terrorists.

Most financial institutions go a step beyond and subscribe to special consumer credit services. Under the Fair Credit Reporting Act (FCRA), the bank has to have a reason for checking a client's personal information, such as a credit transaction. But before they can check it, they have to get permission from the client in writing.

In other words, my first bank was in violation of the Fair Credit Reporting Act (FCRA) when they wouldn't tell me where the report of my death came from. Unfortunately, it was a catch-22: You have to be who you say you are for them to share that information and, in order to put a stop to the misinformation institutions may receive concerning your identity you have to know who's reporting it to begin with.

“What do I do now?” I asked disgustedly. “How do I know which company reported me?”

She continued telling me most banks don't want that information revealed as she reached for a memo pad, wrote something and slid it across the desk to me.

“I can give you a letter from this bank, identifying you personally as a long term customer. This and the letter from Social Security may help clear things up at the other bank.”

As I stood to leave, she cautioned me, “Judy, this could cause some serious problems. I think we should put safeguards on your account here. If you are on the DMF, all of your personal information, name, birth date, and social security number are now in virtually every financial database in the U.S. It's also in the public domain openly posted on the internet. Anyone can access your information and create complete

havoc with your finances and your life. I've watched it happen too many times.”

I stood there trying to comprehend the enormity of what she was saying. Every piece of information I had been so careful to keep private the U.S. government had not only sold to anyone wishing to purchase it but openly posted it on the internet.

Trembling, I slowly sat back down. “Could this be the reason I haven't been able to get an apartment, a job or a student loan? Is this why I've been treated like a criminal?”

“Judy, your information has been out there for over two years, I'm surprised you haven't had more problems than you've encountered. I suggest we take some precautionary steps. Let's put an alert on your bank account and debit cards. I can go ahead and get started on it today.”

I nodded in agreement.

She continued, “However you are going to have to take immediate steps to get this cleared up.”

“I'll do anything,” I murmured my concern evident.

“First, you have to find out who reported you as deceased. The other bank knows but they aren't going to tell you so you are going to have to contact every bank service firm and Credit Report Agency. Call first, alert them to the problem and then send follow up letters. Stay on their backs or they will ignore you. I would also alert each of them that I had been mistakenly listed as deceased and fear you could have an identity theft problem. Don't say you have but that you are afraid you will.

“Pull your credit reports and review them carefully, look for anything unusual and report it. Check with the state and county records' offices to see if they have a death listing for you. If they do, they will know who reported it. Put alerts on any other credit or charge cards you have or cancel them for safety until you get this straightened out.

Remember, all of these companies move slowly and they don't like to admit mistakes because it creates liability. Keep on top of them.”

“I will get right on it,” standing up again I gratefully said, “thanks for talking with me, I had no idea what to do.”

“You're a smart cookie; you can get this straightened out. Go home and get on the internet and start researching. You'll find out more than you want to know. Remember, this is going to take time and effort and no one is going to do it for you. You may get lucky and get it cleared up fast or it could take longer. Do know that it could get worse before it gets better.”

We shook hands and I left. Driving home I didn't know if I felt better or not. Her last words kept running through my mind, “It could get worse before it gets better.” I didn't know what worse was, but I was determined to find out. I suddenly remembered the piece of paper she had passed to me and pulled it out of my pocket and looked at the one word in red ink, ChexSystems.

I drove home, turned on my computers and, as with any marketing problem, developed a research and action plan to recover my identity.

Understanding my life was literally on the line, I started immediately. By June 10th, my financial institution mailing list was developed and a planned series of letters and phone calls were implemented. It

is interesting to note here that not one company ever returned a call, answered a letter or sent a credit report even though I understood they were required to respond.

Interestingly, ChexSystems was the only company that ever answered a letter or phone call. My first calls and letters were in June, 2010. I finally talked to an individual in customer service in August. During September I received a letter dated August 22nd stating they had listed me as deceased based on information provided to them by the SSA and requested I forward information to prove I was still alive.

I finally had the answer of who reported me to the bank. Now I needed to focus on who else had and was distributing the information. None of the other financial companies would assist me. I still couldn't understand why. Why not just clear up the records? But rather than improving things the reports of my death kept spreading.

Within three months I had made great strides in my plan. Local news articles and radio interviews were conducted. A local television station did an interview. That wasn't enough. After I received the letter from ChexSystems I contacted Mr. Bob Sullivan, an investigative reporter with MSNBC. I sent him the details of my situation via email. Within 24 hours he contacted me and two days later his story went national, detailing the existence of the Death Master File and its victims.

I made copies of the story and mailed over 100 to old contacts, companies which had interviewed me and turned me down, and every friend and business associate I had. I wanted the momentum of my story to continue spreading, thinking it would eliminate my apparent image of an identity thief and broaden my chances for obtaining a job. I also attached it to every job application I mailed.

I had found a company called Identity Theft Resources and contacted the director, Mr. Jay Foley. Our conversations introduced me to the consequences for those listed—both living and deceased—and the billions of dollars lost each year in fraudulent healthcare claims, tax fraud and identity theft, and medical theft. I learned that my own government had been selling U.S. citizens' personal information through the National Technical Institute for over thirty years.

During that past year we spoke as often as two times a week. I was always calling to share either some bad news or a sliver of good news that happened. He participated in live radio interviews with me on several occasions and was always available for an interview or a speaking engagement. He understood the subject.

During one of our first discussions I asked him why the DMF mistakes happened so frequently. He explained the sources from which SSA collects its death information vary and are often unreliable. Data is filed by different levels of governmental agencies, funeral homes, churches, family members, the CDC, and other sources. The majority of states do not provide the SSA with their death lists so the SSA has to obtain them from other sources.

I asked him to give me a list of what victims could expect. The consequences vary from person to person however all are truly terrifying. An individual mistakenly listed as deceased faces an entirely different situation—proving they are alive. However both the families of a genuine deceased listing and a mistaken listing are both just as vulnerable to identity theft as their personal information is in the public domain. Consequences usually include one or more of the following:

1. Social Security number is deactivated.
2. Government or pension plan benefits cease.
3. Disability benefits cease.

4. Medicare or Medicare coverage is denied.
5. If there is an overpayment made due to the death date, a refund will be requested.
6. Bank, 401K, savings, pension accounts, and credit/debit cards are frozen.
7. Identity theft of all types.
8. Checking and savings accounts, 401Ks, home equity, and pension plans are drained by thieves.
9. Charges on existing credit and charge accounts which you did not make.
10. New credit card and retail accounts established in your name.
11. Major purchases such as homes, cars, vacations, etc.
12. Phones purchased in your name.
13. Utility accounts established in your name.
14. Medical identity theft—someone uses your information to receive medical care from a physician or hospital or receives prescriptions in your name. (Note: this is the most dangerous type of identity theft because the thieves' information is placed into your medical records which can be dangerous and almost impossible to remove.)
15. You receive invoices from doctors or hospitals for services never received.
16. You cannot open a bank, credit/debit card or retail account because your social security number has been deactivated.
17. You will not be able to rent an apartment or buy a home.
18. You will not be able to obtain a job and can lose a job if your employer thinks you are an identity thief.
19. Driver's license may be terminated.
20. Insurance can be terminated.
21. Arrested for crimes committed by others using your identification when caught.
22. Your identity is used by others to obtain jobs, visas or passports. (Note, two of the 9/11 terrorists pulled their American identities from the DMF.)
23. Tax fraud...thieves scour the DMF looking for the names of deceased elderly people and children. They use the identities to file bogus tax returns in early January and claim tax credits and/or bogus W2 forms to claim tax refunds. Although your identity is used, a fake address will be supplied and a debit card or check is issued by the IRS to process your refund. You will never know you have been a victim until you file your tax return and it is sent back stating "duplicate social security number."

Now in my 4th year as deceased, only the second I knew about, Jay asked me a question, one to which I had given a lot of thought over the preceding years.

"Judy, what is the hardest thing you have to deal with on a daily basis?" he asked.

"You mean besides being dead, out of work, being homeless, nearly arrested for using my own debit card?" I said laughingly.

"Yeah, besides all those things, I really want to know."

"The really toughest thing is understanding that a DMF listing is a circular problem."

"I don't understand."

“Jay, it just never ends. You get one company or bank straightened out by supplying them with the proper identification and you get taken off the death list at that company. Then you use them as a reference or someone calls them out of the blue because they are checking you out. The caller asks the questions and the cleared bank tells them you are who you say you are. At that point, the caller says something like, “I have read the record and have spoken with three other firms each of them tell me that Judy Rivers is deceased, and someone has applied for credit 18 times in 24 months.

“Come on, who applies for that much credit if their straight? It just doesn’t happen. I am keeping her on the list as high risk and you may want take a closer look. Then the company does take a closer look and decides maybe I am too much of a risk. After all no one needs that much credit.”

“So what happens is you get one credit or death listing cleared up and then something happens so you’re placed back on the death watch or no credit list with the same company and the company that called is convinced you are an identity thief. Is that what you’re telling me?”

“Exactly, and remember you are the one who told me to keep applying for credit cards because when I received one that would mean I was back in the financial system as alive. You get one place fixed and something pops up somewhere else.”

I paused, “Here’s the funniest incident. The very day I got my first credit card I couldn’t believe it so I went right next door and applied for a card at another department store. I was approved immediately. Two months later I go in and complete an application for a job during the Christmas rush. I receive a letter a week later telling me they cannot validate my information and will not be able to hire me. They give me a credit card, but won’t trust me to work in the store. That starts to break one down after a while.”

After a long pause Jay said quietly, “I have never thought of that but I can easily see how it happens in a dozen different ways.”

“But the worst part is that there is never going to be an end to it. Not as long as my information is floating around out there. It will never be over.”

In May, 2011, Mr. Thomas Hargrove, Investigative Reporter with Scripps Howard contacted me and asked if I would be agreeable to an on camera interview. I said yes. A camera team was sent in.

On July 8, 2011, Scripps Howard ran their first story in a series of stories entitled “Grave Mistakes.” Their print and television stations across the U.S. picked up the story and started running it. I suggest anyone interested in the devastation which follows the Death Master file read this series. It can be found at <http://projects.scrippsnews.com/magazine/grave-mistakes/toc>

As soon as the first story ran, my phone started ringing constantly. I put together a small book with instructions on what to do if. I created a series of scenarios such as Medicare stops, Disability stops; your bank account is wiped out and so forth. After I spoke to people, I would walk them through the steps to take and then mail the guideline to follow. At last, my experiences were able to help someone else.

In May, 2011, Mr. Thomas Hargrove, Investigative Reporter with Scripps Howard contacted me and asked if I would be agreeable to an on camera interview. I said yes. A camera team was sent in. Only July 8, 2011, Scripps Howard ran their first story in a series of stories entitled “Grave Mistakes.” Their print and television stations across the U.S. picked up the story and started running it. I suggest anyone interested in the devastation which follows the Death Master file read this series. It can be found at <http://projects.scrippsnews.com/magazine/grave-mistakes/toc>

As soon as the first story ran, my phone started ringing constantly. The stories were heart breaking.

1. An 83 year old who hadn't received her SSA checks for six months and could pay bills, get medication or buy food.
2. A gentleman lost his job because a medical thief left drug addiction and narcotic medications in his records.
3. A kid arrested twice because a thief had used his social security number when caught in the middle of a robbery.
4. A woman who came home one day to find her house had been sold.
5. The mother of an eighteen year old special needs child who found out that an identity thief used his information to buy a \$400,000.00 house.

If I was close enough I went personally to help. Eventually, I put together a short but comprehensive guide as to the exact steps to take and began mailing it out. Most of them, like myself had no idea what had happened or why. At least my experiences were finally helping someone else.

For me, the battle continued. I was nearly arrested for identity theft for using my own debit card. I was forced to leave the apartment and, as before, could find nothing, anywhere so I had to move back into my car for a six very long weeks.

Meanwhile I had received a student loan after sending every type of identification possible and paying a third of the tuition up front with a hefty monthly payment. Living in a car is not the best place to study. I continued looking for an apartment and a job and finally found a housekeeping position in a small country town which offered room and board. I took it and moved in. It lasted not quite four months.

The lady only paid one month. I left that night with just a few things and the next day went to the courthouse to file a suit against her.

However this time God intervened. A couple from my church saw me in the courthouse discovered my predicament, and offered me a camper which sat on their property as a home until I could find something else. They even helped me move my things out of the woman's home and into the camper and storage. In truth, they saved my sanity and my life.

That was December, 2012 and thanks to their kindness, I am still here and quite comfortable. That didn't clear up the problem of my death. I have confirmed that I was listed on the DMF in January, 2001 and removed shortly after. The report from ChexSystems stated a second listing in 2008 however no agency or individual has ever been able to confirm that and ChexSystems and the bank still refused to give me a copy of the report.

Jay Foley had told me in 2010 to apply for credit cards every week. I would know that I had been placed back into the financial system when I received a credit card. Finally, in May, 2012 I received a card. I stopped at TJMaxx, and as everywhere, applied for a card. I didn't wait for the expected refusal. I walked out of the store and heard someone calling my name. It was the store clerk. She ran to catch up with me, waving an envelope and saying I had forgotten my card.

Astounded, I just stood there. I was barely able to manage a thank you. To prove it was accurate, I immediately went to another department store and applied for a card. It was approved the same day.

I sat in my car and stared at the cards, thinking my problems were over. But that is not how the DMF works. When your information is out there, it's out there for anyone to use. I have in the last two years experienced one incident of attempted identity theft and two successful attempts at medical theft.

Through this five year nightmare as a cyber-ghost and my belief that it is never going to end, I found that I was, in fact, fortunate in my DMF listing.

My research had showed me the most devastating problems which occur by a mistaken DMF listing or even a correct listing. The effects can be tremendous, including financial theft, credit/debit card theft, the unexplained cessation of SSA, SSDI, Medicare, Medicaid, Pension and Insurance benefits. False arrests and the life and death consequences of medical identity theft can completely alter your medical records listing wrong blood types or illnesses and it is nearly impossible to correct medical records due to HIPPA laws.

As I didn't experience most of these problems I realized fortunate I had been.

The Financial Impact of Identity Theft on the Government and the Individual

My research continued to display the staggering financial losses the DMF and Identity Theft cost the government and its victims. I knew the government wasted dollars with an often reckless abandon however the DMF losses were massive that I kept double checking numbers to see if it could possibly be true. Recent examples include:

- 1. IG Audit: 6.5 Million People With Active Social Security Numbers Are 112 or Older**
Susan Jones, CNS News, March 9, 2015
<http://m.cnsnews.com/news/article/susan-jones/ig-audit-65-million-people-active-social-security-numbers-are-112-or-older>
- 2. Between 2002 and 2012, federal agencies spent more than half a trillion dollars (\$688 billion) on payments that should never have been made.**
Rob Garver, The Fiscal Times, January 15, 2014
Every year, according to their own recordkeeping, the agencies that administer major federal programs are now paying out more than \$100 billion dollars improperly, and even though they're aware of the problem, they recover only a tiny fraction for taxpayers. This adds up to huge losses for the U.S. Treasury.
See more at <http://www.thefiscaltimes.com/Articles/2014/01/15/Feds-Blow-100-Billion-Annually-Incorrect-Payments#sthash.y4ya61tb.mpRAmyt.dpuf>
<http://www.thefiscaltimes.com/Articles/2014/01/15/Feds-Blow-100-Billion-Annually-Incorrect-Payments>
- 3. Healthcare fraud is costing American taxpayers up to \$234 billion annually, based on estimates from the FBI. It's no wonder that a stolen medical identity has a \$50.00 street value, according to the World Privacy Forum – whereas a stolen social security number, on the other hand, sells for \$1.00.**
Rick Kam, GovernmentHealthIT, February 8, 2012
<http://www.govhealthit.com/news/glimpse-inside-234-billion-world-medical-id-theft>
- 4. Medical ID Theft Cost Americans \$20 billion in 2014**
Krystal Steinmetz, MoneyTalksNews, February 15, 2015
<http://www.moneytalksnews.com/medical-theft-cost-americans-20-billion-2014/>
- 5. U.S. Medical ID Theft Cost Jumps To \$41 billion**
Kelly Jackson Higgins, InformationWeek, July 10, 2012

[http://www.darkreading.com/attacks-breaches/U.S.-medical-id-theft-cost-jumps-to-\\$41-billion/d/d-id/1137996?](http://www.darkreading.com/attacks-breaches/U.S.-medical-id-theft-cost-jumps-to-$41-billion/d/d-id/1137996?)

6. **Medical ID Theft Increased by More Than 20% in FY 2014, Study Finds**
Ihealthbeat, Ponemon Institute, *Clinical Innovation & Technology* reports, February 24, 2015
<http://www.ihealthbeat.org/articles/2015/2/24/report-medical-id-theft-increased-by-more-than-20-in-fy-2014>
7. **Medical Identity Theft Costs Victims \$13,450.00 Each**
Sara Peters, Information Week, February 24, 2015
[http://www.darkreading.com/medical-identity-theft-costs-victims-\\$13450-apiece/d/d-id/1319210? mc=sm_dr](http://www.darkreading.com/medical-identity-theft-costs-victims-$13450-apiece/d/d-id/1319210? mc=sm_dr)
8. **IRS Paid \$5.8 billion In Refunds To Fraudsters; Will Hit \$21 billion By 2016, GAO Says**
HNGN News, (No author given)
<http://www.hngn.com/articles/69637/20150216/gao-irs-paid-5-8-billion-in-refunds-to-fraudsters-will-hit-21-billion-by-2016.htm>
9. **IRS estimated it prevented \$24.2 billion in fraudulent identity theft (IDT) refunds in 2013, but paid \$5.8 billion later determined to be fraud.**
GAO Rreport-15-119, Published Jan 20, 2015, Publicly Released Feb 19, 2015
<http://www.gao.gov/products/GAO-15-119>
10. **Government paid \$600 million in benefits to dead people**
Sam Hananel, Associated Press, September 23, 2011
<http://usatoday30.usatoday.com/money/perfi/retirement/story/2011-09-23/dead-people-receive-benefits/50530466/1>
11. **Social Security Paid 1,546 Dead People \$31 million -- Deceased Collected Benefits Up to 20 Years**
Elizabeth Harrington, CNS News, July 1, 2013
<http://www.cnsnews.com/news/article/social-security-paid-1546-dead-people-31-million-deceased-collected-benefits-20-years>
12. **Agencies can't always tell who's dead and who's not, so benefit checks keep coming**
David Farenthold, Washington Post, November 12, 2013
In the past few years, Social Security paid \$133 million to beneficiaries who were deceased. The federal employee retirement system paid more than \$400 million to retirees who had passed away. And an aid program spent \$3.9 million in federal money to pay heating and air-conditioning bills for more than 11,000 of the dead.
http://www.washingtonpost.com/politics/agencies-cant-always-tell-whos-dead-and-whos-not-so-benefit-checks-keep-coming/2013/11/03/5e0b89f6-40be-11e3-a751-f032898f2dbc_story.html

Solution Considerations

I realize that there is no single solution to the many problems created by the Death Master File and still serve the needs of the government and its citizens. What is needed is a carefully developed program that will address each of the problems. Considerations could include:

1. The SSA or other government agency must take responsibility for the accuracy of the database rather than passing the responsibility to users with a weak disclaimer stating that all information

must be verified. Yet no follow up, reviews or penalties are in place to ensure the compliance of that disclaimer.

2. Cleansing of the existing database removing all errors.
3. A verification system to ensure all errors has been eliminated.
4. More efficient and accurate methods of collecting data including narrowing the sources for initial data to ensure reliability.
5. A cross-referencing system for comparison of data to eliminate mistakes before they are placed in the final database.
6. Tighter restrictions on the dissemination and use of the data among internal and external agencies.
7. Regulations requiring every internal agency responsible for monthly payouts, conduct a yearly audit of all recipients' to ensure continued eligibility.
8. Establish low error guidelines and impose strict penalties for those agencies that exceed them and rewards for those who lower than further.
9. A structured protocol for the dissemination and use of data.
10. A Rapid Response Program to inform individuals and agencies of mistakes and to ensure they are corrected within days, not months.
11. Contact the CRA's and banking financial systems directly on behalf of the victim.
12. Impose severe financial penalties to external agencies for not correcting errors within a period of days after receiving notification of them. Those agencies that continue to exceed correction deadlines should be refused use of the database.
13. Create a Rapid Response Assistance program for individuals that have been mistakenly listed or who have experienced any type of identity theft. Provide websites, toll free phone lines, and trained counselors who can cut through the red tape and find solutions quickly for every type of identity theft and mistaken listings.
14. Review relationships and regulations with all financial agencies that utilize the database with stricter guidelines on use and continued distribution of incorrect information. Enforce regulations that require all financial agencies to immediately inform ALL CLIENTS of any errors and have them immediately removed from their databases.
15. Consider regulations that place the burden on the institutions/companies to compensate consumers for damages created by their mistakes.
16. Extend the Statute of Limitations for consumers to litigate distribution of incorrect and harmful information.

Afterword

Thank you for the opportunity to be a part of this investigation and hearing. I am in hopes that this honorable body will finally move forward in creating effective solutions to stop the massive financial losses incurred by government and individuals alike.

It is my greatest hope that you would access every avenue available in eliminating the risks and damage inflicted by the Death Master File on hundreds of thousands of innocent victims, both living and deceased.

No citizen deserves to suffer due to its government's refusal to correct an administrative problem. Even more importantly, I implore you to create an extensive assistance program to resolve victim's problems expeditiously and with as little pain as possible. No one should ever have to live through the same nightmare I have experienced.