

Nothing Will Ever Be the Same: Acknowledging and Recovering from the Trauma of Identity Theft Victimization¹

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Introduction

This publication is a fact sheet intended for individuals who are interested in learning basic information about identity theft, victimization, and ways to navigate the process. The publication aims to inform readers and to help victims of identity theft minimize financial and personal setbacks.

Quick Facts

- 65,479 U.S. residents have their identity stolen each day (Harrell & Thompson, 2023).
- Once a person's Social Security number has been compromised, it can only be replaced in rare situations, such as when personal safety is at risk (Social Security Administration, 2022).
- Criminals opening new credit accounts in your name, making charges, and then not paying the bills can decrease your credit score (Equifax, n.d.).
- Trauma from the initial realization followed by long-term implications of the theft can be terrifying (Equifax, 2015), but it does not have to remain that way.

Terms to Help You Get Started

- **Financial identity theft:** A type of identity theft in which a thief uses another's personal identifying information (PII) without their consent to obtain financial benefits, such as a credit card (Betz-Hamilton, 2020a). A variant of financial identity theft is employment identity theft, in which a thief uses an individual's PII to secure employment.
- **Medical identity theft:** A type of identity theft in which a thief uses another's health insurance information without their consent to obtain medical benefits, such as surgeries or medications (Federal Trade Commission, 2012).
- **Criminal identity theft:** A type of identity theft that "occurs when someone arrested for a crime uses another person's name and identifying information, resulting in a criminal record being created in that person's name" (California Attorney General, n.d.).
- **Familial identity theft:** A type of identity theft in which a thief uses the PII of a family member without consent to obtain something of value (Betz-Hamilton, 2020a).
- **Child identity theft:** A type of identity theft in which a thief steals the PII of an individual under the age of 18

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and uses it to obtain something of value (Betz-Hamilton, 2020a).

- **Dark web:** “A part of the internet consisting of hidden sites that aren’t indexed by conventional search engines” (Stouffer, 2023).
- **Credit score:** A published value rating a consumer’s likelihood of repaying debts (Federal Trade Commission, 2021).
- **Credit reporting agencies:** There are three major credit reporting agencies in the U.S.: Equifax, Experian, and Transunion. These entities compile information about an individual’s payment history, balances owed, types of credit obtained, and other factors in a credit report, which is made available to potential lenders.
- **FICO or VantageScore:** Two entities that develop credit scores based on information detailed in an individual’s credit report.

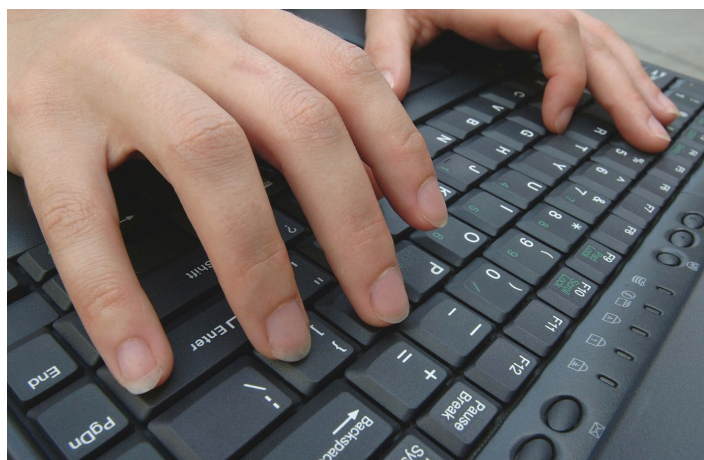


Figure 1. Hands operating a keyboard. Some hackers surf the dark web seeking to acquire or purchase stolen identity information, so they can attempt to use it to break into the owner’s various financial accounts, start new accounts using the owner’s information, and have credit cards sent to an untraceable PO Box address.
Credits: UF/IFAS File Photo

Offender Characteristics and Behaviors

Identity thieves often perceive themselves to be in desperate financial situations and thus are motivated by financial gain to prey on others (Copes & Vieraitis, 2012). These predators often have a history of substance abuse (Copes & Vieraitis, 2012). There is some evidence suggesting that identity thieves could have diagnosed or undiagnosed personality disorders, such as narcissistic personality disorder or antisocial personality disorder (Betz-Hamilton, 2020a; Betz-Hamilton & Nez, 2022).



Figure 2. Hands holding cash. Often, money is the motivation behind offenders’ actions. These individuals can be highly talented in cyber technology.

Credits: UF/IFAS File Photo

Effect of Identity Theft on Victims Financial Impacts

In 2021, 76% of identity theft victims had an existing financial account used by an identity thief (Harrell & Thompson, 2023). Existing account takeover can enable identity thieves to liquidate victims’ bank accounts and charge unauthorized products and services to victims’ credit cards. This can create cash flow problems for victims, potentially leaving them unable to pay for necessities. It also can impact credit use, which may negatively affect victims’ credit scores. Often, when identity thieves create new accounts using victims’ PII, a period of time passes before victims notice it and take preventive actions unless they have some sort of anti-fraud software in place to warn them in advance. Otherwise, thieves have the advantage in accumulating fraudulent charges without typically having to pay for them, negatively impacting victims’ credit scores.

A low credit score can impact an individual’s ability to obtain credit as well as the individual’s abilities to establish accounts with utility companies, rent housing, and obtain favorable auto insurance rates. Although employers do not check credit scores of applicants, they can check credit reports. A poor credit history can make obtaining employment difficult.

Emotional and Physical Impacts

The stress of experiencing identity theft can manifest in a variety of physical ailments such as insomnia, digestive problems, fatigue, backaches, and high blood pressure (Randa & Reynolds, 2020). Victims with lower incomes may experience more severe physical consequences (Golladay & Holtfreter, 2017). Identity theft victims also might feel a variety of negative emotions including anger, worry, vulnerability, and distrust of others (Randa & Reynolds, 2020).

Relational Impacts

Betz-Hamilton and Nez (2022) found that familial identity theft offenders engaged in multiple forms of abuse towards victims in addition to identity theft, including physical abuse and emotional abuse. Experiencing abuse, regardless of form, can be traumatic for victims. The offender's theft may leave a familial identity theft victim feeling so betrayed that the victim may sever the relationship (Equifax, 2015; Betz-Hamilton, 2020b). Family members who side with the offender(s) rather than the victim may end up with diminished or nonexistent relationships with the victim.

Emotional Stress

Life has many stressors—many of which we expect to experience as part of our daily lives. Stress also can serve as a motivator, so some stress can be good! Problems occur when we feel overly stressed. Experiencing identity theft exposes victims to multiple stressors at the same time. Feelings of frustration, anxiety, dealing with multiple agencies, and potential financial stressors can make this a challenging event. There are factors associated with individuals and their situations that can make this easier or harder. When we think about a significant stressor such as identity theft, we need to consider what *protective factors* (characteristics of the individual or situation that can help make the situation more manageable) there are that can help promote *resilience* (having a positive outcome despite facing a major stressor or stressors [Richter-Levin & Sandi, 2021]). In fact, this “continuum” can extend as far as achieving what Tedeschi & Moore (2016, p. 4) refer to as post-traumatic growth, which they define as “positive personal transformation [that] can occur in the aftermath of trauma.”

What promotes resilience?

- **How we think about an event has a substantial impact on our emotional experience.** Taking a more positive view of the situation can help promote resilience. Examples include telling ourselves that we have been through challenging times before so we can get through this, and

knowing where we can find support. This empowering mindset can help lift our spirits during difficult times.

- **Our resources can increase our resilience.** If we have more financial resources at our disposal, this can certainly help. However, other resources such as support or assistance of family and friends also can help us navigate more successfully through these challenging times.
- **Our emotional functioning prior to the event also can impact our resilience.** If we already have experienced sufficient anxiety-provoking events, our coping abilities might be stronger as a result, or they could be overly taxed and depleted for a while. Some people are genetically predisposed to elevated feelings of anxiety and depression, which can make this sort of event even more challenging to navigate.

It is common and expected under such circumstances for people to experience a *stress reaction* (Richter-Levin & Sandi, 2021). A stress reaction can include various symptoms, including nightmares, increases in heart rate and blood pressure, feeling emotional or afraid, changes in appetite, headaches, stomachaches, and difficulty focusing. These typically are temporary reactions to a difficult situation. Most people will find ways to cope with the ongoing stressors. However, for some people, the experience of identity theft is so severe that it is considered a *traumatic event*. Traumatic events are extreme stressors that often are associated with life-or-death situations, instances of extreme fear of safety for oneself or others or witnessing situations that are outside the normal human experience (e.g., extreme abuse, finding dead bodies). Traumatic events can lead to strong stress reactions, but many people can work through their emotional responses over time. However, in some circumstances, the traumatic event leads to *post-traumatic stress disorder* (PTSD), a mental health diagnosis with significant, long-lasting symptoms. Symptoms of PTSD include (American Psychiatric Association, 2022):

- Flashbacks, nightmares, or recurring, distressing memories
- Persistent negative emotions, such as sadness, fear, anger, or guilt
- Hypervigilance or overreaction to experiences
- Feeling numb or emotionally distant
- Having difficulty with emotional relationships
- Feeling irritable much of the time
- Difficulty sleeping
- Difficulty concentrating

- Engaging in behavior to avoid the situation or memories
- Negative thoughts about oneself
- Destructive behavior
- Difficulty remembering the circumstances of the event

If you experience PTSD, it will be important to seek professional assistance. There are many mental health professionals who specialize in working with people who have experienced trauma, and there are various treatments that can be helpful in managing short-term symptoms.

Even if you do not experience PTSD, you may still experience an impact to your emotional well-being due to identity theft. This can affect not only your own well-being, but your relationships with other important people in your life, including partners or spouses, children, and other relatives and friends. Pay attention to your emotional reaction and seek professional help if needed.

Financial Recovery

There are several steps an individual can take to begin recovery from the financial effects of identity theft, including placing a credit freeze, freezing one's identity with ChexSystems and E-Verify, contacting the IRS (Internal Revenue Service) for a PIN to file taxes, changing all online account passwords and enabling two-factor authentication, obtaining new debit and credit card numbers, obtaining new bank and investment account numbers, notifying the Social Security Administration by going to a local office in person, and notifying the state Department of Motor Vehicles if one's driver's license or state identification number was compromised.

- **Credit freeze:** A credit freeze locks one's credit report so no one can access it unless the individual who placed the freeze temporarily lifts or "thaws" it. This stops an identity thief from opening additional new credit accounts in the victim's name but does not have an effect on existing account fraud. To place a credit freeze, contact each of the three credit reporting agencies: Equifax, Experian, and Transunion. There is no cost associated with placing a credit freeze, and it can be completed online, via phone, or via US mail. A credit "thaw" allows the customer to temporarily lift the freeze so credit checks can be conducted.
- **ChexSystems:** ChexSystems is a consumer reporting agency that provides reports to banks and credit unions about your checking account history. To keep an identity thief from opening checking accounts in your name, contact ChexSystems to place a security freeze at no cost.

- **E-Verify:** E-Verify is a federal service offered to employers to verify the employment eligibility of potential employees. By placing a security freeze with E-Verify, the chance that an identity thief can successfully use your identity to obtain employment is minimized.
- **IRS PIN:** To minimize the chances of an identity thief filing taxes using your PII and claiming your refund, contact the IRS for a unique PIN to be assigned to you. A new PIN must be requested each year.

These steps are useful in both prevention of and recovery from identity theft.

Summary Damage Control

Many victims of identity theft are completely lost when they realize they have been victimized in such a personal manner. This publication is based on the insights of individuals who have been through this experience, researched it in depth, and have attempted to break it down into understandable segments. It can be overwhelming, and the last thing anyone needs or wants is to have to protect and defend oneself for having done nothing wrong. However, if you do not take steps to protect yourself, you could risk further damage.

Here are some key concepts to keep in mind that can help reduce the damage done once you realize your identity has been compromised.

- Half the battle is to be well-informed and prepared.
- Federal law limits liability to \$50 for unauthorized credit card charges. If only the credit card number is stolen but not the physical card, then the liability is \$0. Regardless, all persons should monitor their credit statements and dispute any unauthorized charges within 60 days. Some similar, but not identical, types of protections exist for debit cards.
- Some might opt to subscribe to an identity monitoring service for a fee. Others may decide to monitor their credit reports weekly via <https://www.annualcreditreport.com>.
- Understanding an offender's basic "profile" who seeks ways to steal identities is a first step in proactively protecting yourself as well as minimizing further damage once your identity's been compromised.
- If you cannot take proactive measures upon realizing that your identity has been compromised, then find someone who can assist you immediately. Identity theft does not

have to be dealt with in a personal vacuum; reach out to any trustworthy support system you might have or can begin to assemble.

- Knowing that you are not alone can be hugely reassuring.
- Allow people to assist you as you attempt to navigate your life back to some semblance of normalcy.
- Do not hesitate to ask if you are eligible for free protective security/anti-fraud services if you have been a victim due to corporate or government negligence.
- Know that you are not alone. There are people and resources available to help you figure out a system you can live with as you navigate the aftermath of identity theft.

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