HIPAA News!
First Federal Privacy Conviction
Case Summary
August, 2004

On August 19, 2004, Richard Gibson, a SeaTac, Washington-based former employee of the Seattle Cancer Care Alliance, pleaded guilty to violating the HIPAA Privacy Rule. This was the first criminal conviction under the Privacy Rules of the Health Insurance Portability and Accountability Act. The case was investigated by the FBI.

Mr. Gibson admitted to using a patient's name, date of birth, and social security number, obtained during his employment with the Cancer Care Alliance, for personal gain, resulting in the illegal request and receipt of credit cards between October, 2003 and January, 2004. Once in possession of the credit cards, Mr. Gibson charged more than $9,100 on the credit cards for video games, clothing, home improvement supplies, jewelry, gasoline, groceries and other items, according to federal prosecutors.

Under the plea agreement, Gibson pled guilty to one count of wrongful disclosure of individually identifiable health information. He agreed to accept a sentence of 10 to 16 months, plus restitution to the credit card companies and patient. The case will be reviewed by U.S. District Court Judge Richard Martinez on November 5. Judge Martinez will, following his review of the plea agreement, either accept the sentence or impose his own. If the Judge rejects the plea agreement, Mr. Gibson will have the opportunity to withdraw his guilty plea.

U.S. Attorney John McKay stated "This case should serve as a reminder that misuse of patient information may result in criminal prosecution."

Under the HIPAA Privacy Rule, criminal use of patient information for personal gain is punishable by imprisonment for up to ten years, and a fine of up to $250,000.

Mr. Gibson was fired by the Seattle Cancer Care Alliance after the identity theft was discovered.

For more detailed information, please see the complete HIPAA News report and article entitled ***"Feds Successful With First HIPAA Privacy Conviction! What Does this Mean to Covered Entities?"***