

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF INDIANA
HAMMOND DIVISION

UNITED STATES OF AMERICA)
)
 v.)
)
 RICO PRUNTY)
)
 Defendant.)

CAUSE NO. **2:18CR 105**
18 U.S.C. § 1028(f)
18 U.S.C. § 1028A
42 U.S.C. §§ 1320d-6(a) and (b)(3)

INDICTMENT

-FILED-

THE GRAND JURY CHARGES:

SEP 19 2018

General Allegations

At
ROBERT N. TRGOVICH, Clerk
U.S. DISTRICT COURT
NORTHERN DISTRICT OF INDIANA

At times material to this indictment:

1. The Medical Facility, located in Arizona, was a "person" as defined by HIPAA, and therefore subject to the standards.
2. The Health Insurance Portability and Accountability Act of 1996 (HIPAA), provided for the establishment of standards and requirements for the electronic transmission of certain health information.
3. HIPAA provided criminal sanctions for the disclosure of "unique health identifiers" or "individually identifiable health information", in violation of HIPAA, that is, health information that *inter alia*, "identifies the individual" or "with respect to which there is a reasonable basis to believe that the information can be used to identify the individual." The individually identifiable health information includes names, social security numbers, and dates of birth.

4. The defendant Rico Prunty was employed by the Medical Facility and had access to unique health identifiers and individually identifiable health information of patients at the Medical Facility including the names, dates of birth, social security numbers, patient account numbers, insurance information, account payments, and medical diagnosis and tests. Rico Prunty was a "person" as defined by HIPAA, and therefore subject to the standards.

5. The Social Security Administration is a department and agency of the United States, and is authorized to issue social security numbers to individuals.

COUNT 1

(Conspiracy to Commit Identity Theft)

6. Between in or about July 2014 and continuing through in or about May 2017, in the Northern District of Indiana and elsewhere, the defendant,

RICO PRUNTY,

did knowingly and willfully conspire and agree with other persons, known and unknown to the Grand Jury, to commit the federal offense of Identity Theft in violation 18 U.S.C. §1028(a)(7); that is, the conspirators knowingly transferred, possessed, and used, without lawful authority, the means of identification of numerous persons with the intent to, and in connection with, the State of Indiana felony crimes of theft and credit card fraud.

Object of the Conspiracy

7. To use the names, dates of birth, and social security numbers of the victims without their knowledge to open credit accounts and obtain credit cards for the conspirators' personal benefit and gain.

Manner and Means of the Conspiracy

8. It was part of the conspiracy that following occurred: (a) the defendant, an employee of the Medical Facility, stole medical forms from the Medical Facility located in Arizona; (b) the medical forms contained individually identifiable health information that included the names, dates of birth, and social security numbers of the victims who were patients at the Medical Facility; (c) the medical forms also identified the emergency contact person of the patient and included the name, address, and other personal information of the emergency contact person; (d) the stolen medical forms were found at the residence of the co-conspirators in Hammond, Indiana during the execution of search warrants; (e) the stolen personal individually identifying health information (PHI) was utilized to open and attempt to open fraudulent financial accounts through on-line applications; and (f) the stolen personal individually identifying health information (PHI) was utilized to access and attempt to access existing accounts of the victims on-line.

Acts In Furtherance of the Conspiracy

9. In furtherance of the conspiracy, and to affect its objects, in the Northern District of Indiana and elsewhere, the defendant Rico Prunty and others known and unknown to the Grand Jury, performed the following:

10. Between in or about July 2014 and continuing through in or about May 2017, as part of the on-going fraud scheme, the defendant and co-conspirators accessed and obtained the names, dates of birth, social security numbers, personal individually identifiable health information, and credit information of the victims without their knowledge, authority, and permission;

11. Between in or about July 2014 and continuing through in or about May 2017, as part of the on-going fraud scheme, the co-conspirators, opened financial accounts and credit card accounts in the names of the victims without their knowledge, authority, and permission;

12. Between in or about July 2014 and continuing through in or about May 2017, as part of the on-going fraud scheme, several telephone numbers and addresses were utilized to facilitate the opening and accessing of fraudulent financial accounts and credit card accounts associated with Northwest Indiana and Illinois. In addition, as part of the on-going fraud scheme, several email addresses and IP addresses were utilized to facilitate obtaining and accessing credit card accounts, merchandise, and services;

13. Between in or about July 2014 and continuing through in or about May 2017, on-line credit card applications were submitted to various financial institutions utilizing the personal individually identifiable health information, i.e., name, date of birth, and social security number of the victims. These on-line applications were submitted without the knowledge, authority, and permission of the victims.

14. As part of the conspiracy, the co-conspirators did obtain items of value aggregating \$1,000 or more during a one-year period.

All in violation of Title 18, United States Code, Section 1028(f).

THE GRAND JURY FURTHER CHARGES:

COUNTS 2 through 8
(Aggravated Identity Theft)

1. The allegations contained in paragraphs 1 through 5 and paragraphs 7 and 8 of Count 1 of the Indictment are here.

2. From on or about, the dates set forth below, in the Northern District of Indiana and elsewhere, the defendant,

RICO PRUNTY,

did knowingly aid and abet in the transfer, possession, and use, without lawful authority, of a means of identification of another person, to wit: the name and date of birth of the victim, during and in relation to the federal offense of Social Security Fraud pursuant to 42 U.S.C. §408(a)(7)(B), as specified below;

Count	Date	Account #	Victim	SSN
2	01/24/2015	Discover ending in 1589	SM	7564
3	02/2015	US Bank account ending in #6553	JE	6881
4	03/10/2015	Synchrony/Walmart ending in 0449	MMad	6996
5	07/2015	Synchrony/JCPenney ending in #5381	ALS	7275
6	03/14/2016	Capital One account ending in 2377 and 9429	VM	7782
7	06/29/2016	Synchrony/TJX account ending in 4252	MMan	7765
8	03/2017	ComEd account ending in 26136	DO	8501

All in violation of Title 18, United States Code, Sections 1028A.

THE GRAND JURY FURTHER CHARGES:

COUNT 9
(HIPAA Violation)

Between in or about July 2014 and continuing through in or about May 2017,
in the Northern District of Indiana and elsewhere, the defendant,

RICO PRUNTY,

did knowingly, and for reasons other than permitted by Title 42, United States Code, Chapter 7, Subchapter XI, Part C, obtain and disclose to another person the individually identifiable health information relating to an individual, with the intent to sell, transfer and use the information for personal gain and malicious harm, to wit: the defendant did unlawfully obtain and disclose the names, social security numbers, and dates of birth of patients at the Medical Facility to others, known and unknown to the grand jury, wherein the information was used to fraudulently open credit card accounts in the names of the victims and fraudulently access existing credit card accounts in the names of the victims.

All in violation of Title 42, United States Code, Sections 1320d-6(a)(2), (a)(3) and (b)(3) and Title 18, United States Code, Section 2(a).

A TRUE BILL:

/s/ Foreperson
Foreperson

THOMAS L. KIRSCH II
UNITED STATES ATTORNEY

By: /s/ Toi Denise Houston
Toi Denise Houston
Assistant United States Attorney