Medical records abandoned at former Edgewater Medical Center pose security risk

Documents remain scattered in building, the site of breakins, two years after custodian had legal right to destroy them September 19, 2013 By Ameet Sachdev and Nancy Loo, Chicago Tribune



Graffiti marks the wall of a room containing medical records inside the former Edgewater Medical Center in March 2009 on Chicago's North Side. (Illinois Department of Public Health)

Edgewater Medical Center on Chicago's North Side hasn't seen a patient in more than a decade, but remnants of past treatments, surgeries and countless other visits are still visible.

A Tribune/WGN-TV investigation found that confidential medical files are scattered throughout the vacant main building nearly 12 years after the hospital abruptly closed. Despite the use of security guards, there have been several break-ins at the former hospital, leaving Social Security numbers and other sensitive patient information vulnerable to potential theft. The former hospital's custodian is seeking to destroy the documents because of that investigation, the custodian's lawyer said.

The Illinois Department of Public Health, which regulates hospitals, inspected Edgewater in 2009 after a complaint. The Tribune obtained a

copy of a memo filed after the visit through the Freedom of Information Act. The inspector found:

- •The door to the eighth-floor room housing the medical records did not have a lock.
- •Medical files were scattered on tables elsewhere in the building.
- •Boxes of files in water-filled rooms were covered with mold.
- •Graffiti was on the walls.

The agency determined that something more had to be done to make sure the patient records were protected as required under state law. After the inspection, new locks were added to rooms where medical records were located, and heat was restored to three floors, but "the status of the records remains mostly unchanged," according to a December 2009 department email obtained through the FOIA request.

With the records still in the building, department officials in interviews and statements gave different accounts of their oversight activities, including whether there was a follow-up inspection of the former hospital after property management reported that steps were taken to increase security.

There was no follow-up visit by state regulators to confirm that the records were secure, said Melaney Arnold, a department spokeswoman.

In a statement Wednesday, the department said "corrections were made to better secure the records and the building. We have received no further complaints."

Still, the state agency is considering doing routine checks of closed hospitals to make sure they are preserving patient files, instead of waiting for a complaint to be filed, Arnold said.

The former hospital, which filed for bankruptcy in February 2002, is controlled by a court-appointed custodian, who on Wednesday asked the bankruptcy judge for permission to destroy the documents. The custodian's

lawyer, Scott Mendeloff, said the request was being made after the Tribune/WGN investigation raised questions about the medical records.

"The bankruptcy estate had been consumed with a great deal of other work," Mendeloff said.

While moving to destroy the records now, the custodian could have taken the same action two years ago.

Hospitals in Illinois have to preserve medical records for at least 10 years as a matter of consumer protection. The records are essential for maintaining an accurate medical history and ensuring prompt treatment and the continuity of care. The retention policy also applies after a hospital closes.

In this case, the Edgewater records, which stop at 2001, could have been destroyed in 2011. The hospital closed in December 2001 after several doctors and former members of management were prosecuted in a massive scheme to defraud government health insurance programs.

Privacy experts are alarmed by the long-term storage of records in a vacant building. There are strict federal and state regulations in place to protect the privacy of medical records.

"It's certainly a very troubling situation," said Tena Friery, research director at the Privacy Rights Clearinghouse, a California organization focused on protecting consumer privacy. "As a starting point medical files include a diagnosis, a treatment and drug information. They also include Social Security numbers, credit card numbers, debit card numbers and sometimes even credit reports. Given this information, even the most low-tech kind of thief could commit identity fraud."

In an earlier statement to the Tribune and WGN, Mendeloff acknowledged that the records could have been destroyed two years ago. "Retaining them has been a service to the former patients that might wish copies," the statement said.

The bankruptcy estate "simply does not have the funds to move and store the files elsewhere," the statement said. The lack of funding for proper record preservation is not uncommon when a hospital enters bankruptcy. Debtors are focused on preserving assets for creditors and may not be able to afford to store patient records in accordance with state law.