



Pennsylvania
MEDICAL SOCIETY®

Red Flags Rule on Hold until November

Just days before it was to go into effect, the "red flags" identity theft rule has been delayed for a third time.

Instead of Aug. 1, it now will go into effect Nov. 1, 2009.

Initially slated to go into effect Nov. 1, 2008, the rule requires creditors and financial institutions—including medical practices—to develop and implement identity theft prevention programs. The Federal Trade Commission (FTC) voted on July 29 to delay the rule to allow more time for education.

The US House of Representatives Appropriations Committee had asked the FTC to delay and take steps to minimize the burden on health care providers and others at low risk of identity theft, the FTC said in a press release.

"Some—particularly small businesses and entities with a low-risk of identity theft—remain uncertain about their obligations," the FTC said.

The FTC is still working to make more information and guidance available to these groups.

The Pennsylvania Medical Society has provided information and resources on the red flags rule, including a prevention program template, at www.pamedsoc.org/redflags.