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Eli's Rehab Report

News Briefs: FTC Backtracks on Red Flags Rule Deadline Once Again

The Federal Trade Commission can't seem to make up its mind over the enforcement date of its "Red Flags" Rule. The FTC gave an ultimatum due date for having an identity theft prevention plan in plan of June 1, 2010. But now the agency has extended the deadline until Dec. 31, 2010.

Reasoning: This extra six months will allow Congress time to consider legislation that would affect the scope of providers and entities the Rule covers, according to News Now.

The Red Flags Rule requires that anyone considered a creditor develop written identity theft prevention and detection programs to protect their consumers. Creditors include healthcare provides who file insurance and bill a patient after rendering services, according to the FTC.

The original compliance deadline was Nov. 1, 2008, which the FTC delayed until May 1, 2009, then to Aug. 1, 2009, Nov. 1, 2009, and then June 1, 2010. Therapy advocates are pushing for the FTC to reconsider including therapists in the scope of its Red Flags Rule. Until then, be sure to get your compliance plan in gear. Check out the Red Flags Rule Web site for more guidance:

www.ftc.gov/redflagsrule.

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