



December 13,  
2010

## FTC, Red Flags, Identity Theft Prevention

Happy Holiday! We can say one thing – it is finally done!

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This is the summary of S. S. 3987: Red Flag Program Clarification Act of 2010



### Congressional Summary

11/30/2010--Passed Senate without amendment. (This measure has not been amended since it was introduced. The summary of that version is repeated here.) Red Flag Program Clarification Act of 2010 - Amends the Fair Credit Reporting Act, with respect to federal agency (red flag) guidelines regarding identity theft and the users of consumer reports, to define creditor to mean one that regularly and in the ordinary course of business: (1) obtains or uses consumer reports, directly or indirectly, in connection with a credit transaction; (2) furnishes information to certain consumer reporting agencies in connection with a credit transaction; or (3) advances funds to or on behalf of a person, based on the person's obligation to repay the funds or on repayment from specific property pledged by or on the person's behalf. Includes in the definition any other type of creditor as the federal agency (banking agency, National Credit Union Administration, or the Federal Trade Commission [FTC]) having authority over that creditor may determine appropriate, if the creditor offers or maintains accounts subject to a reasonably foreseeable risk of identity theft. **Excludes from the definition of creditor, however, any creditor that advances funds on behalf of a person for expenses incidental to a service the creditor provides to that person.**

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Doctors, this means you. Even though it does not specifically say physician...it is intended to redefine the term creditor to exclude physicians, attorneys, veterinarians, etc!

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You are no longer required by law to comply with the FTC, Red Flag Rules, Identity Theft Prevention Laws, but I still suggest that you have a way within your practice to question the identity of persons using “Insurance Numbers”. I also suggest you have a written practice within your office policies and procedures manual on how you will handle identity theft if it should arise in your practice.

Happy Holidays,

Edie

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**[www.iccom.org](http://www.iccom.org)**

**[www.TheChiropracticOfficeManager.com](http://www.TheChiropracticOfficeManager.com)**

**email me with any questions you may have: [\(click here to email me\)](#)**