

HEALTH LAW ALERT
July 29, 2009

FTC Again Delays Enforcement of Red Flags Rule
Postponed to November 1

The Federal Trade Commission announced this morning that, for the third time, it would delay enforcement of the “Red Flags” Rule that applies to financial institutions and creditors under its jurisdiction. Although the traditional business of insurance is not likely to subject health plans to the Red Flags Rule, insurers may qualify as “financial institutions” or “creditors” subject to the rule by, for example, administering Health Savings Accounts or deferring payment of premiums or administrative fees. The FTC’s Red Flags Rule was originally to go into effect on November 1, 2008. The FTC announced the delay in order “give creditors and financial institutions more time to review [the FTC’s] guidance and develop and implement written Identity Theft Prevention Programs.” The delay is consistent with the House Appropriations Committee’s recent request that the Commission defer enforcement in conjunction with additional efforts to minimize the burdens of the Rule on health care providers and small businesses with a low risk of identity theft problems.” To read the FTC’s announcement, [click here](#).

The FTC plans to make additional guidance on Red Flags Rule compliance available on its web site “shortly” and to “redouble its efforts to educate [the public] about compliance with the ‘Red Flags’ Rule.”

For more information on application of the Red Flags Rule, please contact Tom Bixby at (608) 661-4310 or TBixby@tbixbylaw.com.

Thomas D. Bixby Law Office LLC

(608) 661-4310 | www.tbixbylaw.com

This publication should not be construed as legal advice or a legal opinion on any specific facts or circumstances. The contents of this publication are intended solely for general purposes. You are urged to consult a lawyer concerning your own situation and any specific legal questions you may have.

This publication is not intended and should not be considered a solicitation to provide legal services. This publication or some of its content may be considered advertising under the applicable rules of certain states.

If you would like to be removed from this Alert list, please respond to this e-mail and ask to be removed or go to <http://tbixbylaw.com/contact.php>, type in your e-mail address, and check the appropriate boxes.

© Copyright 2009 Thomas D. Bixby Law Office LLC