

Health Information Compliance Alert

News Briefs: CMS Extends Deadline for Red Flags Rule Compliance -- Again

Nov. 1 is the new date, which isn't much time if you haven't started yet.

August 1 has come and gone -- and some practices haven't yet prepared for the government's Red Flags Rule, which was due to go into effect by then. However, the Federal Trade Commission (FTC) has extended the effective date by three months, so now you'll need to comply by November 1.

Under the Red Flags Rule, certain businesses -- including healthcare practices that bill patients after their services are completed -- are required to spot and heed the red flags that can be the signs of identity theft, the FTC says.

The rule requires practices to develop a program that addresses identity theft prevention techniques, as well as tools to detect and deal with any identity theft incidents that may occur.

Many medical practices were unclear about how the rule affected them, and once they realized they fell under the rule's purview, many were slow to implement programs.

The three-month extension should help those practices get their plans in place.

For more information on the Red Flags Rule, including how to know whether it affects you, visit www.ftc.gov/redflagsrule.