

Health Information Compliance Alert

News: FTC: Healthcare Providers Could Be Considered 'Creditors'

Federal Trade Commission pulls in health care entities but extends rule deadline.

Healthcare organizations that think compliance enforcement for their businesses is under the purview of their carriers/FIs, CMS, and the OIG should think again. Now it looks like the Federal Trade Commission (FTC) also wants to lay down the law with medical providers.

Last summer, the FTC issued its "Red Flags Rules" that require financial institutions and creditors to create written identity theft prevention programs by Nov. 1. However, many businesses -- including health care practices-and facilities-- - didn't realize they should be considered "creditors" and weren't ready to put plans in place to comply with the Red Flag rules. Therefore, the FTC delayed enforcement of the rule until May 1, 2009.

At issue: The FTC stipulates "Health care providers are creditors if they bill consumers after their services are completed."

To read the FTC's article for health care providers, visit <http://www.ftc.gov/bcp/edu/pubs/articles/art11.shtm#footnote>.