



Bryn Mawr
DERMATOLOGY

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NOTICE OF “RED FLAGS RULE”

The Federal Trade Commission (FTC) issued a set of regulations, known as the “Red Flags Rule,” requiring that certain entities develop and implement written identity theft prevention and detection programs to protect consumers from identity theft. Under the Federal Trade Commission’s guidelines, physicians who regularly bill their patients for services rendered (including copayments and coinsurances) are considered creditors and must comply with the “Red Flags Rule” as of August 1, 2009.

Identity theft occurs when someone uses another person’s identifying information (ex., name, social security number, credit card number, or insurance enrollment or coverage data) to commit fraud or other crimes. In the case of physician practices, of particular concern is **medical identity theft**. Medical identity theft occurs when someone uses a person’s name and insurance information without the person’s knowledge or consent to obtain or make false claims for medical services. Medical identity theft can also result in erroneous entries into existing medical records and can involve the creation of fictitious medical records in the victim’s name.

In order to protect our patients from medical identity theft, our staff are required to request patients to present, at the time of their appointment, a photo ID, valid insurance card and, if necessary, a utility bill or other correspondence showing current residence if the photo ID does not show the patient’s current address. If a patient is a minor, the patient’s parent or guardian must present the required identification documents.

The following includes “Red Flags” that patients should be aware of as possible signs of medical identity theft.

- You receive a bill or a notice of insurance benefits (explanation of benefits EOB) for services you did not receive
- You receive a collection notice from a bill collector for a bill that does not relate to services you received
- Your insurance company notifies you that coverage for legitimate hospital stays is denied because insurance benefits have been depleted or a lifetime cap has been reached
- You notice incorrect information added to your credit report by a healthcare provider or insurer
- You receive an inquiry from an insurance fraud investigator or a law enforcement agency

If you become aware of any of the “Red Flags,” please inform our office so that we may assist you in making any necessary corrections and notifications of appropriate government agencies.