

## **Tool Kit: Creating an Identity Theft Program**

To help members develop policies that comply with the Federal Trade Commission (FTC) Rule No. 2, AHCA/NCAL, in conjunction with its general counsel Reed Smith, the Long Term Care Consortium, and a member compliance officer group have developed a tool kit. The kit consists of four items:

1. A Reed Smith memorandum explaining the “address discrepancy” portion of the Red Flag regulations. The memorandum also includes a model policy and procedure for communities to use.
2. An April 17, 2009 Reed Smith memorandum that explains the “creditor rule” also known as Rule No. 2. This is the second part of the regulation pertaining to the detection, prevention, and mitigation of identity theft in relation to covered accounts by “creditors or financial institutions.”
3. A model policy statement or template for Rule No. 2.
4. A model procedures statement or template for Rule No. 2.