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It seems like a day does not go by without being inundated by radio and TV advertisements or unsolicited mail and email to sign up for some type of an ID Theft protection program. This article will serve as a crash course in understanding the ID Theft industry and how to choose the right ID Theft service provider for you and your family.

In January of this year, Consumer Reports published an [article](#) about ID Theft services and how their marketing can be deceptive.

The February

[issue](#)

of Consumer Reports went further; describing ID Theft services as a \$3.5 billion industry, with 50 million people paying \$10 to \$25 per month for some type of ID theft solution, it cautioned that most ID Theft protection programs provide questionable value and that you do not “need a costly service to protect your good name.”

Recently, a new federal regulatory agency called the Consumer Financial Protection Bureau came down hard on deceptive marketing practices for id theft protection and other “add-on services.” [Capital One](#) and [Discover Financial Services](#) agreed to pay millions in refunds and penalties related to deceptive marketing of identity protection, credit monitoring, and other services.

If you are thinking of enrolling in an ID Theft protection program, I recommend first reading the **Consumer Federation of America's**

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[Nine Things to Check When Shopping for Identity Theft Services](#)

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These tips were developed by

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[CFA's Identity Theft Service Best Practices Working Group](#)

. Here are some additional questions to ask when considering an ID theft service:

- Does the program offer a fully managed recovery service including the use of a limited power of attorney (LPOA)? An LPOA specific in time and scope which allows a professionally-trained recovery advocate to act on your behalf until you are returned to pre-ID Theft event status.
- Is the program supported by professionally trained, FCRA (Fair Credit Reporting Act) and FACTA (Fair and Accurate Transaction Act) certified, licensed investigators with the Certified Identity Theft Risk Management Specialists (CITRMS) designation? Or is the program supported by call center representatives with scripted answers and high turnover?
- Does the program cover unknown ID Theft events that occurred prior to the effective date of the plan? If not, you might be out of luck when the service provider responds by saying we cannot help you because you were a victim before you subscribed to our service.
- Does the program include family fraud? According to a 2011 study by ID Analytics, approximately 500,000 children [under the age of 18](#) have had their identity stolen by their parents, and about 2 million [elderly parents](#) have been victimized by their adult children.
- Are domestic partners and self-employed persons included?

- Does the program include extended 3-generation family plan, including grandparents and children? If not, what happens to your mother-in-law in the nursing home or your student living at college?
- Is there an unlimited discovery period for ID theft events? Some ID Theft victims do not know they are a victim until after a year. This is important as some service providers require a victim to report their event within three or six months.
- In the event your identity is stolen, can you view the status of your restoration case online, anytime? This helps victims track the status of their case at anytime and any day of the week.