



Identity Theft **911**TM

Credit Monitoring

A crucial tool in the fight against identity theft

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What is credit monitoring?

Credit monitoring is a consumer service provided by the three major credit reporting agencies, whereby changes in the consumer's credit file are periodically reported to the consumer.

Why is credit monitoring so important?

Credit monitoring enables consumers to track changes in the status of their credit information without continuously reviewing new versions of the credit reports themselves. The monitoring process alerts consumers to possible posting and reporting errors, keeps them apprised of their current credit standing, and provides an early warning system against possible identity theft and other fraudulent activity.

Why should victims of identity theft use credit monitoring?

Credit monitoring is an essential element of the resolution process for any victim of identity theft. Every Identity Theft 911 crisis resolution client is automatically enrolled in a credit monitoring program, the cost of which is included in our crisis resolution fee. We consider credit monitoring to be an indispensable tool for measuring the progress of identity theft resolution – and the equivalent of a security alarm against future abuse.



Why is credit monitoring crucial in defending against identity theft?

Credit monitoring is a highly effective early warning system for alerting customers of possible fraudulent activity being committed in their name. Current targets of identity theft are strongly encouraged to enroll in a credit monitoring program on an ongoing basis. In particular, victims of identity theft with compromised Social Security numbers should absolutely maintain a continuous program of credit monitoring to provide warning of future abuses.

Quick discovery and rapid response are the most important factors by far in reducing the damage inflicted by identity theft.

What does credit monitoring cost?

The cost of credit monitoring depends on the quality of the program chosen. Costs also vary from one credit reporting agency to another. A typical credit monitoring program, including quarterly single-bureau credit reports, ranges in price from \$45 to \$85 per year.

What factors influence the effectiveness of a credit monitoring program?

Credit monitoring programs vary significantly. The value of the information provided depends principally on how quickly and how frequently the consumer is notified of important changes to his or her credit files. The most effective programs are those that notify the consumer electronically (via email), either continuously or at intervals of no more than a week. Data analysis should include all relevant credit file factors, including credit scores, address changes and additions, and public disclosures. The very best programs allow the consumer access to the change without having to purchase a new credit report.

While Identity Theft 911 crisis resolution clients do review and analyze their merged three-bureau reports, single-bureau monitoring is usually adequate once fraud alerts have been put into place and the notification process is complete. Additional benefits may include credit scores, debt analysis, and fraud alerts.

Can you give examples of how credit monitoring helps foil identity theft?

Example 1: You're notified that your credit score has dropped by 50 points due to excessive credit inquiries. Because you've made no recent credit inquiries whatsoever, you contact the credit bureau. You discover that an impostor has used your personal information to apply for multiple credit card and store card accounts in your name. While this news leaves you shaken, it also enables you to act quickly and decisively to mitigate the damage and avoid further complications.

Example 2: Your credit monitoring service indicates that a car dealership has escalated your account status to "collection," contending that you are delinquent to the tune of \$30,000 – although you have no knowledge of the transaction. Upon contacting the dealership, you discover that someone has used your personal information – including your Social Security and driver's license numbers – to purchase the vehicle in question. With the exception of the mailing address, all the information used points directly to you. Together, you and the defrauded dealership contact law enforcement authorities to report the crime. ■