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August 3, 2018

BY MAIL

Xavier Becerra
Office of the California Attorney General
California Department of Justice
P.O. Box 944255
Sacramento, CA 94244-2550

Re: Notice of Security Incident Affecting Gallagher Bassett Services, Inc. and its Clients

Dear Mr. Attorney General:

I write on behalf of Gallagher Bassett Services, Inc. (“Gallagher Bassett”)¹, and certain of its customers, regarding a security incident that occurred when an individual named Spyros Panos, a physician whose license had been revoked, impersonated a licensed physician and conducted peer reviews for worker’s compensation claims from approximately September 2013 to March 2014 and from November 2016 to August 2017. *See U.S.A. v. Panos*, No. 7:18-mj-02963-UA-1 (S.D.N.Y. 2018) (Doc. 2).

Gallagher Bassett is a third party administrator that provides workers compensation claims management services to its customers, including certain insurance carriers and self-insured entities. To assist it in providing these services, Gallagher Bassett engages third parties who specialize in peer reviews, including Dane Street LLC and Coventry Health Care Workers Compensation, Inc. (“Coventry”)². Peer reviews are performed by specialist physicians. In the case of Panos, he impersonated another physician and contracted with Gallagher Bassett’s vendors (or their vendors) to provide peer review services. Our investigation to date has determined that the incident potentially impacted approximately 1294 claimants in your state whose claims were administered by Gallagher Bassett.

¹ Gallagher Bassett’s address is 2850 Golf Road, Rolling Meadows, IL 60008-4050.

² Our vendors, in turn, engage other vendors. In this matter, Coventry engaged Advanced Medical Reviews (“AMR”).

August 3, 2018

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Upon learning of his unauthorized access, the peer review vendors removed Mr. Panos's access to claimant data and enhanced verification procedures for peer reviewers. They also immediately launched an investigation into the incident. In the course of conducting peer reviews, Panos may have accessed the personal information in the claimants' files, which may have included names, Social Security numbers, medical information, and health insurance information. We have no evidence that Panos acquired or exfiltrated data, versus simply viewing it for purposes of conducting the review.

Gallagher Bassett remains deeply committed to the security of the personal information stored in our and our vendors' systems and regret that the claimants in your state have been victimized by this criminal actor. We are offering affected individuals identity protection services for two years. The unaddressed representative forms of individual notification letters to individuals in your state, attached as Exhibit A, include additional information about these identity protection services. Most notification letters will be sent to affected claimants by our vendor, Dane Street, within the next week. In some cases, the claimants will be notified directly by Gallagher Bassett, their insurance carrier, or their employer.

We remain committed to protecting such personal information and assisting those who may have been impacted by this incident. Please do not hesitate to contact me if you have any questions regarding this letter.

Sincerely,

A handwritten signature in cursive script that reads "Jade R. Lambert".

Jade R. Lambert

Enclosure

CC: Susan Bernard
Division Chief, Field Examinations
California Department of Insurance
45 Fremont Street, 24th Floor
San Francisco, CA 94105

Exhibit A – Forms of Individual Notification Letters



Return Mail Processing Center
PO Box 6336
Portland, OR 97228-6336

<<Mail ID>>
<<Name 1>>
<<Name 2>>
<<Address 1>>
<<Address 2>>
<<Address 3>>
<<Address 4>>
<<Address 5>>
<<City>><<State>><<Zip>>
<<Country>>

<<Date>>

RE: NOTICE OF DATA BREACH

Dear <<Name 1>>,

We are writing to notify you about a data security incident that may have resulted in unauthorized access to personal information contained in your worker's compensation claim file. Dane Street is a vendor that provides peer review services in connection with worker's compensation insurance claims. We take the protection and proper use of your information very seriously. For this reason, we are contacting you directly to explain the circumstances of the incident.

What Happened

We recently learned that a formerly licensed physician impersonated a licensed physician and conducted electronic peer reviews of certain worker's compensation claims from approximately September 2013 to March 2014 and from November 2016 to August 2017. This individual completed a peer review in connection with your worker's compensation claim.

What Information Was Involved

In the course of reviewing the files, the unauthorized individual may have viewed personal information such as your name, Social Security number, medical information, and health insurance information. We have no evidence that the unauthorized individual acquired, copied, or removed data from our network or used any information other than for conducting peer reviews.

What We Are Doing

Upon learning of this incident, we removed the unauthorized individual's access to any worker's compensation files and enhanced verification procedures for peer reviewers. We also immediately launched an investigation into the incident and are cooperating fully with law enforcement as their investigation and prosecution of this unauthorized individual continues. In addition, we are offering you two years of **myTrueIdentity** identity protection services at no cost to you. More information about this service is attached. To take advantage of this service, please follow the instructions in these materials before <<Date1>>.

What You Can Do

You may enroll in the free identity protection service being provided by **myTrueIdentity** and review the information provided in the "Identity Theft Prevention Tips" attachment to this letter.

For More Information

We remain committed to protecting your personal information and assisting those that may be affected. If you have additional questions, please call 1-855-288-5422 and use pass code 697600.

Sincerely,

Dane Street LLC
Kelly N. Hunt, Senior Vice President
888-920-4440

Enclosures

Exhibit A – myTrueIdentity ID Sign-Up Steps

As a safeguard, we have arranged for you to enroll, at no cost to you, in an online credit monitoring service (myTrueIdentity) for two years, provided by TransUnion Interactive, a subsidiary of TransUnion®, one of the three nationwide credit reporting companies.

To enroll in this service, go to the myTrueIdentity website at www.mytrueidentity.com and in the space referenced as “Enter Activation Code”, enter the following 12-letter Activation Code <<CODE>> and follow the three steps to receive your credit monitoring service online within minutes.

If you do not have access to the Internet and wish to enroll in a similar offline, paper based, credit monitoring service, via U.S. Mail delivery, please call the TransUnion Fraud Response Services toll-free hotline at 1-855-288-5422. When prompted, enter the following 6-digit telephone pass code << PASS CODE>> and follow the steps to enroll in the offline credit monitoring service, add an initial fraud alert to your credit file, or to speak to a TransUnion representative if you believe you may be a victim of identity theft.

You can sign up for the online or offline credit monitoring service anytime between now and <DATE1>. Due to privacy laws, we cannot register you directly. Please note that credit monitoring services might not be available for individuals who do not have a credit file with TransUnion, or an address in the United States (or its territories) and a valid Social Security number. Enrolling in this service will not affect your credit score.

Once you are enrolled, you will be able to obtain two years of unlimited access to your TransUnion credit report and credit score. The daily credit monitoring service will notify you if there are any critical changes to your credit file at TransUnion, including fraud alerts, new inquiries, new accounts, new public records, late payments, change of address and more. The service also includes access to an identity restoration program that provides assistance in the event that your identity is compromised to help you restore your identity and up to \$1,000,000 in identity theft insurance with no deductible. (Policy limitations and exclusions may apply.)

Identity Theft Prevention Tips

One should always remain vigilant for incidents of fraud and identity theft by reviewing account statements and monitoring your credit reports. You may obtain a free copy of your credit report from each company listed below once every 12 months by requesting your report online at www.annualcreditreport.com, calling toll-free 1-877-322-8228, or mailing an Annual Credit Report Request Form (available at www.annualcreditreport.com) to: Annual Credit Report Request Service, P.O. Box 105281, Atlanta, GA, 30348-5281. You may also purchase a copy of your credit report by contacting any of the credit reporting agencies below:

Equifax
PO Box 740241
Atlanta, GA 30374
www.equifax.com
888-766-0008

Experian
PO Box 9554
Allen, TX 75013
www.experian.com
888-397-3742

TransUnion
PO Box 2000
Chester, PA 19016
www.transunion.com
800-680-7289

If you believe you are the victim of identity theft, you should contact the proper law enforcement authorities, including local law enforcement, and you should consider contacting your state attorney general and/or the Federal Trade Commission (“FTC”). You also may contact the FTC to obtain additional information about avoiding identity theft.

Federal Trade Commission, Consumer Response Center
600 Pennsylvania Avenue NW, Washington, DC 20580; 1-877-IDTHEFT (438-4338)
www.ftc.gov/idtheft

State Attorneys General: Information on how to contact your state attorney general may be found at www.naag.org/naag/attorneys-general/whos-my-ag.php.

You may obtain information from the FTC and the credit reporting agencies listed above about placing a fraud alert and/or credit freeze on your credit report.

If you are a resident of Oregon, you may contact the Oregon Attorney General’s Office at 1162 Court Street NE, Salem, OR 97301-4096, <http://www.doj.state.or.us>, (877) 877-9392 (toll-free in Oregon) or (503) 378-4400.

August 3, 2018

FULL NAME
ADDRESS LINE 1
CITY, STATE ZIP CODE

Re: Notice of Data Breach

Dear Full Name:

We are writing to notify you about a data security incident that may have resulted in unauthorized access to personal information contained in your worker's compensation claim file. We take the protection and proper use of your information very seriously. For this reason, we are contacting you directly to explain the circumstances of the incident.

Gallagher Bassett administers worker's compensation claim for your employer. In connection with its claims administration activities, Gallagher Bassett uses vendors to perform certain services, including Coventry Health Care Workers Compensation, Inc. Coventry provides peer review services in connection with worker's compensation insurance claims. With respect to your claim, Coventry engaged Advanced Medical Reviews ("AMR"), one of several independent peer review organizations that Coventry utilizes to perform medical necessity determinations and appeals of adverse determinations. Such reviews are performed by licensed specialist physicians with whom AMR contracts on a fee basis, and who are randomly assigned cases to review.

What Happened

Gallagher Bassett recently learned that a formerly licensed physician impersonated a licensed physician and conducted electronic peer reviews of certain worker's compensation claims from approximately September 2013 to March 2014 and from November 2016 to August 2017. This individual completed a peer review in connection with your worker's compensation claim.

What Information Was Involved

In the course of reviewing the files, the unauthorized individual may have viewed personal information such as your name, Social Security number, medical information, and health insurance information. We do not have evidence that the unauthorized individual acquired, copied, or removed data from our network or used any information other than for conducting peer reviews.

2850 GOLF ROAD
ROLLING MEADOWS, IL 60008-4050

O: 630-773-3800
F: 630-285-4000
www.gallagherbassett.com

What We Are Doing

Upon learning of this incident, our vendors removed the unauthorized individual's access to any worker's compensation files and enhanced verification procedures for peer reviewers. AMR also immediately launched an investigation into the incident. In addition, we are offering you two years of **AllClear ID** identity protection services at no cost to you. More information about this service is attached.

What You Can Do

You may enroll in the free identity protection service being provided by **AllClear ID** and review the information provided in the "Identity Theft Prevention Tips" attachment to this letter.

For More Information

We remain committed to protecting your personal information and assisting those that may be affected. If you have additional questions, please call (855) 756-9486.

Sincerely,

Gallagher Bassett

Enclosures

2850 GOLF ROAD
ROLLING MEADOWS, IL 60008-4050

O: 630-773-3800
F: 630-285-4000
www.gallagherbassett.com

Exhibit A - AllClearID Sign-Up Steps

As a precaution, we have arranged to provide you with a complimentary two-year membership in AllClear ID identity protection services.

The following identity protection services start on the date of this notice (above) and you can use them at any time during the next 24 months. Please see the following instructions regarding the services available and enrollment requirements:

AllClear Identity Repair: This service is automatically available to you with no enrollment required. If a problem arises, simply call **(855) 756-9486** and a dedicated investigator will help recover financial losses, restore your credit and make sure your identity is returned to its proper condition.

AllClear Fraud Alerts with Credit Monitoring: This service offers the ability to set, renew, and remove 90-day fraud alerts on your credit file to help protect you from credit fraud. In addition, it provides credit monitoring services, a once annual credit score and credit report, and a \$1 million identity theft insurance policy. To enroll in this service, you will need to provide your personal information to AllClear ID. You may sign up by calling **(855) 756-9486** or by going online at **enroll.allclearid.com** using the redemption code provided: **<Insert Code here>**

Please note: following enrollment, additional steps are required by you in order to activate your phone alerts and fraud alerts, and to pull your credit score and credit file. Further, additional steps may be required in order to activate all of your monitoring options.

Identity Theft Prevention Tips

One should always remain vigilant for incidents of fraud and identity theft by reviewing account statements and monitoring your credit reports. You may obtain a free copy of your credit report from each company listed below once every 12 months by requesting your report online at www.annualcreditreport.com, calling toll-free 1-877-322-8228, or mailing an Annual Credit Report Request Form (available at www.annualcreditreport.com) to: Annual Credit Report Request Service, P.O. Box 105281, Atlanta, GA, 30348-5281. You may also purchase a copy of your credit report by contacting any of the credit reporting agencies below:

Equifax	Experian	TransUnion
PO Box 740241	PO Box 9554	PO Box 2000
Atlanta, GA 30374	Allen, TX 75013	Chester, PA 19016
www.equifax.com	www.experian.com	www.transunion.com
888-766-0008	888-397-3742	800-680-7289

If you believe you are the victim of identity theft, you should contact the proper law enforcement authorities, including local law enforcement, and you should consider contacting your state attorney general and/or the Federal Trade Commission ("FTC"). You also may contact the FTC to obtain additional information about avoiding identity theft.

Federal Trade Commission, Consumer Response Center
600 Pennsylvania Avenue NW, Washington, DC 20580; 1-877-IDTHEFT (438-4338)
www.ftc.gov/idtheft

State Attorneys General: Information on how to contact your state attorney general may be found at www.naag.org/naag/attorneys-general/whos-my-ag.php.

You may obtain information from the FTC and the credit reporting agencies listed above about placing a fraud alert and/or credit freeze on your credit report.

August [redacted], 2018

FULL NAME
ADDRESS LINE 1
CITY, STATE ZIP CODE

Re: Notice of Data Breach

Dear Full Name:

We are writing to notify you about a data security incident that may have resulted in unauthorized access to personal information contained in your worker's compensation claim file. Gallagher Bassett administers your workers' compensation claim, underwritten by The Hartford, for [redacted]. We take the protection and proper use of your information very seriously.

What Happened

We use vendors to conduct medical reviews of insurance claims. We recently learned that personal information pertaining to your insurance claim was accessed by an unauthorized individual in connection with our use of vendors to conduct medical review of claims. We have no indication that the unauthorized individual intended to steal, misuse, or disclose your personal information, but rather accessed it to perform a medical review of your claim. The date range during which such unauthorized individual may have accessed information improperly was approximately September 2013 to March 2014 and from November 2016 to August 2017.

What Information Was Involved

The documents accessed by the unauthorized individual contained your name together with medical information relating to your worker's compensation claim and health insurance information [redacted]. We have no evidence that the unauthorized individual acquired, copied, or removed data from our vendor's network.

2850 GOLF ROAD
ROLLING MEADOWS, IL 60008-4050

O: 630-773-3800
F: 630-285-4000
www.gallagherbassett.com

What We Are Doing

Upon learning of this incident, our vendor removed the unauthorized individual's access to any worker's compensation files and enhanced verification procedures for peer reviewers. We also immediately launched an investigation into the incident and will cooperate fully with law enforcement as their investigation and prosecution of this unauthorized individual continues. In addition, our vendor Dane Street is offering you two years of **myTrueIdentity** identity protection services at no cost to you. More information about this service is attached. To take advantage of this service, please follow the instructions in these materials by **November 30, 2018**.

What You Can Do

You may enroll in the free identity protection service being provided by myTrueIdentity and review the information provided in the "Identity Theft Prevention Tips" attachment to this letter.

For More Information

We remain committed to protecting your personal information and assisting those that may be affected. If you have additional questions, please call Dane Street's call center at 1-855-288-5422 and use pass code 697600.

Sincerely,

Gallagher Bassett

Enclosures

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To enroll in this service, go to the myTrueIdentity website at www.mytrueidentity.com and in the space referenced as "Enter Activation Code", enter the following 12-letter Activation Code <<12 Digit Code>> and follow the three steps to receive your credit monitoring service online within minutes.

If you do not have access to the Internet and wish to enroll in a similar offline, paper based, credit monitoring service, via U.S. Mail delivery, please call the TransUnion Fraud Response Services toll-free hotline at 1-855-288-5422. When prompted, enter the following 6-digit telephone pass code **697600** and follow the steps to enroll in the offline credit monitoring service, add an initial fraud alert to your credit file, or to speak to a TransUnion representative if you believe you may be a victim of identity theft.

You can sign up for the online or offline credit monitoring service anytime between now and **November 30, 2018**. Due to privacy laws, we cannot register you directly. Please note that credit monitoring services might not be available for individuals who do not have a credit file with TransUnion, or an address in the United States (or its territories) and a valid Social Security number. Enrolling in this service will not affect your credit score.

Once you are enrolled, you will be able to obtain two years of unlimited access to your TransUnion credit report and credit score. The daily credit monitoring service will notify you if there are any critical changes to your credit file at TransUnion, including fraud alerts, new inquiries, new accounts, new public records, late payments, change of address and more. The service also includes access to an identity restoration program that provides assistance in the event that your identity is compromised to help you restore your identity and up to \$1,000,000 in identity theft insurance with no deductible. (Policy limitations and exclusions may apply.)

Identity Theft Prevention Tips

We recommend that you remain vigilant for incidents of fraud and identity theft by reviewing account statements and monitoring your credit reports. You may obtain a free copy of your credit report from each company listed below once every 12 months by requesting your report online at www.annualcreditreport.com, calling toll-free 1-877-322-8228, or mailing an Annual Credit Report Request Form (available at www.annualcreditreport.com) to: Annual Credit Report Request Service, P.O. Box 105281, Atlanta, GA, 30348-5281. You may also purchase a copy of your credit report by contacting any of the credit reporting agencies below:

Equifax PO Box 740241 Atlanta, GA 30374 www.equifax.com 888-766-0008	Experian PO Box 9554 Allen, TX 75013 www.experian.com 888-397-3742	TransUnion PO Box 2000 Chester, PA 19016 www.transunion.com 800-680-7289
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If you believe you are the victim of identity theft, you should contact the proper law enforcement authorities, including local law enforcement, and you should consider contacting your state attorney general and/or the Federal Trade Commission ("FTC"). You also may contact the FTC to obtain additional information about avoiding identity theft.

Federal Trade Commission, Consumer Response Center
600 Pennsylvania Avenue NW, Washington, DC 20580; 1-877-IDTHEFT (438-4338)
www.ftc.gov/idtheft

State Attorneys General: Information on how to contact your state attorney general may be found at www.naag.org/naag/attorneys-general/whos-my-ag.php.

You may obtain information from the FTC and the credit reporting agencies listed above about placing a fraud alert and/or credit freeze on your credit report.