EXEMPT FROM FILING FEES KAMALA D. HARRIS UNDER GOVT. CODE SEC. 6103] Attorney General of California FRANCES T. GRUNDER .2 Senior Assistant Attorney General MICHELE VAN GELDEREN 3 Supervising Deputy Attorney General MICHAEL E. ELISOFON (State Bar 240707) 4 Deputy Attorney General 300 South Spring Street, Suite 1702 5 Los Angeles, CA 90013 6 7 Attorneys for Plaintiff 8 THE PEOPLE OF THE STATE OF CALIFORNIA 9 10 SUPERIOR COURT OF THE STATE OF CALIFORNIA 11 **COUNTY OF LOS ANGELES** 12 13 THE PEOPLE OF THE STATE OF Case No. 14 CALIFORNIA, COMPLAINT FOR INJUNCTION, CIVIL 15 Plaintiff, PENALTIES AND OTHER EQUITABLE RELIEF FOR VIOLATIONS OF BUSINESS 16 AND PROFESSIONS CODE SECTION 17200 (UNFAIR COMPETITION LAW) 17 BLUE CROSS OF CALIFORNIA, a California corporation doing business as 18 ANTHEM BLUE CROSS, 19 Defendant. 20 21 Plaintiff, the People of the State of California, by and through Kamala D. Harris, Attorney 22 General of the State of California, alleges the following on information and belief: 23 **DEFENDANT AND VENUE** 24 Defendant Blue Cross of California doing business as Anthem Blue Cross 1. 25 ("Anthem") is a California corporation with its principal place of business at 1 WellPoint Way, 26 Westlake Village, California 91362. 27 28

Complaint for Injunction, Civil Penalties and Other Equitable Relief

- 2. Anthem is engaged in the business of providing health insurance and related services to the public. Anthem offers Health Maintenance Organization (HMO), Preferred Provider Organization (PPO), and point-of-service health plans for individuals, employer groups, and public entities. It also sells Medicare supplemental and Medicare Advantage health plans to seniors.
- 3. Anthem at all times mentioned herein has transacted business in the County of Los Angeles and elsewhere within the State of California. The violations of law described herein occurred in the County of Los Angeles and elsewhere in the State of California.

DEFENDANTS' BUSINESS ACTS AND PRACTICES

- 4. On or about April 27, 2011, Anthem caused a marketing mailer to be sent via United States mail service to its Medicare Supplement members in California ("Marketing Mailer Recipients").
- 5. Above the Marketing Mailer Recipient's address and visible through the envelope window were the words "Priority Code" followed by a multi-digit number. For 31,125 of the Marketing Mailer Recipients, that Priority Code consisted of the Marketing Mailer Recipient's Social Security number with additional digits added to create the full Priority Code. Thus, for each of these 31,125 Marketing Mailer Recipients, the Priority Code viewable through the envelope window included the individual's Social Security number.
- 6. Between about December 2011 to March 2012, Anthem caused payment collection letters to be sent via United States Mail Service to its Medicare Part D members in California ("Collection Letter Recipients"). For 2,631 Collection Letter Recipients, their Social Security number was printed on the letter as their "Member Identification Number."

FIRST CAUSE OF ACTION

VIOLATIONS OF BUSINESS AND PROFESSIONS CODE SECTION 17200 (UNFAIR COMPETITION)

7. Plaintiff realleges Paragraphs 1 through 6 and incorporates these Paragraphs by reference as though they were fully set forth in this cause of action.

Complaint for Injunction, Civil Penalties and Other Equitable Relief

1	
2	
3	
4	
5	-
6	
7	
8	
9	
10	
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	
26	
27	

28

- 3. That Plaintiff recover its costs of suit herein, including costs of investigation.
- 4. For such other and further relief as the Court may deem just and proper.

Dated: September 27, 2012

Respectfully Submitted,

KAMALA D. HARRIS
Attorney General of California
FRANCES T. GRUNDER
Senior Assistant Attorney General
MICHELE VAN GELDEREN
Supervising Deputy Attorney General

MICHAEL E. ELISOFON
Deputy Attorney General
Attorneys for Plaintiff

THE PEOPLE OF THE STATE OF CALIFORNIA