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**UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF WASHINGTON**

CYNTHIA STRECKER, individually and on
behalf of all others similarly situated,

Plaintiff,

v.

MCG HEALTH, LLC, a Washington limited
liability company,

Defendant.

Case No.

CLASS ACTION COMPLAINT

JURY TRIAL DEMANDED

CLASS ACTION COMPLAINT

Plaintiff Cynthia Strecker (“Plaintiff”), on behalf of herself and all others similarly situated, brings this action against Defendant MCG Health, LLC (“MCG Health” or “Defendant”), a Washington limited liability company, to obtain damages, restitution and injunctive relief for the Class, as defined below, from Defendant.

NATURE OF THE ACTION

1. According to a June 10, 2022 notification letter MCG sent to Plaintiff, MCG’s data incident (the “Data Breach”) was discovered on March 25, 2022 due to an unauthorized party obtaining certain personal information of its customers’ patients and members that matched

1 data stored on Defendant’s systems. The affected patient and/or member data included some or
2 all of the following data elements: names, Social Security numbers, medical codes, postal
3 addresses, telephone numbers, email addresses, dates of birth and gender, hereinafter defined as
4 personally identifiable information (“PII”).
5

6 2. MCG then investigated the Data Breach and discovered that an unauthorized
7 party may have acquired Plaintiff and approximately 1,100,000 Class Members’ PII.

8 3. The full extent of the types of PII, the scope of the breach, and the root cause of
9 the Data Breach are all within the exclusive control of Defendant and its agents, counsel, and
10 forensic security vendors at this phase of the litigation.

11 4. Moreover, after learning of the Data Breach, Defendant waited roughly three
12 months to notify Plaintiff and Class Members of the Data Breach and/or inform them that their
13 PII was compromised. During this time, Plaintiff and Class Members were unaware that their
14 sensitive personal identifying information had been compromised, and that they were, and
15 continue to be, at significant risk of identity theft and various other forms of personal, social, and
16 financial harm.
17

18 5. As part of its services, MCG required its customers and their patients, including
19 Plaintiff and Class Members, to provide MCG with their PII. Defendant received Plaintiff and
20 Class Members’ PII from Plaintiff and Class Members’ medical providers.
21

22 6. By obtaining, collecting, using, and deriving a benefit from the PII of Plaintiff and
23 Class Members, Defendant assumed legal and equitable duties to those individuals, and knew or
24 should have known that it was responsible for safeguarding and protecting Plaintiff’s and Class
25 Members’ PII from unauthorized access, disclosure, and theft due to criminal hacking activity.
26

1 7. In acquiring and maintaining Plaintiff’s and Class Members’ PII, Defendant
2 expressly and impliedly promised to safeguard Plaintiff’s and Class Members’ PII.

3 8. Upon information and belief, Defendant is responsible for allowing this Data
4 Breach because of multiple acts of negligence, including but not limited to its: failure to design,
5 implement, and maintain reasonable and adequate data security systems and safeguards,
6 including but not limited to a lack of encryption; and or its failure to exercise reasonable care in
7 the hiring, supervision, and training of its employees and agents and vendors; and/or its failure to
8 comply with industry-standard data security practices; and/or its failure to comply with state and
9 federal laws and regulations that govern data security and practices and are intended to protect
10 the type of PII at issue in this action.

11 9. In this era of frequent data security attacks and data breaches, particularly in the
12 medical industry, Defendant’s failure leading to the Data Breach are particularly egregious, as
13 this Data Breach was highly foreseeable.

14 10. Criminal hackers obtained Plaintiff’s and Class Members’ PII because of its value
15 in exploiting and stealing the identities of Plaintiff and the Class Members.

16 11. As a direct and proximate result of the Data Breach, Plaintiff and Class Members
17 are now at a significant present and future risk of identity theft, financial fraud, and/or other
18 identity-theft or fraud, imminently and for years to come.

19 12. As a direct and proximate result of Defendant’s data security failures and the Data
20 Breach, Plaintiff and Class Members have suffered actual, concrete, and imminent injuries.
21 These injuries include: (i) lost or diminished value of PII; (ii) out-of-pocket expenses associated
22 with the prevention, detection, and recovery from identity theft, tax fraud, and/or unauthorized
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1 use of their PII; (iii) lost opportunity costs associated with attempting to mitigate the actual
2 consequences of the Data Breach, including but not limited to lost time; and (iv) the continued
3 and certainly increased risk to their PII, which: (a) remains unencrypted and available for
4 unauthorized third parties to access and abuse; and (b) may remain backed up in Defendant's
5 possession and is subject to further unauthorized disclosures so long as Defendant fails to
6 undertake appropriate and adequate measures to protect the PII; (v) the invasion of privacy; (vi)
7 the compromise, disclosure, theft, and unauthorized use of Plaintiff's and the Class Member's
8 PII; and (vii) emotional distress, fear, anxiety, nuisance and annoyance related to the theft and
9 compromise of their PII.
10

11 13. Plaintiff and Class Members seek to remedy these harms and prevent any future
12 data compromise on behalf of themselves and all similarly situated persons whose personal data
13 was compromised and stolen as a result of the Data Breach and remains at risk due to inadequate
14 data security.
15

16 14. Plaintiff and Class Members have a continuing interest in ensuring that their
17 information is and remains safe, and they should be entitled to injunctive and other equitable
18 relief.
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20 15. Accordingly, Plaintiff, individually and on behalf of other Class Members, asserts
21 claims for Negligence (Count I) and Violation of The Washington Consumer Protection (Count
22 II).
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PARTIES

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2 16. Plaintiff Cynthia Strecker is, and at all times mentioned herein was, an individual
3 citizen Slidell, Louisiana. Plaintiff received a data breach notification letter dated June 10, 2022.
4 She received medical care from Ochsner Health Care System.
5

6 17. MCG is a HIPAA business associate that provides patient care guidelines to
7 health care providers and health plans. MCG Health, LLC is a Washington Limited Liability
8 Company with a principal place of business at 901 5th Avenue, Suite 120, Seattle, WA 98164.
9 MCG Health, LLC's sole member is Hearst Healthcare Holding I, Inc., located 1301 Fifth
10 Avenue, Suite 3800, WA 98101, and as such is a citizen of the state of Washington.
11

JURISDICTION AND VENUE

12
13 18. This Court has original jurisdiction over this action under the Class Action
14 Fairness Act, 28 U.S.C. § 1332(d)(2) because Plaintiff and at least one member of the putative
15 Class, as defined below, are citizens of a different state than Defendant MCG, there are more
16 than 100 putative class members, and the amount in controversy exceeds \$5 million exclusive of
17 interest and costs. For example, Plaintiff is a citizen of Louisiana and MCG's sole member is a
18 citizen of Washington.
19

20 19. The Western District of Washington has general personal jurisdiction over
21 Defendant named in this action because Defendant and/or its parents or affiliates are
22 headquartered in this District and Defendant conducts substantial business in Washington and
23 this District through its headquarters, offices, parents, and affiliates.
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1 32. While Defendant stated in notice letters sent to Plaintiff and Class Members (as
2 well as on its website) that it learned of the Data Breach in March 2022, Defendant did not begin
3 notifying impacted patients, such as Plaintiff and Class Members, until June 10, 2022— almost
4 three months after discovering the Data Breach.

5 33. According to MCG’s reporting to the Maine Attorney General about the Data
6 Breach, the PII of roughly 1.1 million individuals, including Plaintiff, was compromised.

7 34. Acknowledging that its cybersecurity was deficient at the time of the Data
8 Breach, admitted in its Data Breach notification letters that it “deployed additional monitoring
9 tools and will continue to enhance the security of [its] systems.”
10

11 35. Due to Defendant’s inadequate security measures, Plaintiff and the Class
12 Members now face a present, immediate, and ongoing risk of fraud and identity theft and must
13 deal with that threat forever.

14 36. Defendant had obligations created by HIPAA, contract, industry standards,
15 common law, and its own promises and representations made to Plaintiff and Class Members to
16 keep their PII confidential and to protect it from unauthorized access and disclosure.
17

18 37. Plaintiff and Class Members provided their PII to Defendant with the reasonable
19 expectation and mutual understanding that Defendant would comply with its obligations to keep
20 such information confidential and secure from unauthorized access.
21

22 **THE DATA BREACH WAS FORSEEABLE**

23 38. Defendant’s data security obligations were particularly important given the
24 substantial increase in cyberattacks and/or data breaches in the healthcare industry preceding the
25 date of the breach.
26

1 39. To prevent and detect cyberattacks and/or ransomware attacks Defendant could
2 and should have implemented, as recommended by the United States Government, the following
3 measures:

- 4 • Implement an awareness and training program. Because end users are targets,
5 employees and individuals should be aware of the threat of ransomware and how it is
6 delivered.
- 7 • Enable strong spam filters to prevent phishing emails from reaching the end users and
8 authenticate inbound email using technologies like Sender Policy Framework (SPF),
9 Domain Message Authentication Reporting and Conformance (DMARC), and
10 DomainKeys Identified Mail (DKIM) to prevent email spoofing.
- 11 • Scan all incoming and outgoing emails to detect threats and filter executable files from
12 reaching end users.
- 13 • Configure firewalls to block access to known malicious IP addresses.
- 14 • Patch operating systems, software, and firmware on devices. Consider using a
15 centralized patch management system.
- 16 • Set anti-virus and anti-malware programs to conduct regular scans automatically.
- 17 • Manage the use of privileged accounts based on the principle of least privilege: no
18 users should be assigned administrative access unless absolutely needed; and those
19 with a need for administrator accounts should only use them when necessary.
- 20 • Configure access controls—including file, directory, and network share permissions—
21 with least privilege in mind. If a user only needs to read specific files, the user should
22 not have write access to those files, directories, or shares.
- 23 • Disable macro scripts from office files transmitted via email. Consider using Office
24 Viewer software to open Microsoft Office files transmitted via email instead of full
25 office suite applications.
- 26 • Implement Software Restriction Policies (SRP) or other controls to prevent programs
from executing from common ransomware locations, such as temporary folders
supporting popular Internet browsers or compression/decompression programs,
including the AppData/LocalAppData folder.
- Consider disabling Remote Desktop protocol (RDP) if it is not being used.
- Use application whitelisting, which only allows systems to execute programs known

1 and permitted by security policy.

- 2
- 3 • Execute operating system environments or specific programs in a virtualized environment.
 - 4 • Categorize data based on organizational value and implement physical and logical separation of networks and data for different organizational units.
- 5

6 40. To prevent and detect cyber-attacks Defendant could and should have
7 implemented, as recommended by the United States Cybersecurity & Infrastructure Security
8 Agency, the following measures:

- 9
- 10 • **Update and patch your computer.** Ensure your applications and operating systems (OSs) have been updated with the latest patches. Vulnerable applications and OSs are the target of most ransomware attacks....
 - 11 • **Use caution with links and when entering website addresses.** Be careful when clicking directly on links in emails, even if the sender appears to be someone you know. Attempt to independently verify website addresses (e.g., contact your organization's helpdesk, search the internet for the sender organization's website or the topic mentioned in the email). Pay attention to the website addresses you click on, as well as those you enter yourself. Malicious website addresses often appear almost identical to legitimate sites, often using a slight variation in spelling or a different domain (e.g., .com instead of .net)....
 - 12 • **Open email attachments with caution.** Be wary of opening email attachments, even from senders you think you know, particularly when attachments are compressed files or ZIP files.
 - 13 • **Keep your personal information safe.** Check a website's security to ensure the information you submit is encrypted before you provide it....
 - 14 • **Verify email senders.** If you are unsure whether or not an email is legitimate, try to verify the email's legitimacy by contacting the sender directly. Do not click on any links in the email. If possible, use a previous (legitimate) email to ensure the contact information you have for the sender is authentic before you contact them.
 - 15 • **Inform yourself.** Keep yourself informed about recent cybersecurity threats and up to date on ransomware techniques. You can find information about known phishing attacks on the Anti-Phishing Working Group website. You may also want to sign up for CISA product notifications, which will alert you when a new Alert, Analysis Report, Bulletin, Current Activity, or Tip has been published.
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- 1 • **Use and maintain preventative software programs.** Install antivirus software,
2 firewalls, and email filters—and keep them updated—to reduce malicious network
3 traffic....²

4 41. To prevent and detect cyber-attacks or ransomware attacks Defendant could and
5 should have implemented, as recommended by the Microsoft Threat Protection Intelligence
6 Team, the following measures:

7 **Secure internet-facing assets**

- 8 -Apply latest security updates;
9 -Use threat and vulnerability management;
10 -Perform regular audit; remove privileged credentials;

11 **Thoroughly investigate and remediate alerts**

- 12 - Prioritize and treat commodity malware infections as potential full
13 compromise;

14 **Include IT Pros in security discussions**

- 15 - Ensure collaboration among [security operations], [security admins], and
16 [information technology] admins to configure servers and other endpoints
17 securely;

18 **Build credential hygiene**

- 19 - Use [multifactor authentication] or [network level authentication] and use
20 strong, randomized, just-in-time local admin passwords;

21 **Apply principle of least-privilege**

- 22 - Monitor for adversarial activities;
23 - Hunt for brute force attempts;
24 - Monitor for cleanup of Event Logs;
25 - Analyze logon events;

26 **Harden infrastructure**

- Use Windows Defender Firewall;
 - Enable tamper protection;
 - Enable cloud-delivered protection; and,
 - Turn on attack surface reduction rules and [Antimalware Scan Interface] for

² See Security Tip (ST19-001) Protecting Against Ransomware (original release date Apr. 11, 2019), available at: <https://us-cert.cisa.gov/ncas/tips/ST19-001> (last visited June 17, 2022).

Office [Visual Basic for Applications].³

42. Given that Defendant was storing the PII of Plaintiff and Class Members, Defendant could and should have implemented all of the above measures to prevent and detect ransomware attacks.

43. The occurrence of the Data Breach indicates that Defendant failed to adequately implement one or more of the above measures to prevent ransomware attacks, resulting in the Data Breach and the exposure of the PII of an undisclosed amount of current and former consumers, including Plaintiff and Class Members.

**MCG ACQUIRES, COLLECTS, AND STORES
PLAINTIFF'S AND CLASS MEMBERS' PII**

44. MCG has historically acquired, collected, and stored the PII of Plaintiff and Class Members.

45. Plaintiff and Class Members' sensitive and confidential PII is provided to MCG by their medical providers. MCG retains this information.

46. By obtaining, collecting, and storing the PII of Plaintiff and Class Members, Defendant assumed legal and equitable duties and knew or should have known that it was responsible for protecting the PII from disclosure.

47. Plaintiff and Class Members have taken reasonable steps to maintain the confidentiality of their PII and relied on MCG to keep their PII confidential and maintained securely, to use this information for business purposes only, and to make only authorized disclosures of this information.

48. MCG could have prevented this Data Breach by properly securing and encrypting the files and file servers containing the PII of Plaintiff and Class Members.

³ See Human-operated ransomware attacks: A preventable disaster (Mar 5, 2020), *available at*: <https://www.microsoft.com/security/blog/2020/03/05/human-operated-ransomware-attacks-a-preventable-disaster/> (last visited June 17, 2022).

1 49. MCG’s negligence in safeguarding the PII of Plaintiff and Class Members is
2 exacerbated by the repeated warnings and alerts directed to protecting and securing sensitive
3 data.

4 50. Despite the prevalence of public announcements of data breach and data security
5 compromises, MCG failed to take appropriate steps to protect the PII of Plaintiff and Class
6 Members from being compromised.

7
8 **MCG KNEW OR SHOULD HAVE KNOWN THE RISK BECAUSE THE MEDICAL
SERVICES SECTOR IS PARTICULARLY SUSCEPTIBLE TO CYBERATTACKS**

9 51. Defendant knew and understood unprotected or exposed PII in the custody of
10 companies operating in the health care industry, such as Defendant, is valuable and highly sought
11 after by nefarious third parties seeking to illegally monetize that PII through unauthorized access.

12 ***Value of Personally Identifiable Information***

13 52. The Federal Trade Commission (“FTC”) defines identity theft as “a fraud
14 committed or attempted using the identifying information of another person without authority.”⁴
15 The FTC describes “identifying information” as “any name or number that may be used, alone or
16 in conjunction with any other information, to identify a specific person,” including, among other
17 things, “[n]ame, Social Security number, date of birth, official State or government issued
18 driver’s license or identification number, alien registration number, government passport
19 number, employer or taxpayer identification number.”⁵

20
21 53. The PII of individuals remains of high value to criminals, as evidenced by the
22 prices they will pay through the dark web. Numerous sources cite dark web pricing for stolen
23 identity credentials. For example, PII can be sold at a price ranging from \$40 to \$200, and bank
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⁴ 17 C.F.R. § 248.201 (2013).

26 ⁵ *Id.*

1 details have a price range of \$50 to \$200.⁶ Experian reports that a stolen credit or debit card
2 number can sell for \$5 to \$110 on the dark web.⁷ Criminals can also purchase access to entire
3 company data breaches from \$900 to \$4,500.⁸

4 54. Social Security numbers, for example, are among the worst kind of PII to have
5 stolen because they may be put to a variety of fraudulent uses and are difficult for an individual
6 to change. The Social Security Administration stresses that the loss of an individual's Social
7 Security number, as is the case here, can lead to identity theft and extensive financial fraud:

9 A dishonest person who has your Social Security number can use it to get other
10 personal information about you. Identity thieves can use your number and your
11 good credit to apply for more credit in your name. Then, they use the credit cards
12 and don't pay the bills, it damages your credit. You may not find out that
13 someone is using your number until you're turned down for credit, or you begin
14 to get calls from unknown creditors demanding payment for items you never
15 bought. Someone illegally using your Social Security number and assuming your
16 identity can cause a lot of problems.⁹

17 55. What is more, it is no easy task to change or cancel a stolen Social Security
18 number. An individual cannot obtain a new Social Security number without significant
19 paperwork and evidence of actual misuse. In other words, preventive action to defend against the
20 possibility of misuse of a Social Security number is not permitted; an individual must show
21 evidence of actual, ongoing fraud activity to obtain a new number.

22 ⁶ *Your personal data is for sale on the dark web. Here's how much it costs*, Digital Trends, Oct.
23 16, 2019, available at: <https://www.digitaltrends.com/computing/personal-data-sold-on-the-dark-web-how-much-it-costs/> (last visited June 17, 2022).

24 ⁷ *Here's How Much Your Personal Information Is Selling for on the Dark Web*, Experian, Dec.
25 6, 2017, available at: <https://www.experian.com/blogs/ask-experian/heres-how-much-your-personal-information-is-selling-for-on-the-dark-web/> (last visited June 17, 2022).

26 ⁸ *In the Dark*, VPNOverview, 2019, available at: <https://vpnoverview.com/privacy/anonymous-browsing/in-the-dark/> (last visited June 17, 2022).

⁹ Social Security Administration, *Identity Theft and Your Social Security Number*, available at: <https://www.ssa.gov/pubs/EN-05-10064.pdf> (last visited June 17, 2022).

1 56. Even then, a new Social Security number may not be effective. According to Julie
2 Ferguson of the Identity Theft Resource Center, “[t]he credit bureaus and banks are able to link
3 the new number very quickly to the old number, so all of that old bad information is quickly
4 inherited into the new Social Security number.”¹⁰

5
6 57. Based on the foregoing, the information compromised in the Data Breach is
7 significantly more valuable than the loss of, for example, credit card information in a retailer
8 data breach because, there, victims can cancel or close credit and debit card accounts. The
9 information compromised in this Data Breach is impossible to “close” and difficult, if not
10 impossible, to change—Social Security number, driver’s license number, name, and date of
11 birth.

12
13 58. This data demands a much higher price on the black market. Martin Walter,
14 senior director at cybersecurity firm RedSeal, explained, “Compared to credit card information,
15 personally identifiable information and Social Security numbers are worth more than 10x on the
16 black market.”¹¹

17 59. Among other forms of fraud, identity thieves may obtain driver’s licenses,
18 government benefits, medical services, and housing or even give false information to police.

19
20 60. The fraudulent activity resulting from the Data Breach may not come to light for
21 years.

22
23 ¹⁰ Bryan Naylor, *Victims of Social Security Number Theft Find It’s Hard to Bounce Back*, NPR
24 (Feb. 9, 2015), available at: <http://www.npr.org/2015/02/09/384875839/data-stolen-by-anthem-s-hackers-has-millionsworrying-about-identity-theft> (last visited June 17, 2022).

25 ¹¹ Time Greene, *Anthem Hack: Personal Data Stolen Sells for 10x Price of Stolen Credit Card*
26 *Numbers*, IT World, (Feb. 6, 2015), available at:
<https://www.networkworld.com/article/2880366/anthem-hack-personal-data-stolen-sells-for-10x-price-of-stolen-credit-card-numbers.html> (last visited June 17, 2022).

1 61. There may be a time lag between when harm occurs versus when it is discovered,
2 and also between when PII is stolen and when it is used. According to the U.S. Government
3 Accountability Office (“GAO”), which conducted a study regarding data breaches:

4 [L]aw enforcement officials told us that in some cases, stolen data may be held for
5 up to a year or more before being used to commit identity theft. Further, once stolen
6 data have been sold or posted on the Web, fraudulent use of that information may
7 continue for years. As a result, studies that attempt to measure the harm resulting
8 from data breaches cannot necessarily rule out all future harm.¹²

9 62. At all relevant times, Defendant knew, or reasonably should have known, of the
10 importance of safeguarding the PII of Plaintiff and Class Members, including Social Security
11 numbers, and of the foreseeable consequences that would occur if Defendant’s data security
12 system and network was breached, including, specifically, the significant costs that would be
13 imposed on Plaintiff and Class Members as a result of a breach.

14 63. Plaintiff and Class Members now face years of constant surveillance of their
15 financial and personal records, monitoring, and loss of rights. The Class is incurring and will
16 continue to incur such damages in addition to any fraudulent use of their PII.

17 64. Defendant was, or should have been, fully aware of the unique type and the
18 significant volume of data on Defendant’s server(s), amounting to potentially thousands of
19 individuals’ detailed PII, and, thus, the significant number of individuals who would be harmed
20 by the exposure of the unencrypted data.

21 65. In the breach notification letter, Defendant made an offer of 12 months of identity
22 monitoring services. This is wholly inadequate to compensate Plaintiff and Class Members as it
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¹² *Report to Congressional Requesters*, GAO, at 29 (June 2007), available at:
<https://www.gao.gov/assets/gao-07-737.pdf> (last visited June 17, 2022).

1 fails to provide for the fact that victims of data breaches and other unauthorized disclosures
2 commonly face multiple years of ongoing identity theft, and medical and financial fraud, and it
3 entirely fails to provide sufficient compensation for the unauthorized release and disclosure of
4 Plaintiff's and Class Members' PII.

5
6 66. The injuries to Plaintiff and Class Members were directly and proximately caused
7 by Defendant's failure to implement or maintain adequate data security measures for the PII of
8 Plaintiff and Class Members.

9 67. The ramifications of Defendant's failure to keep secure the PII of Plaintiff and
10 Class Members are long lasting and severe. Once PII is stolen, particularly Social Security
11 numbers, fraudulent use of that information and damage to victims may continue for years.

12 ***Defendant failed to properly protect Plaintiff's and Class Members' PII***

13
14 68. Defendant breached its obligations to Plaintiff and Class Members and was
15 otherwise negligent and reckless because it failed to properly maintain and safeguard its
16 computer systems and data. Defendant's unlawful conduct includes, but is not limited to, the
17 following acts and/or omissions:

- 18 a. Failing to maintain an adequate data security system to reduce the risk of data
19 breaches, cyber-attacks, hacking incidents, and ransomware attacks;
20
21 b. Failing to adequately protect patients' PII;
22
23 c. Failing to properly monitor its own data security systems for existing or prior
24 intrusions;
25
26 d. Failing to ensure the confidentiality and integrity of electronic PHI it created,
received, maintained, and/or transmitted, in violation of 45 C.F.R. § 164.306(a)(1);

- 1 e. Failing to implement technical policies and procedures for electronic information
2 systems that maintain electronic PHI to allow access only to those persons or
3 software programs that have been granted access rights in violation of 45 C.F.R. §
4 164.312(a)(1);
5
6 f. Failing to implement policies and procedures to prevent, detect, contain, and correct
7 security violations in violation of 45 C.F.R. § 164.308(a)(1)(i);
8
9 g. Failing to implement procedures to review records of information system activity
10 regularly, such as audit logs, access reports, and security incident tracking reports
11 in violation of 45 C.F.R. § 164.308(a)(1)(ii)(D);
12
13 h. Failing to protect against reasonably anticipated threats or hazards to the security
14 or integrity of electronic PHI in violation of 45 C.F.R. § 164.306(a)(2);
15
16 i. Failing to protect against reasonably anticipated uses or disclosures of electronic
17 PHI that are not permitted under the privacy rules regarding individually
18 identifiable health information in violation of 45 C.F.R. § 164.306(a)(3);
19
20 j. Failing to ensure compliance with HIPAA security standard rules by its workforces
21 in violation of 45 C.F.R. § 164.306(a)(4);
22
23 k. Failing to train all members of its workforces effectively on the policies and
24 procedures regarding PHI as necessary and appropriate for the members of its
25 workforces to carry out their functions and to maintain security of PHI, in violation
26 of 45 C.F.R. § 164.530(b);
l. Failing to render the electronic PHI it maintained unusable, unreadable, or
indecipherable to unauthorized individuals, as it had not encrypted the electronic

1 PHI as specified in the HIPAA Security Rule by “the use of an algorithmic process
2 to transform data into a form in which there is a low probability of assigning
3 meaning without use of a confidential process or key” (45 CFR § 164.304’s
4 definition of “encryption”);

- 5
6 m. Failing to comply with FTC guidelines for cybersecurity, in violation of Section 5
7 of the FTC Act, and;
- 8 n. Failing to adhere to industry standards for cybersecurity.

9 69. As the result of computer systems in need of security upgrades, inadequate
10 procedures for handling email phishing attacks, viruses, malignant computer code, hacking
11 attacks, Defendant negligently and unlawfully failed to safeguard Plaintiff’s and Class Members’
12 PII.

13
14 70. Accordingly, as outlined below, Plaintiff and Class Members now face a present,
15 increased, and immediate risk of fraud and identity theft.

16 ***Cyberattacks and data breaches cause disruption and put individuals at an increased risk of***
17 ***fraud and identity theft***

18 71. Hacking incidents and data breaches at healthcare related companies like
19 Defendant are especially problematic because of the sensitive nature of the information at issue
20 and the disruption they cause to the medical treatment and overall daily lives of patients affected
21 by the attack.
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1 72. Researchers have found that at medical facilities that experienced a data security
2 incident, the death rate among patients increased in the months and years after the attack.¹³

3 73. Researchers have further found that at medical facilities that experienced a data
4 security incident, the incident was associated with deterioration in timeliness and patient
5 outcomes, generally.¹⁴

6 74. The United States Government Accountability Office released a report in 2007
7 regarding data breaches (“GAO Report”) in which it noted that victims of identity theft will face
8 “substantial costs and time to repair the damage to their good name and credit record.”¹⁵

9 75. That is because any victim of a data breach is exposed to serious ramifications
10 regardless of the nature of the data. Indeed, the reason criminals steal personally identifiable
11 information is to monetize it. They do this by selling the spoils of their cyberattacks on the black
12 market to identity thieves who desire to extort and harass victims, take over victims’ identities in
13 order to engage in illegal financial transactions under the victims’ names. Because a person’s
14 identity is akin to a puzzle, the more accurate pieces of data an identity thief obtains about a
15 person, the easier it is for the thief to take on the victim’s identity, or otherwise harass or track
16 the victim. For example, armed with just a name and date of birth, a data thief can utilize a
17 hacking technique referred to as “social engineering” to obtain even more information about a
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21 _____
22 ¹³ See Nsikan Akpan, *Ransomware and Data Breaches Linked to Uptick in Fatal Heart Attacks*,
23 PBS (Oct. 24, 2019), <https://www.pbs.org/newshour/science/ransomware-and-other-data-breaches-linked-to-uptick-in-fatal-heart-attacks>.

24 ¹⁴ See Sung J. Choi et al., *Data Breach Remediation Efforts and Their Implications for Hospital Quality*, 54 *Health Services Research* 971, 971-980 (2019). Available at
25 <https://onlinelibrary.wiley.com/doi/full/10.1111/1475-6773.13203>.

26 ¹⁵ See U.S. Gov. Accounting Office, GAO-07-737, *Personal Information: Data Breaches Are Frequent, but Evidence of Resulting Identity Theft Is Limited; However, the Full Extent Is Unknown* (2007). Available at <https://www.gao.gov/new.items/d07737.pdf>.

1 victim's identity, such as a person's login credentials or Social Security number. Social
2 engineering is a form of hacking whereby a data thief uses previously acquired information to
3 manipulate individuals into disclosing additional confidential or personal information through
4 means such as spam phone calls and text messages or phishing emails.

5
6 76. The FTC recommends that identity theft victims take several steps to protect their
7 personal and financial information after a data breach, including contacting one of the credit
8 bureaus to place a fraud alert (consider an extended fraud alert that lasts for 7 years if someone
9 steals their identity), reviewing their credit reports, contacting companies to remove fraudulent
10 charges from their accounts, placing a credit freeze on their credit, and correcting their credit
11 reports.¹⁶

12
13 77. Identity thieves use stolen personal information such as Social Security numbers
14 for a variety of crimes, including credit card fraud, phone or utilities fraud, and bank/finance
15 fraud.

16 78. Identity thieves can also use Social Security numbers to obtain a driver's license
17 or official identification card in the victim's name but with the thief's picture; use the victim's
18 name and Social Security number to obtain government benefits; or file a fraudulent tax return
19 using the victim's information. In addition, identity thieves may obtain a job using the victim's
20 Social Security number, rent a house or receive medical services in the victim's name, and may
21 even give the victim's personal information to police during an arrest resulting in an arrest
22 warrant being issued in the victim's name.

23
24
25 _____
26 ¹⁶ See *IdentityTheft.gov*, Federal Trade Commission, <https://www.identitytheft.gov/Steps> (last visited June 17, 2022).

1 due to loss of time and increased risk of identity theft as a direct result of the Breach. In addition
2 to fraudulent charges, loss of use of and access to their account funds, costs associated with their
3 inability to obtain money from their accounts, diminution of value of the data, and damage to
4 their credit, Plaintiff and the other Class Members suffer ascertainable losses in the form of out-
5 of-pocket expenses, opportunity costs, and the time and costs reasonably incurred to remedy or
6 mitigate the effects of the Breach, including:
7

- 8 a. Monitoring compromised accounts for fraudulent charges;
 - 9 b. Canceling and reissuing credit and debit cards linked to the financial information
10 in possession of Defendant;
 - 11 c. Purchasing credit monitoring and identity theft prevention;
 - 12 d. Addressing their inability to withdraw funds linked to compromised accounts;
 - 13 e. Taking trips to banks and waiting in line to obtain funds held in limited accounts;
 - 14 f. Taking trips to banks and waiting in line to verify their identities in order to
15 restore access to the accounts;
 - 16 g. Placing freezes and alerts with credit reporting agencies;
 - 17 h. Spending time on the phone with or at financial institutions to dispute fraudulent
18 charges;
 - 19 i. Contacting their financial institutions and closing or modifying financial
20 accounts;
 - 21 j. Resetting automatic billing and payment instructions from compromised credit
22 and debit cards to new cards;
 - 23 k. Paying late fees and declined payment fees imposed as a result of failed automatic
24 payments that were tied to compromised accounts that had to be cancelled; and,
 - 25 l. Closely reviewing and monitoring financial accounts and credit reports for
26 unauthorized activity for years to come.
85. Moreover, Plaintiff and the other Class Members have an interest in ensuring that

1 Defendant implement reasonable security measures and safeguards to maintain the integrity and
2 confidentiality of the PII, including making sure that the storage of data or documents containing
3 PII is not accessible by unauthorized persons and that access to such data is sufficiently
4 protected.

5
6 86. And finally, as a direct and proximate result of Defendant's actions and inactions,
7 Plaintiff and the other Class Members have suffered out-of-pocket losses, anxiety, emotional
8 distress, and loss of privacy, and are at an increased risk of future harm.

9 87. In addition to the remedy for economic harm, Plaintiff and the Class Members
10 maintain an undeniable and continuing interest in ensuring that the PII remains in the possession
11 of Defendant is secure, remains secure, and is not subject to future theft.

12 ***Plaintiff Cynthia Strecker's Experience***

13
14 88. Plaintiff typically takes measures to protect her PII and is very careful about
15 sharing her PII. She has never knowingly transmitted unencrypted PII over the internet or other
16 unsecured source.

17 89. Plaintiff stores any documents containing her PII in a safe and secure location.
18 She also diligently chooses unique usernames and passwords for her online accounts.

19 90. As a result of the Data Breach, Plaintiff has suffered a loss of time and has spent
20 and continues to spend a considerable amount of time on issues related to this Data Breach. She
21 monitors accounts and credit scores and has sustained emotional distress as a result of worrying
22 about her PII being exfiltrated. She has monitored her Credit Karma account extensively since
23 receiving the Notice of Data Incident from Defendant, and intends to spend time taking steps to
24
25
26

1 protect her PII. This is time that was and will be lost and unproductive and taken away from
2 other activities and duties.

3 91. Plaintiff suffered lost time, annoyance, interference, and inconvenience as a result
4 of the Data Breach and has anxiety, emotional distress, and increased concerns for the loss of her
5 privacy.
6

7 92. As a result of the Data Breach and the exfiltration of her unencrypted PII in the
8 hands of criminals, Plaintiff is at a substantial present risk and will continue to be at an increased
9 risk of identity theft and fraud for years to come.

10 93. To date, Defendant has done very little to adequately protect Plaintiff and Class
11 Members, or to compensate them for their injuries sustained in this Data Breach. It offered
12 identity monitoring services, but only for two years, which is wholly inadequate for a data breach
13 including Plaintiff's and Class Members' Social Security numbers.
14

15 **CLASS ALLEGATIONS**

16 94. Plaintiff brings this suit individually and on behalf of h a nationwide class of
17 similarly situated individuals under Federal Rule of Civil Procedure 23, which is preliminarily
18 defined as:

19
20 **All persons MCG identified as being among those individuals impacted by the Data**
21 **Breach, including all who were sent a notice of the Data Breach.**

22 95. Excluded from the Classes are the following individuals and/or entities:
23 Defendant and Defendant's parents, subsidiaries, affiliates, officers and directors, and any entity
24 in which Defendant has a controlling interest; all individuals who make a timely election to be
25 excluded from this proceeding using the correct protocol for opting out; and all judges assigned
26 to hear any aspect of this litigation, as well as their immediate family members.

1 96. **Numerosity.** The Class Members are so numerous that joinder of all members is
2 impracticable. Though the exact number and identities of Class Members are unknown at this
3 time. The identities of Class Members are ascertainable through MCG's records, Class
4 Members' records, publication notice, self-identification, and other means.

5 97. **Commonality.** There are questions of law and fact common to the Class, which
6 predominate over any questions affecting only individual Class Members. These common
7 questions of law and fact include, without limitation:

- 8 a. Whether MCG unlawfully used, maintained, lost, or disclosed Plaintiff's and
9 Class Members' PII;
- 10 b. Whether MCG failed to implement and maintain reasonable security procedures
11 and practices appropriate to the nature and scope of the information
12 compromised in the Data Breach;
- 13 c. Whether MCG's data security systems prior to and during the Data Breach
14 complied with applicable data security laws and regulations;
- 15 d. Whether MCG's data security systems before and during the Data Breach were
16 consistent with industry standards;
- 17 e. Whether MCG owed a duty to Class Members to safeguard their PII;
- 18 f. Whether MCG breached its duty to Class Members to safeguard their PII;
- 19 g. Whether computer hackers obtained Class Members' PII in the Data Breach;
- 20 h. Whether MCG knew or should have known that its data security systems and
21 monitoring processes were deficient;
- 22 i. Whether Plaintiff and Class Members suffered legally cognizable damages as a
23 result of MCG's misconduct;
- 24 j. Whether MCG's conduct was negligent;
- 25 k. Whether MCG violated consumer protection laws, and,
- 26

1 1. Whether Plaintiff and Class Members are entitled to damages, civil penalties,
2 and/or injunctive relief.

3 98. **Typicality.** Plaintiff's claims are typical of those of other Class Members because
4 Plaintiff's PII, like that of every other Class Member, was compromised in the Data Breach.

5 99. **Adequacy of Representation.** Plaintiff will fairly and adequately represent and
6 protect the interests of the Members of the Class. Plaintiff's Counsel is competent and
7 experienced in litigating Class actions, including data privacy litigation of this kind.

8 100. **Predominance.** MCG has engaged in a common course of conduct toward
9 Plaintiff and Class Members, in that all the Plaintiff's and Class Members' data was stored on
10 the same computer systems and unlawfully accessed in the same way. The common issues
11 arising from Defendant's conduct affecting Class Members set out above predominate over any
12 individualized issues. Adjudication of these common issues in a single action has important and
13 desirable advantages of judicial economy.

14 101. **Superiority.** A Class action is superior to other available methods for the fair and
15 efficient adjudication of the controversy. Class treatment of common questions of law and fact is
16 superior to multiple individual actions or piecemeal litigation. Absent a Class action, most Class
17 Members would likely find that the cost of litigating their individual claims is prohibitively high
18 and would therefore have no effective remedy. The prosecution of separate actions by individual
19 Class Members would create a risk of inconsistent or varying adjudications with respect to
20 individual Class Members, which would establish incompatible standards of conduct for MCG.
21 In contrast, the conduct of this action as a Class action presents far fewer management
22 difficulties, conserves judicial resources and the parties' resources, and protects the rights of
23 each Class member.

24 102. MCG has acted on grounds that apply generally to the Class as a whole, so that
25 Class certification, injunctive relief, and corresponding declaratory relief are appropriate on a
26

1 Class-wide basis.

2 103. Likewise, particular issues under Federal Rule 23(c)(4) are appropriate for
3 certification because such claims present only particular, common issues, the resolution of which
4 would advance the disposition of this matter and the parties' interests therein. Such particular
5 issues include, but are not limited to:

- 6 a. Whether MCG owed a legal duty to Plaintiff and the Class to exercise due care in
7 collecting, storing, and safeguarding their PII;
- 8 b. Whether MCG's security measures to protect their data systems were reasonable in
9 light of best practices recommended by data security experts;
- 10 c. Whether MCG's failure to institute adequate protective security measures
11 amounted to negligence;
- 12 d. Whether MCG failed to take commercially reasonable steps to safeguard consumer
13 PII; and
- 14 e. Whether adherence to FTC data security recommendations, and measures
15 recommended by data security experts would have reasonably prevented the data
16 breach.

17 104. Finally, all members of the proposed Class are readily ascertainable. MCG has
18 access to Class Members' names and addresses affected by the Data Breach. Class Members
19 have already been preliminarily identified and sent notice of the Data Breach by MCG.

20 **FIRST CAUSE OF ACTION**
21 **NEGLIGENCE**
22 **(On Behalf of Plaintiff and the Class)**

23 105. Plaintiff re-alleges and incorporates by reference herein all of the allegations
24 contained in paragraphs 1 through 104.

25 106. MCG knowingly collected, came into possession of, and maintained Plaintiff's
26 and Class Members' PII, and had a duty to exercise reasonable care in safeguarding, securing,

1 and protecting such information from being compromised, lost, stolen, misused, and/or disclosed
2 to unauthorized parties.

3 107. MCG had a duty under common law to have procedures in place to detect and
4 prevent the loss or unauthorized dissemination of Plaintiff's and Class Members' PII.

5 108. Defendant had full knowledge of the sensitivity of the PII and the types of harm
6 that Plaintiff and Class Members could and would suffer if the PII were wrongfully disclosed.

7 109. By assuming the responsibility to collect and store this data, and in fact doing so,
8 and sharing it and using it for commercial gain, Defendant had a duty of care to use reasonable
9 means to secure and safeguard their computer property—and Class Members' PII held within
10 it—to prevent disclosure of the information, and to safeguard the information from theft.
11 Defendant's duty included a responsibility to implement processes by which they could detect a
12 breach of its security systems in a reasonably expeditious period of time and to give prompt
13 notice to those affected in the case of a data breach.

14 110. MCG had a duty to employ reasonable security measures under Section 5 of the
15 Federal Trade Commission Act, 15 U.S.C. § 45, which prohibits “unfair. . . practices in or
16 affecting commerce,” including, as interpreted and enforced by the FTC, the unfair practice of
17 failing to use reasonable measures to protect confidential data.

18 111. MCG had a duty to employ reasonable security measures and otherwise protect
19 the PII of Plaintiff and Class Members.

20 112. MCG, through its actions and/or omissions, unlawfully breached its duty to
21 Plaintiff and Class Members by failing to exercise reasonable care in protecting and safeguarding
22 Plaintiff's and Class Members' PII within MCG's possession.

23 113. MCG, through its actions and/or omissions, unlawfully breached its duty to
24 Plaintiff and Class Members by failing to have appropriate procedures in place to detect and
25 prevent dissemination of Plaintiff's and Class Members' PII.
26

1 114. MCG, through its actions and/or omissions, unlawfully breached its duty to timely
2 disclose to Plaintiff and Class Members that the PII within MCG's possession might have been
3 compromised and precisely the type of information compromised.

4 115. MCG's breach of duties owed to Plaintiff and Class Members caused Plaintiff's
5 and Class Members' PII to be compromised.

6 116. As a result of MCG's ongoing failure to notify Plaintiff and Class Members
7 regarding what type of PII has been compromised, Plaintiff and Class Members are unable to
8 take the necessary precautions to mitigate damages by preventing future fraud.

9 117. MCG's breaches of duty caused Plaintiff and Class Members to suffer from
10 identity theft, loss of time and money to monitor their finances for fraud, and loss of control over
11 their PII.

12 118. As a result of MCG's negligence and breach of duties, Plaintiff and Class
13 Members are in danger of imminent harm in that their PII, which is still in the possession of third
14 parties, will be used for fraudulent purposes.

15 119. Plaintiff seeks the award of actual damages on behalf of herself and the Class.

16 120. Plaintiff seeks injunctive relief on behalf of the Class in the form of an order
17 compelling MCG to institute appropriate data collection and safeguarding methods and policies
18 with regard to patient information.

19
20 **SECOND CAUSE OF ACTION**

21 **Violation of the Washington State Consumer Protection Act**

22 **(RCW 19.86.010 *et seq.*)**

23 **(On Behalf of Plaintiff and the Nationwide Class)**

24 121. Plaintiff re-alleges and incorporates by reference herein all of the allegations
25 contained in paragraphs 1 through 120.
26

1 122. The Washington State Consumer Protection Act, RCW 19.86.020 (the “CPA”)
2 prohibits any “unfair or deceptive acts or practices” in the conduct of any trade or commerce as
3 those terms are described by the CPA and relevant case law.

4 123. Defendant is a “person” as described in RWC 19.86.010(1).

5 124. Defendant engages in “trade” and “commerce” as described in RWC 19.86.010(2)
6 in that they engage in the sale of services and commerce directly and indirectly affecting the
7 people of the State of Washington.

8 125. Defendant is headquartered in Washington; its strategies, decision-making, and
9 commercial transactions originate in Washington; most of its key operations and employees
10 reside, work, and make company decisions (including data security decisions) in Washington;
11 and Defendant and many of its employees are part of the people of the State of Washington.

12 126. In the course of conducting their business, Defendant committed “unfair acts or
13 practices” by, inter alia, knowingly failing to design, adopt, implement, control, direct, oversee,
14 manage, monitor and audit appropriate data security processes, controls, policies, procedures,
15 protocols, and software and hardware systems to safeguard and protect Plaintiff’s and Class
16 Members’ PII. Plaintiff and Class Members reserve the right to allege other violations of law by
17 Defendant constituting other unlawful business acts or practices. As described above,
18 Defendant’s unfair acts and practices ongoing and continue to this date.

19 127. Defendant’s conduct was also deceptive. Defendant failed to timely notify and
20 concealing from Plaintiff and Class Members the unauthorized release and disclosure of their
21 PII. If Plaintiff and Class Members had been notified in an appropriate fashion, and had the
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1 information not been hidden from them, they could have taken precautions to safeguard and
2 protect their PII, medical information, and identities.

3 128. Defendant’s above-described “unfair or deceptive acts or practices” in violation
4 effects the public interest because it is substantially injurious to persons, had the capacity to
5 injure other persons, and has the capacity to injure other persons.
6

7 129. The gravity of Defendant’s wrongful conduct outweighs any alleged benefits
8 attributable to such conduct. There were reasonably available alternatives to further Defendant’s
9 legitimate business interests other than engaging in the above-described wrongful conduct.

10 130. Defendant’s above-described unfair and deceptive acts and practices directly and
11 proximately caused injury to Plaintiff and Class Members’ business and property. Plaintiff and
12 Class Members have suffered, and will continue to suffer, actual damages and injury in the form
13 of, inter alia, (1) an imminent, immediate and the continuing increased risk of identity theft,
14 identity fraud and medical fraud—risks justifying expenditures for protective and remedial
15 services for which he or she is entitled to compensation; (2) invasion of privacy; (3) breach of
16 the confidentiality his or her PII; (5) deprivation of the value of his or her PII, for which there is
17 a well-established national and international market; (6) the financial and temporal cost of
18 monitoring credit, monitoring financial accounts, and mitigating damages; and/or (7) investment
19 of substantial time and money to monitoring and remediating the harm inflicted upon them
20

21 131. Unless restrained and enjoined, Defendant will continue to engage in the above-
22 described wrongful conduct and more data breaches will occur. Plaintiff, therefore, on behalf of
23 herself, Class Members, and the general public, also seeks restitution and an injunction
24 prohibiting Defendant from continuing such wrongful conduct, and requiring Defendant to
25
26

1 modify their corporate culture and design, adopt, implement, control, direct, oversee, manage,
2 monitor and audit appropriate data security processes, controls, policies, procedures protocols,
3 and software and hardware systems to safeguard and protect the PII entrusted to it.

4
5 132. Plaintiff, on behalf of Plaintiff and the Class Members, also seeks to recover
6 actual damages sustained by each class member together with the costs of the suit, including
7 reasonable attorney fees. In addition, Plaintiff, on behalf of Plaintiff and the Class Members,
8 requests that this Court use its discretion, pursuant to RCW 19.86.090, to increase the damages
9 award for each class member by three times the actual damages sustained not to exceed
10 \$25,000.00 per class member.

11 **PRAYER FOR RELIEF**

12 **WHEREFORE**, Plaintiff, on behalf of herself and Class Members, requests judgment
13 against Defendant and that the Court grant the following:
14

- 15 A. For an order certifying the Class, as defined herein, and appointing Plaintiff and
16 her Counsel to represent each such Class;
- 17 B. For equitable relief enjoining Defendant from engaging in the wrongful conduct
18 complained of herein pertaining to the misuse and/or disclosure of the PII of
19 Plaintiff and Class Members, and from refusing to issue prompt, complete, any
20 accurate disclosures to Plaintiff and Class Members;
- 21 C. For injunctive relief requested by Plaintiff, including but not limited to, injunctive
22 and other equitable relief as is necessary to protect the interests of Plaintiff and
23 Class Members, including but not limited to an order:
24
25 i. prohibiting Defendant from engaging in the wrongful and unlawful acts
26

- 1 described herein;
- 2 ii. requiring Defendant to protect, including through encryption, all data
- 3 collected through the course of its business in accordance with all applicable
- 4 regulations, industry standards, and federal, state or local laws;
- 5
- 6 iii. requiring Defendant to delete, destroy, and purge the personal identifying
- 7 information of Plaintiff and Class Members unless Defendant can provide to
- 8 the Court reasonable justification for the retention and use of such information
- 9 when weighed against the privacy interests of Plaintiff and Class Members;
- 10 iv. requiring Defendant to implement and maintain a comprehensive Information
- 11 Security Program designed to protect the confidentiality and integrity of the
- 12 PII of Plaintiff and Class Members;
- 13
- 14 v. prohibiting Defendant from maintaining the PII of Plaintiff and Class
- 15 Members on a cloud-based database;
- 16 vi. requiring Defendant to engage independent third-party security
- 17 auditors/penetration testers as well as internal security personnel to conduct
- 18 testing, including simulated attacks, penetration tests, and audits on
- 19 Defendant's systems on a periodic basis, and ordering Defendant to promptly
- 20 correct any problems or issues detected by such third-party security auditors;
- 21
- 22 vii. requiring Defendant to engage independent third-party security auditors and
- 23 internal personnel to run automated security monitoring;
- 24
- 25 viii. requiring Defendant to audit, test, and train its security personnel regarding
- 26 any new or modified procedures;

- 1 ix. requiring Defendant to segment data by, among other things, creating
2 firewalls and access controls so that if one area of Defendant's network is
3 compromised, hackers cannot gain access to other portions of Defendant's
4 systems;
5
6 x. requiring Defendant to conduct regular database scanning and securing
7 checks;
8
9 xi. requiring Defendant to establish an information security training program that
10 includes at least annual information security training for all employees, with
11 additional training to be provided as appropriate based upon the employees'
12 respective responsibilities with handling personal identifying information, as
13 well as protecting the personal identifying information of Plaintiff and Class
14 Members;
15
16 xii. requiring Defendant to routinely and continually conduct internal training and
17 education, and on an annual basis to inform internal security personnel how to
18 identify and contain a breach when it occurs and what to do in response to a
19 breach;
20
21 xiii. requiring Defendant to implement a system of tests to assess its employees'
22 knowledge of the education programs discussed in the preceding
23 subparagraphs, as well as randomly and periodically testing employees'
24 compliance with Defendant's policies, programs, and systems for protecting
25 personal identifying information;
26
xiv. requiring Defendant to implement, maintain, regularly review, and revise as

1 necessary a threat management program designed to appropriately monitor
2 Defendant's information networks for threats, both internal and external, and
3 assess whether monitoring tools are appropriately configured, tested, and
4 updated;

5
6 xv. requiring Defendant to meaningfully educate all Class Members about the
7 threats that they face as a result of the loss of their confidential PII to third
8 parties, as well as the steps affected individuals must take to protect
9 themselves;

10 xvi. requiring Defendant to implement logging and monitoring programs sufficient
11 to track traffic to and from Defendant's servers; and for a period of 10 years,
12 appointing a qualified and independent third-party assessor to conduct a SOC
13 2 Type 2 attestation on an annual basis to evaluate Defendant's compliance
14 with the terms of the Court's final judgment, to provide such report to the
15 Court and to counsel for the class, and to report any deficiencies with
16 compliance of the Court's final judgment;

17
18 D. For an award of damages, including actual, statutory, nominal, and consequential
19 damages, as allowed by law in an amount to be determined;

20 E. For an award of attorneys' fees, costs, and litigation expenses, as allowed by law;

21 F. For prejudgment interest on all amounts awarded; and

22 G. Such other and further relief as this Court may deem just and proper.
23
24
25
26

DEMAND FOR JURY TRIAL

Plaintiff hereby demands that this matter be tried before a jury.

Dated: June 20, 2022

TOUSLEY BRAIN STEPHENS PLLC

By: *s/ Jason T. Dennett*

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ClassAction.org

This complaint is part of ClassAction.org's searchable class action lawsuit database and can be found in this post: [MCG Health Hit with Class Action Over March 2022 Data Breach Affecting 1.1M Patients](#)
