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[EXEMPT FROM FILING FEES
 UNDER GOVT. CODE SEC. 6103]

FILED
ALAMEDA COUNTY

JAN 24 2014

CLERK OF THE SUPERIOR COURT
 By [Signature] Deputy

8 *Attorneys for Plaintiff*
 THE PEOPLE OF THE STATE OF CALIFORNIA

10 SUPERIOR COURT OF THE STATE OF CALIFORNIA
 11 FOR THE COUNTY OF ALAMEDA

ORIGINAL

14 THE PEOPLE OF THE STATE OF
 15 CALIFORNIA,
 16 Plaintiff,
 17 vs.
 18 KAISER FOUNDATION HEALTH PLAN,
 INC.,
 19 Defendant.

Case No. **RG 14711370**
 COMPLAINT FOR INJUNCTION, CIVIL
 PENALTIES AND OTHER EQUITABLE
 RELIEF FOR VIOLATIONS OF BUSINESS
 AND PROFESSIONS CODE SECTION
 17200 (UNFAIR COMPETITION LAW)

22 Plaintiff, the People of the State of California, by and through Kamala D. Harris, Attorney
 23 General of the State of California, alleges the following on information and belief:

24 **DEFENDANT AND VENUE**

- 25 1. Defendant Kaiser Foundation Health Plan, Inc. ("Kaiser") is a California corporation
 26 with its principal place of business at 1 Kaiser Plaza, Oakland, California 94612.
 27 2. Kaiser is engaged in the business of providing managed healthcare and related
 28 services to the public. Kaiser offers Health Maintenance Organization (HMO) health plans for

1 individuals, employer groups, and public entities, as well as a Preferred Provider Organization
2 (PPO) plans to California residents. It also sells Medicare supplemental and Medicare Advantage
3 health plans to seniors.

4 3. Kaiser at all times mentioned herein has transacted business in the County of
5 Alameda and elsewhere within the State of California. The violations of law described herein
6 occurred in the County of Alameda and elsewhere in the State of California.

7 **DEFENDANTS' BUSINESS ACTS AND PRACTICES**

8 4. On or about September 24, 2011, Kaiser learned that an external hard drive
9 containing unencrypted personal information of former and current Kaiser employees had been
10 purchased by a member of the public at a thrift store in Santa Cruz, California. Included in the
11 data on the external hard drive were Kaiser employee names, Social Security numbers, dates of
12 birth, and addresses, in addition to unencrypted personal information of some employees' spouses
13 and children. After technical analysis, the vintage of the data was estimated to be from 2009.

14 5. Kaiser secured custody of the external hard drive on or about December 21, 2011, and
15 conducted an initial forensic examination, which was completed on or about December 28, 2011.
16 The initial forensic examination revealed that over 30,000 Social Security numbers were loaded
17 onto the drive, in addition to other employee-related sensitive information. Kaiser continued to
18 inventory the remaining contents of the drive through approximately mid-February 2012, and had
19 sufficient information to identify and notify at least some individuals affected by the breach
20 between December 2011 and February 2012. Beginning on or about March 19, 2012, Kaiser
21 mailed letters notifying 20,539 California residents that their personal information, including
22 Social Security numbers, was found on the unencrypted external hard drive.

23 **FIRST CAUSE OF ACTION**

24 **VIOLATION OF BUSINESS AND PROFESSIONS CODE SECTION 17200**

25 **(UNFAIR COMPETITION)**

26 6. Plaintiff realleges Paragraphs 1 through 5 and incorporates these Paragraphs by
27 reference as though they were fully set forth in this cause of action.

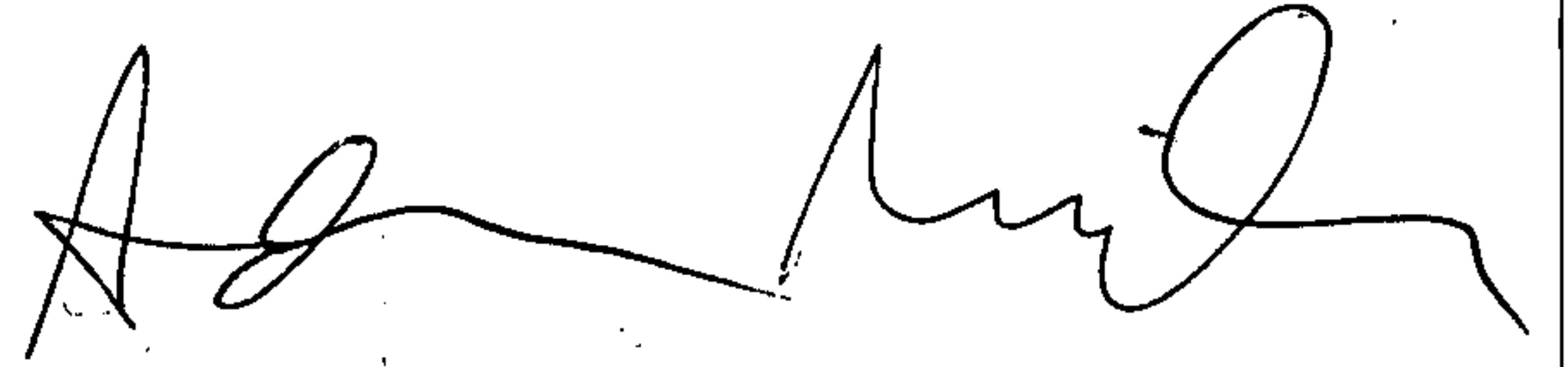
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Dated: January 23, 2014

Respectfully Submitted,

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