



600 E. Lafayette Blvd.
Detroit, MI 48226-2998

July 18, 2014

Office of the Attorney General
Attorney General Joseph Foster
33 Capitol Street
Concord, NH 03301

Dear Attorney General Foster:

Blue Cross Blue Shield of Michigan (BCBSM), a nonprofit organization, provides and administers health benefits to more than four million members either residing in Michigan or residing outside the state of Michigan by virtue of their employment with a Michigan-headquartered company. As part of that administration, BCBSM collects personal information from individuals.

As you are aware, New Hampshire state law requires notice to the New Hampshire Attorney General in the event of an information security breach involving the personal information of an Indiana resident. In accordance with that requirement, I write on behalf of BCBSM to inform you of a data breach involving sensitive personal information for one New Hampshire resident.

On June 12, 2014, an insurance agency that handles enrollment for one of our underwritten groups informed us that two boxes containing protected health information about some of our members were misplaced by the agency's storage facility. Fourteen boxes were originally sent to storage in February of 2014. The storage facility reported that two of the boxes were missing on May 1, 2014. After a thorough investigation, the boxes were not found.

While BCBSM was not directly involved in the storage of these member records, we began working immediately with the agency to investigate the incident, and determine who may be affected. The information in the boxes included member names, addresses, birth dates, group numbers, claim details, provider names, service dates, service descriptions, dollar amounts charged and paid, and social security numbers (SSNs) from the years 2010-2011. After a thorough review of the records, BCBSM believes that the protected health information of one New Hampshire resident may have been included in the missing boxes.

BCBSM is working with the agency to minimize the risk that anything similar could happen in the future, including the consideration of a new storage vendor. Although BCBSM is not aware of any inappropriate use of the personal information, we understand the sensitivity of this data. Thus, BCBSM has arranged for identity theft protection services for affected members to be provided by AllClear ID. BCBSM is covering the cost of these services for one year. One New Hampshire resident is being notified by mail on or about July 21, 2014. A copy of the notice letter is attached for your reference.

bcbsm.com

BCBSM is committed to protecting our members' sensitive information and helping ensure the situation will not occur again. If you have any questions or need further information regarding this incident, please contact me directly.

Best regards,

A handwritten signature in black ink that reads "Nicole M. Wotlinski". The signature is written in a cursive, flowing style.

Nicole M. Wotlinski
Assistant General Counsel
Blue Cross Blue Shield of Michigan
(313) 983-2554
nwotlinski@bcbsm.com

cc: John Signorino

enc

**Blue Cross
Blue Shield
Blue Care Network**
Of Michigan



600 E. Lafayette Blvd.
Detroit, Michigan 48226-2998

July 21, 2014

Dear _____,

We recently learned that your protected health information may have been disclosed in a manner inconsistent with acceptable privacy practices at Blue Cross Blue Shield of Michigan and Blue Care Network. We understand the sensitivity of this data, and we want to notify you of this situation and the steps we are taking to minimize the risk of any similar incident in the future.

In 2010 and 2011, your BCBSM or BCN enrollment was handled through Michigan State Medical Society Physician Insurance Agency. On June 12, 2014, the insurance agency informed us that two boxes containing protected health information about some of our members were misplaced by the agency's storage facility. Fourteen boxes were originally sent to storage in February of 2014. The storage facility reported that two of the boxes were missing on May 1, 2014. After a thorough investigation, the boxes were not found.

While BCBSM and BCN were not directly involved in the storage of these member records, we began working immediately with the agency to investigate the incident, and determine who may be affected. The information in the boxes included member names, addresses, Medicare contract numbers, birth dates, group numbers, claim details, provider names, service dates, service descriptions, dollar amounts charged and paid, and Social Security Numbers (SSNs) from the years 2010-2011. After a thorough review of the records, we believe your protected health information may have been included in the missing boxes.

We are working with the agency to minimize the risk that anything similar could happen in the future including consideration of a new storage vendor. At this time, we are not aware of any inappropriate use of the personal information. However, as a precaution, we have arranged for one year of identity theft protection services to be provided for you by AllClear.

You have until September 30, 2014 to activate your coverage. To sign up online, go to **enroll.allclearid.com** and follow these steps:

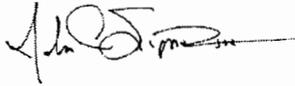
1. On the opening page, enter <<Redemption Code>> in the "Redemption Code" box and click on "Submit."
2. Complete the registration process by creating a password and answering questions about yourself.

If you would like to sign up by phone, call 1-855-434-8077. Service hours are 8 a.m. to 8 p.m. Monday through Saturday (Central Standard Time). You will need the Redemption Code provided above.

In addition to signing up for identity theft protection, it's also a good practice to carefully monitor your Explanation of Benefits statements and financial accounts for services you didn't receive or for any inappropriate claims or activity. If you notice any suspicious or unusual activity, please call our Anti-Fraud hotline at 1-800-482-3787 between 8:30 a.m. and 4:30 p.m. Monday through Friday.

At BCBSM and BCN, we take the security of our members' protected health information very seriously, and I want to personally apologize for this incident. If you have any additional questions or concerns regarding this incident, please call MSMS Physicians Insurance Agency at their toll free number 877-742-2758.

Sincerely,

A handwritten signature in black ink, appearing to read "John Signorino", with a long horizontal flourish extending to the right.

John Signorino
Privacy & Security Official
Blue Cross Blue Shield of Michigan and Blue Care Network

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