



## Disclosure of Protected Health Information (“PHI”) Reporting Form

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| <b>Plan Name:</b> Molina Healthcare of Virginia, LLC.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>Plan Type/LOB:</b> Medicaid CCC+ and Medallion 4.0, and Dual Needs Plan (D-SNP) Contract |
| <b>HIPAA Compliance Contact:</b> Maureen Shaw, Privacy Director, Molina Healthcare/ Sean Vincent, Sr. HIPAA Project Manager, Molina Healthcare<br><b>Phone Numbers:</b> (888) 562-5442 / (562) 549-4693<br><b>Email Addresses:</b> <a href="mailto:Maureen.Shaw@Molinahealthcare.com">Maureen.Shaw@Molinahealthcare.com</a> ; <a href="mailto:Sean.Vincent@molinahealthcare.com">Sean.Vincent@molinahealthcare.com</a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                             |
| <b>Case # Assigned by Health Plan:</b> Molina ID 10434                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                             |
| <b>Date the Unauthorized Disclosure Occurred (M/D/YYYY):</b> N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                             |
| <b>Discovery Date (M/D/YYYY):</b> 02/21/2024                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>Date Disclosure Reported (M/D/YYYY):</b> 02/23/2024                                      |
| <b>Responsible Party:</b> <input type="checkbox"/> Plan Employee <input checked="" type="checkbox"/> Business Associate <input type="checkbox"/> Other. If Other, Explain:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                             |
| <b>Number of members involved:</b> TBD                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                             |
| <b>PHI Disclosed:</b> Member contact information (such as first and last name, address, date of birth, phone number, and email) and one or more of the following: <ul style="list-style-type: none"><li>○ Health insurance information (such as primary, secondary or other health plans/policies, insurance companies, member/group ID numbers, and Medicaid-Medicare-government payor ID numbers);</li><li>○ Health information (such as medical record numbers, providers, diagnoses, medicines, test results, images, care and treatment);</li><li>○ Billing, claims and payment information (such as claim numbers, account numbers, billing codes, payment cards, financial and banking information, payments made, and balance due); and/or</li><li>○ Other personal information such as Social Security numbers, driver’s licenses or state ID numbers, or passport numbers.</li></ul> |                                                                                             |

## **Description of the Incident:**

**A. What happened? /Who Received the Information?** Change Healthcare, an Optum, Inc. subsidiary, is currently experiencing a network interruption related to a cyber security issue and its experts are working to address the matter. Optum, Inc./Change Healthcare, a subcontractor and business associate of Molina Healthcare, provides claims clearinghouse and provider payment solutions and services. Change Healthcare became aware of an outside threat, and in the interest of protecting partners and patients, on February 21, 2024, Change Healthcare took immediate action to disconnect its systems to prevent further impact. Molina Healthcare is investigating the matter and working with Change Healthcare to better understand the scope of the incident. Molina Healthcare is taking appropriate measures to protect our information systems and data, and has suspended connectivity with Change Healthcare. At this time, we have no indication that any Molina member information has been compromised by this security incident.

### **Update as of April 24, 2024:**

On April 22, 2024, UnitedHealth Group/Change Healthcare ("UHG") issued a press release, which provided an update on the Change Healthcare security incident. In the press release, UHG indicated that based on its analysis of an initial targeted sampling of data involved in the Change Healthcare security incident, a substantial portion of US residents may have had their PHI/PII affected by the incident. Given the complexity of the data review, and as communicated in the press release, it will likely take UHG several months of continued analysis to identify the individuals and type of data impacted by the incident. UHG clarified that the press release is "not an official breach notification" and that they "will reach out to stakeholders when there is sufficient information for notifications". At this time, UHG has not provided a breach notification to Molina or to our members.

### **Update as of June 21, 2024:**

On June 20, 2024, Change Healthcare ("CHC") issued an update regarding the CHC cybersecurity incident, which was discovered by them in February 2024. In the update, CHC informed Molina Healthcare "Molina" that they have determined this incident to be a data breach affecting the protected health information ("PHI") of Molina members. CHC stated that data review is in its late stages and they have not provided Molina with a list of impacted Molina members. Accordingly, Molina does not know, at this time, if any Molina Medicaid or DSNP members in Virginia were impacted by the CHC data breach. However, because of the large nature of this data breach, out of an abundance of caution, Molina is providing DMAS with this update based upon the information sent to us by CHC on June 20<sup>th</sup>. Although CHC is unable to confirm precisely what data has been affected for each individual, based on its review to-date, information involved may have included contact information (such as first and last name, address, date of birth, phone number, and email) and one or more of the following:

- Health insurance information (such as primary, secondary or other health plans/policies, insurance companies, member/group ID numbers, and Medicaid-Medicare-government payor ID numbers);
- Health information (such as medical record numbers, providers, diagnoses, medicines, test results, images, care and treatment);
- Billing, claims and payment information (such as claim numbers, account numbers, billing codes, payment cards, financial and banking information, payments made, and balance due); and/or
- Other personal information such as Social Security numbers, driver’s licenses or state ID numbers, or passport numbers.

CHC has offered to handle required notifications to impacted individuals and state attorney generals unless covered entities opt-out by July 8, 2024. Molina believes it is in the interests of affected individuals to receive individual notification without delay and therefore does not intend to opt-out and believes that CHC’s handling of the notifications would be appropriate given the magnitude of the incident and CHC’s apparent alignment with the U.S. Department of Health & Human Services Office for Civil Rights (“OCR”). CHC is also facilitating HIPAA substitute notice and has recommended that each affected covered entity post the notice via a prominently displayed link on its website for 90 days, detailing potential data involvement, a toll-free call center, and options for credit monitoring and identity protection services. CHC’s proposed form for substitute notice is available at: <https://www.changehealthcare.com/hipaa-substitute-notice>. Molina intends to utilize the CHC substitute notice by providing a link via our website. CHC will also offer impacted members two (2) years of complimentary credit monitoring and identity protection services. Breach notification letter mailings are planned to commence in late July, pending final quality checks and available addresses. The approach to breach notifications and substitute notice outlined above is the result of ongoing discussions between CHC and OCR. If you have any questions or concerns regarding this matter, please reach out to Maureen Shaw at the above-listed contact information.

**B. Root cause:** Cyber criminals exploited the vendor’s single factor authentication vulnerability.

**C. Remediation:** CHC has informed us that when they learned about the activity, CHC immediately began an investigation with support from leading cybersecurity experts and law enforcement. In response to this incident, CHC immediately took action to shut down systems and sever connectivity to prevent further impact. CHC, along with leading external industry experts, continues to monitor the internet and dark web. CHC has reinforced its policies and practices and implemented additional safeguards in an effort to prevent similar incidents from occurring in the future.

**Assessed as a Breach?**  No  Yes  To be determined

Department’s Office of Compliance and Security at [HIPAAprivacy@dmas.virginia.gov](mailto:HIPAAprivacy@dmas.virginia.gov)  
 Department’s Division of Integrated Care at [CCCPlus@dmas.virginia.gov](mailto:CCCPlus@dmas.virginia.gov)  
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