



State of Connecticut

Insurance Department

THOMAS R. SULLIVAN
COMMISSIONER

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Insurance Commissioner Fines Health Net of Connecticut for Information Security Lapses

Hartford –Today, Connecticut Insurance Commissioner, Thomas R. Sullivan announced that the Insurance Department has reached an agreement with Health Net of Connecticut (“Health Net”) to pay \$375,000 in penalties levied for what the Insurance Department considered to be failures to safeguard the personal information of its members from misuse by third parties. The most prominent failure stemmed from the untimely notification of the 2009 loss of a disk drive from the Shelton location resulting in the loss of personal health information of approximately 500,000 Connecticut members.

Health Net cooperated fully with the Insurance Commissioner’s review of this matter, and in addition to providing credit monitoring protection for 2 years to all Connecticut members and providers who were affected by the 2009 data breach, Health Net has undertaken significant steps to improve data and equipment security in both Shelton locations. Under the terms of the settlement, none of the cost of those improvements will be passed along to Health Net members.

“We are pleased with the way Health Net responded to the Department’s concerns regarding its internal practices. I believe they have taken the proper actions to implement systemic changes and guard against injury to its members resulting from the lost disk drive” said Commissioner Sullivan.

ABOUT THE CONNECTICUT INSURANCE DEPARTMENT

The mission of the [Connecticut Insurance Department](http://www.ct.gov/cid) is to serve consumers in a professional and timely manner by providing assistance and information to the public and to policy makers, by regulating the insurance industry in a fair and efficient manner which promotes a competitive and financially sound insurance market for consumers, and by enforcing the insurance laws to ensure that consumers are treated fairly and are protected from unfair practices. For more information, visit the Connecticut Insurance Department at www.ct.gov/cid.

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