

Jeffery P. Drummond Jackson Walker L.L.P. 2323 Ross Ave., Suite 600 Dallas, Texas 75201 jdrummond@jw.com• 214-953-5781 www.hipaablog.blogspot.com

Lessons from Breach Street:

What recent breach incidents tell us about current HIPAA problems

A brief history of HIPAA

- 1996: HIPAA statute passes
- 2000/2001: Privacy Rule published
- 2003: Privacy Rule enforceable, Security Rule published
- 2005: Security Rule enforceable
- 2009: HITECH Act passes, initial regulations passed
- 2013: HITECH "omnibus rule"

"HITECH" Act and Omnibus Rule Provisions

- New Data Breach Rules
 - "unsecured" PHI is the key
- Standard Exceptions:
 - Wrong person at the right covered entity
 - Workforce member access in good faith
 - Person authorized to access PHI generally
 - Recipient not reasonably likely to retain PHI
- General Exception:
 - Was "no substantial harm"
 - Now "low risk of compromise"

Older Breaches:

The Classics



Sony Pictures

- November 2014 Ransom-style hack
- Stolen & released info
 - movie scripts, emails, salary lists, >47,000 SSN
- Attributed to North Korea (The Interview)
- At least \$41 MM investigation and remediation



Target

- December 2013: Email hack on HVAC vendor
- large
- Skimming technology on POS
 - 40 million credit card numbers, CVVs
 - 70 million cardholder names, addresses, etc.
- $46\% \downarrow$ in Dec. profits
- \$291 MM expenses related to breach (\$90 MM insurance) (2016 10-K)

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