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**PRIVACY BREACH TO COST KAISER  
\$200,000 FINE FOR LEAVING PATIENT DATA ON WEB PAGE ACCESSIBLE TO THE  
PUBLIC**

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Calling the health care giant "irresponsible" and "negligent," state officials fined Kaiser Permanente Northern California \$200,000 on Monday for leaving sensitive patient information on a publicly accessible Web site.

The fine is the largest the state Department of Managed Health Care has levied for a privacy violation.

The names, addresses, phone numbers and lab results of about 150 patients were posted on a Kaiser site "for up to four years" before a disgruntled former worker blew the whistle on the privacy breach -- by linking to the patient data from her online blog.

In its investigation, the Department of Managed Health Care determined that Kaiser authorities "allowed the site to languish" on the Web and did not act to remove it until after federal civil-rights authorities learned about it in January. Additionally, Kaiser chose not to inform state regulators until after the site had been reported by the media in March, investigators said. Patients also were not alerted until March.

"We consider this to be a very big deal to California's consumers," said Cindy Ehnes, director of the Department of Managed Health Care. "Patients must have the assurance that health plans will do everything possible to keep their information private."

It is unclear whether the patient data actually made its way into the wrong hands. The Web site on which it was posted was created by Kaiser's information-technology staff in 1999 as a test, and was a site most people would not have easily known about or gotten to.

In this case, the concern isn't so much that a criminal might have used a person's name, address and phone number to steal their identity. "It's more that your most recent gynecologic visit might be publicly available," Ehnes said.

The Web page was created without the prior consent of the patients -- a violation of state law, as well as Kaiser's privacy policies.

"We take responsibility, have taken corrective steps and are moving on," Kaiser spokesman Rick Malaspina said.

Although Kaiser has until Saturday to dispute the department's findings, it has no plans to do so and will comply with the fine, Malaspina said.

The health care giant continues to pursue legal action against Elisa Cooper, the former Kaiser employee who drew attention to the privacy lapse in her personal blogs. Cooper, who calls herself the "Diva of Disgruntled," was ordered by an Alameda County Superior Court judge in March to stop posting confidential Kaiser patient information on the Internet.

Cooper said she was pleased by the fine and findings.

"Some scam artist could have taken personal data from this site at any time," said Cooper, a former Kaiser Web coordinator, in an e-mail to the Mercury News on Monday.

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