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**IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON  
IN AND FOR THE COUNTY OF WHITMAN**

RAE WHITMAN, individually and on behalf of  
all others similarly situated,

Plaintiff,

v.

WHITMAN COUNTY PUBLIC HOSPITAL  
DISTRICT #3 d/b/a WHITMAN HOSPITAL &  
MEDICAL CENTER,

Defendant.

No. 25-2-00161-38

CLASS ACTION COMPLAINT

Plaintiff Rae Whitman (“Plaintiff”) brings this Class Action Complaint against Defendant Whitman County Public Hospital District #3 d/b/a Whitman Hospital & Medical Center (“Defendant”), in her individual capacity and on behalf of all others similarly situated, and alleges, upon personal knowledge as to her own actions and her counsels’ investigations, and upon information and belief as to all other matters, as follows:

**INTRODUCTION**

1. Plaintiff brings this class action against Defendant for its failure to properly secure and safeguard Plaintiff’s and other similarly situated current and former patients’ (“Class Members,” defined *infra*) sensitive information including personally identifiable information (“PII”) and protected health information (“PHI”) (together with PII, “Private Information”).

1           2.       Defendant provides a full range of medical services, including inpatient and  
2 outpatient services, general orthopedic surgery, obstetrics, and various therapies.<sup>1</sup>

3           3.       Defendant received Plaintiff’s and Class Members’ Private Information, including  
4 full name, Social Security number, address, and date of birth, as well as health information, in its  
5 provision of health services to Plaintiff and Class Members.  
6

7           4.       By obtaining, collecting, using, and deriving a benefit from the Private Information  
8 of Plaintiff and Class Members, Defendant assumed legal and equitable duties to those individuals  
9 to protect and safeguard that information from unauthorized access and intrusion.

10          5.       On or around February 28, 2025, Defendant announced on its Facebook page that its  
11 electronic systems had been infiltrated by an unknown perpetrator (“Data Breach”). Upon  
12 information and belief, the Private Information of more than 1,000 individuals is believed to have  
13 been exposed by the Data Breach.  
14

15          6.       Defendant failed to adequately protect Plaintiff’s and Class Members’ Private  
16 Information—and failed to even encrypt or redact this highly sensitive information. This  
17 unencrypted, unredacted Private Information was compromised due to Defendant’s negligent and/or  
18 careless acts and omissions and its utter failure to protect its patients’ sensitive data. Hackers targeted  
19 and obtained Plaintiff’s and Class Members’ Private Information because of its value in exploiting  
20 and stealing the identities of Plaintiff and Class Members. The present and continuing risk to victims  
21 of the Data Breach will remain for their respective lifetimes.  
22

23          7.       Plaintiff brings this action on behalf of all persons whose Private Information was  
24 compromised as a result of Defendant’s failure to: (i) adequately protect the Private Information of  
25 Plaintiff and Class Members; (ii) warn Plaintiff and Class Members of Defendant’s inadequate  
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27 <sup>1</sup> See <https://www.whmc.org/services/> (last visited Mar. 20, 2025).

1 information security practices; and (iii) effectively secure its network containing protected Private  
2 Information using reasonable and effective security procedures free of vulnerabilities and incidents.  
3 Defendant's conduct amounts to negligence and violates federal statutes.

4 8. Defendant disregarded the rights of Plaintiff and Class Members by intentionally,  
5 willfully, recklessly, or negligently failing to implement and maintain adequate and reasonable  
6 measures to ensure that the Private Information of Plaintiff and Class Members was safeguarded,  
7 failing to take available steps to prevent an unauthorized disclosure of data, and failing to follow  
8 applicable, required, and appropriate protocols, policies, and procedures regarding the encryption of  
9 data, even for internal use. As a result, the Private Information of Plaintiff and Class Members was  
10 compromised through disclosure to an unknown and unauthorized third party.  
11

12 9. Plaintiff and Class Members have a continuing interest in ensuring that their  
13 information is and remains safe, and they should be entitled to injunctive and other equitable relief.  
14

15 10. Plaintiff and Class Members have suffered injury as a result of Defendant's conduct.  
16 These injuries include: (i) invasion of privacy; (ii) lost or diminished value of Private Information;  
17 (iii) lost time and opportunity costs associated with attempting to mitigate the actual consequences  
18 of the Data Breach; (iv) loss of benefit of the bargain; (v) an increase in spam calls, texts, and/or  
19 emails; and (vi) the continued and certainly increased risk to their Private Information, which: (a)  
20 remains unencrypted and available for unauthorized third parties to access and abuse; and (b)  
21 remains backed up in Defendant's possession and is subject to further unauthorized disclosures so  
22 long as Defendant fails to undertake appropriate and adequate measures to protect the Private  
23 Information. Plaintiff seeks to remedy these harms and prevent any future data compromise on  
24 behalf of herself and all similarly situated persons whose Private Information was compromised and  
25 stolen as a result of the Data Breach and who remain at risk due to Defendant's inadequate data  
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1 security practices.

2 **PARTIES**

3 11. Plaintiff is and was, at all times material hereto, a resident and citizen of Oakesdale,  
4 Washington, where she intends to remain.

5 12. Defendant is a Washington quasi-municipal entity with its principal place of business  
6 located at 1200 W. Fairview St., Colfax, Washington 99111.

7 **JURISDICTION AND VENUE**

8  
9 13. This Court has jurisdiction over this cause of action under RCW 2.08.010 and RCW  
10 4.92.090.

11 14. This Court has personal jurisdiction over Defendant because it is headquartered in  
12 Whitman County, Washington, and regularly conducts business in Whitman County, Washington.

13  
14 15. Venue is proper in this Court pursuant to RCW 4.12.020(3) and RCW 4.92.010(1)  
15 because a substantial part of the events or omissions giving rise to these claims occurred in Whitman  
16 County, Washington and Defendant resides in Whitman County, Washington.

17 **FACTUAL ALLEGATIONS**

18 **Background**

19 17. Defendant provides a full range of medical services, including inpatient and  
20 outpatient services, general orthopedic surgery, obstetrics, and various therapies.<sup>2</sup>

21  
22 18. Plaintiff provided her Private Information to Defendant in connection with services  
23 she received from Defendant.

24 19. The information held by Defendant in its computer systems at the time of the Data  
25 Breach included the unencrypted Private Information of Plaintiff and Class Members.

26  
27 <sup>2</sup> See <https://www.whmc.org/services/> (last visited Mar. 20, 2025).

1 20. Upon information and belief, Defendant made promises and representations to its  
2 patients, including Plaintiff and Class Members, that their Private Information would be kept safe  
3 and confidential, that the privacy of that information would be maintained, and that Defendant would  
4 delete any sensitive information after it was no longer required to maintain it.

5 21. Plaintiff's and Class Members' Private Information was provided to Defendant with  
6 the reasonable expectation and on the mutual understanding that Defendant would comply with its  
7 obligations to keep such information confidential and secure from unauthorized access.

8 22. Plaintiff and Class Members have taken reasonable steps to maintain the  
9 confidentiality of their Private Information. Plaintiff and Class Members value the confidentiality of  
10 their Private Information and demand security to safeguard their Private Information.

11 23. Defendant had a duty to adopt reasonable measures to protect the Private Information  
12 of Plaintiff and Class Members from involuntary disclosure to third parties. Defendant has a legal  
13 duty to keep consumers' Private Information safe and confidential.

14 24. Defendant had obligations created by the Federal Trade Commission Act, 15 U.S.C.  
15 § 45 ("FTCA"), the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"),  
16 contract, industry standards, and representations made to Plaintiff and Class Members, to keep their  
17 Private Information confidential and to protect it from unauthorized access and disclosure.

18 25. Defendant derived a substantial economic benefit from collecting Plaintiff's and  
19 Class Members' Private Information. Without the required submission of Private Information,  
20 Defendant could not perform the services it provides.

21 26. By obtaining, collecting, using, and deriving a benefit from Plaintiff's and Class  
22 Members' Private Information, Defendant assumed legal and equitable duties and knew or should  
23 have known it was responsible for protecting Plaintiff's and Class Members' Private Information

1 from disclosure.

2 **The Data Breach**

3 27. On or around February 28, 2025, Defendant announced that an unauthorized actor  
4 gained access to a corporate email account.

5 28. The Notice of Data Security Incident posted on Defendant’s Facebook states:

6 **Attention WHMC community:**

7  
8 **On February 28, 2025, WHMC became aware that our electronic systems were  
9 infiltrated by an unknown perpetrator. A cybersecurity firm is actively  
10 addressing the situation.**

11 **At this time WHMC remains open to care for you. We continue to monitor the  
12 situation and will follow up with updates on our Facebook page and website.<sup>3</sup>**

13 31. Defendant did not use reasonable security procedures and practices appropriate to  
14 the nature of the sensitive information it was maintaining for Plaintiff and Class Members, such as  
15 encrypting the information or deleting it when it was no longer needed, thereby causing the exposure  
16 of Private Information.

17 32. The attacker accessed and acquired files containing unencrypted Private Information  
18 of Plaintiff and Class Members. Plaintiff’s and Class Members’ Private Information was accessed  
19 and stolen in the Data Breach.

20 33. Plaintiff further believes her Private Information, and that of Class Members, was  
21 subsequently sold on the dark web following the Data Breach, as that is the *modus operandi* of  
22 cybercriminals that commit cyberattacks of this type.

23 **Defendant Acquires, Collects, and Stores**  
24 **the Private Information of Plaintiff and Class Members**

25 34. Defendant derives a substantial economic benefit from providing medical services to  
26

27 <sup>3</sup> See <https://www.facebook.com/whitmanhospital/> (last visited Mar. 20, 2025).

1 its patients, and as a part of providing that service, Defendant retains and stores Plaintiff’s and Class  
2 Members’ Private Information.

3 35. By obtaining, collecting, and storing the Private Information of Plaintiff and Class  
4 Members, Defendant assumed legal and equitable duties and knew or should have known it was  
5 responsible for protecting the Private Information from disclosure.  
6

7 36. Plaintiff and Class Members have taken reasonable steps to maintain the  
8 confidentiality of their Private Information.

9 37. Defendant’s patients, including Plaintiff and Class Members, relied on Defendant to  
10 keep their Private Information confidential and maintained securely, to use this information for  
11 business purposes only, and to make only authorized disclosures of this information.  
12

13 38. Defendant could have prevented this Data Breach by properly securing and  
14 encrypting the files and file servers containing the Private Information of Plaintiff and Class  
15 Members.

16 39. Upon information and belief, Defendant made promises to Plaintiff and Class  
17 Members to maintain and protect Plaintiff’s and Class Members’ Private Information, demonstrating  
18 an understanding of the importance of securing Private Information.

19 40. Defendant’s negligence in safeguarding the Private Information of Plaintiff and Class  
20 Members is exacerbated by the repeated warnings and alerts directed at protecting and securing  
21 sensitive data.  
22

23 **Defendant Knew or Should Have Known of the Risk Because Institutions in Possession of**  
24 **Private Information are Particularly Susceptible to Cyberattacks.**

25 41. Defendant’s data security obligations were particularly important given the  
26 substantial increase in cyber-attacks and/or data breaches targeting institutions that collect and store  
27 Private Information, like Defendant, preceding the date of the Data Breach.  
28

1 42. Data thieves regularly target institutions like Defendant due to the highly sensitive  
2 information in their custody. Defendant knew and understood that unprotected Private Information  
3 is valuable and highly sought after by criminal parties who seek to illegally monetize that Private  
4 Information through unauthorized access.

5 43. In 2021, a record 1,862 data breaches occurred, resulting in approximately  
6 293,927,708 sensitive records being exposed, a 68% increase from 2020.<sup>4</sup>

7 44. In light of recent high-profile data breaches at other industry-leading companies,  
8 including, Microsoft (250 million records, December 2019), Wattpad (268 million records, June  
9 2020), Facebook (267 million users, April 2020), Estée Lauder (440 million records, January 2020),  
10 Whisper (900 million records, March 2020), and Advanced Info Service (8.3 billion records, May  
11 2020), Defendant knew or should have known that the Private Information it collected and  
12 maintained would be targeted by cybercriminals.  
13

14 45. As a custodian of Private Information, Defendant knew, or should have known, the  
15 importance of safeguarding the Private Information entrusted to it by Plaintiff and Class Members,  
16 and of the foreseeable consequences if its data security systems were breached, including the  
17 significant costs imposed on Plaintiff and Class Members as a result of a breach.  
18

19 46. Despite the prevalence of public announcements of data breaches and data security  
20 compromises, Defendant failed to take appropriate steps to protect the Private Information of  
21 Plaintiff and Class Members from being compromised.  
22

23 47. Defendant was, or should have been, fully aware of the unique type and the  
24 significant volume of data on Defendant's server(s), amounting to potentially thousands of  
25 individuals' detailed, Private Information, and, thus, the significant number of individuals who  
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27 <sup>4</sup> See 2021 Data Breach Annual Report (ITRC, Jan. 2022) (<https://notified.idtheftcenter.org/s/>), at 6.

1 would be harmed by the exposure of the unencrypted data.

2 48. The injuries to Plaintiff and Class Members were directly and proximately caused by  
3 Defendant’s failure to implement or maintain adequate data security measures for the Private  
4 Information of Plaintiff and Class Members.

5 49. The ramifications of Defendant’s failure to keep secure the Private Information of  
6 Plaintiff and Class Members are long-lasting and severe. Once Private Information is stolen—  
7 particularly PHI—fraudulent use of that information and damage to victims may continue for years.  
8

9 **Value of Personally Identifiable Information**

10 50. The Federal Trade Commission (“FTC”) defines identity theft as “a fraud committed  
11 or attempted using the identifying information of another person without authority.”<sup>5</sup> The FTC  
12 describes “identifying information” as “any name or number that may be used, alone or in  
13 conjunction with any other information, to identify a specific person,” including, among other things,  
14 “[n]ame, Social Security number, date of birth, official State or government-issued driver’s license  
15 or identification number, alien registration number, government passport number, employer or  
16 taxpayer identification number.”<sup>6</sup>  
17

18 51. The Private Information of individuals remains of high value to criminals, as  
19 evidenced by the prices they will pay through the dark web. Numerous sources cite dark web pricing  
20 for stolen identity credentials.<sup>7</sup>  
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24 <sup>5</sup> 17 C.F.R. § 248.201 (2013).

25 <sup>6</sup> *Id.*

26 <sup>7</sup> *Your personal data is for sale on the dark web. Here’s how much it costs*, DIGITAL TRENDS, Oct.  
27 16, 2019, <https://www.digitaltrends.com/computing/personal-data-sold-on-the-dark-web-how-much-it-costs/>.

1 52. For example, Private Information can be sold at a price ranging from \$40 to \$200.<sup>8</sup>  
2 Criminals can also purchase access to entire company data breaches for \$900 to \$4,500.<sup>9</sup>

3 53. Theft of PHI is also gravely serious: “[a] thief may use your name or health insurance  
4 numbers to see a doctor, get prescription drugs, file claims with your insurance provider, or get other  
5 care. If the thief’s health information is mixed with yours, your treatment, insurance and payment  
6 records, and credit report may be affected.”<sup>10</sup>

7  
8 54. The greater efficiency of electronic health records brings the risk of privacy breaches.  
9 These electronic health records contain a lot of sensitive information (e.g., patient data, patient  
10 diagnoses, lab results, medications, prescriptions, treatment plans, etc.) that is valuable to  
11 cybercriminals. One patient’s complete record can be sold for hundreds of dollars on the dark web.  
12 As such, Private Information is a valuable commodity for which a “cyber black market” exists, where  
13 criminals openly post stolen payment card numbers, Social Security numbers, and other personal  
14 information on several underground internet websites. Unsurprisingly, the healthcare industry is at  
15 high risk and is acutely affected by cyberattacks, like the Data Breach here.  
16

17 55. Between 2005 and 2019, at least 249 million people were affected by healthcare data  
18 breaches.<sup>11</sup> Indeed, during 2019 alone, over 41 million health care records were exposed, stolen, or  
19 unlawfully disclosed in 505 data breaches.<sup>12</sup> In short, these sorts of data breaches are increasingly  
20

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22 <sup>8</sup> *Here’s How Much Your Personal Information Is Selling for on the Dark Web*, EXPERIAN, Dec. 6,  
23 2017, <https://www.experian.com/blogs/ask-experian/heres-how-much-your-personal-information-is-selling-for-on-the-dark-web/>.

24 <sup>9</sup> *In the Dark*, VPNOVERVIEW, 2019, <https://vpnoverview.com/privacy/anonymous-browsing/in-the-dark/>.

25 <sup>10</sup> *Medical I.D. Theft*, EFraudPrevention <https://efraudprevention.net/home/education/?a=187#:~:text=A%20thief%20may%20use%20your,credit%20report%20may%20be%20affected.>

26 <sup>11</sup> <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7349636/#B5-healthcare-08-00133/>.

27 <sup>12</sup> <https://www.hipaajournal.com/december-2019-healthcare-data-breach-report/>.

1 common, especially among health care systems, which account for 30.03 percent of overall health  
2 data breaches, according to cybersecurity firm Tenable.<sup>13</sup>

3 56. According to account monitoring company LogDog, medical data sells for \$50 and  
4 up on the dark web.<sup>14</sup>

5 57. “Medical identity theft is a growing and dangerous crime that leaves its victims with  
6 little to no recourse for recovery,” reported Pam Dixon, executive director of World Privacy Forum.  
7 “Victims often experience financial repercussions and worse yet, they frequently discover erroneous  
8 information has been added to their personal medical files due to the thief’s activities.”<sup>15</sup>

9 58. A study by Experian found that the average cost of medical identity theft is “about  
10 \$20,000” per incident and that most victims of medical identity theft were forced to pay  
11 out-of-pocket costs for healthcare they did not receive to restore coverage.<sup>16</sup> Almost half of medical  
12 identity theft victims lose their health care coverage as a result of the incident, while nearly one-  
13 third of medical identity theft victims saw their insurance premiums rise, and 40 percent were never  
14 able to resolve their identity theft at all.<sup>17</sup>

15 59. Based on the foregoing, the information compromised in the Data Breach is  
16 significantly more valuable than the loss of, for example, credit card information in a retailer data  
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20 \_\_\_\_\_  
21 <sup>13</sup> <https://www.tenable.com/blog/healthcare-security-ransomware-plays-a-prominent-role-incovid-19-era-breaches/>.

22 <sup>14</sup> <sup>14</sup> Lisa Vaas, *Ransomware Attacks Paralyze, and Sometimes Crush, Hospitals*, Naked Security  
23 (Oct. 3, 2019), <https://nakedsecurity.sophos.com/2019/10/03/ransomware-attacks-paralyze-and-sometimes-crush-hospitals/#content>.

24 <sup>15</sup> Michael Ollove, “The Rise of Medical Identity Theft in Healthcare,” Kaiser Health News, Feb. 7,  
2014, <https://khn.org/news/rise-of-identity-theft/>.

25 <sup>16</sup> See Elinor Mills, “Study: Medical Identity Theft is Costly for Victims,” CNET (Mar, 3, 2010),  
<https://www.cnet.com/news/study-medical-identity-theft-is-costly-for-victims/>.

26 <sup>17</sup> *Id.*; see also *Healthcare Data Breach: What to Know About them and What to Do After One*,  
27 EXPERIAN, <https://www.experian.com/blogs/ask-experian/healthcare-data-breach-what-to-know-about-them-and-what-to-do-after-one/> (last visited Mar. 20, 2025).

1 breach because, there, victims can cancel or close credit and debit card accounts. The information  
2 compromised in this Data Breach—PHI and names—is impossible to “close” and difficult, if not  
3 impossible, to change.

4 60. This data demands a much higher price on the black market. Martin Walter, senior  
5 director at cybersecurity firm RedSeal, explained, “Compared to credit card information, personally  
6 identifiable information . . . [is] worth more than 10x on the black market.”<sup>18</sup>

7  
8 61. Among other forms of fraud, identity thieves may obtain driver’s licenses,  
9 government benefits, medical services, and housing or even give false information to police.

10 62. The fraudulent activity resulting from the Data Breach may not come to light for  
11 years. There may be a time lag between when harm occurs versus when it is discovered, and also  
12 between when Private Information is stolen and when it is used. According to the U.S. Government  
13 Accountability Office (“GAO”), which conducted a study regarding data breaches:  
14

15 [L]aw enforcement officials told us that in some cases, stolen data may be held for up to a  
16 year or more before being used to commit identity theft. Further, once stolen data have been  
17 sold or posted on the Web, fraudulent use of that information may continue for years. As a  
18 result, studies that attempt to measure the harm resulting from data breaches cannot  
19 necessarily rule out all future harm.<sup>19</sup>

20 **Defendant Failed to Comply with FTC Guidelines.**

21 63. The FTC has promulgated numerous guides for businesses which highlight the  
22 importance of implementing reasonable data security practices. According to the FTC, the need for  
23 data security should be factored into all business decision-making. Indeed, the FTC has concluded  
24 that a company’s failure to maintain reasonable and appropriate data security for consumers’

25 <sup>18</sup> Tim Greene, *Anthem Hack: Personal Data Stolen Sells for 10x Price of Stolen Credit Card*  
26 *Numbers*, IT WORLD (Feb. 6, 2015), [https://www.networkworld.com/article/2880366/anthem-hack-  
personal-data-stolen-sells-for-10x-price-of-stolen-credit-card-numbers.html](https://www.networkworld.com/article/2880366/anthem-hack-personal-data-stolen-sells-for-10x-price-of-stolen-credit-card-numbers.html).

27 <sup>19</sup> *Report to Congressional Requesters*, GAO, at 29 (June 2007), [https://www.gao.gov/assets/gao-07-  
737.pdf](https://www.gao.gov/assets/gao-07-737.pdf).

1 sensitive personal information is an “unfair practice” in violation of Section 5 of the FTCA, 15  
2 U.S.C. § 45. *See, e.g., FTC v. Wyndham Worldwide Corp.*, 799 F.3d 236 (3d Cir. 2015).

3           64. In October 2016, the FTC updated its publication, Protecting Personal Information:  
4 A Guide for Business, which established cybersecurity guidelines for businesses. The guidelines  
5 note that businesses should protect the personal consumer information they keep, properly dispose  
6 of personal information that is no longer needed, encrypt information stored on computer networks,  
7 understand their network’s vulnerabilities, and implement policies to correct any security problems.  
8 The guidelines also recommend that businesses use an intrusion detection system to expose a breach  
9 as soon as it occurs, monitor all incoming traffic for activity indicating someone is attempting to  
10 hack into the system, watch for large amounts of data being transmitted from the system, and have  
11 a response plan ready in the event of a breach.  
12

13           65. The FTC further recommends that companies not maintain Private Information  
14 longer than is needed for authorization of a transaction, limit access to sensitive data, require  
15 complex passwords to be used on networks, use industry-tested methods for security, monitor the  
16 network for suspicious activity, and verify that third-party service providers have implemented  
17 reasonable security measures.  
18

19           66. The FTC has brought enforcement actions against businesses for failing to adequately  
20 and reasonably protect consumer data by treating the failure to employ reasonable and appropriate  
21 measures to protect against unauthorized access to confidential consumer data as an unfair act or  
22 practice prohibited by the FTCA. Orders resulting from these actions further clarify the measures  
23 businesses must take to meet their data security obligations.  
24

25           67. As evidenced by the Data Breach, Defendant failed to properly implement basic data  
26 security practices and failed to audit, monitor, or ensure the integrity of its data security practices.  
27

1 Defendant’s failure to employ reasonable and appropriate measures to protect against unauthorized  
2 access to Plaintiff’s and Class Members’ Private Information constitutes an unfair act or practice  
3 prohibited by Section 5 of the FTCA.

4 68. Defendant was at all times fully aware of its obligation to protect the Private  
5 Information of consumers under the FTCA, yet failed to comply with such obligations. Defendant  
6 was also aware of the significant repercussions that would result from its failure to do so.  
7 Accordingly, Defendant’s conduct was particularly unreasonable given the nature and amount of  
8 Private Information it obtained and stored, and the foreseeable consequences of the immense  
9 damages that would result to Plaintiff and the Class.  
10

11 **Defendant Failed to Comply with HIPAA Guidelines.**

12 69. Defendant is a covered entity under HIPAA (45 C.F.R. § 160.102) and is required to  
13 comply with the HIPAA Privacy Rule and Security Rule, 45 C.F.R. Part 160 and Part 164, Subparts  
14 A and E (“Standards for Privacy of Individually Identifiable Health Information”), and Security Rule  
15 (“Security Standards for the Protection of Electronic Protected Health Information”), 45 C.F.R. Part  
16 160 and Part 164, Subparts A and C.  
17

18 70. Defendant is subject to the rules and regulations for safeguarding electronic forms of  
19 medical information pursuant to the Health Information Technology for Economic and Clinical  
20 Health Act (“HITECH”). *See* 42 U.S.C. §17921, 45 C.F.R. § 160.103.  
21

22 71. HIPAA’s Privacy Rule or Standards for Privacy of Individually Identifiable Health  
23 Information establishes national standards for the protection of health information.

24 72. HIPAA’s Privacy Rule or Security Standards for the Protection of Electronic  
25 Protected Health Information establishes a national set of security standards for protecting health  
26 information that is kept or transferred in electronic form.  
27

1 73. HIPAA requires “comply[ance] with the applicable standards, implementation  
2 specifications, and requirements” of HIPAA “with respect to electronic protected health  
3 information.” 45 C.F.R. § 164.302.

4 74. “Electronic protected health information” is “individually identifiable health  
5 information ... that is (i) transmitted by electronic media; [or] maintained in electronic media.” 45  
6 C.F.R. § 160.103.

7 75. HIPAA’s Security Rule requires defendants to do the following:

8 a. Ensure the confidentiality, integrity, and availability of all electronic  
9 protected health information the covered entity or business associate creates, receives,  
10 maintains, or transmits;

11 b. Protect against any reasonably anticipated threats or hazards to the security or  
12 integrity of such information;

13 c. Protect against any reasonably anticipated uses or disclosures of such  
14 information that are not permitted; and

15 d. Ensure compliance by its workforce.

16 76. HIPAA also requires Defendant to “review and modify the security measures  
17 implemented ... as needed to continue provision of reasonable and appropriate protection of  
18 electronic protected health information.” 45 C.F.R. § 164.306(e). Additionally, Defendant is  
19 required under HIPAA to “[i]mplement technical policies and procedures for electronic information  
20 systems that maintain electronic protected health information to allow access only to those persons  
21 or software programs that have been granted access rights.” 45 C.F.R. § 164.312(a)(1).

22 77. HIPAA and HITECH also obligated Defendant to implement policies and procedures  
23 to prevent, detect, contain, and correct security violations, and to protect against uses or disclosures  
24

1 of electronic protected health information that are reasonably anticipated but not permitted by the  
2 privacy rules. *See* 45 C.F.R. § 164.306(a)(1) and § 164.306(a)(3); see also 42 U.S.C. §17902.

3 78. The HIPAA Breach Notification Rule, 45 C.F.R. §§ 164.400–414, also requires  
4 Defendant to provide notice of the Data Breach to each affected individual “without unreasonable  
5 delay and in no case later than 60 days following discovery of the breach.”  
6

7 79. HIPAA requires a covered entity to have and apply appropriate sanctions against  
8 members of its workforce who fail to comply with the privacy policies and procedures of the covered  
9 entity or the requirements of 45 C.F.R. Part 164, Subparts D or E. *See* 45 C.F.R. § 164.530(e).

10 80. HIPAA requires a covered entity to mitigate, to the extent practicable, any harmful  
11 effect that is known to the covered entity of a use or disclosure of protected health information in  
12 violation of its policies and procedures or the requirements of 45 C.F.R. Part 164, Subpart E by the  
13 covered entity or its business associate. *See* 45 C.F.R. § 164.530(f).  
14

15 81. HIPAA also requires the Office for Civil Rights (“OCR”), within the Department of  
16 Health and Human Services (“HHS”), to issue annual guidance documents on the provisions in the  
17 HIPAA Security Rule. *See* 45 C.F.R. §§ 164.302-164.318. For example, “HHS has developed  
18 guidance and tools to assist HIPAA covered entities in identifying and implementing the most  
19 cost-effective and appropriate administrative, physical, and technical safeguards to protect the  
20 confidentiality, integrity, and availability of e-PHI and comply with the risk analysis requirements  
21 of the Security Rule.” *US Department of Health & Human Services, Security Rule Guidance*  
22 *Material*. The list of resources includes a link to guidelines set by the National Institute of Standards  
23 and Technology (NIST), which OCR says, “represent the industry standard for good business  
24 practices with respect to standards for securing e-PHI.” *US Department of Health & Human*  
25 *Services, Guidance on Risk Analysis*.  
26  
27

1 82. Defendant was at all times fully aware of its HIPAA obligations to protect the Private  
2 Information of consumers yet failed to comply with such obligations. Defendant was also aware of  
3 the significant repercussions that would result from its failure to do so. Accordingly, Defendant's  
4 conduct was particularly unreasonable given the nature and amount of Private Information it  
5 obtained and stored and the foreseeable consequences of the immense damages that would result to  
6 Plaintiff and the Class.  
7

8 **Defendant Failed to Comply with Industry Standards.**

9 83. Experts studying cybersecurity routinely identify health care institutions like  
10 Defendant as being particularly vulnerable to cyberattacks because of the value of the Private  
11 Information which they collect and maintain.  
12

13 84. Some industry best practices that should be implemented by institutions dealing with  
14 sensitive Private Information, like Defendant, include, but are not limited to: educating all  
15 employees, strong password requirements, multilayer security including firewalls, antivirus and  
16 anti-malware software, encryption, multi-factor authentication, backing up data, and limiting which  
17 employees can access sensitive data. As evidenced by the Data Breach, Defendant failed to follow  
18 some or all of these industry best practices.  
19

20 85. Other best cybersecurity practices that are standard at large institutions that store  
21 Private Information include: installing appropriate malware detection software; monitoring and  
22 limiting network ports; protecting web browsers and email management systems; setting up network  
23 systems such as firewalls, switches, and routers; monitoring and protecting physical security  
24 systems; and training staff regarding these points. As evidenced by the Data Breach, Defendant  
25 failed to follow these cybersecurity best practices.  
26

27 86. Defendant failed to meet the minimum standards of any of the following frameworks:  
28

1 the NIST Cybersecurity Framework Version 1.1 (including, without limitation, PR.AC-1, PR.AC-  
2 3, PR.AC-4, PR.AC-5, PR.AC-6, PR.AC-7, PR.AT-1, PR.DS-1, PR.DS-5, PR.PT-1, PR.PT-3,  
3 DE.CM-1, DE.CM-4, DE.CM-7, DE.CM-8, and RS.CO-2), and the Center for Internet Security’s  
4 Critical Security Controls (CIS CSC), which are all established standards in reasonable cybersecurity  
5 readiness.

6  
7 87. Defendant failed to comply with these accepted standards, thereby permitting the  
8 Data Breach to occur.

9 **Defendant Breached Its Duty to Safeguard Plaintiff’s and**  
10 **Class Members’ Private Information.**

11 88. In addition to its obligations under federal laws, Defendant owed duties to Plaintiff  
12 and Class Members to exercise reasonable care in obtaining, retaining, securing, safeguarding,  
13 deleting, and protecting the Private Information in its possession from being compromised, lost,  
14 stolen, accessed, and misused by unauthorized persons. Defendant owed a duty to Plaintiff and Class  
15 Members to provide reasonable security, including consistency with industry standards and  
16 requirements, and to ensure that its computer systems, networks, and protocols adequately protected  
17 the Private Information of Class Members.

18  
19 89. Defendant breached its obligations to Plaintiff and Class Members and/or was  
20 otherwise negligent and reckless because it failed to properly maintain and safeguard its computer  
21 systems and data and failed to audit, monitor, or ensure the integrity of its data security practices.  
22 Defendant’s unlawful conduct includes, but is not limited to, the following acts and/or omissions:

- 23 a. Failing to maintain an adequate data security system that would reduce the  
24 risk of data breaches and cyberattacks;  
25  
26 b. Failing to adequately protect consumers’ Private Information;  
27  
28 c. Failing to properly monitor its own data security systems for existing

- 1 intrusions;
- 2 d. Failing to adhere to industry standards for cybersecurity as discussed above;
- 3 and
- 4 e. Otherwise breaching its duties and obligations to protect Plaintiff’s and Class
- 5 Members’ Private Information.
- 6

7 90. Defendant negligently and unlawfully failed to safeguard Plaintiff’s and Class  
8 Members’ Private Information by allowing cyberthieves to access its computer network and systems,  
9 which contained unsecured and unencrypted Private Information.

10 91. Had Defendant remedied the deficiencies in its information storage and security  
11 systems, followed industry guidelines, and adopted security measures recommended by experts in  
12 the field, it could have prevented intrusion into its information storage and security systems and,  
13 ultimately, the theft of Plaintiff’s and Class Members’ confidential Private Information.

14  
15 **Common Injuries & Damages**

16 92. As a result of Defendant’s ineffective and inadequate data security practices, the Data  
17 Breach, and the foreseeable consequences of Private Information ending up in the possession of  
18 criminals, the risk of identity theft to the Plaintiff and Class Members has materialized and is  
19 imminent, and Plaintiff and Class Members have all sustained actual injuries and damages,  
20 including: (a) invasion of privacy; (b) loss of time and loss of productivity incurred mitigating the  
21 materialized risk and imminent threat of identity theft risk; (c) the loss of benefit of the bargain (price  
22 premium damages); (d) diminution of value of their Private Information; and (e) the continued risk  
23 to their Private Information, which remains in the possession of Defendant, and which is subject to  
24 further breaches, so long as Defendant fails to undertake appropriate and adequate measures to  
25 protect Plaintiff’s and Class Members’ Private Information.  
26  
27

**The Data Breach Increases Victims’ Risk of Identity Theft.**

93. Plaintiff and Class Members are at a heightened risk of identity theft for years to come.

94. The unencrypted Private Information of Class Members will end up for sale on the dark web because that is the *modus operandi* of hackers. In addition, unencrypted Private Information may fall into the hands of companies that will use the detailed Private Information for targeted marketing without the approval of Plaintiff and Class Members. Unauthorized individuals can easily access the Private Information of Plaintiff and Class Members.

95. The link between a data breach and the risk of identity theft is simple and well established. Criminals acquire and steal Private Information to monetize the information. They monetize the data by selling the stolen information on the black market to other criminals, who then utilize the information to commit a variety of identity theft-related crimes discussed below.

96. Because a person’s identity is akin to a puzzle with multiple data points, the more accurate pieces of data an identity thief obtains about a person, the easier it is for the thief to take on the victim’s identity—or track the victim to attempt other hacking crimes against the individual to obtain more data to perfect a crime.

97. For example, armed with just a name and date of birth, a data thief can utilize a hacking technique referred to as “social engineering” to obtain even more information about a victim’s identity, such as a person’s login credentials or Social Security number. Social engineering is a form of hacking whereby a data thief uses previously acquired information to manipulate and trick individuals into disclosing additional confidential or personal information through means such as spam phone calls, text messages, or phishing emails. Data breaches can be the starting point for these additional targeted attacks on the victim.

1 98. One such example of criminals piecing together bits and pieces of compromised  
2 Private Information for profit is the development of “Fullz” packages.<sup>20</sup>

3 99. With “Fullz” packages, cyber-criminals can cross-reference two sources of Private  
4 Information to marry unregulated data available elsewhere to criminally stolen data with an  
5 astonishingly complete scope and degree of accuracy in order to assemble complete dossiers on  
6 individuals.  
7

8 100. The development of “Fullz” packages means that the stolen Private Information from  
9 the Data Breach can easily be used to link and identify it to Plaintiff’s and Class Members’ phone  
10 numbers, email addresses, and other unregulated sources and identifiers. In other words, even if  
11 certain information such as emails, phone numbers, or credit card numbers may not be included in  
12 the Private Information that was exfiltrated in the Data Breach, criminals may still easily create a  
13 Fullz package and sell it at a higher price to unscrupulous operators and criminals (such as illegal  
14 and scam telemarketers) over and over.  
15

16 **Loss of Time to Mitigate Risk of Identity Theft and Fraud**

17 101. As a result of the recognized risk of identity theft, when a data breach occurs, and an  
18 individual is notified by a company that their Private Information was compromised, as in this Data  
19

20  
21 <sup>20</sup> “Fullz” is fraudster speak for data that includes the information of the victim, including, but not  
22 limited to, the name, address, credit card information, social security number, date of birth, and more.  
23 As a rule of thumb, the more information you have on a victim, the more money that can be made off  
24 those credentials. Fullz are usually pricier than standard credit card credentials, commanding up to  
25 \$100 per record (or more) on the dark web. Fullz can be cashed out (turning credentials into money)  
26 in various ways, including performing bank transactions over the phone with the required  
27 authentication details in-hand. Even “dead Fullz,” which are Fullz credentials associated with credit  
28 cards that are no longer valid, can still be used for numerous purposes, including tax refund scams,  
ordering credit cards on behalf of the victim, or opening a “mule account” (an account that will accept  
a fraudulent money transfer from a compromised account) without the victim’s knowledge. *See, e.g.,*  
Brian Krebs, *Medical Records for Sale in Underground Stolen from Texas Life Insurance Firm*, Krebs  
on Security (Sep. 18, 2014), <https://krebsonsecurity.com/2014/09/medical-records-for-sale-in-underground-stolen-from-texas-life-insurance-firm>.

1 Breach, the reasonable person is expected to take steps and spend time to address the dangerous  
2 situation, learn about the breach, and otherwise mitigate the risk of becoming a victim of identity  
3 theft or fraud. Failure to spend time taking steps to review accounts or credit reports could expose  
4 the individual to greater financial harm—yet, the resource and asset of time has been lost.

5  
6 102. Plaintiff and Class Members have spent, and will spend additional time in the future,  
7 on a variety of prudent actions to remedy the harms they have or may experience as a result of the  
8 Data Breach, such as contacting credit bureaus to place freezes on their accounts; changing  
9 passwords and re-securing their own computer networks; and checking their financial accounts and  
10 health insurance statements for any indication of fraudulent activity, which may take years to detect.

11 103. These efforts are consistent with the U.S. Government Accountability Office, which  
12 released a report in 2007 regarding data breaches (“GAO Report”), in which it noted that victims of  
13 identity theft will face “substantial costs and time to repair the damage to their good name and credit  
14 record.”<sup>21</sup>

15  
16 104. These efforts are also consistent with the steps that the FTC recommends data breach  
17 victims take to protect their personal and financial information after a data breach, including:  
18 contacting one of the credit bureaus to place a fraud alert (and considering an extended fraud alert  
19 that lasts for seven years if someone steals their identity), reviewing their credit reports, contacting  
20 companies to remove fraudulent charges from their accounts, placing a credit freeze on their credit,  
21 and correcting their credit reports.<sup>22</sup>

22  
23 105. A study by Identity Theft Resource Center shows the multitude of harms caused by  
24

25  
26 <sup>21</sup> See United States Government Accountability Office, GAO-07-737, Personal Information: Data Breaches Are Frequent, but Evidence of Resulting Identity Theft Is Limited; However, the Full Extent Is Unknown (June 2007), <https://www.gao.gov/new.items/d07737.pdf>.

27 <sup>22</sup> See Federal Trade Commission, *Identity Theft.gov*, <https://www.identitytheft.gov/Steps>.

1 fraudulent use of personal and financial information:<sup>23</sup>



14 **Diminution of Value of Private Information**

15  
16 106. PII and PHI are valuable property rights.<sup>24</sup> Their value is axiomatic, considering the  
17 value of Big Data in corporate America and the consequences of cyber thefts, include heavy prison  
18 sentences. Even this obvious risk-to-reward analysis illustrates beyond a doubt that Private  
19 Information has considerable market value.

20 107. An active and robust legitimate marketplace for Private Information exists. In 2019,  
21  
22  
23

24 <sup>23</sup> Jason Steele, "Credit Card and ID Theft Statistics," Oct. 24, 2017,  
25 <https://www.creditcards.com/credit-card-news/credit-card-security-id-theft-fraud-statistics-1276.php>.

26 <sup>24</sup> See, e.g., Randall T. Soma, et al., Corporate Privacy Trend: The "Value" of Personally Identifiable  
27 Information ("PII") Equals the "Value" of Financial Assets, 15 RICH. J.L. & TECH. 11, at \*3-4 (2009)  
28 ("PII, which companies obtain at little cost, has quantifiable value that is rapidly reaching a level comparable to the value of traditional financial assets.") (citations omitted).

1 the data brokering industry was worth roughly \$200 billion.<sup>25</sup>

2 108. In fact, the data marketplace is so sophisticated that consumers can actually sell their  
3 non-public information directly to a data broker, who in turn aggregates the information and provides  
4 it to marketers or app developers.<sup>26,27</sup>

5 109. Consumers who agree to provide their web browsing history to the Nielsen  
6 Corporation can receive up to \$50.00 a year.<sup>28</sup>

7 110. Theft of PHI is also gravely serious: “[a] thief may use your name or health insurance  
8 numbers to see a doctor, get prescription drugs, file claims with your insurance provider, or get other  
9 care. If the thief’s health information is mixed with yours, your treatment, insurance and payment  
10 records, and credit report may be affected.”

11 111. As a result of the Data Breach, Plaintiff’s and Class Members’ Private Information,  
12 which has an inherent market value in both legitimate and dark markets, has been damaged and  
13 diminished by its compromise and unauthorized release. However, this transfer of value occurred  
14 without any consideration paid to Plaintiff or Class Members for their property, resulting in an  
15 economic loss. Moreover, the Private Information is now readily available, and the rarity of the Data  
16 has been lost, thereby causing additional loss of value.

17 112. At all relevant times, Defendant knew, or reasonably should have known, of the  
18 importance of safeguarding the Private Information of Plaintiff and Class Members, and of the  
19 foreseeable consequences that would occur if their data security systems were breached, including,  
20  
21  
22

23 \_\_\_\_\_  
24 <sup>25</sup> <https://www.latimes.com/business/story/2019-11-05/column-data-brokers>.

25 <sup>26</sup> <https://datacoup.com/>.

26 <sup>27</sup> <https://digi.me/what-is-digime/>.

27 <sup>28</sup> Nielsen Computer & Mobile Panel, *Frequently Asked Questions*, <https://computermobilepanel.nielsen.com/ui/US/en/faqs.html>.

1 specifically, the significant costs that would be imposed on Plaintiff and Class Members as a result  
2 of a breach.

3 113. Defendant was, or should have been, fully aware of the unique type and the  
4 significant volume of data on its network, amounting to hundreds of thousands of individuals'  
5 detailed personal information, upon information and belief, and thus, the significant number of  
6 individuals who would be harmed by the exposure of the unencrypted data.  
7

8 114. The injuries to Plaintiff and Class Members were directly and proximately caused by  
9 Defendant's failure to implement or maintain adequate data security measures for the Private  
10 Information of Plaintiff and Class Members.

11 **The Future Cost of Credit and Identity Theft Monitoring Is Reasonable and Necessary.**

12 115. Given the type of targeted attack in this case and sophisticated criminal activity, the  
13 type of Private Information involved, and the volume of data obtained in the Data Breach, there is a  
14 strong probability that entire batches of stolen information have been placed, or will be placed, on  
15 the black market/dark web for sale and purchase by criminals intending to utilize the Private  
16 Information for identity theft crimes.  
17

18 116. Such fraud may go undetected for years; consequently, Plaintiff and Class Members  
19 are at a present and continuous risk of fraud and identity theft for many years into the future.  
20

21 117. The retail cost of credit monitoring and identity theft monitoring can cost around  
22 \$200 a year per Class Member. This is a reasonable and necessary cost to monitor and protect Class  
23 Members from the risk of identity theft that arose from the Data Breach. This is a future cost for a  
24 minimum of five years that Plaintiff and Class Members would not need to bear but for Defendant's  
25 failure to safeguard their Private Information.  
26  
27  
28

**Plaintiff's Experience**

1  
2 118. Plaintiff is a former patient of Defendant and provided her Private Information to  
3 Defendant in exchange for services beginning around 2019 and last received services in February  
4 2025.

5  
6 119. At the time of the Data Breach, Defendant retained Plaintiff's Private Information,  
7 including her Social Security number, in its system.

8  
9 120. Plaintiff's Private Information was compromised in the Data Breach and stolen by  
10 cybercriminals who illegally accessed Defendant's network for the specific purpose of targeting the  
11 Private Information.

12  
13 121. Plaintiff takes reasonable measures to protect her Private Information. She has never  
14 knowingly transmitted unencrypted Private Information over the internet or any other unsecured  
15 source.

16  
17 122. Plaintiff stores any documents containing her Private Information in a safe and secure  
18 location and diligently chooses unique usernames and passwords for her online accounts.

19  
20 123. As a result of the Data Breach, Plaintiff has suffered a loss of time and has spent and  
21 continues to spend time monitoring her account and credit score and has sustained emotional  
22 distress. This is time that was lost and unproductive and took away from other activities and work  
23 duties.

24  
25 124. Plaintiff also suffered actual injury in the form of damages to and diminution in the  
26 value of her Private Information—a form of intangible property that she entrusted to Defendant for  
27 the purpose of obtaining services from Defendant, which was compromised in and as a result of the  
28 Data Breach.

125. Since the Data Breach, Plaintiff has experienced an increase in spam calls and texts.

1 126. Plaintiff suffered lost time, interference, and inconvenience as a result of the Data  
2 Breach and has anxiety and increased concerns for the loss of her privacy.

3 127. Plaintiff has suffered imminent and impending injury arising from the substantially  
4 increased risk of fraud, identity theft, and misuse resulting from her Private Information, especially  
5 her name, Social Security number, and PHI, being placed in the hands of criminals.  
6

7 128. Defendant obtained and continues to maintain Plaintiff’s Private Information and has  
8 a continuing legal duty and obligation to protect that Private Information from unauthorized access  
9 and disclosure. Plaintiff’s Private Information was compromised and disclosed as a result of the Data  
10 Breach.

11 129. As a result of the Data Breach, Plaintiff anticipates spending considerable time and  
12 money on an ongoing basis to try to mitigate and address harms caused by the Data Breach. As a  
13 result of the Data Breach, Plaintiff is at present risk and will continue to be at increased risk of  
14 identity theft and fraud for years to come.  
15

16 130. On or about March 24, 2025, Plaintiff sent a Notice of Tort Claim to Defendant  
17 consistent with RCW 4.96.020.

18 **CLASS ALLEGATIONS**

19 131. Pursuant to CR 23(a) and (b)(3), Plaintiff brings this action on behalf of herself and  
20 on behalf of all members of the proposed class defined as:  
21

22 All individuals residing in the United States whose Private Information was  
23 compromised in the Data Breach (“Class”).

24 132. Excluded from the Class are the following individuals and/or entities: Defendant and  
25 Defendant’s parents, subsidiaries, affiliates, officers and directors, and any entity in which  
26 Defendant has a controlling interest; all individuals who make a timely election to be excluded from  
27

1 this proceeding using the correct protocol for opting out; and all judges assigned to hear any aspect  
2 of this litigation, as well as their immediate family members.

3 133. Plaintiff reserves the right to amend the definition of the proposed Class or to add a  
4 subclass before the Court determines whether certification is appropriate.

5 134. This action is brought and may be maintained as a class action because there is a well-  
6 defined community of interest among many persons who comprise a readily ascertainable class. A  
7 well-defined community of interest exists to warrant class-wide relief because Plaintiff and all  
8 members of the Class were subjected to the same wrongful practices by Defendant, entitling them  
9 to the same relief.  
10

11 135. The proposed Class meets the criteria for certification under CR 23.

12 136. Numerosity. The Class Members are so numerous that joinder of all members is  
13 impracticable. Upon information and belief, Plaintiff believes the proposed Class includes at least  
14 five hundred individuals, and potentially thousands more, who have been damaged by Defendant's  
15 conduct as alleged herein. The precise number of Class Members is unknown to Plaintiff but may  
16 be ascertained from Defendant's records.  
17

18 137. Commonality. There are questions of law and fact common to the Class which  
19 predominate over any questions affecting only individual Class Members. These common questions  
20 of law and fact include, without limitation:  
21

- 22 a. Whether Defendant engaged in the conduct alleged herein;
- 23 b. Whether Defendant's conduct violated the FTCA;
- 24 c. When Defendant learned of the Data Breach;
- 25 d. Whether Defendant failed to implement and maintain reasonable security  
26 procedures and practices appropriate to the nature and scope of the PII  
27

- 1                   compromised in the Data Breach;
- 2           e.       Whether Defendant’s data security systems prior to and during the Data
- 3                   Breach complied with applicable data security laws and regulations;
- 4           f.       Whether Defendant’s data security systems, prior to and during the Data
- 5                   Breach, were consistent with industry standards;
- 6           g.       Whether Defendant owed duties to Class Members to safeguard their PII;
- 7           h.       Whether Defendant breached their duties to Class Members to safeguard their
- 8                   PII;
- 9           i.       Whether hackers obtained Class Members’ PII via the Data Breach;
- 10           j.       Whether Defendant had a legal duty to provide timely and accurate notice of
- 11                   the Data Breach to Plaintiff and Class Members;
- 12           k.       Whether Defendant breached its duty to provide timely and accurate notice of
- 13                   the Data Breach to Plaintiff and Class Members;
- 14           l.       Whether Defendant knew or should have known its data security systems and
- 15                   monitoring processes were deficient;
- 16           m.       What damages Plaintiff and Class Members suffered as a result of
- 17                   Defendant’s misconduct;
- 18           n.       Whether Defendant’s conduct was negligent;
- 19           o.       Whether Defendant breached contracts it had with its patients, including
- 20                   Plaintiff and Class Members;
- 21           p.       Whether Defendant was unjustly enriched;
- 22           q.       Whether Plaintiff and Class Members are entitled to damages;
- 23           r.       Whether Plaintiff and Class Members are entitled to additional credit or
- 24
- 25
- 26
- 27
- 28

1 identity monitoring and monetary relief; and

2 s. Whether Plaintiff and Class Members are entitled to equitable relief,  
3 including injunctive relief, restitution, disgorgement, and/or the establishment  
4 of a constructive trust.

5 138. Typicality. Plaintiff’s claims are typical of those of other Class Members because  
6 Plaintiff’s PII, like that of every other Class Member, was compromised in the Data Breach.  
7 Plaintiff’s claims are typical of those of the other Class Members because, *inter alia*, all Class  
8 Members were injured through the common misconduct of Defendant. Plaintiff is advancing the  
9 same claims and legal theories on behalf of herself and all other Class Members, and there are no  
10 defenses that are unique to Plaintiff. The claims of Plaintiff and those of Class Members arise from  
11 the same operative facts and are based on the same legal theories.  
12

13 139. Adequacy of Representation. Plaintiff will fairly and adequately represent and protect  
14 the interests of Class Members. Plaintiff’s counsel is competent and experienced in litigating class  
15 actions, including data privacy litigation of this kind.  
16

17 140. Predominance. Defendant has engaged in a common course of conduct toward  
18 Plaintiff and Class Members. For example, all of Plaintiff’s and Class Members’ data was stored on  
19 the same computer systems and unlawfully accessed and exfiltrated in the same way. The common  
20 issues arising from Defendant’s conduct affecting Class Members set out above predominate over  
21 any individualized issues. Adjudication of these common issues in a single action has important and  
22 desirable advantages of judicial economy.  
23

24 141. Defendant has acted or refused to act on grounds that apply generally to the Class  
25 Members, so that final injunctive relief or corresponding declaratory relief is appropriate respecting  
26 the Class as a whole.  
27

1 142. Superiority. A class action is superior to other available methods for the fair and  
2 efficient adjudication of this controversy and no unusual difficulties are likely to be encountered in  
3 the management of this class action. Class treatment of common questions of law and fact is superior  
4 to multiple individual actions or piecemeal litigation. Absent a class action, most Class Members  
5 would likely find that the cost of litigating their individual claims is prohibitively high and would  
6 therefore have no effective remedy. The prosecution of separate actions by individual Class  
7 Members would create a risk of inconsistent or varying adjudications with respect to individual Class  
8 Members, which would establish incompatible standards of conduct for Defendant. In contrast,  
9 conducting this action as a class action presents far fewer management difficulties, conserves judicial  
10 resources and the parties' resources, and protects the rights of each Class Member.

12 143. Finally, all members of the proposed Class are readily ascertainable. Defendant has  
13 access to the names and addresses and/or email addresses of Class Members affected by the Data  
14 Breach.  
15

16 **CLAIMS FOR RELIEF**

17 **COUNT I**  
18 **NEGLIGENCE**

19 **(On Behalf of Plaintiff and the Class)**

20 144. Plaintiff incorporates paragraphs 1 through 143, as if fully set forth herein.

21 145. Defendant's patients, including Plaintiff and Class Members, provided their non-  
22 public Private Information to Defendant as a condition of obtaining services.

23 146. Defendant had full knowledge of the sensitivity of the Private Information and the  
24 types of harm that Plaintiff and Class Members could and would suffer if the Private Information  
25 were wrongfully disclosed.

26 147. By assuming the responsibility to collect and store this data, Defendant had duties of  
27  
28

1 care to use reasonable means to secure and to prevent disclosure of the information, and to safeguard  
2 the information from theft.

3 148. Defendant had duties to employ reasonable security measures under Section 5 of the  
4 FTCA, 15 U.S.C. § 45, which prohibits “unfair . . . practices in or affecting commerce,” including,  
5 as interpreted and enforced by the FTC, the unfair practice of failing to use reasonable measures to  
6 protect confidential data.

7  
8 149. Defendant’s duty to use reasonable security measures under HIPAA required  
9 Defendant to “reasonably protect” confidential data from “any intentional or unintentional use or  
10 disclosure” and to “have in place appropriate administrative, technical, and physical safeguards to  
11 protect the privacy of protected health information.” 45 C.F.R. § 164.530(c)(1). Some or all of the  
12 health care and/or medical information at issue in this case constitutes “protected health information”  
13 within the meaning of HIPAA.

14  
15 150. Defendant owed a duty of care to Plaintiff and Class Members to provide data  
16 security consistent with industry standards and other requirements discussed herein, and to ensure  
17 that their systems and networks, and the personnel responsible for them, adequately protected the  
18 Private Information.

19 151. Moreover, Defendant had a duty to promptly and adequately notify Plaintiff and  
20 Class Members of the Data Breach.

21  
22 152. Defendant had and continues to have duties to adequately disclose that the Private  
23 Information of Plaintiff and Class Members within Defendant’s possession might have been  
24 compromised, how it was compromised, and precisely the types of data that were compromised and  
25 when. Such notice is necessary to allow Plaintiff and Class Members to take steps to prevent,  
26 mitigate, and repair any identity theft and the fraudulent use of their Private Information by third  
27

1 parties.

2 153. Defendant breached its duties, pursuant to the FTCA, HIPAA, and other applicable  
3 standards, and thus was negligent, by failing to use reasonable measures to protect Class Members'  
4 Private Information. The specific negligent acts and omissions committed by Defendant include, but  
5 are not limited to, the following:

- 6 a. Failing to adopt, implement, and maintain adequate security measures to  
7 safeguard Class Members' Private Information;
- 8 b. Failing to adequately monitor the security of its networks and systems;
- 9 c. Allowing unauthorized access to Class Members' Private Information;
- 10 d. Failing to detect in a timely manner that Class Members' Private Information  
11 had been compromised;
- 12 e. Failing to remove Plaintiff's and Class Members' Private Information that it  
13 was no longer required to retain pursuant to regulations; and
- 14 f. Failing to timely and adequately notify Class Members about the Data  
15 Breach's occurrence and scope, so they could take appropriate steps to  
16 mitigate the potential for identity theft and other damages.

17  
18  
19 154. Defendant's conduct was particularly unreasonable given the nature and amount of  
20 Private Information it obtained and stored and the foreseeable consequences of the immense  
21 damages that would result to Plaintiff and Class Members.

22  
23 155. Defendant's violation of federal statutes also constitutes negligence per se.  
24 Specifically, as described herein, Defendant has violated the FTCA and HIPAA.

25 156. Plaintiff and Class Members were within the class of persons the FTCA and HIPAA  
26 were intended to protect and the type of harm that resulted from the Data Breach was the type of  
27

1 harm these statutes were intended to guard against.

2 157. Defendant has admitted that the Private Information of Plaintiff and Class Members  
3 was wrongfully lost and disclosed to unauthorized third persons as a result of the Data Breach.

4 158. But for Defendant’s wrongful and negligent breaches of duties owed to Plaintiff and  
5 Class Members, the Private Information of Plaintiff and Class Members would not have been  
6 compromised.

7 159. There is a close causal connection between Defendant’s failure to implement security  
8 measures to protect the Private Information of Plaintiff and Class Members and the harm, or risk of  
9 imminent harm, suffered by Plaintiff and Class Members. The Private Information of Plaintiff and  
10 Class Members was lost and accessed as the proximate result of Defendant’s failure to exercise  
11 reasonable care in safeguarding such Private Information by adopting, implementing, and  
12 maintaining appropriate security measures.  
13  
14

15 160. As a direct and proximate result of Defendant’s negligence and negligence per se,  
16 Plaintiff and Class Members have suffered and will suffer injury, including but not limited to: (i)  
17 invasion of privacy; (ii) lost or diminished value of Private Information; (iii) lost time and  
18 opportunity costs associated with attempting to mitigate the actual consequences of the Data Breach;  
19 (iv) loss of benefit of the bargain; (v) an increase in spam calls, texts, and/or emails; and (vi) the  
20 continued and certainly increased risk to their Private Information, which: (a) remains unencrypted  
21 and available for unauthorized third parties to access and abuse; and (b) remains backed up in  
22 Defendant’s possession and is subject to further unauthorized disclosures so long as Defendant fails  
23 to undertake appropriate and adequate measures to protect the Private Information.  
24

25 161. As a direct and proximate result of Defendant’s negligence and negligence per se,  
26 Plaintiff and the Class have suffered and will continue to suffer other forms of injury and/or harm,  
27

1 including, but not limited to, anxiety, emotional distress, loss of privacy, and other economic and  
2 non-economic losses.

3 162. Additionally, as a direct and proximate result of Defendant’s negligence and  
4 negligence per se, Plaintiff and the Class have suffered and will suffer the continued risks of  
5 exposure of their Private Information, which remain in Defendant’s possession and is subject to  
6 further unauthorized disclosures so long as Defendant fail to undertake appropriate and adequate  
7 measures to protect the Private Information in its continued possession.  
8

9 163. Plaintiff and Class Members are therefore entitled to damages, including restitution  
10 and unjust enrichment, declaratory and injunctive relief, and attorneys’ fees, costs, and expenses.  
11

12 **COUNT II**  
13 **BREACH OF IMPLIED CONTRACT**  
14 **(On Behalf of Plaintiff and the Class)**

15 164. Plaintiff incorporates paragraphs 1 through 163, as if fully set forth herein.

16 165. Plaintiff and Class Members were required to deliver their Private Information to  
17 Defendant as part of the process of obtaining health care services provided by Defendant. Plaintiff  
18 and Class Members paid money, or money was paid on their behalf, to Defendant in exchange for  
19 health care services.

20 166. Defendant solicited, offered, and invited Class Members to provide their Private  
21 Information as part of Defendant’s regular business practices. Plaintiff and Class Members accepted  
22 Defendant’s offers and provided their Private Information to Defendant.

23 167. Defendant accepted possession of Plaintiff’s and Class Members’ Private  
24 Information for the purpose of providing services to Plaintiff and Class Members.

25 168. Specifically, Defendant has a Privacy Policy that every patient receives, which  
26 promises:  
27

1 **Privacy You have the right to:**

- 2 • Your privacy, as allowable in a hospital setting.
- 3 • Keep your information private about your health, social and financial circumstances.
- 4 • Release information only as required by law, or authorized by you.
- 5 • Have information about your care and treatment shared only with those responsible for your care, or those legally entitled to that information.<sup>29</sup>

6 169. Plaintiff and Class Members entrusted their Private Information to Defendant. In so  
 7 doing, Plaintiff and Class Members entered into implied contracts with Defendant by which  
 8 Defendant agreed to safeguard and protect such information to keep such information secure and  
 9 confidential, and to timely and accurately notify Plaintiff and the Class if their data had been  
 10 breached and compromised or stolen.

11 170. In entering into such implied contracts, Plaintiff and Class Members reasonably  
 12 believed and expected that Defendant’s data security practices complied with relevant laws and  
 13 regulations and were consistent with industry standards.

14 171. Implicit in the agreement between Plaintiff and Class Members and Defendant to  
 15 provide Private Information, was the latter’s obligation to: (a) use such Private Information for  
 16 business purposes only, (b) take reasonable steps to safeguard that Private Information, (c) prevent  
 17 unauthorized disclosures of the Private Information, (d) provide Plaintiff and Class Members with  
 18 prompt and sufficient notice of any and all unauthorized access and/or theft of their Private  
 19 Information, (e) reasonably safeguard and protect the Private Information of Plaintiff and Class  
 20 Members from unauthorized disclosure or uses, and (f) retain the Private Information only under  
 21 conditions that kept such information secure and confidential.  
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24  
 25 \_\_\_\_\_  
 26 <sup>29</sup> See chrome-extension:  
 27 //efaidnbmnnnibpcajpcglclefindmkaj/https://res.cloudinary.com/dpmykpsih/image/upload/whitman-  
 28 hospital-site-356/media/511f1553c3c14d758554d8dd90938529/patient-rights-and-responsibilities-  
 brochure-april-2023.pdf.

1 172. The mutual understanding and intent of Plaintiff and Class Members on the one hand,  
2 and Defendant, on the other, is demonstrated by their conduct and course of dealing.

3 173. On information and belief, at all relevant times, Defendant promulgated, adopted, and  
4 implemented written privacy policies whereby it expressly promised Plaintiff and Class Members  
5 that it would only disclose Private Information under certain circumstances, none of which relate to  
6 the Data Breach.

7  
8 174. On information and belief, Defendant further promised to comply with industry  
9 standards and to make sure that Plaintiff's and Class Members' Private Information would remain  
10 protected.

11 175. Plaintiff and Class Members paid money to Defendant with the reasonable belief and  
12 expectation that Defendant would use part of its earnings to obtain adequate data security. Defendant  
13 failed to do so.

14  
15 176. Plaintiff and Class Members would not have entrusted their Private Information to  
16 Defendant in the absence of the implied contract between them and Defendant to keep their  
17 information reasonably secure.

18 177. Plaintiff and Class Members would not have entrusted their Private Information to  
19 Defendant in the absence of their implied promise to monitor their computer systems and networks  
20 to ensure that it adopted reasonable data security measures.

21  
22 178. Washington law provides that every contract includes a covenant of good faith and  
23 fair dealing between the parties involved.

24 179. Plaintiff and Class Members fully and adequately performed their obligations under  
25 the implied contracts with Defendant.

26 180. Defendant breached the implied contracts it made with Plaintiff and the Class by  
27

1 failing to safeguard and protect their Private Information, by failing to delete the information of  
2 Plaintiff and the Class once the relationship ended, and by failing to provide accurate notice to them  
3 that Private Information was compromised as a result of the Data Breach

4 181. Defendant breached the implied covenant of good faith and fair dealing by failing to  
5 maintain adequate computer systems and data security practices to safeguard Private Information,  
6 failing to timely and accurately disclose the Data Breach to Plaintiff and Class Members and  
7 continued acceptance of Private Information and storage of other personal information after  
8 Defendant knew, or should have known, of the security vulnerabilities of the systems that were  
9 exploited in the Data Breach.  
10

11 182. As a direct and proximate result of Defendant's breach of the implied contracts,  
12 Plaintiff and Class Members sustained damages, including, but not limited to: (i) invasion of privacy;  
13 (ii) theft of their Private Information; (iii) lost or diminished value of Private Information; (iv) lost  
14 time and opportunity costs associated with attempting to mitigate the actual consequences of the  
15 Data Breach; (v) loss of benefit of the bargain; (vi) actual misuse of the compromised data consisting  
16 of an increase in spam calls, texts, and/or emails; (vii) statutory damages; (viii) nominal damages;  
17 and (ix) the continued and certainly increased risk to their Private Information, which: (a) remains  
18 unencrypted and available for unauthorized third parties to access and abuse; and (b) remains backed  
19 up in Defendant's possession and is subject to further unauthorized disclosures so long as Defendant  
20 fails to undertake appropriate and adequate measures to protect the Private Information.  
21

22 183. Plaintiff and Class Members are entitled to compensatory, consequential, and  
23 nominal damages suffered as a result of the Data Breach.  
24

25 184. Plaintiff and Class Members are also entitled to injunctive relief requiring Defendant  
26 to, *e.g.*, (i) strengthen its data security systems and monitoring procedures; (ii) submit to future  
27

1 annual audits of those systems and monitoring procedures; and (iii) immediately provide adequate  
2 credit monitoring to all Class Members.

3 **COUNT III**  
4 **UNJUST ENRICHMENT**  
5 **(On Behalf of Plaintiff and the Class)**

6 185. Plaintiff incorporates paragraphs 1 through 184, as if fully set forth herein.

7 186. This count is brought in the alternative to Plaintiff's breach of implied contract claim  
8 (Count II).

9 187. Upon information and belief, Defendant funds its data security measures entirely  
10 from its general revenue, including from payments made by and/or on behalf of its patients, including  
11 Plaintiff and Class Members, in exchange for medical services, for which Defendant collected and  
12 maintained Plaintiff's and Class Members' Private Information.

13 188. As such, a portion of the value and monies derived from Plaintiff and Class Members  
14 was to be used to provide a reasonable level of data security, and the amount of the portion of each  
15 payment made that is allocated to data security is known to Defendant.

16 189. Plaintiff and Class Members conferred a monetary benefit on Defendant, by  
17 providing it with their valuable Private Information.

18 190. Defendant knew that Plaintiff and Class Members conferred a benefit upon it and  
19 accepted and retained that benefit by accepting and retaining the Private Information entrusted to it.  
20 Defendant profited from Plaintiff's and Class Members' retained data and used Plaintiff's and Class  
21 Members' Private Information for business purposes.

22 191. In particular, Defendant enriched itself by saving the costs it reasonably should have  
23 expended on data security measures to secure Plaintiff's and Class Members' Private Information.  
24 Instead of providing a reasonable level of security that would have prevented the Data Breach,  
25  
26  
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1 Defendant instead calculated to increase its own profit at the expense of Plaintiff and Class Members  
2 by utilizing cheaper, ineffective security measures. Plaintiff and Class Members, on the other hand,  
3 suffered as a direct and proximate result of Defendant’s decision to prioritize its own profit over the  
4 requisite security.

5  
6 192. Under the principles of equity and good conscience, Defendant should not be  
7 permitted to retain any of the benefits that Plaintiff and Class Members conferred upon it.

8 193. Plaintiff and Class Members have no adequate remedy at law.

9 194. As a direct and proximate result of Defendant’s conduct, Plaintiff and Class Members  
10 have suffered and will suffer injury, including but not limited to: (i) invasion of privacy; (ii) lost or  
11 diminished value of Private Information; (iii) lost time and opportunity costs associated with  
12 attempting to mitigate the actual consequences of the Data Breach; (iv) loss of benefit of the bargain;  
13 (v) an increase in spam calls, texts, and/or emails; and (vi) the continued and certainly increased risk  
14 to their Private Information, which: (a) remains unencrypted and available for unauthorized third  
15 parties to access and abuse; and (b) remains backed up in Defendant’s possession and is subject to  
16 further unauthorized disclosures so long as Defendant fails to undertake appropriate and adequate  
17 measures to protect the Private Information.  
18

19 195. Plaintiff and Class Members are entitled to full refunds, restitution, and/or damages  
20 from Defendant and/or an order proportionally disgorging all profits, benefits, and other  
21 compensation obtained by Defendant from its wrongful conduct. This can be accomplished by  
22 establishing a constructive trust from which Plaintiff and Class Members may seek restitution or  
23 compensation.  
24

25 **COUNT IV**  
26 **VIOLATION OF THE WASHINGTON DATA BREACH STATUTE**  
27 **WASH. REV. CODE § 19.255.010(1), *ETWha SEQ.***  
28 **(On Behalf of Plaintiff and the Class)**

1 196. Plaintiff incorporates paragraphs 1 through 195, as if fully set forth herein.

2 197. Under § 19.255.010, Defendant is required to accurately notify Plaintiff and the Class  
3 following discovery or notification of the breach of their data security system (if personal  
4 information was, or is reasonably believed to have been, acquired by an unauthorized person and the  
5 personal information was not secured) in the most expedient time possible and without unreasonable  
6 delay under Wash. Rev. Code Ann. § 19.255.010(1).  
7

8 198. The Washington legislature, in passing § 19.255.010, recognized that data breaches  
9 of personal information such as the Data Breach at issue here, can compromise financial security  
10 and be costly to consumers. The legislature intended to

11 strengthen the data breach notification requirements to better safeguard personal  
12 information prevent identity theft, and [ . . . ] provide consumers whose personal  
13 information has been jeopardized due to a data breach with the information needed  
14 to secure financial accounts and make the necessary reports in a timely manner to  
minimize harm from identity theft.

15 Wash. Rev. Code Ann. § 19.255.010 [2015 c 64].

16 199. Defendant conducts business in Washington and owns or licenses computerized data  
17 that includes personal information as defined by Wash. Rev. Code Ann. § 19.255.010(1).

18 200. The PII and PHI of Plaintiff and the Class (e.g., Social Security numbers) includes  
19 personal information as covered under Wash. Rev. Code Ann. § 19.255.010(5).  
20

21 201. Because Defendant discovered a breach of its security system (in which personal  
22 information was, or is reasonably believed to have been, acquired by an unauthorized person and the  
23 personal information was not secured), Defendant had an obligation to disclose the data breach in a  
24 timely and accurate fashion as mandated by Wash. Rev. Code Ann. § 19.255.010(1) and §  
25 19.255.010(8).

26 202. As a direct and proximate result of Defendant’s violations of Wash. Rev. Code Ann.  
27  
28

1 § 19.255.010(1), Plaintiff and the Class suffered damages, as described above.

2 203. Plaintiff and the Class seek relief under Wash. Rev. Code Ann. §§ 19.255.010(10)(a),  
3 19.255.010(10)(b) including, but not limited to, actual damages and injunctive relief.

4  
5 **COUNT V**  
6 **WASHINGTON UNIFORM HEALTH CARE INFORMATION ACT,**  
7 **WASH. REV. CODE §§ 70.02.020, ET SEQ.; § 70.02.170, ET SEQ.**  
8 **(On Behalf of Plaintiff and the Class)**

9 204. Plaintiff incorporates paragraphs 1 through 203, as if fully set forth herein.

10 205. Plaintiff brings this claim against Defendant, operating in Washington, on behalf of  
11 the Class whose personal information and protected health information was compromised as a result  
12 of the Data Breach.

13 206. Defendant is a health care provider subject to Wash. Rev. Code § 70.02.020. As such,  
14 Defendant may not disclose health care information about a patient to any other person without the  
15 patient's written authorization.

16 207. As a result of conducting the business of providing health care in Washington,  
17 Defendant possessed personal information including personal health care information pertaining to  
18 Plaintiff and the Class.

19 208. Defendant released personal information, including health care information,  
20 regarding Plaintiff and the Class without authorization in violation of Wash. Rev. Code § 70.02.020.

21 209. Plaintiff and the Class were injured and have suffered damages from Defendant's  
22 illegal disclosure and negligent release of their personal information, including health care  
23 information in violation of Wash. Rev. Code § 70.02.020 and § 70.02.150.

24 210. Plaintiff and the Class seek relief under Wash. Rev. Code § 70.02.170, including, but  
25 not limited to, actual damages, nominal damages, injunctive relief, and/or attorneys' fees and costs.  
26

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**PRAYER FOR RELIEF**

WHEREFORE, Plaintiff, on behalf of herself and Class Members, requests judgment against Defendant and that the Court grant the following:

- A. For an Order certifying this action as a class action and appointing Plaintiff and her counsel to represent the Class;
- B. For equitable relief enjoining Defendant from engaging in the wrongful conduct complained of herein pertaining to the misuse and/or disclosure of Plaintiff’s and Class Members’ Private Information, and from refusing to issue prompt, complete, and accurate disclosures to Plaintiff and Class Members;
- C. For injunctive relief requested by Plaintiff, including, but not limited to, injunctive and other equitable relief as is necessary to protect the interests of Plaintiff and Class Members, including but not limited to an order:
  - i. prohibiting Defendant from engaging in the wrongful and unlawful acts described herein;
  - ii. requiring Defendant to protect, including through encryption, all data collected through the course of its business in accordance with all applicable regulations, industry standards, and federal, state, or local laws;
  - iii. requiring Defendant to delete, destroy, and purge the personal identifying information of Plaintiff and Class Members unless Defendant can provide to the Court reasonable justification for the retention and use of such information when weighed against the privacy interests of Plaintiff and Class Members;
  - iv. requiring Defendant to implement and maintain a comprehensive Information Security Program designed to protect the confidentiality and integrity of the

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- Private Information of Plaintiff and Class Members;
- v. prohibiting Defendant from maintaining the Private Information of Plaintiff and Class Members on a cloud-based database;
- vi. requiring Defendant to engage independent third-party security auditors/penetration testers as well as internal security personnel to conduct testing, including simulated attacks, penetration tests, and audits on Defendant’s systems on a periodic basis, and ordering Defendant to promptly correct any problems or issues detected by such third-party security auditors;
- vii. requiring Defendant to engage independent third-party security auditors and internal personnel to run automated security monitoring;
- viii. requiring Defendant to audit, test, and train its security personnel regarding any new or modified procedures; requiring Defendant to segment data by, among other things, creating firewalls and access controls so that if one area of Defendant’s network is compromised, hackers cannot gain access to other portions of Defendant’s systems;
- ix. requiring Defendant to conduct regular database scanning and securing checks;
- x. requiring Defendant to establish an information security training program that includes at least annual information security training for all employees, with additional training to be provided as appropriate based upon the employees’ respective responsibilities with handling personal identifying information, as well as protecting the personal identifying information of Plaintiff and Class Members;

- 1 xi. requiring Defendant to routinely and continually conduct internal training and  
2 education, and on an annual basis to inform internal security personnel how  
3 to identify and contain a breach when it occurs and what to do in response to  
4 a breach;
- 5 xii. requiring Defendant to implement a system of tests to assess their respective  
6 employees' knowledge of the education programs discussed in the preceding  
7 subparagraphs, as well as randomly and periodically testing employees'  
8 compliance with Defendant's policies, programs, and systems for protecting  
9 personal identifying information;
- 10 xiii. requiring Defendant to implement, maintain, regularly review, and revise as  
11 necessary a threat management program designed to appropriately monitor  
12 Defendant's information networks for threats, both internal and external, and  
13 assess whether monitoring tools are appropriately configured, tested, and  
14 updated;
- 15 xiv. requiring Defendant to meaningfully educate all Class Members about the  
16 threats that they face as a result of the loss of their confidential personal  
17 identifying information to third parties, as well as the steps affected  
18 individuals must take to protect themselves;
- 19 xv. requiring Defendant to implement logging and monitoring programs  
20 sufficient to track traffic to and from Defendant's servers; and
- 21 xvi. for a period of 10 years, appointing a qualified and independent third-party  
22 assessor to conduct a SOC 2 Type 2 attestation on an annual basis to evaluate  
23 Defendant's compliance with the terms of the Court's final judgment, to  
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provide such report to the Court and to counsel for the class, and to report any deficiencies with compliance of the Court’s final judgment;

- D. For an award of actual damages, compensatory damages, and nominal damages, in an amount to be determined, and for punitive damages, as allowable by law;
- E. For an award of attorneys’ fees and costs, and any other expenses, including expert witness fees;
- F. Pre- and post-judgment interest on any amounts awarded; and
- G. Such other and further relief as this court may deem just and proper.

Dated: May 28, 2025.

Respectfully submitted,

By: /s/ Kaleigh N. Boyd  
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*Counsel for Plaintiff and the Putative Class*

*\*Pro Hac Vice Application Forthcoming*