



July 31, 2012 Susan E. Ziel
Direct Dial: (317) 238-6244

E-mail: sziel@kdlegal.com

CONFIDENTIAL COMMUNICATION

By Certified Mail Return Receipt Requested

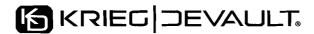
New Hampshire Department of Justice 33 Capitol Street Concord, NH 03301

To Whom This May Concern:

I am writing on behalf of our client, Choices, Inc. ("Choices"), which contracts with a network of health care providers, to give you written notice of a breach incident involving social security numbers. Specifically, the website and computer system of Choices, Inc. was breached by an unknown, external third party "hacker" on or about May 10, 2012. Because Choices' computer system stored a database file that contained health records which had been previously created or received in the delivery of services to their clients, Choices promptly engaged the services of an independent forensic IT expert who examined the file's integrity. The examination was concluded on June 12, 2012, and the expert has confirmed that the file, which contained the social security number, in addition to certain other demographic and health information for numerous providers' patients, including but not limited to 10 New Hampshire residents, had been copied and downloaded from the Internet by an unauthorized third party during the May 10, 2012 incident.

Choices has reported the incident to law enforcement. Choices has also instituted a corrective action plan that has resolved the breach in all respects and they are completing a long list of remedial measures so to prevent any such breach of their website and computer system in the future. In accordance with applicable state laws, Choices recognizes that it has an obligation to notify your office of this matter. Choices has also worked expeditiously to complete the many necessary steps and related procedures that are required to notify all affected residents. Written notice was provided to those residents for whom we were able to confirm current contact information. Additionally, Choices has added a conspicuous posting on its website and is in the process of publishing notices in appropriate statewide media, to the extent required by applicable state law requirements.

Please contact me if you have any questions or if you require additional information regarding this matter.



New Hampshire Department of Justice July 31, 2012 Page 2

Thank you very much.

Very truly yours,

Susan E. Ziel

KD_4375084_2.DOCX