

**Reporting Form  
For Business, Individual or NH State Entity reporting a  
"Breach of the Security of the System"**

Name of Business, Individual or State Entity: **Nationwide Health Plans (NHP)**  
Date of Discovery of Breach: **December 11, 2006**  
Estimated Number of Affected Individuals: **Approx. 28,000 NHP customers,  
8 N.H. Resident**  
Date of Notification to Affected Individuals: **January 15, 2007**  
Manner of Notification:     written notice  
   electronic notice (email)  
   telephone notice

Are you requesting substitute notice?  Yes    No (If yes, attach justification)

Content of Notification to Affected Individuals: Describe what happened in general terms and what kind of information was involved. Please attach copy of Notice.

On October 26, 2006 a satellite business office of CPS was broken into and burglarized. A lock box containing back-up tapes was stolen. The back up tapes contained the information of many of CPS's business partners, including Nationwide Health Plans (NHP). Information compromised includes NHP customer information such as name, social security number and some personal health information. We are offering all impacted individuals one year of credit monitoring services and ID theft insurance at no cost to them. Due to the complex format of the data and the knowledge, equipment and software that would be required to retrieve such data, we believe that it is highly unlikely that a common criminal would be able to access the information. Additionally, the police believe that the purpose of the theft was to steal items of physical value and not data. Approximately 28,000 individuals were affected by this incident. One of the 28,000 was a New Hampshire resident.

Name of Business or Individual Contact Person: Kirk Herath  
Title: AVP, Chief Privacy Officer, Associate  
General Counsel  
Telephone number: (614) 249-4420  
Email: HerathK@nationwide.com

Dated: January 17, 2007  
Submitted by: Kirk Herath  
Title: AVP, Chief Privacy Officer, Associate General Counsel  
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January 15, 2007

«First\_Name» «Last\_Name»  
«Address\_1»  
«Address\_2», «State» «Postal\_Code»

### **Health Care Data Has Been Stolen and You Could Be Affected**

Dear«First\_Name» «Last\_Name»

We regret to tell you computer tapes containing your personal information have been stolen. My company, Concentra Preferred Systems (CPS), is a business partner of Nationwide Health Plans (NHP). We recently had some computer back-up tapes stolen from one of our office locations. Unfortunately, the back-up tapes contained personal information of yours or one of your dependents or family members.

Although we believe the risk to you to be minimal, it is possible that your information may have been compromised. We deeply apologize for this unfortunate situation and have taken actions to address this issue. Meanwhile, we're offering you help to monitor your credit, free of charge.

#### **Why do we have your information?**

To help control costs, health plans (such as NHP) routinely audit claims to make sure that the amounts billed are appropriate for the services provided. Health plans often times use trusted third-party vendors such as us to audit claims.

#### **What happened?**

On October 26, 2006, our satellite business office was broken into and burglarized. A lock-box containing back-up tapes was stolen. We have confirmed that the stolen back-up tapes included information from several customers – including NHP. The information contained on the tapes included names, Social Security numbers and some personal health information.

#### **What are we doing to prevent this from happening again?**

The police are investigating and are focused on catching the criminals to recover the stolen data files. We have installed additional security measures at the office where the break-in and theft occurred to prevent any future occurrences.

**We plan to help**

We believe it's highly unlikely that common criminals can access the information. Since this incident, we consulted a third-party data expert to determine the likelihood of the data being successfully accessed since the data itself is unlabeled. The expert independently agreed that the likelihood was low.

To retrieve information from the back-up tapes, the criminals would need specific technical computer knowledge, equipment and software. The police believe that the target of the theft was cash, DVD players and other items of physical value, not data. They also believe that this burglary was a random event and that our office was not the intended target of the break-in, since five other business offices in our building were also broken into.

Even though we believe it is unlikely that the data on these tapes will be used, we felt it was important to notify you directly, as we now can share more details about the incident, what data was taken and who was affected.

In any event, we take privacy and security very seriously and we would like to offer you a credit-monitoring product free of charge for one year. If you elect the credit monitoring product, offered through Equifax, you will be provided with notification of any changes to your credit information, an opportunity for identity theft insurance, and access to your credit report. Additional information about this product, along with other resources you can use, is included with this letter.

**How to reach us for more information**

We sincerely apologize for any inconvenience that this may cause you. We take our commitment to maintaining the security of confidential information very seriously, and we very much regret that this situation occurred. Your confidence in our ability to safeguard your personal information and your peace of mind are very important to us.

Please feel free to call our hot line at 1-888-858-4935 Monday through Friday from 7 a.m. to 5 p.m. Central time. We'll be happy to help. If you have questions regarding your enrollment with Equifax, please call Equifax Customer Service at 1-800-437-4179.

Sincerely,

Dona-Marie Geoffrion  
Vice President/Privacy & Security Officer  
Concentra Preferred Systems

## About the Credit Monitoring Product

The credit monitoring product will identify and notify you of any key changes that may be a sign of identity theft. For one year it will provide you with the following:

- Automatic, daily monitoring of your Equifax Credit Report
- E-mail alerts of key changes to your Equifax Credit Report
- Online enrollment for up to \$20,000 in identity theft insurance
- A full Equifax Credit Report

### Equifax Credit Watch™ Gold

Credit Watch provides you with an “early warning system” about changes to your credit file and helps you to understand the content of your credit file at Equifax. A one-year membership includes:

- Daily credit file monitoring, with daily notification of key changes to your Equifax credit file.
- Copies of your Equifax Credit Report™
  - Mail Enrollment: you’ll receive one copy of your Equifax Credit Report™ and quarterly updates by U.S. mail
  - Online Enrollment: you’ll receive unlimited copies of your Equifax Credit Report™
- Up to \$20,000 Identity Fraud Expense Coverage with no deductible (certain limitations and exclusions apply) at no additional cost to you.
- Premium Customer Care 24 hours a day, seven days a week to help you understand the content of your credit information.

### How to Enroll Online

Equifax has a simple Internet-based verification and enrollment process. To enroll, go to [www.myservices.equifax.com/gold](http://www.myservices.equifax.com/gold), and follow these steps:

- **Step 1 – Register:** Complete the form with your contact information (name, address, telephone number, Social Security number, date of birth and e-mail address). The information is provided in a secured environment.
- **Step 2 – Verify your identity:** Equifax will verify your identity by asking you up to two security questions.
- **Step 3 – Order Summary:** During the “check out” process, provide the following promotional code: «**INSERT CODE HERE**» in the “Enter Promotion Code” box. *Please enter the code exactly as it appears.* This code eliminates the need to provide a credit card number for payment.
- **Step 4 – Go to the Member Center:** Under Product List select Credit Watch to access the product features.

### **How to Enroll by Mail**

If you don't have Internet access, you can apply for the product by completing and mailing the form provided with this letter.

### **Fraud Alert**

A fraud alert is a consumer statement added to your credit file that lasts 90 days. Once the fraud alert statement is added to your credit file, it alerts creditors of possible fraudulent activity as well as requests that they contact you prior to establishing a credit account in your name. To place a fraud alert on your Equifax credit file, you may contact Equifax's automatic fraud line at 877-478-7625, and follow the simple prompts. Once the fraud alert has been placed with Equifax, a notification will be sent to the other two credit reporting agencies, Experian and TransUnion, on your behalf.

### **Additional Resources for Credit Protection**

Additional resources are available to help protect your personal information. You can request a free copy of your credit report once every 12 months from each of the three major consumer-reporting agencies: Equifax, Experian and TransUnion.

These agencies also offer a free fraud alert, which alerts a person when credit is applied for in his or her name and signals creditors to contact a person for permission to issue credit in his or her name. You only need to contact one agency to have a fraud alert take effect with all three agencies.

To place a fraud alert on your credit or to request a free copy of your credit report, simply contact one of the following agencies:

- **Equifax:** 877-478-7625 or [www.equifax.com](http://www.equifax.com)
- **Experian:** 888-397-3742 or [www.experian.com](http://www.experian.com)
- **TransUnion:** 800-680-7289 or [www.transunion.com](http://www.transunion.com)