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Fax Numbers

Claims (603) 228-3833

Coverage Programs/ Education & Training (603) 228-3905

Primex³ Health/ Finance & Administration (603) 226-6903

Member Services/ Risk Management Services (603) 228-0650 May 29, 2012

Consumer Protection and Antitrust Bureau New Hampshire Department of Justice Office of the Attorney General 33 Capitol Street Concord, NH 03301

Re: Notification of Possible Data Security Breach per RSA 359-C:20

To whom it may concern:

Primex is a public entity risk pool providing coverage and related loss prevention services to New Hampshire political subdivisions in the areas of workers compensation, property and liability, unemployment compensation and health. Primex operates from its principal place of business at 46 Donovan Street in Concord, New Hampshire. In addition to providing in-house claims management services, Primex occasionally engages vendors to provide specialized services in the administration of one or more coverage programs.

By letter dated May 3, 2012, the bankruptcy trustee for debtor Impairment Resources, LLC, notified Primex of a possible data security breach that may have compromised personal identifying and medical information of as many as 14,000 workers compensation and automobile liability insurance claimants throughout the nation. The debtor's office in San Diego, California, was allegedly burglarized on December 31, 2011, and among the items stolen was an external drive and back-up tape containing some of debtor's business records.

Primex could find no evidence of a relationship to Impairment Resources, LLC. Primex, however, in the past has engaged a vendor named Brigham & Associates, which is reportedly a predecessor entity to Impairment Resources, LLC. Brigham and Associates, through an affiliated physician, provided Primex with independent medical examinations of approximately 55 workers compensation claimants.

Neither the debtor nor the trustee could confirm that any information related to any of the 55 Primex claimants was on the tape and external drive that were stolen. Primex has been informed that the stolen back-up tape cannot be accessed without the tape drive that operates it. The tape drive was reportedly not stolen from the debtor. Information on the external drive reportedly cannot be read without restoration of the operating system, which the debtor maintains would require information technology experience and a working knowledge of back-up systems.

The debtor believes the theft was random, and it states that it has no evidence that any personal information has been accessed, viewed or used by others. Consistent with the foregoing, attached please find a letter drafted by the debtor explaining the circumstances surrounding the theft.

Primex believes the debtor did not sooner notify it of this situation due to the police investigation and the debtor's bankruptcy process. Primex, upon receipt of the trustee's letter, took immediate steps to determine if there was sufficient information justifying action on its part under RSA 359-C:20.

Primex can neither confirm nor rule out the theft and misuse of information relating to approximately 55 of its prior workers compensation claimants. Primex, therefore, intends to issue these persons notification of the potential security breach in accordance with RSA 359-C:20, on or before June 10, 2012.

Should your Office have any questions or concerns relative to this notification, please contact me at your convenience.

Sincerely,

Michael A. Ricker

General Counsel



Impairment Resources

February 15, 2012

Christopher R. Brigham, MD, MMS, Chairman Craig Uejo, MD, MPH, National Medical Director

Dear Sir or Madam,

Please be advised this letter contains confidential information and should be provided to the individual who manages privacy concerns.

We are writing because of a recent theft from Impairment Resources' San Diego office. During the overnight hours of December 31, 2011, our office was accessed illegally and electronic equipment was stolen, including computer hardware that backed up some of our computer systems. The theft was discovered in the early morning hours of January 3, 2012 after the New Years' Eve holiday weekend, and the incident was reported immediately to the San Diego Police Department who continue to investigate the theft.

We regret to advise you that the stolen data may include some personal information associated with the claim(s) sent to us for services. The personal information may include the party's name, social insurance number, date of birth, or medical information. While we are uncertain if the information was viewed or inappropriately used by the thief or thieves, we feel it is important to bring this situation to your attention.

While this theft is still being investigated, we wanted to advise you of the circumstances and provide some background information about the hardware that was stolen. Specifically, our back-up tape was stolen but cannot be read without specialized knowledge of information technology systems and a matching tape drive. The tape drive which is required to read the back-up tape was <u>not</u> stolen. In addition, an external drive was taken which provided a back-up of some of our operating systems. The operating system must first be restored to view the data of the external drive in any logical manner. This too requires someone with information technology experience and working knowledge of back-up software. Based on our investigation so far, we believe the computer hardware was taken as part of a random theft and we have no evidence showing any personal information has been accessed, viewed, or used by others.

We have been diligently investigating the data that was stolen and in addition, the San Diego Police Department continues to investigate this theft. They asked us to delay reporting as they did not want the notification to impede their investigation or alert the thief or thieves of the nature of the information they may have. At this time, they have not made any arrests.



We are aware of the laws requiring individual breach notification and we are willing to make the necessary notification(s) at your request. Since we do not store the individuals' addresses associated with the cases in electronic files, we do not have the contact information necessary to provide written notice to the affected individual(s). If you would like us to report the incident to these individual(s), we would need you to provide us with their contact information, including their mailing address, in electronic form. We have attached a sample notification letter that we will use to notify the individual(s).

Please let us know to whom we should send the list of the individuals who require notice. Notice is required to these individual(s) promptly, so please respond as soon as possible, but no later than <u>February 22, 2012</u> advising whether you will notify the individuals or whether you would like us to do so. Please send the written notice to Impairment Resources, P.O. Box 880839, San Diego, CA 92168-0839 or via email at impairmentresources@impairment.com.

If we received the case from any other party connected with this claim, such as the lawyer, carrier, or third party administrator, at the time of the referral, we have also notified them of this incident.

We apologize for any inconvenience you experience as a result of this random theft. Please be assured we have reviewed our procedures and have strengthened our processes based on this review. If you have questions about this incident, please do not hesitate to call me at 888-262-0571 to discuss this incident.

Sincerely,

Julie Osborn

Chief Operating Officer