



1           3.       Under California law, including California common law, the  
2 Confidentiality of Medical Information Act, Civil Code §§ 56, *et seq.* (hereinafter  
3 referred to as the “CMIA”), and the California Unfair Competition Law, (“UCL”),  
4 Plaintiff, and all other persons similarly situated, had a right to keep their  
5 Personal Identifying Information (“PII”) and Personal Medical Information  
6 (“PMI”) provided to Defendant PPLA confidential.

7           4.       Defendant PPLA violated this right. PPLA failed to implement or  
8 follow reasonable data security procedures as required by law and failed to protect  
9 Plaintiff’s and the Class’s PII and PMI from unauthorized access by hackers or  
10 data thieves.

11          5.       As a result of these failures, on October 17, 2021, Plaintiff and the  
12 Class’s PII and PMI were accessed by unauthorized third parties through PPLA  
13 computer network. The information wrongfully disclosed as a result of PPLA’s  
14 inadequate data security included patients’ PPLA address, insurance information,  
15 date of birth, clinical information, such as diagnosis, procedure, and/or  
16 prescription information.

17          6.       The number of PPLA patients affected is presently unknown.

18          7.       This class action is brought on behalf of Plaintiff and a putative  
19 California class defined as:

20               All citizens of the State of California whose identities, personal data,  
21 or medical information were accessed by one or more unauthorized  
22 parties on October 17, 2021.

23          8.       Plaintiff and the other similarly situated members of the putative  
24 class are patients who were receiving, or received, medical care from Defendant  
25 PPLA or who otherwise provided their PII or PMI to PPLA for the purpose of  
26 receiving medical care. Plaintiff and other patients relied on Defendant not only to  
27 aid them in procuring medical treatments, but to keep their sensitive PMI and PII  
28 strictly confidential as required by the CMIA and other applicable laws.



1 place of business and/or headquarters at 400 West 30<sup>th</sup> Street, Los Angeles, CA  
2 90007.

3 **FACTUAL ALLEGATIONS**

4 14. Plaintiff incorporates by reference all the above paragraphs of this  
5 complaint as if fully stated herein.

6 15. Plaintiff is a person who received and/or are currently receiving  
7 medical care from Defendant.

8 16. Defendant PPLA is a health care facility that serves thousands of  
9 patients annually, who reside in Los Angeles County.

10 17. On or around October 17, 2021, one or more unauthorized persons  
11 gained access to PPLA's computer network containing Plaintiff's and Class  
12 Members' PII and PMI.

13 18. Basic data security protocols require entities that maintain secure  
14 computer networks.

15 19. This did not happen at PPLA. Instead, on information and belief,  
16 PPLA failed to put in place proper security protocols to protect against the  
17 unauthorized access to its computer network containing sensitive patient data,  
18 resulting in the unauthorized release of patient data. Thus, Plaintiff's and the  
19 Class's PII and PMI was accessed by unauthorized third parties.

20 20. The information wrongfully disclosed as a result of PPLA's  
21 inadequate data security included patients' PPLA address, insurance information,  
22 date of birth, clinical information, such as diagnosis, procedure, and/or  
23 prescription information.

24 21. As a medical care provider, Defendant was privy to Plaintiff's  
25 confidential medical information. As a custodian of the private health information  
26 of its clients, the Defendant is required by state law to ensure that such information  
27 is not disclosed or disseminated without the clients' consent.  
28

1                    **THE CONFIDENTIALITY OF MEDICAL INFORMATION ACT**

2                    22.        In enacting the CMIA, the Legislature declared: “The Legislature  
3 hereby finds and declares that persons receiving health care services have a right to  
4 expect that the confidentiality of individual identifiable medical information  
5 derived by health service providers be reasonably preserved. It is the intention of  
6 the Legislature in enacting this act, to provide for the confidentiality of  
7 individually identifiable medical information, while permitting certain reasonable  
8 and limited uses of that information.” Section 1 of Stats. 1981, c. 782.

9                    23.        The CMIA specifically provides that “a provider of health care, health  
10 care service plan, or contractor shall not disclose medical information regarding a  
11 patient of the provider of health care or an enrollee or subscriber of a health care  
12 service plan without first obtaining an authorization...” Civil Code, § 56.10(a).  
13 The CMIA further provides that “Every provider of health care, health care service  
14 plan, pharmaceutical company, or contractor who creates, maintains, preserves,  
15 stores, abandons, destroys, or disposes of medical records shall do so in a manner  
16 that preserves the confidentiality of the information contained therein. Any  
17 provider of health care, health care service plan, pharmaceutical company, or  
18 contractor who negligently creates, maintains, preserves, stores, abandons,  
19 destroys, or disposes of medical records shall be subject to the remedies ...  
20 provided under subdivisions (b) ... of Section 56.36.” Civil Code § 56.101(a).

21                    24.        Civil Code § 56.36(b) provides Plaintiff, and all other persons  
22 similarly situated, with a private right to bring an action against Defendant for  
23 violation of Civil Code § 56.101 by specifically providing that “[i]n addition to any  
24 other remedies available at law, any individual may bring an action against any  
25 person or entity who has negligently released confidential information or records  
26 concerning him or her in violation of this part, for either or both of the following:  
27 (1) ... nominal damages of one thousand dollars (\$1,000). In order to recover under  
28 this paragraph, *it shall not be necessary that the plaintiff suffered or was*

1 *threatened with actual damages.* (2) The amount of actual damages, if any,  
2 sustained by the patient.” (Emphasis added.)

3 **CLASS ACTION ALLEGATIONS**

4 25. Plaintiff brings this action on behalf of himself individually and on  
5 behalf of all others similarly situated. The putative class (“the Class”) that Plaintiff  
6 seeks to represent is defined as:

7  
8 All citizens of the State of California whose identities, personal data,  
9 or medical information were accessed by one or more unauthorized  
10 parties on or about October 17, 2021.

11 26. Excluded from the Class are any of Defendant’s officers, directors,  
12 employees, affiliates, legal representatives, attorneys, heirs, and assigns, and any  
13 entity in which Defendant has a controlling interest. Judicial officers presiding  
14 over this case, its staff, and immediate family members, are also excluded from the  
15 Class.

16 27. The members of the Class are so numerous that joinder of all  
17 members is impracticable. A precise number of class members can be ascertained  
18 through appropriate discovery and from records maintained by Defendant.

19 28. There is a well-defined community of interest among the members of  
20 the Class because common questions of law and fact predominate, Plaintiff’s  
21 claims are typical of the members of the class, and Plaintiff can fairly and  
22 adequately represent the interests of the Class.

23 29. Common questions of law and fact exist as to all members of the  
24 Class and predominate over any questions affecting solely individual members of  
25 the Class. Among the questions of law and fact common to the Class are:

- 26 a) Whether Plaintiff and the Class gave their PII and PMI to Defendant  
27 PPLA on or before October 17, 2021;

- 1 b) Whether Defendant PPLA owed a duty to Plaintiff and the Class to  
2 safeguard their PII and PMI and to implement adequate data security  
3 measures;
- 4 c) Whether Defendant PPLA breached that duty;
- 5 d) Whether Plaintiff's and the Class's PII and PMI were accessed by one or  
6 more unauthorized persons in the breach alleged above;
- 7 e) Whether Plaintiff's and the Class's PII and PMI were viewed by one or  
8 more unauthorized persons in the breach alleged above;
- 9 f) Whether Defendant PPLA's conduct was an unlawful or unfair business  
10 practice under the UCL;
- 11 g) Whether Defendant failed to "implement and maintain reasonable  
12 security procedures and practices" for Plaintiff's and Class members' PII  
13 in violation of California Civil Code section 1798.81.5, subdivision (b)  
14 and Section 5 of the FTC Act;
- 15 h) Whether Defendant's publishing Plaintiff's and the Class's medical  
16 information to unauthorized persons was permissible without the prior  
17 written authorization of Plaintiff and the Class, as required by Civil Code  
18 § 56.10 of the CMIA;
- 19 i) Whether Defendant's publishing of Plaintiff's and the Class's medical  
20 information to unauthorized persons was permissible without written  
21 authorization from the Plaintiff and the Class under any exemption under  
22 Civil Code § 56.10(c);
- 23 j) Whether Defendant's publishing Plaintiff's and the Class's medical  
24 information to unauthorized persons constitutes a release of Plaintiff's  
25 and the Class's confidential, individual identifiable medical information  
26 in violation of Civil Code §56.101 of the CMIA; and
- 27 k) Whether Plaintiff and the Class are entitled to actual damages, nominal  
28 and/or statutory damages, or equitable relief,

1           30. Plaintiff's claims are typical of those of the other Class members  
2 because Plaintiff, like every other Class member, was exposed to virtually identical  
3 conduct and are entitled to nominal damages of one thousand dollars (\$1,000) per  
4 violation pursuant to Civil Code §§ 56.101 56.36(b)(1), and actual damages, if any,  
5 per violation pursuant to Civil Code §§ 56.101, 56.36(b)(2).

6           31. Plaintiff will fairly and adequately protect the interests of the Class.  
7 Moreover, Plaintiff has no interests that are contrary to or in conflict with those of  
8 the Class they seek to represent during the Class Period. In addition, Plaintiff has  
9 retained competent counsel experienced in class action litigation to further ensure  
10 such protection. Plaintiff's counsel intends to prosecute this action vigorously.

11           32. The prosecution of separate actions by individual members of the  
12 Class would create a risk of inconsistent or varying adjudications with respect to  
13 individual members of the Class, which would establish incompatible standards of  
14 conduct for the Defendant in the State of California and would lead to repetitious  
15 trials of the numerous common questions of fact and law in the State of California.  
16 Plaintiff knows of no difficulty that will be encountered in the management of this  
17 litigation that would preclude its maintenance as a class action. As a result, a class  
18 action is superior to other available methods for the fair and efficient adjudication  
19 of this controversy.

20           33. Proper and sufficient notice of this action may be provided to the  
21 Class members through direct mail.

22           34. Moreover, the Class members' individual damages are insufficient to  
23 justify the cost of litigation, so that in the absence of class treatment, Defendant's  
24 violations of law inflicting substantial damages in the aggregate would go  
25 unremedied without certification of the Class. Absent certification of this action as  
26 a class action, Plaintiff and the members of the Class will continue to be damaged  
27 by the unauthorized release of their individual identifiable medical information.  
28

1 **CAUSES OF ACTION**

2 **COUNT I**

3 **Violations of the Confidentiality of Medical Information Act (“CMIA”)**

4 **California Civil Code §§ 56, et seq.**

5 35. Plaintiff incorporates by reference all the above paragraphs of this  
6 complaint as if fully stated herein.

7 36. Defendant is a “health care service plan,” within the meaning of Civil  
8 Code § 56.05(g), and maintained and continues to maintain “medical information,”  
9 within the meaning of Civil Code § 56.05(j), of “patients” of the Defendant, within  
10 the meaning of Civil Code § 56.05(k).

11 37. Plaintiff and the Class are “patients” of Defendant within the meaning  
12 of Civil Code § 56.05(k) and are “endanger[ed]” within the meaning of Civil Code  
13 § 56.05(e) because Plaintiff and the Class fear that disclosure of their medical  
14 information could subject them to harassment or abuse. Furthermore, Plaintiff and  
15 the Class, as patients of Defendant, had their individually identifiable “medical  
16 information,” within the meaning of Civil Code § 56.05(j), created, maintained,  
17 preserved, and stored on Defendant’s computer network, and were patients on or  
18 before November 4, 2020.

19 38. Defendant negligently created, maintained, preserved, stored, and then  
20 exposed Plaintiff’s and the Class members’ individual identifiable “medical  
21 information,” within the meaning of Civil Code § 56.05(j), including Plaintiff’s  
22 and the Class members’ PPLA Care Management program records, claims  
23 information, dates of birth, medical information, Medi-Cal ID numbers,  
24 demographic information and referral information.

25  
26 39. Defendant allowed Plaintiff’s and the Class members’ PII and PMI to  
27 become publicly available through deficient security protocols allowing access to  
28

1 Defendant's computer network containing sensitive patient data which was  
2 accessed by unidentified unauthorized third parties.

3 40. Defendant allowed to be published Plaintiff's and the Class members'  
4 PII and PMI through unauthorized access to Defendant's computer network,  
5 without the prior written authorization of Plaintiff and the Class, as required by  
6 Civil Code § 56.10 of the CMIA.

7 41. Defendant's failure to obtain the written consent of Plaintiff and the  
8 Class before allowing to be published Plaintiff's and the Class members' medical  
9 information that was being stored on its computer network, accessible to anyone,  
10 without the prior written authorization of Plaintiff and the Class, constitutes a  
11 negligent release of Plaintiff's and the Class members' confidential, individually  
12 identifiable "medical information" to an unauthorized person or persons in  
13 violation of Civil Code § 56.101 of the CMIA and the common law.

14 42. Furthermore, Defendant's publishing Plaintiff's and the Class  
15 members' medical information was not permissible without written authorization  
16 from Plaintiff and the Class under any exemption under Civil Code § 56.10(c).

17 43. As a result of Defendant's above-described conduct, Plaintiff and the  
18 Class have suffered damages from the unauthorized release of their individual  
19 identifiable "medical information" made unlawful by Civil Code §§ 56.10, 56.101.

20 44. Because Civil Code § 56.101 allows for the remedies and penalties  
21 provided under Civil Code § 56.36(b), Plaintiff, individually and for each member  
22 of the Class, seeks nominal damages of one thousand dollars (\$1,000) for each  
23 violation under Civil Code §56.36(b)(1), and actual damages suffered, if any,  
24 pursuant to Civil Code § 56.36(b)(2) and damages provided by the common law.

1 **COUNT II**

2 **Negligence**

3 45. Plaintiff incorporates by reference all the above paragraphs of this  
4 Complaint as if fully stated herein.

5 46. Defendant owed a duty to Plaintiff and the Class to exercise  
6 reasonable care in safeguarding and protecting their PII and PMI and keeping it  
7 from being compromised, lost, stolen, misused, and or/disclosed to unauthorized  
8 parties. This duty included, among other things, designing, maintaining, and testing  
9 Defendant's security systems and properly training Defendant's employees to  
10 ensure the PII and PMI of Plaintiff's and the Class was adequately secured and  
11 protected. Defendant further had a duty to implement processes that would detect a  
12 breach of their security system in a timely manner.

13 47. Defendant knew that the PII and PMI of Plaintiff and the Class were  
14 personal and sensitive information that is valuable to identity thieves and other  
15 criminals. Defendants also knew of the serious harms that could happen if the PII  
16 and PMI of Plaintiff and the Class was wrongfully disclosed, that disclosure was  
17 not fixed, or Plaintiff and the Class were not told about the disclosure in a timely  
18 manner.

19 48. By being entrusted by Plaintiff and the Class to safeguard their PII  
20 and PMI, and in having medical provider-patient relationships with Plaintiff and  
21 the Class, Defendant had a special relationship with Plaintiff and the Class.  
22 Plaintiff and the Class agreed to Defendant's services and agreed to provide their  
23 PII and PMI with the understanding that Defendant would take appropriate  
24 measures to protect it and would inform Plaintiff and the Class of any breaches or  
25 other security concerns that might call for action by Plaintiff and the Class. But,  
26 Defendant did not.

1           49. Defendant breached its duty to exercise reasonable care in  
2 safeguarding and protecting Plaintiff's and the Class members' PII and PMI by  
3 failing to adopt, implement, and maintain adequate security measures to safeguard  
4 that information, and allowing unauthorized access to Plaintiff's and the other  
5 Class members' PII and PMI.

6           50. Defendant also breached its duty to timely disclose that Plaintiff's and  
7 the other class members' PII and PMI had been, or was reasonably believed to  
8 have been, stolen or compromised.

9           51. But for Defendant's wrongful and negligent breach of its duties owed  
10 to Plaintiff and the Class, their PII and PMI would not have been compromised,  
11 stolen, and viewed by unauthorized persons. Defendant's negligence was a direct  
12 and legal cause of the theft of the PII and PMI of Plaintiff and the Class and all  
13 resulting damages.

14           52. The injury and harm suffered by Plaintiff and the Class members are  
15 the reasonably foreseeable result of Defendant's failure to exercise reasonable care  
16 in safeguarding and protecting Plaintiff and the other class members' PII and PMI.

17           53. As a result of this negligence by Defendants, the PII and PMI of  
18 Plaintiff and the Class were compromised, placing them at a greater risk of identity  
19 theft and subjecting them to identity theft, and their PII and PMI was disclosed to  
20 third parties without their consent. Plaintiff and the Class have also suffered  
21 consequential out of pocket losses for procuring credit freeze or protection  
22 services, identity theft monitoring, and other expenses relating to identity theft  
23 losses or protective measures.

1 **COUNT III**

2 **Unlawful or Unfair Business Practices**

3 54. Plaintiff incorporates by reference all the above paragraphs of this  
4 Complaint as if fully stated herein.

5 55. California’s Unfair Competition Law prohibits, among other things,  
6 unlawful and unfair business practices.

7 56. Defendant PPLA committed “unlawful” and “unfair” business  
8 practices by failing to design, adopt, implement, control, direct, oversee, manage,  
9 monitor and audit appropriate data security processes, controls, policies,  
10 procedures, protocols, and software and hardware systems to safeguard and protect  
11 Plaintiff’s and Class members’ PII/PHI, and by violating the statutory and common  
12 law alleged herein, including California’s Confidentiality of Medical Information  
13 Act (Civ. Code §§ 56, et seq.), the California Consumer Privacy Act of 2018 (Cal.  
14 Civ. Code §§ 1798.100, et seq.), the Health Insurance Portability and  
15 Accountability Act of 1996, (42 U.S.C. §§ 1302d, et seq.), and Article I, Section 1  
16 of the California Constitution (California’s constitutional right to privacy).

17 57. Plaintiff and the members of the Class suffered ascertainable loss and  
18 actual damages as a direct and proximate result of Defendant’s violations of the  
19 UCL set forth above, including out of pocket expenses and the cost of time and  
20 effort to protect their identities and monitor their accounts.

21 58. Pursuant to Cal. Bus. & Prof. Code § 17200, *et seq.*, Plaintiff and the  
22 members of the Class seek any such orders or judgments as may be necessary to  
23 restore to Plaintiff and members of the Class any money acquired by unfair  
24 competition, including restitution and/or restitutionary disgorgement, as provided  
25 in Cal. Bus. & Prof. Code § 17203, and any other just and proper relief available  
26 under the UCL.



