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KAMALA D. HARRIS
Attorney General of California
FRANCES T. GRUNDER
Senior Assistant Attorney General
MICHELE VAN GELDEREN
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Los Angeles, CA 90013



Attorneys for Plaintiff
THE PEOPLE OF THE STATE OF CALIFORNIA

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES**

THE PEOPLE OF THE STATE OF CALIFORNIA,

Plaintiff,

v.

BLUE CROSS OF CALIFORNIA, a
California corporation doing business as
ANTHEM BLUE CROSS,

Defendant.

Case No.

**STIPULATION FOR ENTRY OF FINAL
JUDGMENT AND PERMANENT
INJUNCTION**

Plaintiff, the People of the State of California, appearing through its attorney, Kamala D. Harris, Attorney General of the State of California, by Deputy Attorney General Michael E. Elisofon, and defendant Blue Cross of California doing business as Anthem Blue Cross ("Anthem"), appearing through its attorney Brian F. Rowe, stipulate as follows:

1. This Court has jurisdiction of the subject matter hereof and the parties to this Stipulation for Entry of Final Judgment and Permanent Injunction ("Stipulation").

1 2. The Final Judgment and Permanent Injunction (“Judgment”), a true and correct
2 copy of which is attached hereto as Exhibit 1, may be entered by any judge of the Los Angeles
3 County Superior Court. Counsel for Plaintiff may submit the Judgment to any judge of the
4 superior court for approval and signature, during the court’s ex parte calendar or on any other ex
5 parte basis.

6 3. Plaintiff and Anthem (collectively, “the Parties”) hereby waive their right to move
7 for a new trial or otherwise seek to set aside the Judgment through any collateral attack, and
8 further waive their right to appeal from the Judgment, except that Plaintiff and Anthem each
9 agree that this Court shall retain jurisdiction for the purposes specified in paragraph F of the
10 Judgment, as well as for the enforcement of compliance with or punishment of violations of the
11 Judgment.

12 4. The Parties have stipulated and consented to the entry of the Judgment without the
13 taking of proof and without trial or adjudication of any fact or law herein, without the Judgment
14 constituting evidence of or an admission by Anthem regarding any issue of law or fact alleged in
15 the Complaint on file herein, and without Anthem admitting any liability regarding allegations of
16 violations that occurred prior to the entry of the Judgment.

17 5. Anthem will accept service of any Notice of Entry of Judgment entered in this
18 action by delivery of such notice to its counsel of record, and agrees that service of the Notice of
19 Entry of Judgment will be deemed personal service upon it for all purposes.

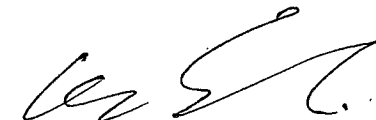
20 6. The individuals signing below represent that they have been authorized by the
21 parties they represent to sign this Stipulation.

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1 Dated: September 27, 2012

Respectfully Submitted,

2 KAMALA D. HARRIS
Attorney General of California
3 FRANCES T. GRUNDER
Senior Assistant Attorney General
4 MICHELE VAN GELDEREN
Supervising Deputy Attorney General
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7 MICHAEL E. ELISOFON
8 Deputy Attorney General
Attorneys for Plaintiff
9 THE PEOPLE OF THE STATE OF CALIFORNIA
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27 *(Additional signatures on next page)*
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1 Dated: September 21, 2012

FOR DEFENDANT ANTHEM BLUE CROSS



BRIAN F. ROWE
Sr. Associate General Counsel
Attorneys for Defendant
ANTHEM BLUE CROSS

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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES**

THE PEOPLE OF THE STATE OF CALIFORNIA,

 Plaintiff,

 v.

BLUE CROSS OF CALIFORNIA, a
California corporation doing business as
ANTHEM BLUE CROSS,

 Defendant.

Case No.

**FINAL JUDGMENT AND PERMANENT
INJUNCTION**

Plaintiff, the People of the State of California, appearing through its attorney, Kamala D. Harris, Attorney General of the State of California, by Deputy Attorney General Michael E. Elisofon, and defendant Blue Cross of California doing business as Anthem Blue Cross (“Anthem”), appearing through its attorney Brian F. Rowe, having stipulated and consented to the entry of this Final Judgment and Permanent Injunction (“Judgment”) without the taking of proof and without trial or adjudication of any fact or law herein, without this Judgment constituting evidence of or an admission by Anthem regarding any issue of law or fact alleged in the

1 Complaint on file, and without Anthem admitting any liability regarding allegations of violations
2 that occurred prior to entry of this Judgment, and the Court having considered the matter and
3 good cause appearing:

4 IT IS HEREBY ORDERED THAT:

5 A. This Court has jurisdiction of the subject matter hereof and the parties hereto.

6 B. Venue is proper in this Court.

7 C. The injunctive provisions of this Judgment shall apply to defendant Anthem, as
8 well as its subsidiaries; its successors and the assigns of all or substantially all of the assets of its
9 businesses; and its directors, officers, employees, agents, independent contractors, partners,
10 associates and representatives of each of them.

11 D. Under California Business and Professions Code section 17203, Anthem shall be
12 and hereby is permanently enjoined and restrained from directly or indirectly doing any of the
13 following acts or practices:

14 (1) Failing to comply with California Civil Code section 1798.85, subdivision (a)(1) by
15 publicly posting or publicly displaying in any manner any individual's Social Security number.

16 (2) Failing to comply with California Civil Code section 1798.85, subdivision (a)(5) by
17 printing any individual's Social Security number on any materials that are mailed to the
18 individual, unless state or federal law requires the Social Security number to be on the document
19 to be mailed.

20 (3) Failing to implement, no later than ninety (90) days from entry of this Judgment:

21 (a) A written policy that specifically and adequately prevents unauthorized
22 disclosure of Anthem's members' Social Security numbers.

23 (b) A technical safeguard that alerts users of Anthem's data management system
24 for prospect and member mailings whenever a request is made for a member's Social Security
25 number.

26 (c) The renaming of data fields in Anthem's data management system for prospect
27 and member mailings to convey clearly when such data fields may include a member's Social
28 Security number.

1 (d) The restricting of access privileges within Anthem's data management system
2 for prospect and member mailings to prohibit non-management associates from accessing
3 Anthem's members' Social Security numbers.

4 (e) The requiring of approval from a member of Anthem's Senior Compliance
5 Privacy team for prospect and current member data pulls related to Anthem's Senior business
6 marketing mailings that involve confidential personal information other than name and address,
7 including but not limited to members' Social Security numbers.

8 (f) The development of a comprehensive training program regarding the
9 safeguarding of confidential personal information of Anthem's members.

10 E. Under Business and Professions Code section 17206, Anthem shall pay to the
11 Plaintiff the sum of forty thousand dollars (\$40,000.00), to be placed by Plaintiff in the Unfair
12 Competition Law Fund. Anthem shall also pay one hundred and ten thousand dollars
13 (\$110,000.00) as attorney's fees and costs for the investigation and prosecution of this matter, to
14 be placed by Plaintiff in a new Special Deposit Fund pursuant to Government Code section 16370
15 to allow the Office of the California Attorney General to more effectively investigate, prosecute,
16 and educate the public regarding privacy issues. Payment shall be made by check payable to the
17 "California Attorney General's Office" and shall be delivered to the California Attorney
18 General's Office, 300 South Spring Street, Los Angeles, California 90013, attention Deputy
19 Attorney General Michael E. Elisofon no later than fifteen (15) days after the date this Judgment
20 is entered.

21 F. Jurisdiction is retained by the Court for the purpose of enabling any party to the
22 Judgment to apply to the Court at any time for such further orders and directions as may be
23 necessary or appropriate for the construction or the carrying out of this Judgment, for the
24 modification of any of the injunctive provisions hereof, for enforcement of compliance herewith,
25 and for the punishment of violations hereof, if any.

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G. The clerk is ordered to enter this Judgment forthwith.

DATED: _____

JUDGE OF THE SUPERIOR COURT