

**North Carolina Security Breach Reporting Form
Pursuant to the Identity Theft Protection Act of 2005**

Name of Business Owning or Licensing Information Affected by the

Breach: **Stanlex, Inc. d/b/a Home Care of the Carolinas**

Address: **907 N 2d Street, Albemarle, NC 28001**

Telephone: **800-222-6819 704-982-2273**

Fax: **704-9983-2963**

Email: **keith.arbuckle@stanly.org**

PLEASE SUBMIT FORM TO:

Consumer Protection Division

NC Attorney General's Office

9001 Mail Service Center

Raleigh, NC 27699-9001

Telephone: (919) 716-6000

Toll Free in NC: (877) 566-7226

FAX: (919) 716-6050

Date Security Breach Reporting Form submitted: **November 21, 2008**

Date the Security Breach was discovered: **November 9, 2008**

Estimated number of affected individuals: **1329**

Estimated number of NC residents affected: **1329**

Name of business maintaining or possessing information that was the subject of the Security Breach, if the business that experienced the Security Breach is not the same entity as the business reporting the Security Breach (pursuant to N.C.G.S. § 75-65(b): **Same**

Describe the circumstances surrounding the Security Breach and state whether the information breached was in electronic or paper format: **Theft from a vehicle of a laptop computer storing personal data about patients receiving home care services**

Regarding electronic information breached, state whether the information breached or potentially breached was password protected or encrypted in some manner. **Yes** If so, please describe the security measures protecting the information: **Access is double password protected**

Describe any measures taken to prevent a similar Security Breach from occurring in the future:

A corrective action plan includes consulting with internal information systems support services, external software provider, and others to review of security policies and practices; conducting workforce training; and increased periodic reporting and monitoring.

Date affected NC residents were/will be notified: **November 21, 2008**

If there has been any delay in notifying affected NC residents, describe the circumstances surrounding the delay pursuant to N.C.G.S. § 75-65(a) and (c):

If the delay was pursuant to a request from law enforcement pursuant to N.C.G.S. § 75-65(c), please include the written request or the contemporaneous memorandum.

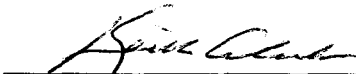
How NC residents were/will be notified? **1329**

(pursuant to N.C.G.S. § 75-65(e))

- written notice
 electronic notice (email)
 telephone notice
 substitute notice

Please attach copy of the notice if in written form or a copy of any scripted notice if in telephonic form.

Signature:



Date: November 21, 2008

Contact Person, Title: **Keith Arbuckle, President & CEO, HCC**

Address: **907 N 2d Street, Albemarle, NC 28001**

(if different from above)

Telephone: **704-789-3400**

Fax:

Email:

Date: November 21, 2008

To: The Patient or Patient's Representative:

[Name]
[Address 1]
[Address 2]
[Address 3]

Dear [Name]:

The purpose of this letter is to do the following:

- To notify you of an incident involving the theft of a laptop computer which contained some of your personal information;
- To explain to you what happened; and
- To outline steps you should take.

Through its employees and contract staff, Home Care of the Carolinas provides various outpatient clinical services to clients to enable each patient to receive such care in the client's home. It maintains information personally identifying patients and personal health information about clinical services on laptops carried by the providers who regularly visit clients' homes.

On Friday, November 7, 2008, one of our laptop computers was stolen from a contract employee. The stolen computer contained some of your personal information, and it may have included identifying data such as your name, date of birth, address, phone number, and your social security number. Although the information in the stolen computer is encrypted, and access further is restricted by multiple password protections, your personal information still may be risk.

Our concern is that the personal information on the stolen computer may be used for identity theft. We notified law enforcement about the theft and requested their assistance in this matter. The companies providing software services for the healthcare information maintained on the computer and mobile access for the laptop's card remotely have disabled these features. We have requested these companies to continue to monitor for any attempts to utilize these features. We have reported this incident to the North Carolina Attorney General's office. We also will continue to monitor this incident closely and work with law enforcement and these companies to hopefully recover the computer and determine whether or not your personal information was accessed by anyone.

You are encouraged to consider taking appropriate steps to protect yourself for the possible risk of identity theft from the use of this information.

First, obtain and review your credit reports from each of the three major credit reporting agencies. You can do this without cost by calling 1-877-322-8228 or by visiting the following website: www.annualcreditreport.com. Since your information may not be used immediately, you should check your credit reports regularly as recommended by the credit reporting agencies.

If any activity appears on your credit report which you believe is questionable, you should contact your local policed department or sheriff's office and file the appropriate report(s). If you become a victim of identity theft, you should call the Identity Theft Hotline at the Federal Trade Commission at 1-877-438-4338.

Second, you are encouraged to place an "initial fraud alert" on your credit report with each of the three major credit reporting agencies. An "initial fraud alert" is free, and it will be effective for ninety (90) days. This makes it harder for someone to establish credit in your name. The website address and telephone number for each of the credit reporting agencies is, as follows:

| | | |
|------------|--|----------------|
| Equifax | www.equifax.com | 1-800-525-6285 |
| TransUnion | www.transunion.com | 1-800-680-7289 |
| Experian | www.experian.com | 1-888-397-3742 |

You should discuss with each credit reporting agency whether you also wish to request a "security freeze" to stop access to new credit in your name.

Third, for additional information on how to protect yourself against identity theft, you may contact the North Carolina Attorney General's Consumer Protection Division. In particular, the "NoScam" website contains information on preventing identity theft as well as resources and forms you may find useful.

<http://noscamnc.gov> 1-877-566-7226 [5 NO SCAM]

We are truly sorry that this theft occurred and that your personal information is at risk. I personally apologize to you, recognizing the inconvenience this incident will cause for you. Hopefully, the resource information provided will be useful to you. Of course, if you have questions or concerns about this incident, please call us at the following number:

| | |
|-----------------------|---------|
| English or Espanol: | 1-800-# |
| Hearing Impaired/TTY: | 1-800-# |

Sincerely,

Keith Arbuckle
President & CEO