

Williams, Hugh

From: Mary Kay Fullenkamp [mfullenkamp@allianceinc.org]
Sent: Monday, May 10, 2010 11:46 AM
To: Williams, Hugh
Cc: Mary Sacilotto
Subject: Alliance Security Incident
Attachments: Whitemarsh Breach.doc

May 10, 2010

Hugh Williams, Administrator
Identity Theft Program
Office of the Attorney General
200 St. Paul Place
Baltimore, MD 21202

Dear Mr. Williams:

This letter serves as notification and confirmation of our telephone conversation regarding a security incident involving Alliance, Inc. clients' personal information. On May 3, 2010 an Alliance, Inc. employee's laptop was stolen from her car. The incident was reported to the Compliance Office on May 4 when we promptly began an investigation. A police report was filed and investigation initiated by the Whitemarsh police department.

Our investigation results have provided the names of 22 clients whose information was stored on the stolen laptop. The files were password protected. Most of these clients are transient and do not have a permanent address. They come to the Alliance office on a drop-in basis or are accessed by case managers in a pre-arranged location. Due to the mobile nature of these clients, we felt that we needed to seize the opportunity to inform them of the incident without reasonable delay. We began to notify individuals that were available on May 6.

The notification letter presented to clients was written to include both the HITECH standards and Maryland state law. In addition, case managers have been exercising diligence in explaining the situation to clients and offering to assist them with the process of contacting credit monitoring agencies. Please find the letter attached as requested.

We made an immediate effort to contact and consult your office regarding the notification process and are receptive to any further guidance with respect to handling this incident. We have stressed to these 22 individuals that we are waiting for the police report and have no reason to believe that their information will be maliciously accessed.

As discussed in our telephone conversation, privacy and security training will be conducted for all employees, incorporating the HITECH regulations and Federal Trade Commission educational materials. Thank you in advance for your attention to this important matter. If you have any questions or concerns, or require additional information, please do not hesitate to contact us.

Sincerely,

Mary Kay Fullenkamp
Assistant Director of Compliance
Alliance, Inc.
7701 Wise Ave.
Baltimore, MD 21222
410-282-5900 ext. 3040

May 6, 2010

Dear Alliance, Inc. Client,

This letter will serve to inform you of the potential compromise of your personal information as a result of the theft of a laptop computer belonging to an Alliance employee. Personally identifiable information involved in this incident may include name, social security number, address, and diagnosis. Alliance, Inc. has reported the incident to the local police department and the situation is under investigation.

As a result of this security breach, we are advising you to contact three credit reporting agencies in order to prevent an individual from establishing fraudulent credit with your information. An Alliance employee will be available to facilitate these contacts should you require assistance. Contact information for the credit reporting agencies are listed below.

Equifax Security Freeze
1-800-685-1111
Experian Security Freeze
1-888-397-3742
Transunion Security Freeze
1-888-909-8872

You may also contact the Office of Maryland's Attorney General at (410) 576-6566 or IDtheft@oag.state.md.us. This office can provide more information about steps to avoid identity theft. Additional resources can be obtained through the Federal Trade Commission at www.ftc.gov/ or 1-877-382-4357.

If you have further questions regarding this situation, you may contact the Chief Compliance Officer with Alliance at (410) 282-5900 ext. 3023 or the Assistant Director of Compliance at (410) 282-5900 ext. 3040. Alliance, Inc. takes the privacy of your personal information seriously and would like to assist you in any way we can.

Sincerely,

Mary M. Sacilotto
Chief Compliance Officer
Alliance, Inc.