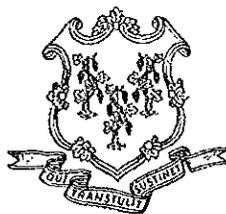


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March 5, 2015

Good afternoon, Senator Crisco, Representative Megna and distinguished members of the Insurance and Real Estate Committee. I am here today to testify in support of **SB 1024** "An Act Concerning the Security of Consumer Data".

Last month, close to 80 million Anthem health insurance customers had their personally identifying information stolen by hackers who still have not been identified.

The exposure of personal health insurance records can have far-reaching consequences and potentially wreak havoc on the lives of millions of innocent people. While the breach of confidential financial information in the hands of any business is itself highly anxiety-provoking for the average Connecticut citizen, it is easy to see how the potential exposure of our confidential information in the hands of our health insurers – including most alarmingly our confidential health care records – can cause anxiety and alarm of a different magnitude altogether. I believe it is incumbent upon this General Assembly to require Connecticut health insurers to do all they reasonably can to protect all the confidential records of our citizens that they either possess or transmit. The piece of mind and privacy of our citizens deserves no less.

Senate Bill 1024 adopts an approach already taken by the states of New Jersey, Massachusetts and Nevada, and requires health insurers and related businesses such as pharmacy benefit managers and utilization review companies, to implement security technologies that will encrypt the personal information of their insureds and enrollees while it is stored as well as transmitted. By strengthening protections, it will be far more difficult for hackers to access the personal information of Connecticut citizens in the possession of health insurers and related entities.

I encourage you to support this legislation, which will help to safeguard the highly confidential information in the hands of health insurers. Thank you for your consideration.