



**Testimony of Kimberly McCullough, Legislative Director
In Support of HB 2551
Senate Health Care Committee
May 6, 2015**

Chair Monnes Anderson and Members of the Committee:

I am Kimberly McCullough, Legislative Director of the ACLU of Oregon and we are pleased to support HB 2551. In essence, the bill would require all covered entities except health care clearinghouses to submit an annual audit report to DCBS or OHA/DHS, demonstrating compliance with federal and state health privacy laws.

Recent announcements of massive data breaches from Anthem and Promera involved the records of as many as 90 million Americans. Anthem, which manages Blue Cross plans in 14 states, is the second largest insurer in the country. Although the hackers gained access to Anthem's database beginning last May, the breach wasn't discovered until late January and was announced publicly in early February. The Promera hack reportedly disclosed health care information along with personal identifying information.

HB 2551 will not solve all of the problems that we face in regard to health privacy, but it is an important step forward to ensure that the safeguards that exist in current law are implemented, monitored, and effective. An audit and a public report will not only compel the auditing entity to examine any weaknesses in the way it collects, stores, and shares information, but will allow the public to inform themselves of the security of their very personal information.

The issues of privacy of health information are not only complex, but are sometimes perceived to be at odds with coordinated health care delivery. We thank the proponents for raising these issues and proposing immediate and practical solutions to help address them.

Thank you for your consideration.