

June 1, 2015

RE: Patients receiving AFFIRMA Rehabilitation Services between 4/1/11 through 5/15/15 through our Los Altos Subacute and Rehabilitation conduit.

I am writing to you with important information about an incident involving your personal information.

We recently learned that a few employees of our subsidiary, AFFIRMA Rehabilitation, used an Internet-based email account to receive and send certain health information. The email account was established to receive incoming facsimiles (Faxes) in which Covenant Care services were being requested through AFFIRMA. The account was in use between April 2011 and May 15, 2015. We deactivated the account as quickly as possible after we discovered it.

The faxes may have included the following types of health information:

- Name and address
- Insurance information, including insurance numbers
- Date of Birth
- Social Security Number
- Physician orders
- Medical record information (e.g., diagnosis, treatment plans, medical status, etc.)
- Treatment consent forms

We believe your health information may have passed through the email account.

Upon learning of the existence of the email account, Covenant Care immediately began investigating the incident. The email account was password protected and was used strictly for business purposes. We have no reason to believe that any health information has been stolen or has actually been accessed, used or disclosed by unauthorized people. However, because the health information was stored in and at times sent from an unsecure Internet-based email account, it is possible that the Internet service provider and others may have accessed your health information.

We deeply regret that this event occurred and wish to assist you in protecting yourself. For this reason, we are offering credit report monitoring for one (1) year to help you protect your identity and your credit information at no cost to you. If you choose to participate in this program, please contact Luanne Pacheco, Covenant Care VP and Controller at (949) 349 - 1204.

In addition to the above, we also recommend that to take the following steps:

- Call the toll-free numbers of any one of the three major credit bureaus (below) to place a fraud alert on your credit report. This can help prevent an identity thief from opening additional accounts in your name. As soon as the credit bureau confirms your fraud alert, the other two credit bureaus will automatically be notified to place alerts on your credit report, and all three reports will be sent to you free of charge.

- Order your credit reports. By establishing a fraud alert, you will receive a follow-up letter that will explain how you can receive a free copy of your credit report. When you receive your credit report, examine it closely and look for signs of fraud, such as credit accounts that are not yours.
- Continue to monitor your credit reports. Even though a fraud alert has been placed on your account, you should continue to monitor your credit reports to ensure an imposter has not opened an account with your personal information.

Consumer Reporting Agency	Toll-Free Phone Number	Website	Address
Equifax	1-800-525-6285	www.equifax.com	P.O. Box 740241, Atlanta, GA 30374
Experian	1-888-397-3742	www.experian.com	P.O. Box 9532, Allen, TX 75013
TransUnion	1-800-680-7289	www.transunion.com	P.O. Box 6790, Fullerton, CA 92834

- Regularly review your explanations of benefits that you receive from your health insurance company. If you see any service that you believe you did not receive, please contact your insurance company at the number of the statement. If you do not regularly receive explanations of benefits statements, contact your health insurance company and ask that they them to you.
- Keep a copy of this notice for your records in case of future problems with your medical records.

We take the privacy and security of your health information very seriously. We will continue our ongoing efforts to monitor and strengthen our information security program. We want to assure you that the employees involved in this incident have been counseled and disciplined in accordance with our policies. We are also reviewing our privacy and security policies and procedures, re-educating our employees, and reporting this incident to the appropriate authorities.

If you need additional information or wish to contact us with concerns, we are happy to speak with you. Please contact Jacqueline Turner, our Covenant Care Privacy Officer at (916) 952-3054 or call our Corporate Compliance/HIPAA toll free hotline at 1-888-505-2004.

We take very seriously our role of safeguarding your personal information and using it in an appropriate manner. Covenant Care apologizes for this situation and is taking appropriate measures to prevent a reoccurrence.

Sincerely,
 Jacqueline Turner, R.N.
 Covenant Care Privacy Officer