

**March 11, 2021**

**ATTORNEY GENERAL RAOUL ANNOUNCES SETTLEMENT WITH AMERICAN MEDICAL COLLECTION AGENCY OVER DATA BREACH**

***Settlement Requires AMCA to Implement Information Security Measures***

**Chicago** — Attorney General Kwame Raoul today announced that Illinois, as part of a coalition of 41 states, has reached a settlement with Retrieval-Masters Creditors Bureau d/b/a American Medical Collection Agency (AMCA). The settlement resolves a multistate investigation into the 2019 data breach that exposed the personal information of over 7 million individuals, including more than 272,000 Illinois residents, and potentially exposed the personal information of up to 21 million individuals throughout the United States.

“Despite receiving warnings that its system had been breached, AMCA’s insufficient data security measures left millions of consumers vulnerable,” Raoul said. “Today’s settlement ensures that the company will take steps to protect against a future data breach and better protect consumers.”

AMCA specializes in small-balance medical debt collection primarily for laboratories and medical testing facilities. An unauthorized user gained access to AMCA’s internal system from August 2018 through March 2019. AMCA failed to detect the intrusion, despite warnings from banks that processed its payments. The unauthorized user was able to collect a wide variety of personal information, including Social Security numbers, payment card information, and, in some instances, names of medical tests and diagnostic codes.

On June 3, 2019, AMCA notified states of the breach and began providing notice to over 7 million affected individuals that included an offer of two years of free credit monitoring. On June 17, 2019, as a result of the costs associated with providing notification and remediating the breach, AMCA filed for bankruptcy. The company ultimately received permission from the bankruptcy court to settle with the coalition, and on Dec. 9, 2020, filed for dismissal of the bankruptcy.

Under the terms of the settlement, AMCA and its principals have agreed to implement and maintain a series of data security practices designed to strengthen its information security program and safeguard the personal information of consumers. These include:

- Creating and implementing an information security program with detailed requirements, including an incident response plan.
- Employing a duly-qualified chief information security officer.
- Hiring a third-party assessor to perform an information security assessment.
- Cooperating with Raoul and the coalition with investigations related to the data breach and maintaining evidence.

As part of the settlement, AMCA may also be liable for a \$21 million total payment to the states. Because of AMCA’s financial condition, that payment is suspended unless the company violates certain terms of the settlement agreement.

Joining Raoul in the settlement are the attorneys general of Arizona, Arkansas, Colorado, Connecticut, the District of Columbia, Georgia, Hawaii, Idaho, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Minnesota, Missouri, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, Texas, Utah, Vermont, Virginia, Washington, and West Virginia.

Privacy Unit Chief Matt Van Hise, Bureau Chief Beth Blackston, and Assistant Attorneys General Carolyn Friedman and Ronak Shah handled the settlement for Raoul's Consumer Fraud Bureau.