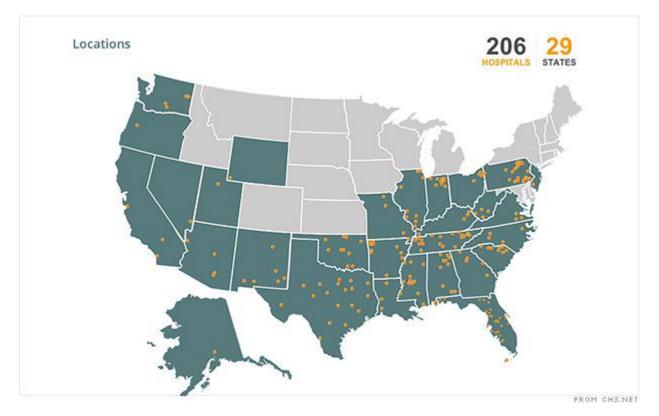
## Hospital network hacked, 4.5 million records stolen

By Jose Pagliery @Jose Pagliery August 18, 2014: 3:25 PM ET



Hackers have taken 4.5 million Social Security numbers from patients who attended any one of Community Health Systems' 206 hospitals this year.

## NEW YORK (CNNMoney)

Community Health Systems, which operates 206 hospitals across the United States, announced on Monday that hackers recently broke into its computers and stole data on 4.5 million patients.

Hackers have gained access to their names, Social Security numbers, physical addresses, birthdays and telephone numbers.

Anyone who received treatment from a physician's office tied to a network-owned hospital in the last five years -- or was merely referred there by an outside doctor -- is affected.

The large data breach puts these people at heightened risk of identity fraud. That allows criminals open bank accounts and credit cards on their behalf, take out loans and ruin personal credit history.

The company's hospitals operate in 28 states but have their most significant presence in Alabama, Florida, Mississippi, Oklahoma, Pennsylvania, Tennessee and Texas.

Community Health Systems (<u>CYH</u>) hired cybersecurity experts at Mandiant to consult on the hack. They have determined the hackers were in China and used high-end, sophisticated malware to launch the attacks sometime in April and June this year.

The FBI said it's working closely with the hospital network and "committing significant resources and efforts to target, disrupt, dismantle and arrest the perpetrators."

Federal investigators and Mandiant told the hospital network those hackers have previously been spotted conducting corporate espionage, targeting valuable information about medical devices.

But this time, the hackers stole patient data instead. Hackers did not manage to steal information related to patients' medical histories, clinical operations or credit cards.

Still, the lost personal information is protected by the Health Insurance Portability and Accountability Act, the federal health records protection law. That means state attorneys general could sue for damages. Under state laws, patients themselves could sue the hospital network for negligence.

As for exposed victims protecting themselves? There's little they can do.

Shares of the publicly-traded Community Health Systems edged higher Monday morning. But the company tried to stem worries about the damages in a filing Monday with the Securities and Exchange Commission, saying that it "carries cyber/privacy liability insurance to protect it against certain losses related to matters of this nature."

The hospital network said that just before Monday's announcement, it managed to wipe the hackers' malware from its computer systems and implemented protections to prevent similar break-ins.

The company plans to offer identity theft protection to the 4.5 million victims of the data breach.

CNN's Evan Perez contributed to this report.