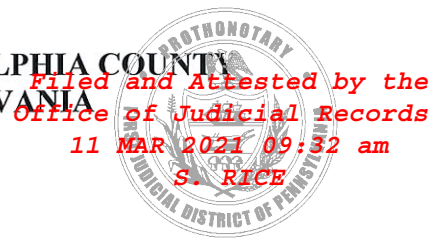


IN THE COURT OF COMMON PLEAS OF PHILADELPHIA COUNTY
FIRST JUDICIAL DISTRICT OF PENNSYLVANIA
CIVIL TRIAL DIVISION



COMMONWEALTH OF PENNSYLVANIA :
By Attorney General JOSH SHAPIRO :
 :
 :
Plaintiff : No.
v. :
 :
 :
Retrieval-Masters Creditors Bureau, Inc. : CIVIL ACTION – EQUITY
a New York Corporation, d/b/a :
American Medical Collection Agency :
200 Pemberwick Rd. :
Greenwich, CT 06831 :
 :
Defendant :
 :
_____ :

NOTICE TO DEFEND

You have been sued in court. If you wish to defend against the claims set forth in the following pages, you must take action within twenty (20) days after this complaint and notice are served, by entering a written appearance personally or by attorney and filing in writing with the court your defenses or objections to the claims set forth against you. You are warned that if you fail to do so the case may proceed without you and a judgment may be entered against you by the court without further notice for any money claimed in the complaint or for any other claim or relief requested by the plaintiff. You may lose money or property or other rights important to you.

YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW. THIS OFFICE CAN PROVIDE YOU WITH INFORMATION ABOUT HIRING A LAWYER.

IF YOU CANNOT AFFORD TO HIRE A LAWYER, THIS OFFICE MAY BE ABLE TO PROVIDE YOU WITH INFORMATION ABOUT AGENCIES THAT MAY OFFER LEGAL SERVICES TO ELIGIBLE PERSONS AT A REDUCED FEE OR NO FEE.

Philadelphia County Bar Association
1101 Market Street
Philadelphia, PA 19107
Phone (215) 238-6300
www.philadelphiabar.org
PA Bar Association: www.pabar.org

Case ID: 210301265

AVISO

Le han demandado a usted en la corte. Si usted quiere defenderse de esta demanda expuesta en las siguientes páginas, usted tiene veinte (20) días a partir de la fecha en que la demanda y la notificación fueron servidas para tomar acción mediante la introducción de su apariencia, personalmente o a través de un abogado, y entregarle a la corte, en forma escrita, sus defensas o sus objeciones a los reclamos expuestos en contra de su persona. Sea avisado que si usted no se defiende o toma ninguna acción, puede que el caso o demanda en contra suya continúe, y puede que una decisión o resolución sea declarada en su contra sin previo aviso o notificación, por cualquier dinero reclamado en la demanda, o por cualquier otro reclamo o compensación solicitada por el/la demandante. Usted puede perder dinero o sus propiedades u otros derechos importantes para usted.

USTED DEBE TOMAR ESTE DOCUMENTO A SU ABOGADO INMEDIATAMENTE. SI USTED NO TIENE A UN ABOGADO VAYA EN PERSONA O LLAME POR TELEFONO A LA OFICINA LISTADA A CONTINUACION ABAJO. ESTA OFICINA LE PUEDE PROPORCIONAR CON INFORMACION ACERCA DE COMO EMPLEAR A UN ABOGADO.

SI USTED NO TIENE DINERO PARA CONTRATAR O PAGAR UN ABOGADO, ESTA OFICINA PUEDE PROVEERLE INFORMACION ACERCA DE AGENCIAS QUE PUEDEN OFRECER SERVICIOS LEGALES A PERSONAS ELEGIBLES A UN HONORARIO O COSTO REDUCIDO, O GRATIS.

SERVICIO DE REFERIDO DE ABOGADOS

Philadelphia County Bar Asociación
1101 Market Street
Philadelphia, PA 19107
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TIMOTHY R. MURPHY
Deputy Attorney General
PA Attorney I.D. No. 321294
Office of Attorney General
Bureau of Consumer Protection
1600 Arch Street, 3rd Floor
Philadelphia, Pennsylvania 19103
215-560-2414
Attorney for Plaintiff

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200 Pemberwick Rd.	:	
Greenwich, CT 06831	:	
Defendant	:	
_____	:	

COMPLAINT

AND NOW, comes the Commonwealth of Pennsylvania, Office of Attorney General, by Attorney General Josh Shapiro bringing this action on behalf of the Commonwealth pursuant to the provisions of the *Unfair Trade Practices and Consumer Protection Law*, 73 P.S. §§ 201-1 – 201-9.2 (herein referred to as the “Consumer Protection Law”) to restrain by permanent injunction unfair methods of competition or unfair or deceptive acts or practices in the conduct of any trade or commerce, declared unlawful by the Consumer Protection Law.

In support thereof, the Commonwealth respectfully represents the following:

JURISDICTION

1. This Court has original jurisdiction over this action pursuant to Section 931 of the Judicial Code, 42 Pa. C.S.A. § 931(a).

VENUE

2. Venue lies with this Court pursuant to Pa. R.C.P. 1006(a)(1).

THE PARTIES

3. Plaintiff is the Commonwealth of Pennsylvania, Office of Attorney General, by Attorney General Josh Shapiro (herein referred to as the “Commonwealth” and/or “Plaintiff”), with offices located at 1600 Arch Street, 3rd Floor, Philadelphia, Pennsylvania 19103 and 15th Floor, Strawberry Square, Harrisburg, Pennsylvania 17120.

4. Defendant Retrieval-Masters Creditors Bureau, Inc., d/b/a American Medical Collection Agency, is a New York corporation with a current principal place of business at 200 Pemberwick Rd., Greenwich, CT 06831 and a previous principal place of business at 4 Westchester Plaza, Suite 110, Elmsford, NY 10523.

BACKGROUND

5. Section 201-2(3) of the Consumer Protection Law defines “Trade” and “commerce” as follows:

(3) “**Trade**” and “**commerce**” mean the advertising, offering for sale, sale or distribution of any services and any property, tangible or intangible, real, personal or mixed, and any other article, commodity, or thing of value wherever situate, and includes any trade or commerce directly or indirectly affecting the people of this Commonwealth.

73 P.S. § 201-2(3).

6. Defendant was at all times relevant hereto engaged in trade and commerce in the Commonwealth of Pennsylvania by collecting medical debts on behalf of healthcare providers under the name American Medical Collection Agency (“AMCA”) from consumers across the country, including residents in the Commonwealth of Pennsylvania.

STATEMENT OF FACTS

7. In June 2019, Defendant publicly disclosed that between August 1, 2018 and March

30, 2019, an unauthorized user had gained access to Defendant's internal system (hereafter "Data Breach").

8. Defendant further disclosed that the intruder had gained access to records with the personal information of approximately twenty million individuals from whom Defendant was attempting to collect payment on behalf of medical providers. The information included names, dates of birth, social security numbers, financial information, and medical information.

9. The intruder was able to gain access to Defendant's network due to the insufficient security employed by Defendant.

10. On or about June 6, 2019, Defendant began mailing notice of the Data Breach to over seven million affected consumers.

11. In the regular course of its business, Defendant collected and maintained the personal information of individuals located in the Commonwealth of Pennsylvania and throughout the country, to include dates of birth, social security numbers, financial information, and medical information (hereafter "PI").

12. Defendant's conduct in collecting and maintaining PI was subject to the requirements of the Consumer Protection Law. By collecting and maintaining such PI, Defendant represented, explicitly or implicitly, that it would, implement and maintain reasonable procedures to protect from unlawful use or disclosure any personal information collected or maintained by the business in the regular course of business, including information that identifies an individual and relates to the provision of health care to the individual.

13. Defendant was further subject to the requirements of the federal Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and its implementing regulations. *See* 45 CFR Parts 160 and 164.15.

14. Defendant represented on its website that it was compliant with all applicable Federal and State laws.

15. Defendant also accepted payments by credit card, thus directly and indirectly representing that it was compliant with the Payment Card Industry Data Security Standard (“PCI DSS”), which is a set of security standards designed to ensure that all companies that accept, process, store, or transmit credit card information maintain a secure environment to safeguard such information throughout the transaction process.

16. Defendant engaged in trade and commerce and did business in the Commonwealth of Pennsylvania including by acting as a Business Associate, as defined by HIPAA, and collecting debts in this Commonwealth on behalf of medical providers.

COUNT I—VIOLATIONS OF THE CONSUMER PROTECTION LAW
DEFENDANT MISREPRESENTED ITS SECURITY OF CONSUMER INFORMATION

17. The averments and allegations of the preceding paragraphs are incorporated as though the same were fully set forth herein.

18. The Commonwealth further alleges that Defendant has, in the conduct of trade or commerce, engaged in false, misleading, unfair or deceptive acts or practices in violation of the following provisions of the Consumer Protection Law. More specifically, Plaintiff alleges that contrary to its representations, Defendant failed to comply with requirements to safeguard the personal information of consumers, including the requirements of HIPAA and its implementing regulations.

19. Defendant’s aforesaid public representations of the nature of its security safeguards over Pennsylvania consumers’ sensitive and personal information constitute unfair methods of competition and unfair or deceptive acts or practices in the conduct of trade or commerce as

prohibited by Section 201-3 of the Consumer Protection law, as defined by Section 201-2 of said Law, including, but not limited to, the following:

- a. Section 201-2(4)(ii) causing likelihood of confusion or of misunderstanding as to the source, sponsorship, approval or certification of goods or services;
- b. Section 201-2(4)(v) representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits or quantities that they do not have or that a person has a sponsorship, approval, status, affiliation or connection that he does not have;
- c. Section 201-2(4)(vii) representing that goods or services are of a particular standard, quality or grade, or that goods are of a particular style or model, if they are of another;
- d. Section 201-2(4)(xxi) engaging in any other fraudulent or deceptive conduct which creates a likelihood of confusion or of misunderstanding.

73 P.S. §§ 201-3, 201-2(4)(ii), (v), (vii), (xxi).

20. The Commonwealth believes that the public interest is served by seeking before this Court a permanent injunction to restrain the methods, acts, and practices described herein. The Commonwealth believes that citizens of the Commonwealth are suffering and will continue to suffer harm unless the acts and practices complained of herein are enjoined.

WHEREFORE, the Commonwealth of Pennsylvania respectfully requests that this Honorable Court issue an Order:

- A. Declaring Defendant's conduct as described herein above to be in violation of the Consumer Protection Law;

- B. Permanently enjoining Defendant and all other persons acting on its behalf, directly or indirectly, from violating the Consumer Protection Law, and any amendments thereto;
- C. Directing Defendant to make full restitution, pursuant to Section 201-4.1 of the Consumer Protection Law, to all persons who have suffered losses as a result of the acts and practices alleged in this complaint and any other acts or practices which violate the Consumer Protection Law;
- D. Directing Defendant to pay to the Commonwealth civil penalties of One Thousand and 00/100 Dollars (\$1,000.00) for each instance of a past or present violation of the Consumer Protection Law, and Three Thousand and 00/100 Dollars (\$3,000.00) for each instance of a past or present violation of the Consumer Protection Law and involving consumers age sixty (60) or older as victims;
- E. Requiring Defendant to pay the Commonwealth's investigative and litigation costs in this matter; and
- F. Granting such other general, equitable, and/or further relief as the Court deems just and proper.

Respectfully Submitted,

COMMONWEALTH OF PENNSYLVANIA
OFFICE OF ATTORNEY GENERAL

JOSH SHAPIRO
Attorney General

Date: 3-11-21

By: 

TIMOTHY R. MURPHY
Deputy Attorney General
PA Attorney I.D. No. 321294
Email: tmurphy@attorneygeneral.gov
Bureau of Consumer Protection
1600 Arch Street, 3rd Floor
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Defendant	:	
_____	:	

VERIFICATION

I, Brian Smith, hereby state that I am a Consumer Protection Agent with the Pennsylvania Office of Attorney General, Bureau of Consumer Protection, and am authorized to make this verification on behalf of the Plaintiff in the within action. I hereby verify that the facts set forth in the foregoing Complaint are true and correct to the best of my knowledge or information and belief.

I understand that the statements contained herein are subject to the penalties of 18 Pa. C.S. § 4904 relating to unsworn falsification to authorities.

Date: 3/2/2021_____

/S/ Brian Smith_____
Brian Smith
Consumer Protection Agent