

1 Brian S. Kabateck, State Bar No. 152054
(bsk@kbklawyers.com)
2 Richard L. Kellner, State Bar No. 171416
(rlk@kbklawyers.com)
3 Karen Liao, State Bar No. 256072
(kl@kbklawyers.com)
4 **KABATECK BROWN KELLNER LLP**
644 S. Figueroa Street
Los Angeles, California 90017
5 Telephone: (213) 217-5000
6 Fax: (213) 217-5010

7 Byron T. Ball, State Bar No. 150195
(btb@balllawllp.com)
8 Douglas D. Winter, State Bar No. 150795
THE BALL LAW FIRM LLP
10866 Wilshire Boulevard, Suite 1400
9 Los Angeles, California 90024
Telephone: (310) 441-6148
10 Fax: (310) 441-5386

11 Bradley I. Kramer, State Bar No. 234351
(bkramer@biklaw.com)
12 **THE TRIAL LAW OFFICES OF BRADLEY I. KRAMER**
10866 Wilshire Boulevard, Suite 1400
13 Los Angeles, California 90024
Telephone: (310) 289-2600
14 Fax: (866) 289-2771

15 *Attorneys for Plaintiff and the Proposed Class*

17 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
18 **FOR THE COUNTY OF LOS ANGELES – CENTRAL DISTRICT**

19 SHANA SPRINGER, individually, and on behalf
20 of all others similarly situated,

21 Plaintiffs,

22 vs.

23 STANFORD HOSPITALS AND CLINICS, a
24 California corporation; MULTI-SPECIALTY
COLLECTION SERVICES, LLC, a California
25 limited liability company, and DOES 1-100,
Inclusive,

26 Defendants.

Case No.

CLASS ACTION COMPLAINT

JURY TRIAL DEMANDED

CONFORMED COPY
ORIGINAL FILED
SUPERIOR COURT OF CALIFORNIA
COUNTY OF LOS ANGELES

SEP 28 2011

John A. Clarke, Executive Officer/Clerk
BY Rafaela Juliano Deputy
Rafaela Juliano

BC470522

1 Plaintiff Shana Springer ("Plaintiff"), individually and on behalf of the class described below, by
2 her attorneys, makes the following allegations based upon information and belief, except as to those
3 allegations specifically pertaining to Plaintiff and her counsel, which are based on personal knowledge.
4 Plaintiff brings this action for damages against Defendants, demanding a trial by jury.

5 NATURE OF THE ACTION

6 1. This class action seeks damages against Defendants' for their unlawful disclosure of
7 confidential medical information obtained from patients on a public website, in violation of the
8 Confidentiality of Medical Information Act, Civil Code section 56, *et seq.*

9 2. Defendant Stanford Hospitals and Clinics ("Stanford") is ranked as one of the nation's
10 best hospitals. On its website, Stanford claims that its patients' "health care experience is [its] highest
11 priority." Thus, it should be no surprise that when patients are treated at Stanford's facilities, they
12 expect that their private medical information will be kept confidential and will not be disclosed to
13 anyone without their authorization. Indeed, California law requires that medical providers maintain
14 their patients' medical information confidential and prohibits the disclosure of such information without
15 the patient's written authorization.

16 3. Unfortunately, on or around September 9, 2010, the private, confidential and sensitive
17 medical information of almost 20,000 of Stanford's Emergency Department patients first appeared on a
18 public online website and remained publicly available online for almost one full year.

19 4. Specifically, a detailed electronic file containing Plaintiff's and class members' highly
20 private medical information, including but not limited to, the patient's name, medical record and
21 hospital account numbers, admission/discharge dates, diagnoses codes and billing charges, was posted
22 on the public website. Defendants disclosed this confidential information without Plaintiff's and class
23 members' written authorization in violation of California law.

24 5. Such conduct constitutes a patent violation of the Confidentiality of Medical Information
25 Act, Civil Code section 56, *et seq.* Accordingly, Plaintiff brings this class action against Defendants on
26 behalf of herself and others similarly situated, to obtain the monetary damages authorized under that
27 statute.

28 6. The class that plaintiff seeks to certified is defined as follows:

All persons who were treated in the Emergency Department at Stanford Hospitals and Clinics between March 1, 2009 through August 31, 2009, whose medical information was posted on the Student of Fortune website.

THE PARTIES

7. Plaintiff Shana Springer was, at all relevant times a resident of the State of California.

8. Plaintiff is informed and believes, and on that basis alleges, that Stanford Hospitals and Clinics (“Stanford”) is a California corporation with its principal place of business at 300 Pasteur Drive, Stanford, California 94305.

9. Plaintiff is informed and believes, and on that basis alleges, that Multi-Specialty Collection Services, LLC (“MSCS”) is a California limited liability company with its principal place of business at 6733 S. Sepulveda Boulevard, Suite 205, Los Angeles, California 90045. Plaintiff is informed and believes, and on that basis alleges, that at all relevant times, MSCS was a billing and collections contractor which provided administrative support and financial services to Stanford.

GENERAL ALLEGATIONS

10. Plaintiff is currently ignorant of the true names and capacities, whether individual, corporate, associate, or otherwise, of the Defendants sued herein under the fictitious names Does 1 through 100, inclusive, and therefore, sues such defendants by such fictitious names. Plaintiff will amend this complaint to allege the true names and capacities of said fictitiously named Defendants when their true names and capacities have been ascertained. Plaintiff is informed and believes and thereon alleges that each of the fictitiously named Doe Defendants are legally responsible in some manner for the events and occurrences alleged herein, and for the damages suffered by Plaintiff and members of the class.

11. Plaintiff is informed and believes, and on that basis alleges, that all Defendants, including the fictitious Doe Defendants, were at all relevant times acting as actual agents, captive agents or brokers, conspirators, ostensible agents, partners, brokers and/or joint venturers and employees of all other defendants, and that all acts alleged herein occurred within the course and scope of said agency, employment, partnership, joint venture, conspiracy and/or enterprise, and with the express and/or implied permission, knowledge, consent, authorization and ratification of their co-defendants; however,

1 this allegation is pleaded as an "alternative" theory wherever not doing so would result in a contradiction
2 with other allegations.

3 12. All allegations in this complaint are based on information and belief and/or are likely to
4 have evidentiary support after a reasonable opportunity for further investigation or discovery. Whenever
5 allegations in this complaint are contrary or inconsistent, such allegations shall be deemed alternative.

6 JURISDICTION AND VENUE

7 13. This Court has jurisdiction over the entire action by virtue of the fact that this is a civil
8 action wherein the matter in controversy, exclusive of interest and costs, exceeds the jurisdictional
9 minimum of the Court. The acts and omissions complained of in this action took place in the State of
10 California. Venue is proper because this is a class action, the acts and/or omissions complained of took
11 place, in whole or in part within the venue of this Court, and/or one or more Defendant resides within
12 the venue of this court.

13 FACTUAL BACKGROUND

14 14. Sometime prior to August 31, 2009, Plaintiff sought treatment for a medical condition at
15 the Emergency Department at Stanford Hospitals and Clinics. At the time of her visit, Plaintiff provided
16 confidential information to Stanford, including her name, personal information and hospital account
17 number. At no time during her visit did Plaintiff provide written authorization that her private medical
18 information be disclosed. Plaintiff was later diagnosed and discharged from the Emergency
19 Department.

20 15. On or around September 9, 2010, the private medical information of all patients –
21 including Plaintiff and the class – who had treated in Stanford's Emergency Department between March
22 1, 2009 through August 31, 2009, first appeared on a public online website called Student of Fortune
23 (www.studentoffortune.com), which is an online tutorial marketplace for students who need help with
24 homework.

25 16. Specifically, a detailed electronic file containing the medical information of almost
26 20,000 patients, including the patient's name, medical record and hospital account numbers,
27 admission/discharge dates, diagnoses codes and billing charges, was disclosed on the public website.
28

1 17. The private medical information of Plaintiff and the class remained publicly available on
2 the website for almost a full year.

3 18. Defendants disclosed the medical information of Plaintiff and the class without obtaining
4 written authorization.

5 19. Plaintiff is informed and believes and on that basis alleges that Stanford's billing and
6 collections contractor, MSCS, was in part responsible for the unlawful disclosure of the private medical
7 information of Plaintiff and class members.

8 **CLASS ACTION ALLEGATIONS**

9 20. Plaintiff brings this action on her own behalf and on behalf of all persons similarly
10 situated pursuant to Code of Civil Procedure §382. Plaintiff seeks to represent the following class:

11 *All persons who were treated in the Emergency Department at Stanford*
12 *Hospitals and Clinics between March 1, 2009 through August 31, 2009,*
13 *whose medical information was posted on the Student of Fortune website.*

14 21. Upon information and belief, the scope of this class definition, including its temporal
15 scope, may be further refined after discovery of Defendants' and/or third party records.

16 22. Excluded from the Class are governmental entities, Defendants, any entity in which
17 Defendants has a controlling interest, and Defendants' officers, directors, affiliates, legal representatives,
18 employees, co-conspirators, successors, subsidiaries, and assigns. Also excluded from the class is any
19 judge, justice, or judicial officer presiding over this matter and the members of their immediate families
20 and judicial staff.

21 23. Plaintiff's claims are typical of the claims of the class. Plaintiff is a member of the class
22 she seeks to represent. Plaintiff is a member of a class of consumers, and the members of this class of
23 consumers were similarly situated and similarly affected by the conduct alleged of Defendants and
24 incurred similar damage, as alleged in this complaint, as a result of the conduct of Defendants.
25 Members of the class are ascertainable from Plaintiff's description of the class and/or Defendants'
26 records and/or records of third parties accessible through discovery.

27 24. The representative Plaintiff will fairly and adequately represent the members of the class
28 and have no interests which are antagonistic to the claims of the class. The Plaintiff's interests in this

1 action are antagonistic to the interests of Defendants, and she will vigorously pursue the claims of the
2 class.

3 25. The representative Plaintiff has retained counsel who are competent and experienced in
4 consumer class action litigation, and have successfully represented consumers in complex class actions.

5 26. Common questions of law and fact impact the rights of each member of the class and a
6 common remedy by way of permissible damages and/or injunctive relief is sought for the class.

7 27. There are substantial questions of law and fact common to all members of the class which
8 will predominate over any individual issues. These common questions of law and fact include, without
9 limitation:

10 a. Whether Defendants disclosed the medical information of Plaintiff and the class
11 without authorization on a public website; and

12 b. Whether such conduct constitutes a violation of California Civil Code §56, et seq.

13 28. A class action provides a fair and efficient method, if not the only method, for
14 adjudicating this controversy. The substantive claims of the representative Plaintiff and the class are
15 nearly identical and will require evidentiary proof of the same kind and application of the same law.

16 29. A class action is superior to other available methods for the fair and efficient adjudication
17 of this controversy, because Plaintiff believes class members number in the tens of thousands and
18 individual joinder is impracticable. The expense and burden of individual litigation would make it
19 impracticable or impossible for proposed class members to prosecute their claims individually. Trial of
20 Plaintiff's and the class members' claims is manageable. Unless a class is certified, Defendants will
21 remain free to continue to engage in the wrongful conduct alleged herein without consequence.

22 30. There is no plain, speedy or adequate remedy other than by maintenance of this class
23 action because Plaintiff is informed and believes that damage to each member of the class is relatively
24 small, making it economically unfeasible to pursue remedies other than by way of a class action.

25 31. The persons in the class are so numerous that the joinder of all such persons individually
26 in this case is impracticable, and the disposition of their claims in this case and as part of a single class
27 action lawsuit, rather than hundreds or thousands of individual lawsuits, will benefit the parties and
28

1 greatly reduce the aggregate judicial resources that would be spent if this matter were handled as
2 hundreds or thousands of separate lawsuits.

3 32. Plaintiff knows of no difficulty that will be encountered in the management of this
4 litigation, which would preclude its maintenance of a class action.

5 **FIRST CAUSE OF ACTION**

6 **VIOLATION OF CALIFORNIA CONFIDENTIALITY OF MEDICAL INFORMATION ACT**

7 (Civ. Code § 56, et seq.)

8 (By Plaintiff and all class members against all Defendants)

9 33. Plaintiff and the class re-allege and incorporate by reference the allegations contained in
10 the preceding paragraphs of this complaint, as though fully set forth herein.

11 34. California Civil Code section 56, et seq., known as the Confidentiality of Medical
12 Information Act, prohibits health care providers from disclosing medical information regarding a patient
13 without first obtaining written authorization from the patient.

14 35. At all relevant times, Defendants had a legal duty to protect the confidentiality of
15 Plaintiff's and class members' medical information.

16 36. By disclosing the private medical information of Plaintiff and the class on a public
17 website without written authorization, Defendants violated section 56, et seq. and their legal duty to
18 protect the confidentiality of such information.

19 37. Pursuant to section 56.36, Plaintiff and the class are entitled to nominal statutory
20 damages of \$1,000 per class member.

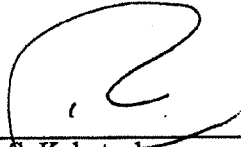
21
22 Wherefore, Plaintiff and the class pray for judgment as follows:

- 23 1. For any and all penalties available to the class as provided by Civil Code §56, et al.
24 including but not limited to nominal damages;
25 2. For general, special, and consequential damages according to proof;
26 3. For interest available at law;
27 4. For reasonable attorneys fees and costs; and
28 5. For such other and further relief as the Court deems just and proper.

1 DATED: September 28, 2011

KABATECK BROWN KELLNER LLP

2
3 By:



Brian S. Kabateck
Richard L. Kellner
Karen Liao
Counsel for Plaintiffs and the Proposed Class

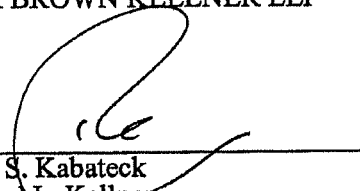
DEMAND FOR JURY TRIAL

Plaintiff hereby demands trial by jury of all claims and causes of action in this lawsuit.

DATED: September 28, 2011

KABATECK BROWN KELLNER LLP

By:



Brian S. Kabateck
Richard L. Kellner
Karen Liao
Counsel for Plaintiffs and the Proposed Class