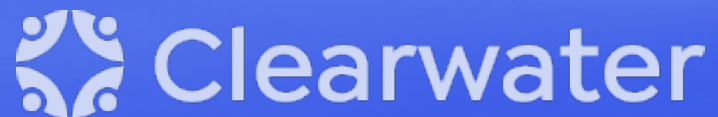


Monthly Cyber Briefing

January 2024



Logistics

- All attendees in “Listen Only Mode”
- Please ask content related questions in Q&A
- Recording and final slides shared within 48 hours
- Please take a few minutes to provide feedback via survey prompt at the end of this session

Agenda

- Cyber update
- A Look at HHS's Healthcare Cybersecurity

Speakers



Steve Cagle

CEO, Clearwater



Iliana Peters

Shareholder, Polsinelli
Former Deputy Director, OCR



Greg Garcia

Executive Director, Health Sector
Coordinating Council (HSCC)
Cybersecurity Working Group



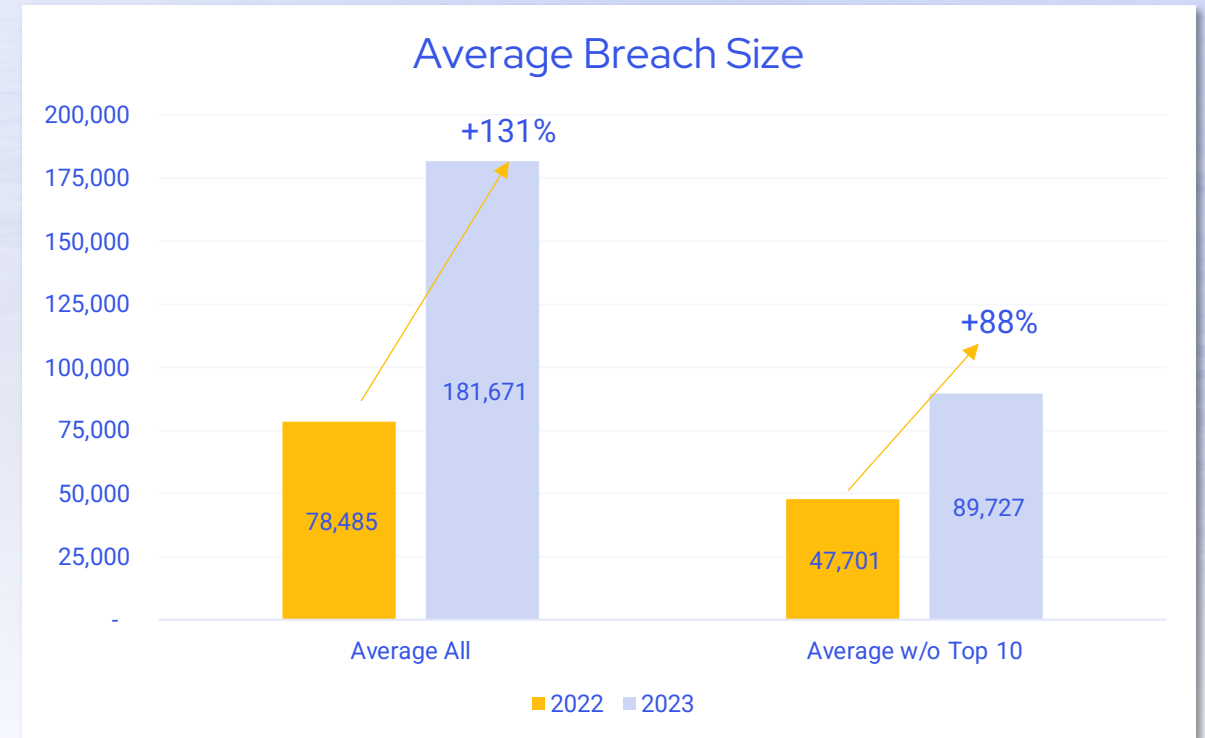
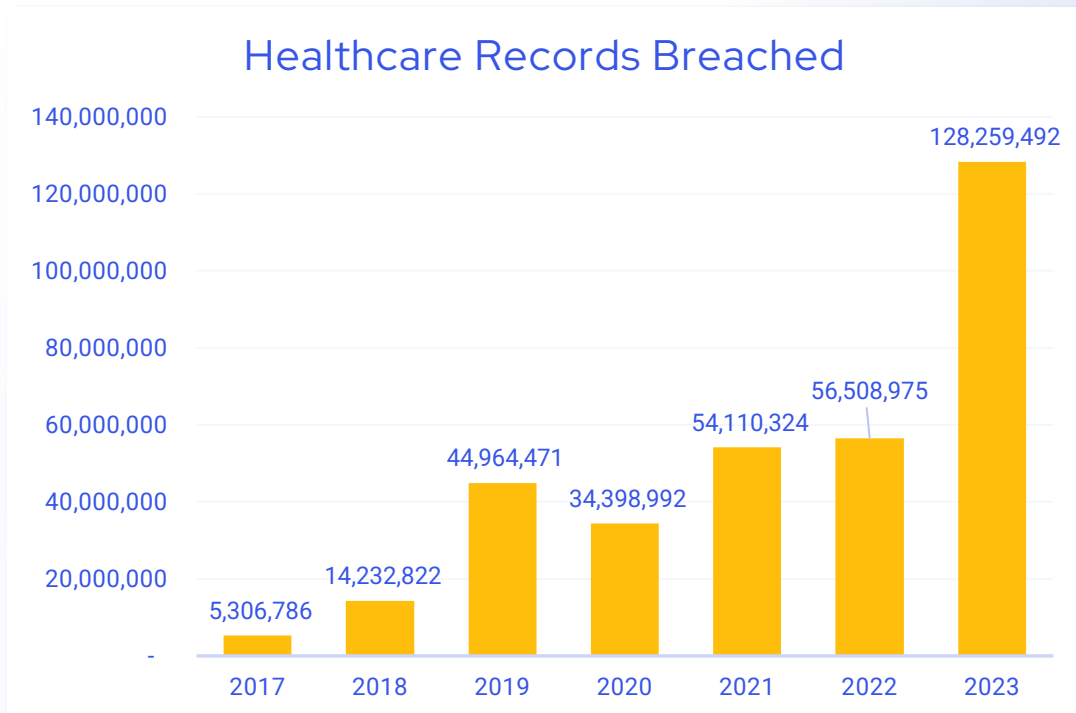
Cyber Update

Steve Cagle



Healthcare Breaches Increasing in Total Due to Size

- 128.3M records reported breached in 2023, and increase of 127% vs 56.5 million in 2022¹
- 706 breaches reported in 2023 vs 720 in 2022, a slight decrease
- Top 10 breaches of 2023 accounted for almost 63M records, approximately 49%
- Average breach size has increased 88% even if one does not consider the top 10 breaches each year



Ransomware Update

According to an analysis by Emsisoft, 46 hospital systems suffered ransomware attacks in 2023, up from 25 in 2022 and 27 in 2021.¹

HUNTERS INTERNATIONAL RANSOMWARE GANG CLAIMS TO HAVE HACKED THE FRED HUTCH CANCER CENTER

 Pierluigi Paganini  December 16, 2023

Fred Hutchinson Cancer Center

- Hunters International launched attack using acquired source code and infrastructure from dismantled Hive operation
- December 1 Fred Hutch administration said it was forced to “quarantine” servers
- Patients have been receiving threatening emails and calls (“swatting”)

Kansas City-area hospital transfers patients, reschedules appointments after cyberattack

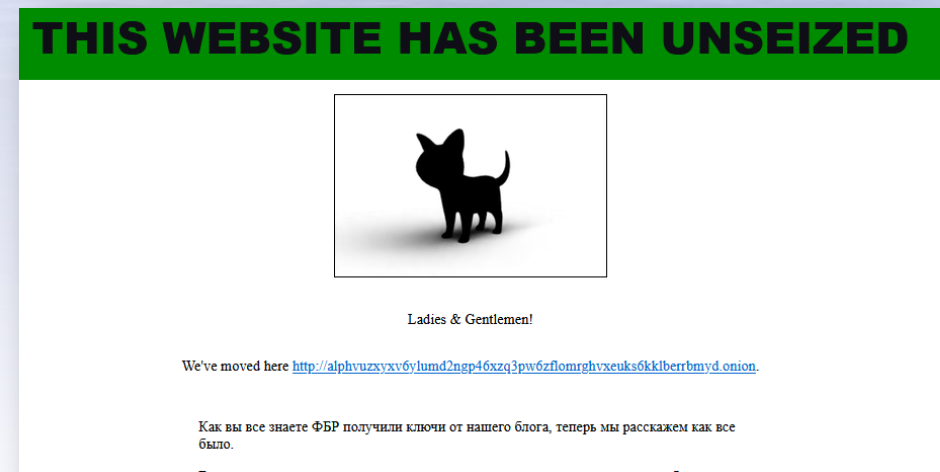
A hospital near Kansas City, Missouri, is struggling to provide care to patients this week after a cyberattack limited its systems.

Liberty Hospital

- “Blackmail letter” received 12/16/23
- Hospital stated, “Anyone seeking emergency care should go to another hospital.”
- 45 patients transferred to other hospitals and others with scheduled appointments showed up and were sent away
- Weeks later employees still have hours cut and left for new jobs

ALPHV/Blackcat FBI Site Seizure

- FBI said it seized the gang's darknet website on 12/19
- FBI developed a decryption tool allowing 500 affected victims to restore their systems – estimated savings on ransomware payments of \$68 million
- BlackCat claimed that the FBI's operation only touched a portion of its operations, and that now an additional 3,000 victims will no longer have the option of receiving decryption keys.
- Blackcat revoked all affiliate restrictions, other than attacking Russia or other CIS, and increased commissions to 90%
- Blackcat claims they've "unseized" their own dark website – only hours after the FBI announced seizure
- They will no longer negotiate discounts





Panel

Steve Cagle | Iliana Peters | Greg Garcia



Panel Discussion

U.S. HHS Healthcare Sector Cybersecurity Strategy Paper
Clearwater Monthly Cyber Briefing January 2024

Moderator



Steve Cagle

CEO

Clearwater

Panelist



Iliana Peters

Shareholder, Polsinelli

Former Deputy Director, OCR

Panelist



Greg Garcia

Executive Director, HSCC

Cybersecurity Working

Group



Q&A

Steve Cagle | Greg Garcia | Iliana Peters





We are here to help.

*Moving healthcare organizations to
a more secure, compliant, and
resilient state so they can achieve
their mission.*

Upcoming Events

ViVE | February 25-28, 2024

Clearwater is once again serving as the title sponsor of the Cybersecurity Pavilion at this annual gathering of technology leaders across the healthcare ecosystem.

Several members of our team will be heading to Los Angeles for the event.





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