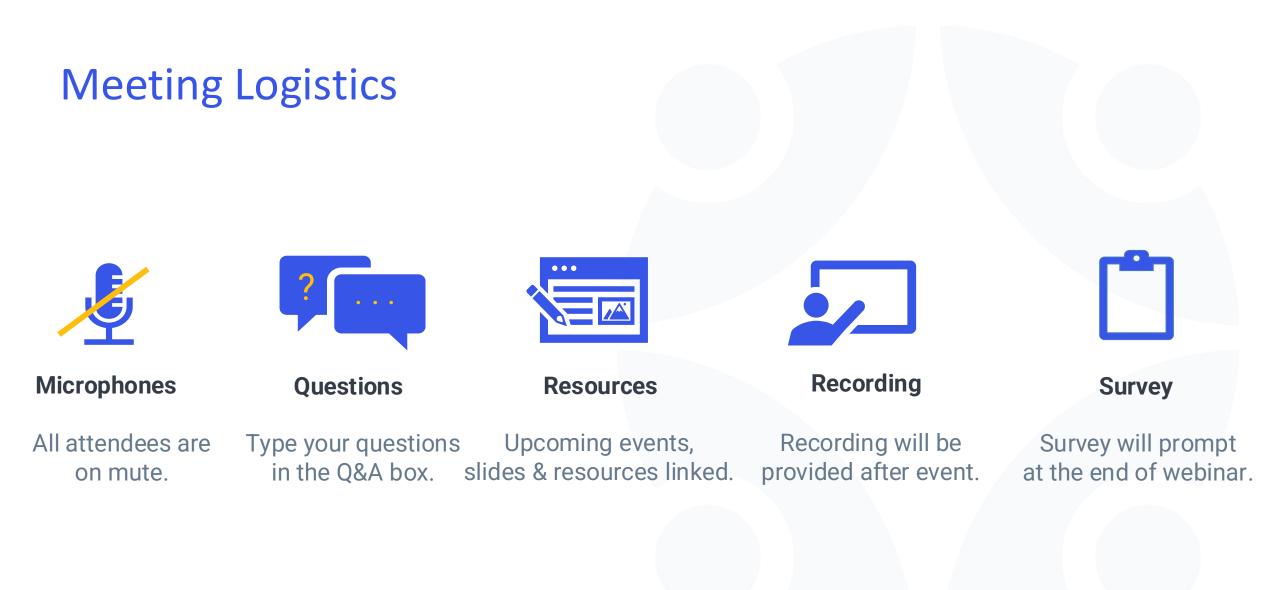
Monthly Cyber Briefing

May 1, 2025





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Agenda

- Cyber & Regulatory Update
- Alliance Agenda: A Discussion on HSCC's Vision for Advancing Healthcare Cybersecurity

• Q+A

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Executive Director Healthcare & Public Health Sector Coordinating Council Cybersecurity Working Group



Director, Healthcare Marketing Clearwater



Steve Cagle, MBA, HCISPP, CHISL, CDH-E Chief Executive Officer Clearwater

Cyber & Regulatory Update

Steve Cagle, MBA, HCISPP, CHISL, CDH-E

CEO, Clearwater

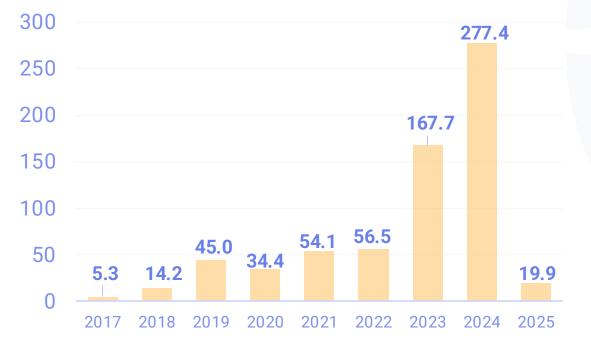


Breach Reports via OCR Breach Portal

OCR Breach Portal Data¹

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- 2024 breach data: 277.4M records from 734 breaches
- YTD 2025 breach data: 19.9M individuals from 218 breaches 14.2M records reported in past month



Millions of Healthcare Records Breached

Three major breaches reported since last briefing in April

- Frederick Health: 934K records stemming from January 2025 ransomware attack
- Blue Shield of California: 4.7M records from Google Analytics ad platform – exposed April 2021 – April 2024
- Yale New Haven Health System reported a massive data breach affecting 5.5 million patients

Alleged Oracle Cloud Infrastructure (OCI) Breach

Threat actor claimed hack of ~6 million lines of data from Oracle Cloud's SSO and LDAP.



Oracle customers confirm data stolen in alleged cloud breach is valid

ALERT

CISA Releases Guidance on Credential Risks Associated with Potential Legacy Oracle Cloud Compromise

Release Date: April 16, 2025

- If cracked, stolen encrypted SSO and LDAP passwords could enable further Oracle Cloud breaches
- Hack supposedly includes JKS files, encrypted SSO passwords, key files, and enterprise manager JPS keys
- The threat actor claimed to have compromised the subdomain login.us2.oraclecloud
- Research firms validated Oracle fusion middleware had a critical vulnerability CVE-2021-35587
- Oracle denied the breach even though clients confirmed it
 UPDATE
- Oracle's lack of transparency was criticized, especially following another breach of Cerner data
- Oracle eventually admitted there was a breach of "legacy" servers (in the cloud)

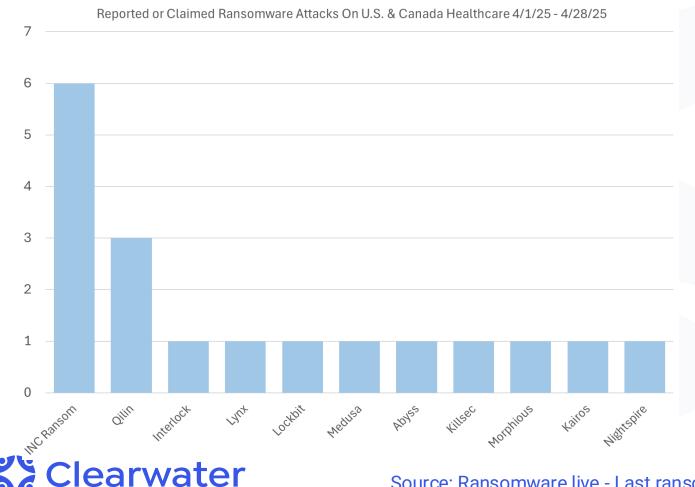
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CISA issued advisory with mitigation recommendations

Clearwater Link to CISA Guidance on Credential Risks Associated with Potential Legacy Oracle Cloud Compromise | CISA

Ransomware Attacks on Healthcare in April

18 identified data leaks from ransomware attacks on U.S. & Canada Healthcare organizations 4/1/25 – 4/28/25



- Inc. Ransom has become one of the top Ransomware gangs targeting Healthcare. Notable recent attacks include the Loretto Hospital, Glengarry Memorial Hospital, and various specialty care practice groups.
- It's been reported that RansomHub has gone dark. Potentially rebranded as Lynx.
- Qilin might be gaining RansomHub's affiliate network. Qilin's recent healthcare attacks include The Galveston County Health District and Coastal Carolina Health Care Primary Care.
- DaVita attack claimed by Interlock see next slide.

DaVita Attacked by Interlock Ransomware

Also refer to February 2025 Cyber Briefing where we warned of Interlock targeting treatment and community centers and discussed TTPs

Dialysis firm DaVita hit by ransomware attack, says patient care continues



- Ransomware attack discovered 4/12/25
- 2,600 dialysis centers and serves around 200,000 patients through about 760 hospitals
- Encrypted systems, forcing DaVita to operate on back-up procedures
- Interlock listed 1.5TB of data for sale

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- Lures victims to a fake website, which executes download scripts
- Typically made to look like Google Chrome, MS Edge, or MS Teams updaters that installs remote access tools
- Moves laterally using native tools
- Employs double extortion

Elenor-corp & Mimc 7.5 – New Threat Actor Targeting HC

Security Firm Morphisec a new ransomware strain known as ELENOR-corp, identified as version 7.5 of the Mimic ransomware



Link to Technical analysis of ELENOR-corp Ransomware: Mimic Ransomware Variant

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Advanced capabilities, including data exfiltration, persistent access and anti-forensic strategies designed to cripple recovery efforts and maximize damage.

- Deploys Clipper credential harvesting software pre-ransomware payload deployment
- Employs aggressive evidence tampering to limit forensic recovery
- Enables parallel sessions of RDP overriding restrictions on multiple logins
- Modifies power settings to speed up encryption
- Deletes windows back-up and recycle bin

Epic Data Breach

An increase in social engineering campaigns at hospitals in recent weeks resulted in numerous compromised MyChart accounts





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Dear Members,

We want to make you aware of a recent surge in impersonation attacks targeting hospital and health system help desks. Bad actors are calling in and fraudulently requesting account access changes, such as password resets – posing a significant risk to system security and patient privacy.

Several organizations have reported a high volume of these incidents. While these types of social engineering attempts are unfortunately common, the current pattern represents a coordinated uptick in activity.

We encourage all CHIME members — regardless of platform — to remain on alert. Reinforce your internal protocols, educate frontline IT staff, and connect with your platform contacts if you suspect any unusual behavior.

CHIME will continue to share relevant updates and serve as a trusted resource in times of elevated threat. Together, we can strengthen awareness and resilience across the digital health ecosystem.

Blessings,

Kuss

- A few weeks ago, multiple hospitals said they had been contacted by Epic regarding user compromised credentials
- Hackers were calling help desks and changing the MyChart password for patients and taking over accounts
- Once the malicious actor is in one hospital patient's MyChart then request all info in MyChart across all organizations
- Epic has said it has limited ability to track access across multiple organizations
- CHiME issued an alert on 4/11/25

HHS OCR Regulatory Enforcement Update

Despite office closures and layoffs at HHS, regulatory HIPAA enforcement action continues with focus on Risk Analysis Initiative

3 HIPAA Security Rule (Settlement) Enforcement Actions in April

- Public Hospital: Guam Memorial Hospital Authority on 4/17/25 - \$25,000
- Large Health System: PIH Health, on 4/23/25 -\$600,000
- Small provider: Comprehensive Neurology, PC on 4/25/25 - \$25,000

"OCR urges health care entities to prioritize compliance with the HIPAA Security Rule risk analysis requirement." -OCR Acting Director Anthony Archeval

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Key Reasons Regulated Entities Fail Risk Analysis Requirement

- Not done at information system component level
- Does not include all information systems with ePHI
- Does not follow OCR's Final Guidance on Risk Analysis (Must meet all 9 elements)
- Not current and/or not updated when changes occur

Link to OCR's Final Guidance on Risk Analysis

Link to Differences Between HIPAA Security Evaluations and Risk Analysis - Clearwater



Recommendations

Addressing specific TTPs in current threat environment

- Maintain continuous vulnerability scanning, and patch critical and high vulnerabilities with extreme priority
- Update Security Awareness training to be in line with current techniques
- For Oracle Cloud: Reset passwords for any known affected users across enterprise services
- Enforce phishing-resistant multi-factor authentication (MFA) consistently including internal applications
- Prioritize review of access privileges and restrict access to minimum necessary to perform job function
- Ensure monitoring and detection for latest TTPs including evidence tampering
- Update your risk analysis or employ a more rigorous methodology if it currently does not meet OCR and/or NIST Guidelines
- Review incident response procedures and exercise them on a regular basis adjust based on learnings

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Alliance Agenda

A Discussion on HSCC's Vision for Advancing Healthcare Cybersecurity

Fireside Chat

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A Discussion on HSCC's Vision for Advancing Healthcare Cybersecurity



Executive Director

Healthcare & Public Health Sector Coordinating Council Cybersecurity Working Group



Director, Healthcare Marketing

Clearwater



Resources

- <u>HSCC Greg Garcia</u> <u>Testimony</u>
- <u>HSCC Statement on</u> <u>Healthcare Cybersecurity</u> <u>Policy</u>
- <u>HSCC 2025 Policy</u> <u>Statement</u>
- <u>HSCC Recommendations for</u> <u>Government Policy &</u> <u>Programs</u>



Upcoming Webinars



Rural Critical Access Connect: Al Overload | May 22 | 12pm – 1pm CT

- Rural and critical access hospitals face a unique set of cybersecurity challenges—limited staff, aging infrastructure, constrained budgets, and no shortage of risk.
- Clearwater's Rural Critical Access Connect is your quarterly opportunity to connect, learn, and lead alongside professionals who understand exactly what you're up against.
- Register for the quarterly sessions <u>here</u>

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Monthly Cyber Briefing June 5 | 12pm – 1pm CT

 You are already registered and will automatically be enrolled in next month's briefing.

Cyber Risk Benchmark Report on Healthcare PE-Backed Portfolio Companies | June 4 | 12pm – 1pm CT

- Clearwater's recently published <u>Cyber Risk</u>
 Benchmark Trend Report for Healthcare Private
 Equity reveal systemic gaps in cybersecurity
 preparedness. These findings highlight critical
 risks that could impact financial stability,
 regulatory compliance, and operational resilience
 for private equity-backed companies.
- Join us on June 4 as we review key take-aways from our report and share insight on the path to improvement.
- Register <u>here</u>

Upcoming Events



McDermott HealthEx | May 6-9, 2025 | Nashville, TN

- Clearwater is proud to be a Patron-Level Sponsor. We will have a meeting table – come meet with our team!
- Jon Moore speaking on May 5th during the Hospitals & Health Systems Pre-Conference
- <u>Click here</u> to register & see our session details

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HEALTHCARE PRIVATE EQUITY AND FINANCE CONFERENCE

McGuireWoods Healthcare Private Equity & Finance Conference | May 14–15 | Chicago, IL

- Meet our Private Equity and PPMG team members, Richmond Donnelly and David Kolb, to learn how Clearwater helps organizations reduce cyber risk, meet regulatory demands, and protect business value before, during, and after a deal.
- <u>Click here</u> to register & book a meeting with us



Polsinelli Healthcare Dealmakers Conference | May 21–22 | Dallas, TX

- Be sure to connect with our attending team members:
 - Baxter Lee, Chief Financial Officer
 - David Kolb, Vice President, Sales – PPMG
 - Richmond Donnelly, Senior Account Executive, Private Equity
- <u>Click here</u> to register & book a meeting with us
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