

UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION

COMMISSIONERS: **Edith Ramirez, Chairwoman**
Julie Brill
Maureen K. Ohlhausen
Terrell McSweeney

In the Matter of

**HENRY SCHEIN
PRACTICE SOLUTIONS, INC.,
a corporation.**

**AGREEMENT CONTAINING
CONSENT ORDER**

DOCKET NO.

The Federal Trade Commission has conducted an investigation of certain acts and practices of Henry Schein Practice Solutions, Inc. (“Henry Schein”). Proposed respondent, having been represented by counsel, is willing to enter into an agreement containing a consent order resolving the allegations contained in the attached draft complaint. Therefore,

IT IS HEREBY AGREED by and between Henry Schein, by its duly authorized officers, and counsel for the Federal Trade Commission that:

1. Proposed respondent Henry Schein Practice Solutions, Inc. is a Utah corporation with its principal office or place of business at 1220 South 630 East, American Fork, Utah 84003.
2. Proposed respondent neither admits nor denies any of the allegations in the complaint, except as specifically stated in the order. Only for purposes of this action, proposed respondent admits the facts necessary to establish jurisdiction.
3. Proposed respondent waives:
 - a. Any further procedural steps;
 - b. The requirement that the Commission’s decision contain a statement of findings of fact and conclusions of law; and
 - c. All rights to seek judicial review or otherwise to challenge or contest the validity of the order entered pursuant to this agreement.
4. This agreement shall not become part of the public record of the proceeding unless and until it is accepted by the Commission. If this agreement is accepted by the Commission, it, together with the draft complaint, will be placed on the public record for a period of thirty (30)

- B. the ability of the product or service to help customers meet regulatory obligations related to privacy or security; or
- C. the extent to which a product or service maintains the privacy, security, confidentiality, and integrity of Personal Information.

II.

IT IS FURTHER ORDERED that Respondent must notify Affected Customers, Clearly and Conspicuously, that Dentrix G5 uses a less complex encryption algorithm to protect patient data than Advanced Encryption Standard (“AES”), which is recommended as an industry standard by the National Institute of Standards and Technology (“NIST”). Notification must include the following:

- A. Respondent must identify all Affected Customers who purchased Dentrix G5 prior to January 2014 (“eligible customers”).
 - 1. Such eligible customers, and their contact information, must be identified to the extent such information is in Respondent’s possession, custody, or control.
 - 2. Eligible customers include those identified at any time through the eligibility period, which runs for one (1) year after the date of service of this order.
- B.

C. Each day of nonpayment is a violation through continuing failure to obey or neglect to obey a final order of the Commission and thus will be deemed a separate offense and violation for which a civil penalty shall accrue.

D. Respondent acknowledges that its Taxpayer Identification Number, which Respondent has previously provided to the Commission, may be used for collecting and reporting on any delinquent amount arising out of this order, in accordance with 31 U.S.C. § 7701.

V.

IT IS FURTHER ORDERED that Respondent must directly or indirectly provide sufficient customer information to enable the Commission to efficiently administer consumer redress to all Affected Customers. Respondent represents that it has provided this redress information to the Commission. If a representative of the Commission requests in writing any information related to redress, Respondent must provide it, in the form prescribed by the Commission representative, within fourteen (14) days.

VI.

IT IS FURTHER ORDERED that Respondent shall, for five (5) years after the last date of dissemination of any representation covered by this order, maintain and upon request make available to the Commission for inspection and copying:

- A. All advertisements and promotional materials containing the representation;
- B. All materials that were relied upon in disseminating the representation; and
- C. All tests, reports, studies, surveys, demonstrations, or other evidence in its

filed and the later of the deadline for appealing such dismissal or ruling and the date such dismissal or ruling is upheld on appeal.

Signed this day of , 2015

MICHAEL ETTINGER
Vice President,
Henry Schein Practice Solutions, Inc.

CHRISTOPHER E. ONDECK
Counsel for Henry Schein Practice Solutions, Inc.

JESSICA L. LYON
Counsel for the Federal Trade Commission

KRISTIN J. MADIGAN
Counsel for the Federal Trade Commission

APPROVED:

MANEESHA MITHAL, Associate Director
Division of Privacy and Identity Protection

LAURA RIPOSO VANDRUFF, Acting Assistant Director
Division of Privacy and Identity Protection

JESSICA L. RICH, Director
Bureau of Consumer Protection

Attachment A

[To appear on Henry Schein Practice Solutions letterhead]

[Date]

[Name of customer]

[Mailing address of customer
Including zip code]

SUBJECT: Important Information Regarding the Security of Patient Records
Stored in Dentrix G5

Dear Valued Customer

Our records show you

and that the security of your patients' records is important to you. So here's what you
know if you use our software

The Department of Health and Human Services ("HHS") looks to the National Institute of
Standards and Technology for guidance on how healthcare providers should encrypt sensitive
data. NIST recommends a method called Advanced Encryption Standard (AES) and
whenever possible, AES should be used for the encryption algorithm used.
"AES is the gold standard for encryption speed."

It's important because if a dental practice using AES encryption experiences a data breach, it
will have to contact patients under HHS Breach Notification Rule. Our software uses a less
secure method that doesn't meet the AES encryption standard recommended by HHS and
therefore practices relying on Dentrix G5 software alone would not qualify for the safe
harbor under the Breach Notification Rule. If you experience a data breach, you may have to
notify affected patient personal and depending on the size of the breach, you may have
to pay fines and other costs. Of course, you should obtain your own legal advice in the event
of a breach.

As of January 2014, our marketing materials state that our software "masks" data, but doesn't
provide that description is more accurate and will help dentists make informed decisions
regarding their patients' data. We also strongly recommend that dentists consider multiple
layers of protection to secure access to patient data and work with both IT and security policy experts to
implement a comprehensive security plan for their practice.

If you have questions, please call us at [redacted] telephone number and email address dedicated to responding to inquiries regarding [redacted] notice]. To learn more about the FTC's case, please call the FTC at 1877-FTC-HELP.

Sincerely,

[Signature]

[Name – printed]

[Title – President]

Henry Schein Practice Solutions Inc.

Attachment B

First-class
postage
stamp