



**Federal Trade Commission  
Privacy Impact Assessment**

**For the:**

**BMC Group's ClaimTracker and Online Claim Submission  
Websites**

**November 7, 2011**

# BMC Group's ClaimTracker and Online Claim Submission Websites Privacy Impact Assessment

## Executive Summary

The Federal Trade Commission's Bureau of Consumer Protection (BCP) litigates cases that often result in the award of redress money that is to be returned to affected class members (either injured consumers or businesses). Disbursement of money in the redress fund is made pursuant to a distribution plan either approved by the court or the administrative law judge or delegated to the FTC's discretion. The Redress Administration Office (RAO) is responsible for administering and coordinating redress activities. Four redress contractors, including the BMC Group (formerly known as Analytics, Inc.), have been awarded contracts supporting RAO's goals. In 2008, a comprehensive Privacy Impact Assessment (PIA) was conducted for the BCP Redress Program and is available at <http://www.ftc.gov/os/2008/09/0809bcpredresspia.pdf> (Redress Program PIA). The Redress Program PIA details the protections in place to store consumer and business data from RAO in proprietary databases managed individually by the each of four approved redress vendors.

This PIA (BMC Group's ClaimTracker and Online Claim Submission Websites) supplements the Redress Program PIA and should be read in conjunction with it. This PIA addresses new issues raised by the ClaimTracker and Online Claim Submission (OCS) websites administered by redress contractor BMC Group. Only those sections of the Redress Program PIA directly affected by these new issues are addressed in this PIA (Sections 1, 4, 5, and parts of 2 and 6). This PIA also replaces a previously existing PIA for the Claim Tracker, which was created and approved by the FTC in 2009.

BMC Group will use its ClaimTracker website to provide individuals with the ability to review online the status of any claims that they have submitted. In addition, BMC Group will use its OCS website to provide individuals with the ability to submit claims electronically.

## 1 System Overview - ClaimTracker Website and OCS Websites

Both the ClaimTracker and OCS websites are hosted on a network accredited under the Federal Information Security Management Act ("FISMA") (44 U.S.C. § 3541 et seq.) and employ processes and technologies covered in the Redress Program PIA. The FISMA-accredited network provides security for stored and transmitted data through the use of process and technology controls. Access to the ClaimTracker and OCS websites will be through the FTC website, which will display the FTC's privacy policy, which describes generally how the FTC uses and maintains information it collects, and specific FTC Privacy Act statements for the ClaimTracker and OCS sites, where login data (and, in the latter case, claims data) is actually submitted and collected electronically from individuals.

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## **ClaimTracker Website**

The ClaimTracker website provides claimants with an easily accessible point of contact to view the status of claims previously submitted to BMC Group. The website includes redress matters assigned to BMC Group that involve claims processing, as requested by the FTC. The information needed to process redress claims in these matters is separately collected from consumers on claim forms that are returned to BMC Group via the mail, facsimile or online (through OCS as described below, not through ClaimTracker). BMC Group includes a unique claim identifier (typically a claim number and password) and FTC Privacy Act statement on each mailed claim form. The ClaimTracker website is updated daily with the status of claims that have been received. An individual can use the claim identifier listed on the claim form received to obtain the status of a submitted claim. This authentication method limits the claimant to viewing the status of his or her own claim.

## **Online Claims Submission (OCS) Website**

OCS websites allow claimants in redress cases assigned to BMC Group to submit claims electronically. Each redress case that includes a claim process may have a separate OCS website that can be branded accordingly.

To use an OCS website, claimants will follow an authentication process. Claimants will receive a unique claim identifier via a notice that will be mailed or emailed to them (possible identifiers include a claim number and temporary password). Claimants visit the OCS website and enter their unique claim identifier information and an email address. New authentication credentials will then be generated and sent to the email address provided.

This new set of authentication credentials (email address and password) will allow a claimant to access the account established for him or her to submit claims data through the OCS website. At this point, the temporary information printed on the notice can no longer be used to access the account. This authentication process serves as a deterrent to fraud as email addresses can be tracked, if required (i.e., the address is a record of what e-mail account was used to access the account).

As an option on a per-case basis, individuals who were not mailed a notice, but have learned about the redress case by other means and believe they are entitled to file a claim, can visit the OCS website and enter an email address. BMC Group will contact those individuals and authentication credentials will then

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be developed and provided to them individually as described above. Once those claimants' accounts have been established and authenticated in the case-specific OCS website, such claimants will be able to enter, review, or edit their information before the claim is formally submitted and accepted by BMC for processing. Once a claim form is formally submitted and accepted by BMC, edits can only be made by contacting BMC via telephone using the number found on the website.

If a claimant chooses not to submit a claim form online, the claimant can download a claim form.

## **2 Information Collected and Stored within the System**

### **2.1 What information is to be collected, used, disseminated, and maintained by the system?**

When consumers login to ClaimTracker, that site will only collect two data elements from its users – a claim identifier and password – both of which are supplied by BMC Group to consumers via mail. As explained earlier, ClaimTracker will contain information about the status of that individual's claim, but will not collect or maintain the claimant name, address, or claim amount information.

In contrast, the OCS site will collect and maintain more specific information about individuals and their claims, depending upon the redress matter. In routine cases, in addition to the individual's login data (identifier and password), the site will ordinarily collect: first and last name, business name (if needed), street address, city, state, postal code, country, home phone number, work phone number, email address, transaction data, transaction dates, product type, company selling product, customer number, customer account number, and loss amount. In rare instances, Social Security numbers or Tax ID numbers, credit card numbers, bank account numbers, and bank names may also be collected and used.

Both ClaimTracker and OCS collect standard web log information in an effort to prevent fraud, improve website quality, and assess the overall utility of the service, including whether claimants are using the service. Information collected by ClaimTracker and OCS includes the user's IP (internet protocol) address, the referring IP address or domain (the prior website visited), if applicable, date and time of the visit, pages visited, and pages requested. BMC Group cannot directly correlate the data collected to identify specific users.

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## **4 Notice and Access for Individuals**

### **4.1 How will individuals be informed about what information is collected, and how this information is used and disclosed?**

Individuals are informed generally about what information the FTC collects from individuals and others, and how it is used, through the FTC's Privacy Policy ([ftc.gov/ftc/privacy.shtm](http://ftc.gov/ftc/privacy.shtm)), which will be linked on the ClaimTracker and OCS websites. In addition, the FTC will provide Privacy Act statements (see samples below) on the printed notice sent to claimants and at the appropriate location on the ClaimTracker and OCS websites where login or claims data is actually collected from individuals. The Privacy Act statement informs individuals about what information is collected and how this information may be used and disclosed.

#### **FTC PRIVACY ACT STATEMENT - OCS**

The information requested on the Claim Form is being collected in order to make a distribution of funds paid to the Federal Trade Commission pursuant to a judgment resolving allegations of unfair and deceptive acts and practices in or affecting commerce, pursuant to 15 U.S.C. § 45(a). In addition, the information may be disclosed for other purposes authorized by the Privacy Act, 5 U.S.C. § 552a, as described in the applicable FTC system of records notice, <http://www.ftc.gov/foia/sysnot/i-1.pdf>, including disclosure to other government agencies. Submission of the requested information is voluntary, but failure to provide the requested information could delay processing or be a basis for rejection of your claim.

#### **FTC PRIVACY ACT STATEMENT - CLAIMTRACKER**

This site is operated by BMC Group, which the Federal Trade Commission (FTC) has retained to process consumer redress claims. If BMC has been assigned to process your claim, you should receive a user ID and password that you may use to login to our site and view the status of your claim. Use of this site is purely voluntary; if you do not use it, your claim will not be affected. In accordance with the Federal Information Security Management Act (FISMA), login records are collected and maintained for site security and administration purposes. Under the Privacy Act of 1974, the FTC has published a system of records notice (<http://www.ftc.gov/foia/sysnot/vii-3.pdf>) explaining how such records collected by the FTC or its contractors may be routinely used or disclosed as permitted by that Act. You may also read the FTC's privacy policy (<http://www.ftc.gov/ftc/privacy.shtm>) to learn more about how the FTC maintains and uses the information that it collects.

### **4.2 Do individuals have the opportunity and/or right to decline to**

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## **provide information?**

Yes. Use of either ClaimTracker and/or OCS is voluntary. As noted earlier, individuals may submit their claims data by mail or facsimile if they do not wish to file their claim online through OCS. (As explained in the Privacy Act statement, however, failure to submit the necessary claim data, whether online or offline, may delay or result in rejection of the claim.) Likewise, individuals who do not wish to use ClaimTracker to check the status of their claim online may contact BMC Group by other means to inquire about the status of their claim, subject to verification of their identity, as necessary.

### **4.3 Do individuals have the right to consent to particular uses of the information? If so, how would an individual exercise this right?**

As explained in more detail in the Redress Program PIA, claimants do not have the right to consent to particular uses of their information in either the ClaimTracker or OCS websites. On the OCS website, they consent to their information being provided for all uses described in the FTC's Privacy Policy and the FTC's Privacy Act statement. The claimant exercises these rights by choosing to complete, sign and submit a claim form.

### **4.4 What are the procedures that allow individuals to gain access to their own information?**

As explained, Claimants who do not wish to use ClaimTracker to check the status of their claims online may instead request access to claims status and/or access to the claims data previously submitted through OCS or offline to BMC by telephone, fax, mail, or email to BMC, subject to verification of the claimant's identity, as necessary. The process for submitting requests for information pursuant to the Privacy Act of 1974, as to information that may be maintained by the FTC itself on the claim, if any, or data that BMC declines to make available upon request to a claimant, if any, is addressed in the Redress Program PIA.

### **4.5 Discuss the privacy risks associated with the process of providing individuals access to their own records and how those risks are mitigated.**

#### **ClaimTracker Website**

Minimal, if any, risk exists to individuals accessing their own information. ClaimTracker only includes, for each claimant, a randomly assigned claim number and password, along with the status of any claim that he or she may have submitted. ClaimTracker does not collect, maintain, or disseminate name,

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address, or claim amount information. The risk of loss or compromised integrity of the information is relatively low, since the data could not be used to alter the individual's rights or benefits (e.g., claim amount or eligibility). Nonetheless, the risk of unauthorized access to or disclosure of such data is controlled and mitigated by the login and authentication process described earlier for this site.

### **OCS Website**

The login and claims data that OCS collects, maintains, and disseminates (i.e., claims data accessible to and reviewed by individuals) are potentially more sensitive than the data maintained in Claim Tracker, and unauthorized access or disclosure could result in ID theft or fraud. These risks are controlled and mitigated in several ways.

First, as with ClaimTracker, access is limited by the login and authentication process described earlier. The security measure of requiring an individual to supply an email address before allowing access to the OCS website mitigates the risk of the information from a mailed notice being used to illegally access information on the website. If required, the email address could be tracked to determine the individual requesting access to the system.

Second, while logged into the OCS website, claimants will be able to enter or review/edit their information to ensure its accuracy prior to submitting their claim through the site for processing. Once the claim has been formally submitted through the site, however, the data are not maintained on the site, but are exported by secure means to data storage devices or facilities that are not accessible through the Internet, which mitigates that potential risk of unauthorized access or disclosure. See section 5.5 below. The stored claims data are then subject to other necessary and appropriate security controls to protect its confidentiality, integrity and availability, consistent with FISMA. Once the claim has been formally submitted to the site, claimants may request edits by contacting BMC via telephone, subject to verification of the claimants identity, as necessary.

## **5. Web Site Privacy Issues**

- 5.1 Describe any tracking technology used by the Web site and whether the technology is persistent or temporary (e.g., session cookie, persistent cookie, Web beacon). Currently, persistent tracking technology is not approved for use by the FTC.**

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Both the ClaimTracker and OCS websites collect user IP addresses to identify attempted fraud. Persistent tracking technology is not used by these websites, but temporary tracking technology is used to a limited extent to record the number of visits, pages requested, and unique users in order to evaluate the effectiveness and efficiency of the website as part of BMC Group's continuous improvement process. In addition, a temporary cookie is used for user session verification and is terminated at the end of the visit. This cookie does not hold any Personally Identifiable Information (PII) nor can the information obtained be directly correlated to an individual claimant. Browsers should be closed to make sure cookies are properly expired after a claimant is finished with the website.

**5.2 If a persistent tracking technology is used, ensure that the proper issues are addressed (issues outlined in the FTC's PIA guide).**

Not Applicable.

**5.3 If personal information is collected through a Web site, page, or online form accessible through the Internet, is appropriate encryption used? If not, explain.**

FIPS 140-2 validated encryption protecting the personal data in transit and at rest.

**5.4 Explain how the public will be notified of the Privacy Policy.**

See Redress Program PIA and section 4.1 above.

**5.5 Considering any Web site or Internet issues, please describe any privacy risks identified and how they have been mitigated.**

The following privacy risk was identified for ClaimTracker and OCS websites: data provided by, or related to claimants, might be misused or improperly disclosed or accessed.

To mitigate this risk, BMC Group employs a significant number of layered technical controls to help prevent the misuse or improper disclosure or access to consumer data. These controls include, but are not limited to:

- The ClaimTracker site is hosted within a FISMA accredited boundary.
- ClaimTracker (claims status data) is maintained on a separate network segment than the consumers' specific claims data.
- No risk that PII (other than login data and the status of the claim) is on the



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ClaimTracker site.

- Username and password authentication is negotiated via application layer security.
- Claimants are provided a unique claim identifier and a system generated password.
- Passwords are encrypted when transmitting between the web server and client based computing device.
- Administrative controls include a number of failed attempts and lockout, server event logging, and IP address temporary tracking.

To mitigate the risk to the WEB site all is data exported at the conclusion of the claim form filing period to a secure data storage device that is not publicly accessible via the Internet.

In addition, BMC Group employs a significant number of layered technical controls to help prevent the misuse or improper disclosure of or access to consumer data. These controls include, but are not limited to:

- Exporting data to a separate secure network segment at the conclusion of the claim filing period.
- Hosting sites within a FISMA accredited boundary with all necessary and relevant controls in place (see Redress Program PIA).
- Administrative controls include a number of failed login attempts and a lockout.
- User authentication is enhanced by requiring an email address before providing secure authentication credentials.

### **5.6 If the Web site will collect personal information from children under 13, or be directed at such children, explain how it will comply with the Children's Online Privacy Protection Act (COPPA).**

Not Applicable.

## **6 Security of Information in the System**

### **6.1 Are all IT security requirements and procedures required by federal law being followed to ensure that information is appropriately secured?**

BMC Group employs both information security and physical security to the privacy related information it collects. BMC Group has received FISMA and National Institute of Standards and Technology (NIST) certification as a moderate-

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security system.

**6.2 Has a Certification & Accreditation been completed for the system or systems supporting the program?**

Yes.

**6.3 Has a risk assessment been conducted on the system?**

Yes.

**6.4 Does the project employ technology that may raise privacy concerns? If so, please discuss its implementation.**

The technology employed to support FTC Redress Services does not raise any special privacy concerns not already addressed.

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**10 Approval and Signature Page**

Prepared for the Business Owners of the System by:

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