

CHOATE'S ENFORCEMENT AND INVESTIGATIONS UPDATES PODCAST | 03.22.2023

Jelly Bean – DOJ's First Civil Cyber-Fraud Initiative Settlement

In this episode of our Enforcement & Investigations Podcast Series, Julia Hesse, Sara Frank and Lauren Swidler discuss the Department of Justice's first settlement under the new Civil Cyber-Fraud Initiative. Based on a novel use of the False Claims Act, website developer Jelly Bean Communications LLC, and its owner and sole employee agreed to pay almost \$300,000 to resolve allegations that Jelly Bean failed to provide secure hosting services for a government funded Florida children's health insurance website.

Jelly Bean was required to maintain and update software to ensure that the site's cybersecurity controls were compliant with HIPAA; its failure to do so resulted in a half million applications hacked, leaving personal identifying information on the site vulnerable.

[Download Podcast](#)



For a transcript of this episode, please email your request to podcasts@choate.com.

Sara K. Frank
Principal