

UNITED STATES JUDICIAL PANEL
on
MULTIDISTRICT LITIGATION

**IN RE: CHANGE HEALTHCARE, INC., CUSTOMER
DATA SECURITY BREACH LITIGATION**

MDL No. 3108

TRANSFER ORDER

Before the Panel:* Plaintiffs in the two actions listed on Schedule A move under Panel Rule 7.1 to vacate the orders that conditionally transferred their actions to MDL No. 3108. Defendant Optum, Inc., opposes the motions.

After considering the argument of counsel, we find that these actions involve common questions of fact with the actions previously transferred to MDL No. 3108 and that transfer under 28 U.S.C. § 1407 will serve the convenience of the parties and witnesses and promote the just and efficient conduct of the litigation. The MDL actions arise from a February 2024 cyberattack on Change Healthcare’s network, which exposed the private information of millions of individuals and severely disrupted the ability of physicians, pharmacies, and other healthcare providers to use Change Healthcare’s digital platform to access insurance information, fill prescriptions, submit insurance claims, and receive payment for services provided to patients. *See In re Change Healthcare, Inc., Customer Data Sec. Breach Litig.*, 737 F. Supp. 3d 1367 (J.P.M.L. 2024). The MDL has since grown to include actions brought by health insurance companies and claims relating to the Temporary Funding Assistance Program (TFAP) established by Change Healthcare entities, which provided loans to healthcare providers experiencing cash flow issues due to the disruptions caused by the data breach. *See, e.g.*, Transfer Order, MDL No. 3108 (J.P.M.L. June 2, 2025), ECF No. 412; Transfer Order, *id.* (J.P.M.L. Aug. 7, 2025), ECF No. 440.

Plaintiffs in the Central District of California *Path* action are healthcare providers that allege their ability to submit insurance claims and receive payment for services was disrupted by the Change Healthcare cyberattack and the shutdown of defendant Optum’s digital platforms.¹ The *Path* plaintiffs also state that they accepted a TFAP loan from Optum and that Optum has unfairly and unreasonably attempted to collect payment on the loan. Plaintiff in the District of South Carolina *Benefit Source* action is a provider of claim processing and payment services for healthcare providers. Like the *Path* plaintiffs, it alleges that, following the cyberattack and the shutdown of Optum’s platforms, it lost access to Optum’s services. As a result, it states, it was forced to incur expenses and hire additional staff to continue operations and was unable to collect payments from healthcare providers and vendors. Plaintiffs in both actions state that Optum failed

* Judges Karen K. Caldwell and Madeline Cox Arleo did not participate in the decision of this matter.

¹ Change Healthcare and Optum, Inc., are both owned by UnitedHealth Group Incorporated.

to take adequate steps to safeguard sensitive personal and financial information and failed to provide information, or provided misleading information, concerning the timeline for restoration of its digital platforms. Both assert claims for breach of contract and negligence. Plaintiffs in *Path* also assert claims for breach of implied-in-fact contract, unjust enrichment, breach of the covenant of good faith and fair dealing, and intentional interference with prospective economic advantage.

Plaintiffs in both actions oppose transfer, arguing that their cases overlap only minimally with the MDL because they are focused primarily on Optum’s breach of their specific contracts and case-specific damages claims. Both also contend that transfer will cause delay and otherwise be inefficient and inconvenient for them. These arguments have been raised previously in opposition to transfer by multiple plaintiffs, and we have consistently found them unpersuasive. *See, e.g.*, Transfer Order at 3, *id.* (J.P.M.L. Dec. 10, 2025), ECF No. 521 (transferring action where plaintiff argued “its action will turn primarily on case-specific issues such as the terms of its individual contract and the extent of its damages”); Transfer Order at 4-5, *id.* (J.P.M.L. June 2, 2025), ECF No. 412 (same). As in these prior instances, plaintiffs in the *Path* and *Benefit Source* actions allege that defendant’s failure to provide contracted-for services resulted from the Change Healthcare cyberattack and the ensuing shutdown of defendant’s digital platforms and services. As in the MDL, discovery will focus on “how Change Healthcare’s system was breached, what security measures Change Healthcare had in place, and the measures taken after the data breach was discovered to notify those impacted and to restore healthcare providers’ access to insurance and other information stored in the Change Healthcare platform.” *In re Change Healthcare*, 737 F. Supp. 3d at 1369.² We have explained that “the presence of some case-specific facts is not an impediment to transfer, given the common factual core and the efficiencies and conveniences that transfer will provide for the litigation as a whole.” Transfer Order at 5, *id.*, ECF No. 412.

² The *Path* plaintiffs’ allegation that defendant has improperly demanded repayment of their TFAP loan also overlaps with allegations asserted by MDL plaintiffs. *See, e.g.*, Provider Plaintiffs’ Master Complaint, ¶¶ 136-145, *In re Change Healthcare, Inc., Customer Data Sec. Breach Litig.*, No. 24-md-3108, ECF No. 407.

IT IS THEREFORE ORDERED that the actions listed on Schedule A are transferred to the District of Minnesota and, with the consent of that court, assigned to the Honorable Donovan W. Frank for inclusion in the coordinated or consolidated pretrial proceedings.

PANEL ON MULTIDISTRICT LITIGATION



Matthew F. Kennelly
Acting Chair

David C. Norton
M. Casey Rodgers

Dale A. Kimball

**IN RE: CHANGE HEALTHCARE, INC., CUSTOMER
DATA SECURITY BREACH LITIGATION**

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SCHEDULE A

Central District of California

PATH MD, INC., ET AL. v. OPTUM INC., C.A. No. 2:26-01105

District of South Carolina

BENEFIT SOURCE INC. v. OPTUM INC., C.A. No. 6:26-00327