

**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 three actions listed on Schedule A move under Panel Rule 7.1 to vacate the orders that conditionally transferred their actions to MDL No. 3108.<sup>1</sup> The Change Healthcare defendants<sup>2</sup> oppose 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). Plaintiffs in each of these actions similarly allege that they were injured because of the Change Healthcare data breach.

Plaintiffs in the Northern District of Georgia *Nomi Health* and Central District of California *Emergency Medicine Specialists* actions are healthcare providers that had contracts with Change Healthcare defendants for the provision of practice management services. They allege that defendants failed to perform the contracted-for services prior to the data breach and that defendants’ performance deteriorated further after the data breach and shutdown of Change’s systems and platform. Both plaintiffs assert that the Change defendants had inadequate security protocols and, after the cyberattack, made false representations regarding the timeline for restored access to billing and insurance data. Plaintiffs’ factual allegations thus overlap with those of healthcare provider plaintiffs in the MDL.

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<sup>1</sup> Plaintiff in the Middle District of Tennessee *Diagnostic Imaging* action also moved to vacate the order transferring its action to the MDL. We grant that motion in a separate order for the reasons explained therein.

<sup>2</sup> Change Healthcare Solutions, LLC; Change Healthcare Technology Enabled Services, LLC; UnitedHealth Group Inc.; Optum, Inc.; OptumInsight, Inc.; and Change Healthcare, Inc.

Plaintiffs oppose transfer, arguing that their actions will focus primarily on the Change defendants' failure to perform contracted-for services before the data breach. They also contend that their actions will turn primarily on case-specific issues such as the terms of their individual contracts and the specific representations made to them by the Change defendants regarding the status of their accounts receivable and when Change's systems would be restored. Plaintiffs in both actions maintain that transfer would be inefficient and inconvenient because of non-overlapping discovery and unique legal claims, because plaintiffs do not seek to represent putative classes, and because most or all of the evidence relevant to their cases is located outside the transferee district. They argue that informal coordination would be preferable to transfer.

Plaintiffs' arguments against transfer are not convincing. Although plaintiffs contend that their actions have little to do with the Change Healthcare data breach and focus primarily on case-specific issues of fact, their complaints are replete with allegations regarding the cyberattack, its causes and aftermath, and the effects on their revenue streams.<sup>3</sup> Most, if not all, of plaintiffs' arguments have been raised by plaintiffs in previous motions to vacate conditional transfer orders in this docket, and we have found them insufficient to defeat transfer. For example, we recently transferred an individual healthcare provider's action despite plaintiff's argument that the case primarily involved case-specific facts, including breaches of contract that "began some fifteen months before the cyberattack." *See* Transfer Order at 2, in *Peninsula Radiological Associates, Ltd. v. Change Healthcare, Inc., et al.*, MDL No. 3108 (J.P.M.L. June 2, 2025), ECF No. 412. In the same order, we rejected the argument that it would be neither efficient nor convenient to include individual actions in the MDL along with putative class actions. *Id.* at 5. *See also In re Lipitor Antitrust Litig.*, MDL No. 2332, 2012 WL 4069565, at \*1 (J.P.M.L. Aug. 3, 2012) ("It is not unusual for individual claims to proceed in an MDL with class claims, as all parties can benefit from discovery regarding a common factual core.") (citation modified). Plaintiffs' arguments that transfer inconveniences them because the parties, witnesses, and evidence are located outside Minnesota also are insufficient to defeat transfer. *See In re Aqueous Film-Forming Foams Prods. Liab. Litig.*, 669 F. Supp. 3d 1375, 1380 (J.P.M.L. 2023) (rejecting argument that "transfer will not promote convenience or efficiency because relevant witnesses and evidence are located outside" the transferee district; "We look to the overall convenience of the parties and witnesses, not just those of a single plaintiff or defendant in isolation.") (citation modified).

In opposing transfer, plaintiff in *Nomi Health* also argues that its action was improperly removed to federal court and asks that we recommend that the transferor court remand the case. As we repeatedly have explained, "Section 1407 does not empower the MDL Panel to decide questions going to the jurisdiction or the merits of a case, including issues relating to a motion to remand." *In re Ford Motor Co. DPS6 PowerShift Transmission Prods. Liab. Litig.*, 289 F. Supp. 3d 1350, 1352 (J.P.M.L. 2018) (citation modified). Plaintiff's remand motion has been pending and fully briefed for over three months, and the transferor court has had sufficient time to rule on the motion if it chose to do so. The motion to remand "can be presented to and decided by the transferee judge." *In re Prudential Ins. Co. of Am. Sales Pracs. Litig.*, 170 F. Supp. 2d 1346, 1347 (J.P.M.L. 2001).

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<sup>3</sup> *See, e.g., Nomi Health* Compl. ¶¶ 70-124, 128-29, 134-36, 155-57, 161-62, 172-83; *Emergency Med. Specialists* Compl. ¶¶ 14-22, 28, 33-58.

Plaintiff in the Western District of Washington *Premera Blue Cross* action is a health care services contractor that provides health care coverage and related services to individuals and employers in Washington and Alaska. It alleges that it entered into a highly-customized commercial contract with defendants for the provision of specialized services, and that, because of the Change Healthcare data breach, Premera and defendants were unable to access data needed for Premera's annual commercial risk transfer payment submission to the Centers for Medicare & Medicaid Services (CMS).<sup>4</sup> Premera states that it assembled what information it could to make the submission but, because its submission included incomplete data, it received a significantly smaller risk transfer payment that it otherwise would have.

Premera raises a series of arguments in opposing transfer. It asserts that, as an insurer, it does not fall within either of the established tracks in the MDL for individual plaintiffs and healthcare provider plaintiffs. Premera contends that its action involves a unique contract and unique damages and that, even if its allegations overlap with the MDL, they relate to facts that are undisputed: that Change suffered a data breach, that its security procedures were deficient, that Change's systems and platforms were shut down, that it had no backup plan, and that Change and those who used its systems were left without access to their data. According to Premera, Change's liability turns solely on the terms of the parties' contract and liability for the data breach is irrelevant to its claims. Lastly, like plaintiffs in the *Nomi Health* and *Emergency Medicine Specialists* actions, Premera contends that most of the evidence relevant to its case will be found outside Minnesota and that informal coordination consequently would be preferable.

Nearly all these arguments have been raised previously by other insurer plaintiffs opposing transfer. Like Premera, those plaintiffs maintained that transfer was inappropriate because they fit within neither the individual nor the healthcare provider track in the MDL, that their cases involved unique contracts and damages, and that any factual overlap with the MDL relating to the data breach concerned matters of "public information." See Transfer Order at 4-5, in *Blue Cross and Blue Shield of Ariz. Inc., et al. v. Change Healthcare Prac. Mgmt. Solutions Inc., et al.*, MDL No. 3108 (J.P.M.L. June 2, 2025), ECF No. 412. We nonetheless found that the actions were appropriately transferred to the MDL. *Id.* at 5 ("[T]he 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"). Premera presents no arguments that would justify a different conclusion here.

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<sup>4</sup> As part of the Affordable Care Act, CMS uses aggregated claim and enrollment data from carriers and assesses charges to plans that experience lower than average actuarial risk. CMS then uses these charges to make payments to plans that have higher than average actuarial risk. This risk transfer program ensures that plan premiums do not reflect risk differences in the health status of members and that plans continue to provide coverage to enrollees regardless of their individual health risk.

- 4 -

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

A handwritten signature in black ink, reading "Karen K. Caldwell", is positioned above a horizontal line.

Karen K. Caldwell  
Chair

Nathaniel M. Gorton  
Matthew F. Kennelly  
Dale A. Kimball

David C. Norton  
Roger T. Benitez  
Madeline Cox Arleo

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

MDL No. 3108

**SCHEDULE A**

Central District of California

EMERGENCY MEDICINE SPECIALISTS OF ORANGE COUNTY v. CHANGE  
HEALTHCARE TECHNOLOGY ENABLED SERVICES, LLC,  
C.A. No. 8:25-01065

Northern District of Georgia

NOMI HEALTH, INC. v. CHANGE HEALTHCARE SOLUTIONS, LLC, ET AL.,  
C.A. No. 1:25-01550

Western District of Washington

PREMERA BLUE CROSS v. CHANGE HEALTHCARE INC., ET AL.,  
C.A. No. 2:25-00497