U.S. NEWS

Ransomware Attack Forces Indiana Hospital to Turn Ambulances Away

LIFE-THREATENING

Hackers are targeting U.S. hospitals just as COVID-19 cases surge again.

Shannon Vavra
National Security Reporter
Updated Aug. 09, 2021 11:28AM EDT
Published Aug. 05, 2021 8:41PM EDT

AJ MCDOUGALL

School Board to Scandal-Scarred GOP Wife: Please Resign
KATE BRIQUELET

How Instagram Cat Influencers Are Helping Break News in Gaza
AIDAN WALKER

It's Time for the U.S. to Sanction Israeli Cabinet Members
JONATHAN ZASLOFF

Hackers are going after U.S. hospitals with a fresh wave of cyberattacks this week just as coronavirus cases surge around the country.

Eskenazi Health, a health-care service provider that operates a 315-bed hospital, inpatient facilities, and community health centers throughout Indianapolis, was crippled by a ransomware attack that began between 3:30 and 4 a.m. Wednesday morning, a spokesperson told The Daily Beast.

By 8 a.m. Eskenazi Health was turning ambulances away and diverting patients to other hospitals as a result of the ransomware incident, the spokesperson said.

"A ransomware attack happened," an Eskenazi spokesperson told The Daily Beast, confirming that all of Eskenazi Health's locations—its hospital, its inpatient facilities, and its community health centers—are impacted. The spokesperson added that Eskenazi Health was working to contain the ransomware by shutting down some services and operations in order to try to keep the malware from spreading through its systems.

"They took all of our systems down so they wouldn't get breached," the spokesperson said, confirming email systems and electronic medical records

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Eskenazi Health is not alone. Sanford Health, a Sioux Falls, South Dakota-headquartered health system which includes 46 hospitals and care locations in 26 states and 10 countries, said in a statement Thursday it had been hit with a cyberattack in recent days as well. Sanford Health did not confirm whether it was the victim of ransomware, but president and CEO Bill Gassen confirmed to The Daily Beast it was working to "contain" the impact.

In both the Sanford Health and Eskenazi Health cases, patient data and employee data were not affected, officials said.

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| HIGH STAKES |

Shannon Vavra

But while the hospitals may have stopped the attacks in their tracks, people who are seeking care could still be feeling the real-world effects, says Ohad Zaidenberg, the president and co-founder of CTI League, a consortium of volunteer cybersecurity researchers established during the pandemic to help medical entities deal with the increase in cyberattacks in the health sector.

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headaches for patients and hospitals trying to keep their sensitive information private, ransomware attacks against hospitals—especially during the COVID-19 pandemic, when patients need life-saving urgent medical care—are some of the cruelest hacks, Zaidenberg says.

> **"It puts at risk people that are already at risk."**
>
> **— Ohad Zaidenberg, president and co-founder of CTI League**

At least one death following a recent ransomware attack against a hospital—Düsseldorf University Hospital in Germany—has raised questions in recent months about whether ransomware could directly or indirectly lead to fatalities. And while police determined after an investigation that the cyberattack did not cause the person's death, the Eskenazi incident is raising the same life-or-death questions, says Zaidenberg.

"Here we have another case: this ransomware attack forced the hospital to divert patients," Zaidenberg told The Daily Beast, noting that even an attempted ransomware attack that is thwarted partway through can be more life-threatening than data theft. "It

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The news of the cyberattacks comes months into the Biden administration's effort to clamp down on ransomware attacks following high profile hacks against meat supplier JBS, Colonial Pipeline, and attacks against thousands of businesses earlier this year. Following warnings from the Biden administration about possible disruptive counterattacks, the hackers behind these Russian-speaking ransomware gangs seemed to retreat in recent weeks, going dark online. Some researchers have suggested they've regrouped and banded together under a new name, "BlackMatter," and according to an anonymous interview with a cybersecurity analyst at security firm Recorded Future this week, the BlackMatter gang promised to not target critical infrastructure, including health-care entities.

Anne Neuberger, the White House's deputy national security adviser for cyber and emerging technology, said Wednesday at an Aspen Security Forum virtual event that this could be a sign that President Joe Biden's warnings have worked, to some extent. "We think we're seeing a commitment," Neuberger said, adding she thinks "the proof will be in the pudding... we will look to see the action to follow up on that commitment."

The White House is waiting for

not something that will be solved in a moment," a senior administration official told reporters during a call earlier this month. "It won't be turned off like a light switch."

Experts tracking ransomware in the private sector aren't sure promises to avoid critical infrastructure are a win. Ransomware gangs have been laying out all kinds of morally minded guardrails for years, and then blowing right through them. Last year at the beginning of the coronavirus pandemic multiple ransomware gangs issued statements saying they wouldn't target hospitals or medical entities, but ransomware attacks against hospitals have continued.

> **"We haven't seen a slowdown in ransomware. Rather, we are seeing the natural rotation of some groups stopping operations, but new groups continue to emerge to fill the void."**

Any assurances that one gang is backing off are also worthless if another ransomware gang picks up the slack, according to Brett Callow, a threat analyst for cybersecurity company Emsisoft.

“BlackMatter are cybercriminals and their claims are really quite meaningless,” Callow told The Daily Beast. “Also, even if they did adhere to their commitment, there are numerous other threat groups which would have no qualms about attacking the health sector.”

Tom Hofmann, senior vice president of intelligence at security firm Flashpoint, told The Daily Beast that a reshuffling of hackers does not necessarily translate into a decrease in ransomware attacks.

“We haven't seen a slowdown in ransomware,” said Hofmann, whose firm works to negotiate ransoms with ransomware gangs on behalf of victims. “Rather, we are seeing the natural rotation of some groups stopping operations, but new groups continue to emerge to fill the void.”

It was not clear which hackers were responsible for the incidents at Eskenazi Health and Sanford Health.

Just three months ago the FBI warned hospitals and health care systems of the Russian-speaking Conti ransomware gang’s campaigns targeting the health sector, noting it

The FBI and the Department of Homeland Security's cybersecurity agency, the Cybersecurity and Infrastructure Security Agency, did not immediately return requests for comment about the latest incidents.

For now, patients needing emergency care from Eskenazi Health are out of luck. As of Thursday evening, the company was still diverting ambulances and had no estimation for when all services would be back up and running normally.

Someone Came to Rescue These Ransomware Victims—but Who?

WHODUNNIT

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Trump Legal Defense Fund's Biggest Expense Was Mar-a-Lago

HOME FRONT

New tax filings show that a legal defense fund for Trump isn't spending any money on legal services, but is dishing out for a party at Mar-a-Lago.

Roger Sollenberger
Senior Political Reporter
Published Dec. 12, 2023 8:06PM EST

Jonathan Ernst/Reuters

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A legal defense fund for Donald Trump appears to have placed its spending priorities in a strange place: Mar-a-Lago.

New tax filings show Trump's legal defense fund raising about $1.6 million over the last six months and spending less than $30,000. But more notable than how little the legal defense group

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what they paid for: a party at Mar-a-Lago.

The group—a political nonprofit called the "Patriot Legal Defense Fund"—was created by Trump campaign officials in July to help pay down the beleaguered former president's snowballing court costs.

While the fund can accept unlimited donations from both individuals and corporations, its first periodic financial report, submitted to the Internal Revenue Service on Wednesday, indicates a phlegmatic start, with only about $1.6 million in receipts. (Trump's 2024 campaign had raised about $56.7 million as of Sept. 30.) Even more alarming from the group is that the majority of that money—$1 million—came from a single contribution, given by a donor couple whose previous association with QAnon conspiracy theory forced the campaign to cancel a fundraiser ahead of the 2020 election.

Trump's Legal Defense Fund Launches With a Big Ol' Typo

[SIC]

Erik Uebelacker, Roger Sollenberger

The fund says its purpose is to "raise money and pay for or help defray legal

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process." But none of its expenses appear related to that mission.

In fact, the Patriot Legal Defense Fund spent just $28,578 over the last six months, with Trump's Mar-a-Lago club getting $18,136 for "banquet hall" fees in late November. The second biggest payout went to Trump political adviser Michael Glassner, who runs the fund and received $2,500 for "consulting," paid through his public affairs firm C&M Transcontinental.

A representative for the fund did not immediately reply to The Daily Beast's request for comment.

It's unclear why the fund reported no legal expenses. Trump has been hemorrhaging cash for years due to ever-mounting legal fees, and that pressure has only increased after the PLDF launched in July.

Since then, Trump has added new cases in D.C. federal court and Fulton County, Georgia—both involving charges related to his attempts to overturn the 2020 election. And while Trump has famously tapped political donors to cover legal costs for co-defendants and witnesses wrapped up in his alleged crime wave, many others, from Rudy Giuliani to Jenna Ellis, have expressed consternation at being jilted, and some have resorted to crowd-funding. This summer, Trump's leadership PAC, Save America, helped cover nearly $1 million in costs for an

New York civil fraud lawsuit, NBC News reported.

But the fund appears to have dealt with some potential legal matters of its own, regarding an apparent imposter scam. In September, The Daily Beast reported that the fund had denounced a fake website—patriotlegaldefensefund.com—which had see-sawed between being virulently anti-Trump and virulently pro-Trump, before settling on the pro-Trump message and selling mugshot merchandise.

Trump Team Launches Fund to Help Allies With Legal Bills

DOMINO EFFECT

It's unclear how much the fake site may have cut into the real group's fundraising. But in recent weeks, the homepage has gone through major changes, scrubbing all mention of Trump's legal defense and removing the merch in favor of a burst of campaign talking points with links to Trump's 2024 website.

The real fund's million dollar donor was a foundation, called the "Caryn L. Hildenbrand Living Trust," which made its donation on Nov. 6, listing a California address. Court records show

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campaign to cancel an October 2020 fundraiser that the Borlands were holding for then Vice President Mike Pence, the Associated Press reported at the time.

The utterly nonsensical QAnon conspiracy theory embraces a universe of baseless claims, including allegations that Democrats are engaged in satanic child rape and innumerable fruitless predictions regarding the "deep state" and Trump's political future.

In 2020, the Borlands contributed $1 million to Trump's 2020 re-election efforts, but the campaign canceled their fundraiser after reports that the Borlands had prominently displayed and shared a number of QAnon memes and posts.

Another top contributor to the fund—Lauren Pizza of New Jersey—is married to a major Trump donor and hydroxychloroquine distributor. Pizza, whose 2014 memoir noted that "Donald Trump sang 'Happy Birthday' to me at Mar-a-Lago," gave $200,000 on Sept. 25.

Other top donors include Beverly Hills real estate outfit Probity International ($125,000), Southern Trust Capital LLC of Huntsville, Alabama ($100,000), and New Jersey accountant Dominic Caglioti ($50,000).

Cleveland Funeral Home, of Cleveland

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