

A New Decade and a New Age of Privacy
By Mina Matsumoto, JD/MBA Candidate 2022 [Date]

The [California Consumer Privacy Act \(CCPA\)](#) takes effect on New Year's Day, 2020. It will impact everyone from the most established businesses to startup app developers. Under the CCPA, consumers have a right to know and a right to delete their information, and the companies need to make this possible. It applies to for-profit companies that meet business and size criteria. Many companies across the country fulfill the first part, and even small startups will eventually scale up to the minimum criteria.

The legislation has [sent companies scrambling](#) to understand what data they have, even driving ad-tech, like [LiveRamp](#), to help companies organize what they have and streamline consumer consent agreements. While big business may now be facing the task of organizing mountains of data, it's the new startups that will have to comply with the regulation as they scale, even at an early stage before the criteria are met. This becomes incredibly significant in the world of mental health apps.

There is a CCPA exemption drafted around the Health Insurance Portability and Accountability Act (HIPAA) which would protect certain kinds of health-related information and companies.

Venture-backed companies, like Talkspace and BetterHelp, deal with highly personal information regarding users' mental health to provide online therapy. Wellness apps like Calm and Headspace collect less information, and it is unclear whether their purpose will be protected through HIPAA or whether CCPA will apply.

Regardless of the confusion surrounding exemptions, technology companies are emerging and expanding to address the worsening mental health crisis. Consequently, insurers are increasingly looking to [partner with and invest in startups](#), recognizing that new technologies can radically improve the healthcare experience. Insurance company Dissinger Reed recently [partnered with Talkspace](#), the online subscription therapy app, to offer the service to student athletes. With an insurance partnership will come rapid growth and also consumer data, triggering CCPA compliance.

California's law is the first of its kind, but it is likely that other states and the federal government will follow with their own versions. As the applicable law changes, these for-profit venture-backed mental health apps will need to stay flexible. If it becomes a significant barrier to a company's ability to scale and comply with changing regulations, then these apps will be less able to drive positive change in mental health.

