



## Q&A: Privacy concerns about Hazel Health

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*Chicago Public Schools is offering high school students telehealth mental health services through a no-cost contract with a third-party company. There are significant issues with the protection of the private personal data of students who participate in the program, and whether access to their data is being exploited commercially.*

**What is Hazel Health?** Hazel Health is a for-profit corporation formed in 2015 to provide both physical and mental healthcare telehealth services to public school students. Hazel is privately held, with a consortium of investors led by private equity firm [Bain Capital](#) holding the majority of shares. Hazel has contracts with [more than 180 school districts in 19 states](#).

**What does the CPS contract with Hazel Health cover?** Hazel is providing mental health services via an online telehealth website for any CPS high school student. The therapists are employees of Hazel Health licensed to practice in Illinois. Students must have their parent sign them up and consent to services through Hazel's website.

**What are the terms of Hazel's consent for services?** You can read [the consent form content here](#). There are many issues with the consent form. It is extremely broad. It also states Hazel may allow information to be accessed illegally. Parents consent to their child's identifiable data being used for product development. Parents are also consenting to their child's data being used for research purposes, with no information provided about the research.

**What data does Hazel Health collect, hold or process on students using their services?** Personally-identifiable information, including a student's name, address, parents' contact information, along with insurance

information, medical and health information, demographic information, and audio and video data from counseling sessions. Unfortunately, CPS's contract with Hazel does NOT provide a complete detailed list of what Hazel is given and holds even though this disclosure is required under state law.

**Does Illinois' Student Online Personal Protection Act (SOPPA) apply to Hazel?** Yes, Hazel is an "operator" under SOPPA, and its services are carrying out a K through 12 school purpose under its contract with the district. Any personally-identifiable information (PII) or information linked to PII that Hazel holds about a CPS student is "covered information" under SOPPA.

**Is it legal for the content of therapy sessions to be used for commercial purposes, like improving software?** Under SOPPA, students' covered information should only be used for school purposes, not commercial purposes. [Under a previous school district policy](#), third-party health providers in CPS were explicitly prohibited from any research or experimentation on students.

**Can parents waive their rights under SOPPA?** No. Under some other state and federal privacy laws, parents can consent to allow a school to disclose data to a third party. But the provisions of SOPPA are NOT ones that can be waived by obtaining parental consent. These include prohibiting contractors from using targeted advertising, using non-anonymized student data for commercial purposes, selling data, or sharing data without a contract.

**How do Hazel employees share information with the student's school?** Hazel clinicians can send a message to a school-based staff person via the Hazel app. We are not aware of systematic regular exchange of information between Hazel therapists and school-based employees despite the broad consent that parents must sign allowing CPS schools to share information with Hazel and vice versa.

**What are the terms of CPS's contract?** CPS has a no-cost contract with Hazel, signed initially in December 2024 and amended in March 2025. The contract will automatically renew for the first of four two-year periods on Dec. 31, 2025 unless CPS declines to continue it.

**How did CPS select Hazel as a vendor for these services?** There is no information on how CPS decided to contract with Hazel. Because it is a no-cost contract, the Chicago Board of Education only had to vote to accept reports listing the contract and its amendment, rather than vote to approve them. Also, contracts less than \$35K do not require solicitation of competitive bids.

**If the contract is no-cost, who is paying for Hazel Health's services?** Currently, for students with public or private insurance coverage, services are covered by insurance. For students without insurance, Hazel is not charging CPS. [United Healthcare is underwriting at least some of these costs](#), but there are no further public details on this. Hazel has raised venture capital funding from its investors, and likely those funds cover some costs as well. In addition, when online services are free, frequently users are paying with their personal data because companies expect to be able to profit from the data itself.

**Will Hazel and United Healthcare continue to pay for these services if the contract is renewed?** We don't know. [Hazel Health has said that the contract with CPS is a pilot program and that funding sources for the future are under exploration](#).

**Is there a need for Hazel's services in CPS?** There is a large unmet need for mental health services for CPS students. The [ratios of students to school psychologists, social workers and counselors](#) are far higher than national recommendations. In the 2027-2028 school year, Illinois will begin requiring mental health screenings in schools, and that will likely increase demand for in-school services even more.

**Aren't Hazel's free services better than nothing?** The alternative to CPS's contract with Hazel we should be considering is *not* "nothing". Students should not have their medical and mental health records used for commercial purposes and should have the expectation that this sensitive information and their other PII will be kept secure and private. This is especially unacceptable with respect to highly sensitive data of children and young people. Utilizing for-profit, non-unionized, non-school based private services for K-12 school purposes should be a last resort.

**Is counseling via telehealth effective?** Research on the effectiveness of telehealth vs. in-person services for mental health treatment and counseling are inconclusive. Most studies are not on school-based services and do not have children/youth as subjects. The [studies that Hazel itself cites in its marketing materials](#) are not peer-reviewed studies carried out by independent researchers. Also, [Hazel's services are only short term, and students typically only participate for 6 to 8 weeks](#) at which point they must find an alternative provider.

**What are the risks of collecting sensitive student data?** There have been several significant ransomware attacks on school districts' mental health data in recent years including [Los Angeles](#) and [Minneapolis](#). [A major breach of a Finnish mental healthcare startup in 2020 resulted in blackmail attempts and deaths by suicide](#). CPS itself had [a ransomware attack that exposed data of more than 700K students' in early 2025, including Medicaid ID numbers](#).

**What are appropriate next steps for CPS?** The contract with Hazel Health should either be cancelled or rewritten so that students' data is appropriately protected from commercial exploitation and security breaches. Contact [your Chicago Board of Education member \(emails here\)](#) and urge them to get this contract fixed or end it.

**Questions?** Reach out to [info@ilfps.org](mailto:info@ilfps.org)