



Division of County Operations

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To: Phil Price, Bureau of Legislative Research, Public Health
From: Mary Franklin, Director, DHS – Division of County Operations
Date: December 1, 2017
RE: Information Concerning the DHS Breach Impacting Medicaid Beneficiaries

Summary:

Between August 7 and September 15 of 2017, the DHS Office of Chief Counsel - Privacy Office investigated a potential breach impacting 500 or more individuals and determined that a breach of protected health information had occurred due to unauthorized access. The Privacy Office investigation remains open until the conclusion of any criminal investigations or requests by the U.S. Health and Human Services – Office of Civil Rights (OCR), the HIPAA oversight agency. Because of the large number of individuals impacted by this breach, media notification as well as individual notification was required. Notification to providers was also made as a courtesy and as an additional step to protect clients and providers from potential fraud. Below is a description of the breach and of actions taken by DHS since its occurrence.

Brief History of Breach Incident:

On March 23, 2017, information containing base Medicaid ID numbers, dates of birth, billing codes, and diagnoses of 29,023 DHS clients was accessed in an unauthorized way by a former DHS employee. The potential breach was reported to the DHS Privacy Office on August 7, 2017 and an investigation into the matter was immediately begun. Upon forensic review of the type of information disclosed and a count of the individuals impacted, notification procedures were commenced. The final forensic review determined that no Social Security numbers were included or disclosed. The Privacy Office investigation remains open.

Notification Activities:

- 9/15/17 - Reported breach to the U.S. Health and Human Services, Office of Civil Rights through the online portal.
- 9/15/17 – Published Press Release concerning breach
- 9/15/17 – Published online notification regarding breach

- 9/20/17 – Began mailing of individual notification letters.
 - 9/22/17 – mailings concluded with a total of 29,023 individual notification letters mailed.
- 9/25/17 – Began and concluded mailing of provider courtesy notification letters with a total of 2,932 letters mailed.

Actions Taken to Address Breach and Reduce Likelihood of Reoccurrence:

- Call center established to address concerns of impacted individuals.
- Referred case for criminal investigation/prosecution. As the criminal investigation is ongoing, no further information is currently available.
- Ongoing review of policies and procedures.
 - DHS Policy 1022: Employee Resignation and Exit Policy – (Revision to DHS Resignation/Termination Policy) Revised to require immediate notification of all employee suspensions, terminations, or resignations to terminate the employee’s password and security system access to DHS information technology systems. Previous policy required such notification “when appropriate.”
- Ongoing review of available technology that would inhibit the ability of individuals to send information to unauthorized accounts or individuals.
- Ongoing Risk Assessment by the DHS Office of Systems and Technology.

Attachments:

- A. Individual Notification Letter
- B. Provider Notification Letter
- C. Press Release
- D. Published Online Notice