



JENNIFER KENT
DIRECTOR

State of California—Health and Human Services Agency
Department of Health Care Services



EDMUND G. BROWN JR.
GOVERNOR

June 16, 2017

Sent via e-mail to: katy.eckert@edcgov.us

Katy Eckert, MBA, Assistant Director
El Dorado County Health and Human services Agency
Behavioral Health Division
768 Pleasant Valley Road
Diamond Springs, CA 95619

SUBJECT: State Fiscal Year (SFY) 2016-17 - County Monitoring Unit Report

Dear Assistant Director Eckert:

Enclosed are the results of El Dorado County's 2016-17 Substance Abuse Prevention and Treatment (SAPT) Block Grant (BG)¹, and the State County Contract compliance review. The Department of Health Care Services (DHCS) is responsible for monitoring requirements of the SAPT BG and the terms of the State County Contract operated by El Dorado County.

The County Monitoring Unit (CMU) within the Performance Management Branch (PMB) of DHCS performed a comprehensive review based on responses to the monitoring instrument, discussion with county staff, supporting documentation and requirements. The enclosed report addresses and/or identifies compliance deficiencies, required corrective actions, advisory recommendations, and referral for technical assistance.

El Dorado County is required to submit a Corrective Action Plan (CAP) addressing each deficiency noted to the CMU Analyst by July 17, 2017. The CAP must follow the guidelines detailed within the attached report. Please reference the enclosed CAP instructions and e-mail the CAP to the CMU Analyst. Supporting CAP documentation may be e-mailed or mailed to the address listed below. If you have any questions regarding this report or need assistance, please contact the CMU analyst.

Sincerely,

Trang Huynh
CMU Analyst
(916) 650-0529
Trang.huynh@dhcs.ca.gov

¹ Title 45 Code of Federal Regulations, Part 96, Subpart L – Substance Abuse Prevention and Treatment Block Grant requirements



County Monitoring Unit Report
El Dorado

Distribution:

To: Katy Eckert, MBA, Assistant Director
Jamie Samboceti, Deputy Director

CC: Victoria King-Watson, Substance Use Disorder Program, Policy and Fiscal Division, Assistant Division Chief
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Cynthia Hudgins, Drug Medi-Cal Monitoring Unit I, Supervisor
Stephanie Quok, Drug Medi-Cal Monitoring Unit II, Supervisor
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Trudi Romero, Policy and Prevention Branch, Office Technician
Shirley White, AOD Administrator, El Dorado County Health and Human Services
Salina Drennan, Supervising Health Education Coordinator, El Dorado County Health and Human Services

Date: June 16, 2017

Report Prepared by: *Trang Huynh, County Monitoring Analyst*
Manager Approval: *Susan Jones, County Monitoring Supervisor*

Lead CMU Analyst:
Trang Huynh

Review Date: May 23-24, 2017

Assisting CMU Analyst(s):
Tereza Majkovic

Review Period: SFY 2016-17

County: El Dorado

County Address:
768 Pleasant Valley Road
Diamond Springs, CA 95619

The Department of Health Care Services (DHCS) is required to provide programmatic, administrative, and fiscal oversight of the statewide Substance Abuse Prevention and Treatment Block Grant (SAPT BG), the State County Contract, and Drug Medi-Cal (DMC) Substance Use Disorder (SUD) services through annual compliance reviews.

This report summarizes the findings of the compliance review conducted by the County Monitoring Unit (CMU).

CORRECTIVE ACTION PLAN

Pursuant to the State County Contract, Exhibit A, Attachment I, Part V, Section 4, 7, (a-b) each deficiency identified must be addressed via a Corrective Action Plan (CAP). The CAP is due within thirty (30) calendar days of the date of this monitoring report. Advisory recommendations are not required to be addressed in the CAP.

The Corrective Action Plan shall:

1. Address each programmatic deficiency;
2. Provide a specific description of how the deficiency will be corrected;
3. Identify the staff person responsible for correcting the deficiency and ensuring future compliance;
4. Specify the target date for complete implementation of each deficiency; and
5. As deficiencies are corrected, include training documentation, revised policies/procedures, and other materials which demonstrate the correction of a deficiency, if applicable.

The CMU analyst will monitor progress of CAP implementation until complete.

REVIEW SCOPE

- I. Regulations:
 - a. 22 CCR § 51341.1 – Drug Medi-Cal Substance Use Disorder Services
 - b. 9 CCR, Division 4, Chapter 4, Subchapter 1 – 6: Narcotic Treatment Programs
 - c. 45 CFR; Part 96; Subpart L; §96.121 through 96.137: Substance Abuse Prevention and Treatment Block Grant
 - d. 42 USC, Section 300x-21 through 300x-66: Substance Abuse Prevention and Treatment Block
 - e. HSC, Division 10.5, Section 11750 – 11970: State Department of Health Care

- II. Program Requirements:
 - a. State Fiscal Year (SFY) 14/15 - 16/17 State County Contract, herein referred to as State County Contract
 - b. State of California *Youth Treatment Guidelines Revised August 2002*
 - c. DHCS *Perinatal Services Network Guidelines FY 2016-17*
 - d. National Culturally and Linguistically Appropriate Services (CLAS)
 - e. Alcohol and Drug Program (ADP) Bulletins
 - f. Mental Health and Substance Use Disorders Services (MHSUDS) Information Notices

1.0 ADMINISTRATION

After review of the program's protocols, policies and procedures, no deficiencies were cited.

2.0 SAPT BG MONITORING

The following deficiencies in the SAPT BG monitoring requirements were identified:

CD 2.18

State County Contract Exhibit A, Attachment I, Part IV, Section 3, A, 1, (a-e)

Contractor's performance under this Exhibit A, Attachment I A2, Part IV, shall be monitored by the State during the term of this Contract. Monitoring criteria shall include, but not be limited to:

*(a) Whether the quantity of work or services being performed conforms to Exhibit B A2;
(b) Whether the Contractor has established and is monitoring appropriate quality standards;*

(c) Whether the Contractor is abiding by all the terms and requirements of this Contract;

(d) Whether the Contractor is abiding by the terms of the Perinatal Services Network Guidelines (Document 1G); and

(e) Contractor shall conduct annual onsite monitoring reviews of services and subcontracted services for programmatic and fiscal requirements.

Contractor shall submit copy of their monitoring and audit reports to DHCS within two weeks of issuance. Reports should be sent by secure, encrypted e-mail to:

sudcountyreports@dhcs.ca.gov; or

*Substance Use Disorder - Prevention, Treatment and Recovery Services
Division, Performance Management Branch, Department of Health Care Services,
PO Box 997413, MS-2627
Sacramento, CA 95899-7413*

Finding: The County did not have all the SAPT BG program requirements within their monitoring tool. The following criteria are missing:

- Charitable Choice
- Primary Prevention
- Trafficking Victims Protection Act of 2000
- Fiscal Requirements

CD 2.20:

State County Contract Exhibit A, Attachment I A2, Part IV, Section 3, A, 1, (e)

Contractor shall conduct annual onsite monitoring reviews of services and subcontracted services for programmatic and fiscal requirements. Contractor shall submit copy of their monitoring and audit reports to DHCS within two weeks of issuance. Reports should be sent by secure, encrypted e-mail to:

SUDCountyReports@dhcs.ca.gov; or

*Substance Use Disorder - Prevention, Treatment and Recovery Services
Division, Performance Management Branch, Department of Health Care Services
PO Box 997413, MS-2627
Sacramento, CA 95899-7413*

Finding: The County did not monitor all subcontracted providers for required SAPT BG program requirements.

CD 2.21:

State County Contract Exhibit A, Attachment I A2, Part IV, Section 3, A, 1, (e)
Contractor shall conduct annual onsite monitoring reviews of services and subcontracted services for programmatic and fiscal requirements. Contractor shall submit copy of their monitoring and audit reports to DHCS within two weeks of issuance. Reports should be sent by secure, encrypted e-mail to:
SUDCountyReports@dhcs.ca.gov; or
*Substance Use Disorder - Prevention, Treatment and Recovery Services
Division, Performance Management Branch, Department of Health Care Services
PO Box 997413, MS-2627
Sacramento, CA 95899-7413*

Finding: The County did not submit all required SAPT BG monitoring and auditing reports for SFY 15/16 to DHCS within two weeks of report issuance.

CD 2.22:

State County Contract Exhibit A, Attachment I A2, Part IV, Section 3, A, 1, (e)
Contractor shall conduct annual onsite monitoring reviews of services and subcontracted services for programmatic and fiscal requirements. Contractor shall submit copy of their monitoring and audit reports to DHCS within two weeks of issuance. Reports should be sent by secure, encrypted e-mail to:
SUDCountyReports@dhcs.ca.gov; or
*Substance Use Disorder - Prevention, Treatment and Recovery Services
Division, Performance Management Branch, Department of Health Care Services, PO Box
997413, MS-2627
Sacramento, CA 95899-7413*

Finding: The County did not submit all of their SAPT BG monitoring reports encrypted and secure when submitting reports electronically.

3.0 DRUG MEDI-CAL

The following DMC deficiencies in regulations, standards, or protocol requirements were identified:

COMPLIANCE DEFICIENCIES:

CD 3.25.b:

State County Contract Exhibit A, Attachment I, Part V, Section 4, B, 1 (b)

Contractor shall conduct, at least annually, a utilization review of DMC providers to assure covered services are being appropriately rendered. The annual review must include an on-site visit of the service provider. Reports of the annual review shall be provided to the Department's Performance Management Branch at:

Substance Use Disorder - Prevention, Treatment and Recovery Services Division, Performance Management Branch

Department of Health Care Services

PO Box 997413, MS-2621

Sacramento, CA 95899-7413;

Or by secure, encrypted email to: SUDCountyReports@dhcs.ca.gov

Review reports shall be provided to the State within 2 weeks of completion by the Contractor.

Finding: The County did not provide a completed DMC monitoring tool for FY 2015-16 based on the size of the County. County size is indicated below:

- MBA and Small counties – one (1) completed DMC review

CD 3.25.c:

State County Contract Exhibit A, Attachment I, Part V, Section 4, B, 1 (b)

Contractor shall conduct, at least annually, a utilization review of DMC providers to assure covered services are being appropriately rendered. The annual review must include an on-site visit of the service provider. Reports of the annual review shall be provided to the Department's Performance Management Branch at:

Substance Use Disorder - Prevention, Treatment and Recovery Services Division, Performance Management Branch

Department of Health Care Services

PO Box 997413, MS-2621

Sacramento, CA 95899-7413;

Or by secure, encrypted email to: SUDCountyReports@dhcs.ca.gov

Review reports shall be provided to the State within 2 weeks of completion by the Contractor.

Finding: The County did not provide monitoring reports, CAPs, and provider CAP implementation status in response to question number 25(b) of the FY 2016-17 monitoring instrument.

CD 3.25.d:

State County Contract Exhibit A, Attachment I, Part V, Section 4, B, 1 (b)

Contractor shall conduct, at least annually, a utilization review of DMC providers to assure covered services are being appropriately rendered. The annual review must include an on-site visit of the service provider. Reports of the annual review shall be provided to the Department's Performance Management Branch at:

Substance Use Disorder - Prevention, Treatment and Recovery Services Division, Performance Management Branch

Department of Health Care Services

PO Box 997413, MS-2621

Sacramento, CA 95899-7413;

Or by secure, encrypted email to: SUDCountyReports@dhcs.ca.gov

Review reports shall be provided to the State within 2 weeks of completion by the Contractor.

Finding: The County did not submit DMC monitoring reports securely to DHCS within two weeks of report issuance.

CD 3.30:

State County Contract Exhibit A, Attachment I, Part V, Section 4, B, 4(a)

(a) All complaints received by Contractor regarding a DMC certified facility shall be forwarded to:

Drug Medi-Cal Complaints are to be submitted to:

Department of Health Care Services

P.O. Box 997413

Sacramento, CA 95899-7413

Call the Hotline

Phone Toll-Free: (800) 822-6222

Finding: The County did not provide the process for investigating complaints regarding a DMC certified facility.

CD 3.34:

State County Contract Exhibit A, Attachment I, Part V, Section 4, B-1, (d)

Contractor must monitor and attest compliance and/or completion by Providers with CAP requirements (detailed in Section 4, Paragraph (A)(2)(c)) as required by any PSPP review. Contractor shall attest to DHCS, using the form developed by DHCS that the requirements in the CAP have been completed by the Contractor and/or the Provider. Submission of DHCS Form 8049 form by Contractor must be accomplished within the timeline specified in the approved CAP, as noticed by DHCS.

Finding: The County did not submit a DHCS Form 8049 to DHCS.

CD 3.35:

State County Contract Exhibit A, Attachment I, Part V, Section 4, A, 2, (a)

The Contractor shall be responsible for their subcontracted providers and their county-run programs to ensure any deficiencies are remediated pursuant to Sections 1 and 2 herein.

Finding: The County did not provide the process for monitoring DMC providers for implementation of PSPP CAPs.

ADVISORY RECOMMENDATIONS:

AR 3.26:

State County Contract Exhibit A, Attachment I, Part V, Section 4 B-2 (a)

Contractor shall ensure that all Subcontractors receive training on the requirements of Title 22 regulations and DMC requirements at least annually. Documented attendance of any subcontracted provider at the annual trainings offered by DHCS (specified in Section 4, paragraph (A) (3) of this contract) shall suffice to meet the requirements of this provision. Contractor shall report compliance with this section to DHCS annually as part of the DHCS County monitoring process.

Recommendation: The State recommends the County use current training materials for Title 22 training.

4.0 PERINATAL

The following deficiencies in Perinatal Services regulations, standards, or protocol requirements were identified:

COMPLIANCE DEFICIENCIES:

CD 4.37:

45 CFR, 96.124 9 (e) (1)

With respect to paragraph (c) of this section, the amount set aside for such services shall be expended on individuals who have no other financial means of obtaining such services as provided in § 96.137. All programs providing such services will treat the family as a unit and therefore will admit both women and their children into treatment services, if appropriate. The State shall ensure that, at a minimum, treatment programs receiving funding for such services also provide or arrange for the provision of the following services to pregnant women and women with dependent children, including women who are attempting to regain custody of their children:

(1) primary medical care for women, including referral for prenatal care and, while the women are receiving such services, child care;

45 CFR, 96.124 (e) (3)

(3) gender specific substance abuse treatment and other therapeutic interventions for women which may address issues of relationships, sexual and physical abuse and parenting, and child care while the women are receiving these services;

45 CFR 96 App. A (6)

Programs must provide or arrange for primary medical care, including a referral for prenatal care to pregnant and parenting women receiving SUD treatment services. Child care services must be provided while the women are receiving primary medical care and gender specific services.

State County Contract, Exhibit A, Attachment I, Part I, R
Perinatal Services Network Guidelines FY 2016-17

Finding: The County did not demonstrate that childcare services are offered for all perinatal treatment programs.

5.0 ADOLESCENT/YOUTH TREATMENT (AYT)

After review of the program's protocols, policies and procedures, no deficiencies were cited.

6.0 FISCAL AUDITING

After review of the program's protocols, policies and procedures, no deficiencies were cited.

7.0 PRIMARY PREVENTION

After review of the program's protocols, policies and procedures, no deficiencies were cited.

8.0 CULTURAL COMPETENCE

After review of the program's protocols, policies and procedures, no deficiencies were cited.

9.0 ELECTRONIC HEALTH RECORDS (EHR)

The following deficiencies in Electronic Health Records regulations, standards, or protocol requirements were identified:

COMPLIANCE DEFICIENCIES:

CD 9.56.a:

ADP Bulletin 10-01, 3

3. Counties maintain an Electronic Signature Agreement (Exhibit 1) for the terms of use of an electronic signature signed by both the individual requesting electronic signature authorization and the County Alcohol and Drug Program Administrator or his/her designee.

Finding: The County's subcontracted providers use electronic signatures to sign financial, program or medical records but did not provide the requested Electronic Signature Agreement copies.

CD 9.56.b:

ADP Bulletin 10-01, 4

4. County Alcohol and Drug Program Administrators complete a County Alcohol and Drug Program Administrator's Electronic Signature Certification form (Exhibit 2), certifying that electronic systems used by the county's alcohol and drug operations, including contract provider systems, meet the standards.

Finding: The County did not provide a signed copy of the County Alcohol and Drug Program Administrator's Electronic Signature Certification form.

10.0 CALIFORNIA OUTCOMES MEASUREMENT SYSTEM TREATMENT (CalOMS Tx) AND DRUG AND ALCOHOL TREATMENT ACCESS REPORT (DATAR)

The following deficiencies in CalOMS and DATAR regulations, standards, or protocol requirements were identified:

COMPLIANCE DEFICIENCIES:

CD 10.57.b:

State County Contract, Exhibit A, Attachment I, Part III, F, (3)

Contractor shall comply with the treatment and prevention data quality standards established by the State. Failure to meet these standards on an ongoing basis may result in withholding non-DMC funds.

Finding: The County's provider did not report any CalOMS Tx data, and did not generate a Provider No Activity (PNA) report.

11.0 PRIVACY AND INFORMATION SECURITY

The following deficiencies in Privacy and Information Security regulations, standards, or protocol requirements were identified:

COMPLIANCE DEFICIENCIES:

CD 11.60:

State County Contract, Exhibit G-3, Attachment A, 1, A

Employee Training. *All workforce members who assist in the performance of functions or activities on behalf of the Department, or access or disclose Department PHI or PI must complete information privacy and security training, at least annually, at Contractor's expense. Each workforce member who receives information privacy and security training must sign a certification, indicating the member's name and the date on which the training was completed. These certifications must be retained for a period of six (6) years following termination of this Agreement.*

Finding: The County did not provide documentation of annual privacy and security training.

CD 11.71:

State County Contract, Exhibit G-3, Attachment A, 4, A

Emergency Mode Operation Plan. *Contractor must establish a documented plan to enable continuation of critical business processes and protection of the security of Department PHI or PI held in an electronic format in the event of an emergency. Emergency means any circumstance or situation that causes normal computer operations to become unavailable for use in performing the work required under this Agreement for more than 24 hours.*

Finding: The County's Emergency Mode Operation Plan did not speak to the continuation of critical business and protection of the security of Department PHI or PI held in an electronic format in the event of an emergency.

CD 11.72:

State County Contract, Exhibit G-3, Attachment A, 4, B

Data Backup Plan. *Contractor must have established documented procedures to backup Department PHI to maintain retrievable exact copies of Department PHI or PI. The plan must include a regular schedule for making backups, storing backups offsite, an inventory of backup media, and an estimate of the amount of time needed to restore Department PHI or PI should it be lost. At a minimum, the schedule must be a weekly full backup and monthly offsite storage of Department data.*

Finding: The County did not provide written procedures of a data backup plan that include all of the following:

- A regular schedule for making backups
- Storing backups offsite
- An inventory of backup media
- An estimate of the amount of time needed to restore Department PHI or PI should it be lost

CD 11.76:

State County Contract, Exhibit G-2, 3, B, 2-3

2) **Safeguards.** To implement appropriate and reasonable administrative, technical, and physical safeguards to protect the security, confidentiality and integrity of Department PI and PII, to protect against anticipated threats or hazards to the security or integrity of Department PI and PII, and to prevent use or disclosure of Department PI or PII other than as provided for by this Agreement. Contractor shall develop and maintain a written information privacy and security program that include administrative, technical and physical safeguards appropriate to the size and complexity of Contractor's operations and the nature and scope of its activities, which incorporate the requirements of section 3, Security, below. Contractor will provide DHCS with its current policies upon request.

3) **Security.** Contractor shall take any and all steps necessary to ensure the continuous security of all computerized data systems containing PHI and/or PI, and to protect paper documents containing PHI and/or PI. These steps shall include, at a minimum:

- a. Complying with all of the data system security precautions listed in Attachment A, Business Associate Data Security Requirements;
- b. Providing a level and scope of security that is at least comparable to the level and scope of security established by the Office of Management and Budget in OMB Circular No. A-130, Appendix III- Security of Federal Automated Information Systems, which sets forth guidelines for automated information systems in Federal agencies; and
- c. If the data obtained by Contractor from DHCS includes PII, Contractor shall also comply with the substantive privacy and security requirements in the Computer Matching and Privacy Protection Act Agreement between the SSA and the California Health and Human Services Agency (CHHS) and in the Agreement between the SSA and DHCS, known as the Information Exchange Agreement, which are attached as Attachment I and incorporated into this Agreement. The specific sections of the IEA with substantive privacy and security requirements to be complied with are sections E, F, and G, and in Attachment 4 to the IEA, Electronic Information Exchange Security Requirements, Guidelines and Procedures for Federal, State and Local Agencies Exchanging Electronic Information with the SSA. Contractor also agrees to ensure that any agents, including a subcontractor to whom it provides DHCS PII, agree to the same requirements for privacy and security safeguards for confidential data that apply to Contractor with respect to such information.

Finding: The County does not meet all the requirements to protect Department PI.

CD 11.76.a:

State County Contract, Exhibit G-2, 3, B, 2-3

2) **Safeguards.** To implement appropriate and reasonable administrative, technical, and physical safeguards to protect the security, confidentiality and integrity of Department PI and PII, to protect against anticipated threats or hazards to the security or integrity of Department PI and PII, and to prevent use or disclosure of Department PI or PII other than as provided for by this Agreement. Contractor shall develop and maintain a written information privacy and security program that include administrative, technical and physical safeguards appropriate to the size and complexity of Contractor's operations and the nature and scope of its activities, which incorporate the requirements of section 3, Security, below. Contractor will provide DHCS with its current policies upon request.

- 3) **Security.** Contractor shall take any and all steps necessary to ensure the continuous security of all computerized data systems containing PHI and/or PI, and to protect paper documents containing PHI and/or PI. These steps shall include, at a minimum:
- a. Complying with all of the data system security precautions listed in Attachment A, Business Associate Data Security Requirements;
 - b. Providing a level and scope of security that is at least comparable to the level and scope of security established by the Office of Management and Budget in OMB Circular No. A-130, Appendix III- Security of Federal Automated Information Systems, which sets forth guidelines for automated information systems in Federal agencies; and
 - c. If the data obtained by Contractor from DHCS includes PII, Contractor shall also comply with the substantive privacy and security requirements in the Computer Matching and Privacy Protection Act Agreement between the SSA and the California Health and Human Services Agency (CHHS) and in the Agreement between the SSA and DHCS, known as the Information Exchange Agreement, which are attached as Attachment I and incorporated into this Agreement. The specific sections of the IEA with substantive privacy and security requirements to be complied with are sections E, F, and G, and in Attachment 4 to the IEA, Electronic Information Exchange Security Requirements, Guidelines and Procedures for Federal, State and Local Agencies Exchanging Electronic Information with the SSA. Contractor also agrees to ensure that any agents, including a subcontractor to whom it provides DHCS PII, agree to the same requirements for privacy and security safeguards for confidential data that apply to Contractor with respect to such information.

Finding: The County does not have written policies and procedures implemented, that addresses information privacy and security for PI.

CD 11.76.b:

State County Contract, Exhibit G-2, 3, B, 2-3

2) **Safeguards.** To implement appropriate and reasonable administrative, technical, and physical safeguards to protect the security, confidentiality and integrity of Department PI and PII, to protect against anticipated threats or hazards to the security or integrity of Department PI and PII, and to prevent use or disclosure of Department PI or PII other than as provided for by this Agreement. Contractor shall develop and maintain a written information privacy and security program that include administrative, technical and physical safeguards appropriate to the size and complexity of Contractor's operations and the nature and scope of its activities, which incorporate the requirements of section 3, Security, below. Contractor will provide DHCS with its current policies upon request.

3) **Security.** Contractor shall take any and all steps necessary to ensure the continuous security of all computerized data systems containing PHI and/or PI, and to protect paper documents containing PHI and/or PI. These steps shall include, at a minimum:

- a. Complying with all of the data system security precautions listed in Attachment A, Business Associate Data Security Requirements;
- b. Providing a level and scope of security that is at least comparable to the level and scope of security established by the Office of Management and Budget in OMB Circular No. A-130, Appendix III- Security of Federal Automated Information Systems, which sets forth guidelines for automated information systems in Federal agencies; and

- c. *If the data obtained by Contractor from DHCS includes PII, Contractor shall also comply with the substantive privacy and security requirements in the Computer Matching and Privacy Protection Act Agreement between the SSA and the California Health and Human Services Agency (CHHS) and in the Agreement between the SSA and DHCS, known as the Information Exchange Agreement, which are attached as Attachment I and incorporated into this Agreement. The specific sections of the IEA with substantive privacy and security requirements to be complied with are sections E, F, and G, and in Attachment 4 to the IEA, Electronic Information Exchange Security Requirements, Guidelines and Procedures for Federal, State and Local Agencies Exchanging Electronic Information with the SSA. Contractor also agrees to ensure that any agents, including a subcontractor to whom it provides DHCS PII, agree to the same requirements for privacy and security safeguards for confidential data that apply to Contractor with respect to such information.*

Finding: The County's information privacy and security, policy and procedure does not include a section regarding security for PI.

CD 11.76.c:

State County Contract, Exhibit G-2, 3, B, 2-3

2) **Safeguards.** *To implement appropriate and reasonable administrative, technical, and physical safeguards to protect the security, confidentiality and integrity of Department PI and PII, to protect against anticipated threats or hazards to the security or integrity of Department PI and PII, and to prevent use or disclosure of Department PI or PII other than as provided for by this Agreement. Contractor shall develop and maintain a written information privacy and security program that include administrative, technical and physical safeguards appropriate to the size and complexity of Contractor's operations and the nature and scope of its activities, which incorporate the requirements of section 3, Security, below. Contractor will provide DHCS with its current policies upon request.*

3) **Security.** *Contractor shall take any and all steps necessary to ensure the continuous security of all computerized data systems containing PHI and/or PI, and to protect paper documents containing PHI and/or PI. These steps shall include, at a minimum:*

- a. *Complying with all of the data system security precautions listed in Attachment A, Business Associate Data Security Requirements;*
- b. *Providing a level and scope of security that is at least comparable to the level and scope of security established by the Office of Management and Budget in OMB Circular No. A-130, Appendix III- Security of Federal Automated Information Systems, which sets forth guidelines for automated information systems in Federal agencies; and*
- c. *If the data obtained by Contractor from DHCS includes PII, Contractor shall also comply with the substantive privacy and security requirements in the Computer Matching and Privacy Protection Act Agreement between the SSA and the California Health and Human Services Agency (CHHS) and in the Agreement between the SSA and DHCS, known as the Information Exchange Agreement, which are attached as Attachment I and incorporated into this Agreement. The specific sections of the IEA with substantive privacy and security requirements to be complied with are sections E, F, and G, and in Attachment 4 to the IEA, Electronic Information Exchange Security Requirements, Guidelines and Procedures for Federal, State and Local Agencies Exchanging Electronic Information with the SSA. Contractor also agrees to ensure that any agents,*

including a subcontractor to whom it provides DHCS PII, agree to the same requirements for privacy and security safeguards for confidential data that apply to Contractor with respect to such information.

Finding: The County did not provide a copy of the requested policies and procedures which address PI.

CD 11.78:

State County Contract, Exhibit G-1,13 (a-c)

Exhibit G-2, 9 (a-c)

Breaches and Security Incidents. During the term of this Agreement, Contractor agrees to implement reasonable systems for the discovery and prompt reporting of any breach or security incident, and to take the following steps:

- a. **Initial Notice to the Department.** (1) To notify the Department immediately by telephone call or email or fax upon the discovery of a breach of unsecured PHI in electronic media or in any other media if the PHI was, or is reasonably believed to have been, accessed or acquired by an unauthorized person. (2) To notify the Department within 24 hours (one hour if SSA data) by email or fax of the discovery of any suspected security incident, intrusion or unauthorized access, use or disclosure of PHI in violation of this Agreement or this ExhibitG-1, or potential loss of confidential data affecting this Agreement. A breach shall be treated as discovered by Contractor as of the first day on which the breach is known, or by exercising reasonable diligence would have been known, to any person (other than the person committing the breach) who is an employee, officer or other agent of Contractor. Notice shall be provided to the Information Protection Unit, Office of HIPAA Compliance. If the incident occurs after business hours or on a weekend or holiday and involves electronic PHI, notice shall be provided by calling the Information Protection Unit (916.445.4646, 866-866-0602) or by emailing (privacyofficer@dhcs.ca.gov). Notice shall be made using the DHCS "Privacy Incident Report" form, including all information known at the time. Contractor shall use the most current version of this form, which is posted on the DHCS information Security Officer website (www.dhca.ca.gov, then select "Privacy" in the left column and then "Business Partner" near the middle of the page) or use this link [Upon discovery of a breach or suspected security incident, intrusion or unauthorized access, use or disclosure of Department PHI, Contractor shall take:](#)
 - i) Prompt corrective action to mitigate any risks or damages involved with the breach and to protect the operating environment; and
 - ii) Any action pertaining to such unauthorized disclosure required by applicable Federal and State laws and regulations.
- b. **Investigation and Investigation Report.** To immediately investigate such suspected security incident, security incident, breach, or unauthorized access, use or disclosure of PHI. Within 72 hours of the discovery, Contractor shall submit an updated "Privacy Incident Report" containing the information marked with an asterisk and all other applicable information listed on the form, to the extent known at that time, to the Information Protection Unit.
- c. **Complete Report.** To provide a complete report of the investigation to the Department Program Contract Manager and the Information Protection Unit within ten (10) working days of the discovery of the breach or unauthorized use or disclosure. The report shall be submitted on the "Privacy Incident Report" form and shall include an assessment of all

known factors relevant to a determination of whether a breach occurred under applicable provisions of HIPAA, the HITECH Act, and the HIPAA regulations. The report shall also include a full, detailed corrective action plan, including information on measures that were taken to halt and/or contain the improper use or disclosure. If the Department requests information in addition to that listed on the "Privacy Incident Report" form, Contractor shall make reasonable efforts to provide the Department with such information. If, because of the circumstances of the incident, Contractor needs more than ten (10) working days from the discovery to submit a complete report, the Department may grant a reasonable extension of time, in which case Contractor shall submit periodic updates until the complete report is submitted. If necessary, a Supplemental Report may be used to submit revised or additional information after the completed report is submitted, by submitting the revised or additional information on an updated "Privacy Incident Report" form. The Department will review and approve the determination of whether a breach occurred and whether individual notifications and a corrective action plan are required.

Finding: The County did not demonstrate a process in place for reporting breached or security incidents that include:

- Notifying DHCS immediately by telephone, e-mail, or fax
- Notifying DHCS within 24 hours of a suspected security incident

12.0 TECHNICAL ASSISTANCE

El Dorado County did not request any TA for SFY 16/17.