

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



ARNOLD SCHWARZENEGGER
Governor



DATE May 2, 2005

MMCD All Plan Letter 05006

TO All Health Plans

SUBJECT: HIPAA REQUIREMENTS: PLANS' REPORTING RESPONSIBILITIES

Purpose:

The purpose of this letter is to remind Medi-Cal Managed Care Division contracted Health Plans of their contractual responsibilities, under the Health Insurance Portability and Accountability Act (HIPAA) section of their contracts to notify the Department of Health Services (DHS) regarding:

- Prohibition of External Disclosure of Lists of Beneficiaries

A Plan must give its assigned DHS contract manager a list of external entities, including persons, organizations, and agencies, other than DHS, which are not part of its treatment network, to which it discloses lists of Medi-Cal beneficiary names and addresses. This must occur within 30 days of the execution of the Contract between the Health Plan and DHS and annually thereafter.

Reporting of Improper Disclosures

Improper disclosures must be reported to the contract manager within twenty-four (24) hours during a work week, of discovery by Contractor that Protected Health Information (PHI) has been used or disclosed other than as provided for by this Contract or otherwise in violation of HIPAA regulations, or other statutes and regulations pertaining to privacy and security of PHI.


Notification of Breach

Notice must be given to the contract manager within twenty-four (24) hours during a work week, of any suspected or actual breach of security, intrusion or unauthorized use or disclosure of PHI and/or any actual or suspected use or disclosure of data in violation of any applicable Federal and State laws or regulations.

- A Plan shall investigate such breach, or unauthorized use or disclosure of PHI, and provide a written report of the investigation to the DHS Privacy Officer within fifteen (15) working days of the discovery of the breach or unauthorized use.

If you have any question, please contact your DHS Contract Manager.

Sincerely,


Vanessa M. Baird, MPPA, Chief
Medi-Cal Managed Care Division