

## DHCS REPORTS INFORMATION SECURITY INCIDENT INVOLVING MAILING TO MEDI-CAL MEMBERS

**SACRAMENTO** — The California Department of Health Care Services (DHCS) today reported that a Form 1095-B mailing to approximately 250 Medi-Cal members, and potentially up to 6,460 members, may have included a form with personal information belonging to someone other than the intended recipient. The incident involved a subcontractor, Advanced Image Direct (AID), acting on behalf of the Office of State Publishing (OSP).

DHCS sends the Internal Revenue Service Form 1095-B document to members who had Medi-Cal benefits that met certain requirements, known as minimum essential coverage, for at least one month during the tax year.

The following information was potentially accessed: full name, address and/or zip code, county case number, date of birth, and last four digits of the Social Security Number (SSN). DHCS took immediate action to notify impacted families, correct the mistake, and ensure that subsequent mailings are not affected by the error.

“The protection of private information is a top priority for DHCS,” said **DHCS Director Michelle Baass**. “We take any breach of personal health information seriously, and we deeply regret any inconvenience or problem this may cause. We have increased our efforts to ensure all personal information is appropriately protected.”

DHCS learned about the error on January 12, 2023, when a Medi-Cal member reported it to a local county office. An internal review determined that an equipment malfunction resulted in the wrong form being included in the mailing for the individuals. The error was recorded by AID, and a reprint of the records was conducted on the same day of the incident. However, AID mistakenly disposed of the corrected records and returned the incorrect records to the queue for distribution.

Upon discovery of this incident, OSP immediately paused printing and mailing operations. To help prevent this error from occurring again, OSP conducted a full investigation of AID. This investigation determined a likely impact on 250 records and a maximum possible impact on 6,460 records as affirmed by existing quality control measures. OSP also attempted to retrieve the misdirected mailings from unintended recipients.

As part of a corrective action plan, AID will immediately implement more stringent quality controls, including:

- Creating a log of all printing system restarts indicating the record number of the restart.
- Assigning a quality control person to review and sign off on materials after each restart.
- Conducting a quality check every 30 minutes or 5,000 pieces.

Additionally, DHCS launched a stringent quality assurance process. The identification of this error allows DHCS to enhance procedures and ensure this type of error does not impact Medi-Cal members again.

DHCS will mail a replacement Form 1095-B for tax year 2022. Members can expect to receive the form by the second week of April.

For those members affected by the incident, DHCS is offering a free year of Identity Defense Total monitoring from Pango Group (<https://www.pango.co>). Members eligible to receive these services will be contacted directly with additional information on how to access identify monitoring services.

DHCS recommends that all members remain vigilant to potential fraud and identity theft by reviewing credit reports and bank and other financial statements for any unauthorized activity. Additionally, members may obtain a copy of their credit report, free of charge, once every 12 months from each of the three nationwide credit reporting companies. To order the annual free credit report, members may visit [www.annualcreditreport.com](http://www.annualcreditreport.com) or call toll free 1-877-322-8228.

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