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

TOBY DOUGLAS
Director

EDMUND G. BROWN JR.
Governor

September 18, 2012

TO: ALL COUNTY WELFARE DIRECTORS Letter No.: 12-27
ALL COUNTY WELFARE ADMINISTRATIVE OFFICERS
ALL COUNTY MEDI-CAL PROGRAM SPECIALISTS/LIAISONS
ALL COUNTY HEALTH EXECUTIVES
ALL COUNTY MENTAL HEALTH DIRECTORS
ALL COUNTY MEDS LIAISONS

SUBJECT: County Privacy and Security Agreements

The purpose of this letter is to provide counties with instructions for returning signed Medi-Cal Data Privacy and Security Agreements (Agreement) to the California Department of Health Care Services (DHCS). This letter supersedes All County Welfare Directors Letter No. 08-31. The purpose of the Agreement between DHCS and each County Welfare Department (CWD) is to ensure the security and privacy of the Medi-Cal Personally Identifiable Information. The federal Social Security Administration (SSA) is requiring that DHCS enter into these Agreements with CWDs because they are viewing SSA information during the Medi-Cal eligibility determination process.

CWDs should follow these instructions when returning signed agreements to DHCS. The CWD should not modify any of the Agreement language, except as instructed in this letter.

- CWDs should modify the Preamble of the Agreement in order to enter the name of the County and the CWD.

- CWDs should modify Section XVIII of the Agreement in order to enter signatory information.

- CWDs should modify the Header of the Agreement in order to enter the appropriate Agreement Number. The enclosed Agreement displays a sample Agreement Number of "12-XX." CWDs should replace the "XX" with the appropriate County number. For example, the County of Alameda would replace "12-XX" with "12-01" and the County of Alpine would replace "12-XX" with "12-02."

CWDs should send DHCS two copies of the Agreement which contain original signatures from CWD's authorized official. DHCS will sign both versions and return one of the Agreements to CWD. When sending the Agreements to DHCS, CWDs should include a contact name, contact telephone number, contact email address, and contact street address. DHCS would contact this person if necessary and would return the signed Agreement to the contact's street address. CWDs may submit additional versions of the Agreement with a request that DHCS return multiple copies to the CWD.

CWDs should ensure that DHCS receives the signed Agreements by December 10, 2012. CWDs should contact DHCS as soon as possible if the CWD is unable to submit a signed Agreement to DHCS by December 10, 2012. CWDs should send the Agreements to the following address:

Program Integrity and Security Unit
Policy Operations Branch
Medi-Cal Eligibility Division
Department of Health Care Services
1501 Capitol Avenue, MS 4607
P.O. Box 997417
Sacramento, CA 95899-7417

In the event that you need to contact DHCS regarding any of the information in this letter, please contact Mr. Manuel Urbina, Chief, Program Integrity and Security Unit, Policy Operations Branch, at manuel.urbina@dhcs.ca.gov or (916) 650-0160.

Original Signed By

Azadeh Fares, Chief (Acting)
Medi-Cal Eligibility Division

Attachment

MEDI-CAL PRIVACY AND SECURITY AGREEMENT BETWEEN the California Department of Health Care Services and the County of _____, Department of _____

PREAMBLE

The Department of Health Care Services (DHCS) and the County of _____, Department of _____ (County Department) enter into this Medi-Cal Data Privacy and Security Agreement (Agreement) in order to ensure the privacy and security of Medi-Cal Personally Identifiable Information (PII).

DHCS receives federal funding to administer California's Medicaid Program (Medi-Cal). County Department assists in the administration of Medi-Cal, in that DHCS and County Department access DHCS eligibility information for the purpose of determining eligibility for Medi-Cal.

This Agreement covers the County of _____, Department of _____ workers, who assist in the administration of Medi-Cal; and access, use, or disclose Medi-Cal PII.

DEFINITIONS

For the purpose of this Agreement, the following terms mean:

1. "Assist in the Administration of Medi-Cal" is performing an administrative function on behalf of Medi-Cal, and includes, but is not limited to, activities such as establishing eligibility and methods of reimbursement; determining the amount of medical assistance; providing services for recipients; conducting or assisting an investigation, prosecution, or civil or criminal proceeding related to the administration of Medi-Cal; and conducting or assisting a legislative investigation or audit related to the administration of Medi-Cal;

2. "Breach" shall have the meaning given to such term under the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 ("HIPAA") and its implementing regulations under the Information Practices Act, Civil Code section 1798.29, and under the Agreement between the Social Security Administration (SSA) and DHCS, known as the Information Exchange Agreement (IEA) (Exhibit A); this definition shall include these definitions as set out below and as my be amended in the future:

   a. "Breach" means the acquisition, access, use, or disclosure of protected health information in a manner not permitted under subpart E of this part which compromises the security or privacy of the protected health information." (HIPAA Regulation 45.C.F.R. 164.402);

b. "'Breach of the security of the system' means unauthorized acquisition of computerized data that compromises the security, confidentiality, or integrity of personal information maintained by the agency." (Civil C. § 1798.23 (d));

c. Breach "refers to actual loss, loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons other than authorized users and for other than authorized purposes have access have access or potential access to PII or Covered Information, whether physical, electronic, or in spoken work or recording." (IEA, Attachment 4, Electronic Information Exchange Security Requirements, Guidelines, and Procedures for Federal, State and Local Agencies Exchanging Electronic Information with the Social Security Administration, Exhibit. A).

3. "County Worker" means those county employees, contractors, subcontractors, vendors and agents performing job functions for the County that require access to and/or use of Medi-Cal PII and that are authorized by the County to access and use Medi-Cal PII.

4. "Medi-Cal PII" is information directly obtained in the course of performing an administrative function on behalf of Medi-Cal that can be used alone, or in conjunction with any other information, to identify a specific individual. PII includes any information that can be used to search for or identify individuals, or can be used to access their files, such as name, social security number, date of birth, driver's license number or identification number. PII may be electronic or paper; and

5. "Security Incident" means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of Medi-Cal PII, or interference with system operations in an information system which processes Medi-Cal PII that is under the control of the County or County's SAWS Consortium, or a contractor, subcontractor or vendor of the County.

AGREEMENTS

NOW THEREFORE, DHCS and County Department mutually agree as follows:

I. PRIVACY AND CONFIDENTIALITY

A. County Department workers covered by this Agreement (County Workers) may use or disclose Medi-Cal PII only as permitted in this Agreement and only to assist in the administration of Medi-Cal in accordance with Welfare and Institutions Code section 14100.2 and 42 Code of Federal Regulations section 431.300 et.seq., or as required by law. Disclosures, which are required by law, such as a court order, or are made with the explicit written authorization of the Medi-Cal client, are allowable. Any other use or

disclosure of Medi-Cal PII requires the express approval in writing of DHCS. No County Worker shall duplicate, disseminate or disclose Medi-Cal PII except as allowed in this Agreement.

B. Pursuant to this Agreement, County Workers may use Medi-Cal PII only to perform administrative functions related to determining eligibility for individuals applying for Medi-Cal.

C. Access to Medi-Cal PII shall be restricted to only County Workers, who need the Medi-Cal PII to perform their official duties to assist in the administration of Medi-Cal.

D. County Workers, who access, disclose or use Medi-Cal PII in a manner or for a purpose not authorized by this Agreement may be subject to civil and criminal sanctions contained in applicable federal and state statutes.

II. PERSONNEL CONTROLS

The County Department agrees to advise County Workers, who have access to Medi-Cal PII of the confidentiality of the information, the safeguards required to protect the information, and the civil and criminal sanctions for non-compliance contained in applicable federal and state laws. For that purpose, the County Department shall:

A. ***Employee Training***. Train and use reasonable measures to ensure compliance with the requirements of this Agreement by County Workers, who assist in the administration of Medi-Cal and use or disclose Medi-Cal PII, including;

1. Provide privacy and security awareness training to each new County Worker within 30 days of employment and thereafter, provide ongoing refresher training or reminders of the privacy and security safeguards in this Agreement to all County Workers, who assist in the administration of Medi-Cal and use or disclose Medi-Cal PII at least annually;

2. Maintain records indicating each County Worker's name and the date on which the privacy and security awareness training was completed;

3. Retain the most recent training records for a period of three years after completion of the training.

B. ***Employee Discipline***. Apply appropriate sanctions against workforce members, who fail to comply with privacy policies and procedures or any provisions of these requirements, including termination of employment where appropriate.

C. ***Confidentiality Statement***. Ensure that all County Workers, who assist in the administration of Medi-Cal, and use or disclose Medi-Cal PII, sign a confidentiality statement. The statement shall include at a minimum, General Use, Security and Privacy Safeguards, Unacceptable Use, and Enforcement Policies. The statement shall be signed by County Workers prior to accessing Medi-Cal PII and the most recent version shall be retained for a period of three years.

D. ***Background Check***. Conduct a background screening of a County Worker before a County Worker may access DHCS PII. The screening should be commensurate with the risk and magnitude of harm the employee could cause, with more thorough screening being done for those employees, who are authorized to bypass significant technical and operational security controls. County Department shall retain each County Worker's most recent background check documentation for a period of three years.

III. MANAGEMENT OVERSIGHT AND MONITORING

County Department agrees to:

A. Establish and maintain ongoing management oversight and quality assurance for monitoring workforce compliance with the privacy and security safeguards in this Agreement when using or disclosing Medi-Cal PII.

B. Ensure ongoing management oversight including periodic self-assessments and random sampling of work activity by County Workers, who assist in the administration of Medi-Cal and use or disclose Medi-Cal PII. DHCS shall provide the County Department with information on the Medi-Cal Eligibility Data System (MEDS) usage anomalies for investigation and follow-up.

C. Ensure these management oversight and monitoring activities are performed by County Workers, whose job functions are separate from those, who use or disclose Medi-Cal PII as part of their routine duties.

IV. INFORMATION SECURITY AND PRIVACY STAFFING

The County agrees to:

A. Designate information security and privacy officials who are accountable for compliance with these and all other applicable requirements stated in this agreement.

B. Assign county workers to be responsible for administration and monitoring of all security related controls stated in this Agreement.

V. PHYSICAL SECURITY

County Department shall ensure Medi-Cal PII is used and stored in an area that is physically safe from access by unauthorized persons during working hours and non-working hours. County Department agrees to safeguard Medi-Cal PII from loss, theft, or inadvertent disclosure and, therefore, agrees to:

A. Secure all areas of County Department facilities where County Workers assist in the administration of Medi-Cal and use or disclose Medi-Cal PII. The County Department shall ensure these secured areas are only accessed by authorized individuals with properly coded key cards, authorized door keys or access authorization; and access to premises is by official identification.

B. Issue County Workers, who assist in the administration of Medi-Cal identification badges and require County Workers to wear these badges at County Department facilities where Medi-Cal PII is stored or used.

C. Ensure each physical location, where Medi-Cal PII is used or stored, has procedures and controls that ensure an individual, who is terminated from access to the facility is promptly escorted from the facility by an authorized employee and access is revoked.

D. Ensure there are security guards or a monitored alarm system with or without security cameras 24 hours a day, 7 days a week at County Department facilities and leased facilities where a large volume of Medi- Cal PII is stored.

E. Ensure data centers with servers, data storage devices, and critical network infrastructure involved in the use or storage of Medi-Cal PII have perimeter security and access controls that limit access to only authorized Information Technology (IT) staff. Visitors to the data center area must be escorted by authorized IT staff at all times.

F. Store paper records with Medi-Cal PII in locked spaces, such as locked file cabinets, locked file rooms, locked desks or locked offices in facilities which are multi-use, meaning that there are County Department and non-County Department functions in one building in work areas that are not securely segregated from each other. County Department shall have policies that indicate County Workers are not to leave records with Medi- Cal PII unattended at any time in vehicles or airplanes and not to check such records in baggage on commercial airplanes.

G. Use all reasonable measures to prevent non-authorized personnel and visitors from having access to, control of, or viewing Medi-Cal PII.

VI. TECHNICAL SECURITY CONTROLS

A. ***Workstation/Laptop encryption***. All workstations and laptops, which store Medi-Cal PII either directly or temporarily, must be encrypted using a FIPS 140-2 certified algorithm 128bit or higher, such as Advanced Encryption Standard (AES). The encryption solution must be full disk.

B. ***Server Security***. Servers containing unencrypted Medi-Cal PII must have sufficient administrative, physical, and technical controls in place to protect that data, based upon a risk assessment/system security review.

C. ***Minimum Necessary***. Only the minimum necessary amount of Medi-Cal PII required to perform necessary business functions may be copied, downloaded, or exported.

D. ***Removable media devices***. All electronic files, which contain Medi-Cal PII data, must be encrypted when stored on any removable media or portable device (i.e. USB thumb drives, floppies, CD/DVD, smartphones, backup tapes etc.). Encryption must be a FIPS 140-2 certified algorithm 128bit or higher, such as AES.

E. ***Antivirus software***. All workstations, laptops and other systems, which process and/or store Medi-Cal PII, must install and actively use comprehensive anti-virus software solution with automatic updates scheduled at least daily.

F. ***Patch Management***. All workstations, laptops and other systems, which process and/or store Medi-Cal PII, must have critical security patches applied, with system reboot if necessary. There must be a documented patch management process that determines installation timeframe based on risk assessment and vendor recommendations. At a maximum, all applicable patches deemed as high risk must be installed within 30 days of vendor release. Applications and systems that cannot be patched within this time frame, due to significant operational reasons, must have compensatory controls implemented to minimize risk.

G. ***User IDs and Password Controls***. All users must be issued a unique user name for accessing Medi-Cal PII. Username must be promptly disabled, deleted, or the password changed upon the transfer or termination of an employee with knowledge of the password, at maximum within 24 hours. Passwords are not to be shared. Passwords must be at least eight characters and must be a non-dictionary word. Passwords must not be stored in readable format on the computer. Passwords must be changed every 90 days, preferably every 60 days. Passwords must be changed if revealed or compromised. Passwords must be composed of characters from at least three of the following four groups from the standard keyboard:
- Upper case letters (A-Z)
- Lower case letters (a-z)
- Arabic numerals (0-9)
- Non-alphanumeric characters (punctuation symbols)

H. ***User Access***. Exercise management control and oversight, in conjunction with DHCS, of the function of authorizing individual user access to Social Security Administration (SSA) data, MEDS, and over the process of issuing and maintaining access control numbers and passwords.

I. ***Data Destruction***. When no longer needed, all Medi-Cal PII must be wiped using the Gutmann or U.S. Department of Defense (DoD) 5220.22-M (7 Pass) standard, or by degaussing. Media may also be physically destroyed in accordance with NIST Special Publication 800-88.

J. ***System Timeout***. The system providing access to Medi-Cal PII must provide an automatic timeout, requiring re-authentication of the user session after no more than 20 minutes of inactivity.

K. ***Warning Banners***. All systems providing access to Medi-Cal PII must display a warning banner stating that data is confidential, systems are logged, and system use is for business purposes only by authorized users. User must be directed to log off the system if they do not agree with these requirements.

L. ***System Logging***. The system must maintain an automated audit trail that can identify the user or system process, initiates a request for Medi-Cal PII, or alters Medi-Cal PII. The audit trail must be date and time stamped, must log both successful and failed accesses, must be read only, and must be restricted to authorized users. If Medi-Cal PII is stored in a database, database logging functionality must be enabled. Audit trail data must be archived for at least three years after occurrence.

M. ***Access Controls***. The system providing access to Medi-Cal PII must use role based access controls for all user authentications, enforcing the principle of least privilege.

N. ***Transmission encryption***. All data transmissions of Medi-Cal PII outside the secure internal network must be encrypted using a FIPS 140-2 certified algorithm that is 128bit or higher, such as AES. Encryption can be end to end at the network level, or the data files containing Medi-Cal PII can be encrypted. This requirement pertains to any type of Medi-Cal PII in motion such as website access, file transfer, and E-Mail.

O. ***Intrusion Detection***. All systems involved in accessing, holding, transporting, and protecting Medi-Cal PII, which are accessible through the Internet, must be protected by a comprehensive intrusion detection and prevention solution.

VII. AUDIT CONTROLS

A. ***System Security Review***. County Department must ensure audit control mechanisms that record and examine system activity are in place. All systems processing and/or storing Medi-Cal PII must have at least an annual system risk assessment/security review that ensures administrative, physical, and technical controls are functioning effectively and provide an adequate levels of protection. Reviews should include vulnerability scanning tools.

B. ***Log Reviews***. All systems processing and/or storing Medi-Cal PII must have a routine procedure in place to review system logs for unauthorized access.

C. ***Change Control***. All systems processing and/or storing Medi-Cal PII must have a documented change control procedure that ensures separation of duties and protects the confidentiality, integrity and availability of data.

D. ***Anomalies***. Investigate anomalies in MEDS usage identified by DHCS and report conclusions of such investigations and remediation to DHCS.

VIII. BUSINESS CONTINUITY / DISASTER RECOVERY CONTROLS

A. ***Emergency Mode Operation Plan***. County Department must establish a documented plan to enable continuation of critical business processes and protection of the security of Medi-Cal PII kept 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.

B. ***Data Centers***. Data centers with servers, data storage devices, and critical network infrastructure involved in the use or storage of Medi-Cal PII, must include sufficient environmental protection such as cooling, power, and fire prevention, detection, and suppression.

C. ***Data Backup Plan***. County Department must have established documented procedures to backup Medi-Cal PII to maintain retrievable exact copies of Medi-Cal PII. 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 Medi-Cal PII should it be lost. At a minimum, the schedule must be a weekly full backup and monthly offsite storage of Medi-Cal data.

IX. PAPER DOCUMENT CONTROLS

A. ***Supervision of Data***. Medi-Cal PII in paper form shall not be left unattended at any time, unless it is locked in a file cabinet, file room, desk or office. Unattended means that information is not being observed by an employee authorized to access the information. Medi-Cal PII in paper form shall not be left unattended at any time in vehicles or planes and shall not be checked in baggage on commercial airplanes.

B. ***Escorting Visitors***. Visitors to areas where Medi-Cal PII is contained shall be escorted and Medi-Cal PII shall be kept out of sight while visitors are in the area.

C. ***Confidential Destruction***. Medi-Cal PII must be disposed of through confidential means, such as cross cut shredding and pulverizing.

D. ***Removal of Data***. Medi-Cal PII must not be removed from the premises of County Department except for identified routine business purposes or with express written permission of DHCS.

E. ***Faxing***. Faxes containing Medi-Cal PII shall not be left unattended and fax machines shall be in secure areas. Faxes shall contain a confidentiality statement notifying persons receiving faxes in error to destroy them. Fax numbers shall be verified with the intended recipient before sending the fax.

F. ***Mailing***. Mailings containing Medi-Cal PII shall be sealed and secured from damage or inappropriate viewing of PII to the extent possible. Mailings that include 500 or more individually identifiable records containing Medi-Cal PII in a single package shall be sent using a tracked mailing method that includes verification of delivery and receipt, unless the prior written permission of DHCS to use another method is obtained.

X. NOTIFICATION AND INVESTIGATION OF BREACHES AND SECURITY INCIDENTS

During the term of this PSA, County Department 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 DHCS***. (1) To notify DHCS **immediately by telephone call plus email or fax** upon the discovery of a breach of unsecured Medi-Cal PII in electronic media or in any other media if the PII was, or is reasonably believed to have been, accessed or acquired by an unauthorized person, or upon the discovery of a suspected security incident that involves data provided to DHCS by the SSA. (2) To notify DHCS **within 24 hours by email or fax** of the discovery of any breach, security incident, intrusion, or unauthorized access, use, or disclosure of Medi-Cal PII in violation of this Agreement and this Addendum, or potential loss of confidential data affecting this Agreement. A breach shall be treated as discovered by County Department 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 County Department. Notice shall be provided to the DHCS Program Contract Manager, the DHCS Privacy Officer and the DHCS Information Security Officer. If the incident occurs after business hours or on a weekend or holiday and involves electronic PII, notice shall be provided by calling the DHCS ITSD Service Desk. Notice shall be made using the "DHCS Privacy Incident Report" form, including all information known at the time. County Department shall use the most current version of this form, which is posted on the DHCS Privacy Office website (www.dhcs.ca.gov, then select "Privacy" in the left column and then "County Use" near the middle of the page) or use this link: http://www.dhcs.ca.gov/formsandpubs/laws/priv/Pages/CountiesOnly.aspx Upon discovery of a breach, security incident, intrusion, or unauthorized access, use, or disclosure of Medi-Cal PII, County Department shall take:

1. Prompt corrective action to mitigate any risks or damages involved with the breach and to protect the operating environment; and

2. Any action pertaining to such unauthorized disclosure required by applicable Federal and State laws and regulations.

B. ***Investigation and Investigative Report***. To immediately investigate a breach, security incident, intrusion, or unauthorized access, use, or disclosure of Medi-Cal PII, within 72 hours of the discovery, County Department shall submit an updated "DHCS 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 DHCS Program Contract Manager, the DHCS Privacy Officer, and the DHCS Information Security Officer.

C. ***Complete Report***. To provide a complete report of the investigation to the DHCS Program Contract Manager, the DHCS Privacy Officer, and the DHCS Information Security Officer within ten working days of the discovery of a breach, security incident, intrusion, or unauthorized access, use, or disclosure. The report shall be submitted on the "DHCS 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, the HIPAA regulations and/or state law. 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 DHCS requests information in addition to that listed on the "DHCS Privacy Incident Report" form, County Department shall make reasonable efforts to provide DHCS with such information. 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 "DHCS Privacy Incident Report" form. DHCS will review and approve the determination of whether a breach occurred and individual notifications are required, and the corrective action plan.

D. ***Notification of Individuals***. If the cause of a breach of Medi-Cal PII is attributable to County Department or its subcontractors, agents or vendors, County Department shall notify individuals of the breach or unauthorized use or disclosure when notification is required under state or federal law and shall pay any costs of such notifications, as well as any costs associated with the breach. The notifications shall comply with the requirements set forth in 42 U.S.C. section 17932, and its implementing regulations, including, but not limited to, the requirement that the notifications be made without unreasonable delay and in no event later than 60 calendar days. The DHCS Program Contract Manager, the DHCS Privacy Officer, and the DHCS Information Security Officer shall approve the time, manner and content of any such notifications and their review and approval must be obtained before the notifications are made.

E. ***Responsibility for Reporting of Breaches***. If the cause of a breach of Medi-Cal PII is attributable to County Department or its agents, subcontractors or vendors, County Department is responsible for all required reporting of the breach as specified in 42 U.S.C. section 17932 and its implementing regulations, including notification to media outlets and to the Secretary, U.S. Department of Health and Human Services. If a breach of unsecured PII involves more than 500 residents of the State of California or its jurisdiction, County Department shall notify the federal Secretary, Department of Health and Human Services, of the breach immediately upon discovery of the breach. If County Department has reason to believe that duplicate reporting of the same breach or incident may occur because its subcontractors, agents or vendors may report the breach or incident to DHCS in addition to County Department, County Department shall notify DHCS, and DHCS and County Department may take appropriate action to prevent duplicate reporting.

F. ***DHCS Contact Information***. To direct communications to the above referenced DHCS staff, the County Department shall initiate contact as indicated herein. DHCS reserves the right to make changes to the contact information below by giving written notice to the County Department. Said changes shall not require an amendment to this Addendum or the Agreement to which it is incorporated.

DHCS Program Contract Manager	**DHCS Privacy Officer**	**DHCS Information Security Officer**
Program Integrity and Security Unit Policy Operations Branch Medi-Cal Eligibility Division 1501 Capitol Avenue, MS 4607 P.O. Box 997417 Sacramento, CA 95899-7417 Telephone: (916) 552-9200	Privacy Officer c/o: Office of HIPAA Compliance DHCS Privacy Office, MS 4722 P.O. Box 997413 Sacramento, CA 95899-7413 Email: privacyofficer@dhcs.ca.gov Telephone: (916) 445-4646 Fax: (916) 440-7680	Information Security Officer DHCS Information Security Office, MS 6400 P.O. Box 997413 Sacramento, CA 95899-7413 Email: iso@dhcs.ca.gov Fax: (916) 440-5537 Telephone: ITSD Service Desk (916) 440-7000 or (800) 579-0874

XI. COMPLIANCE WITH SSA AGREEMENT

County Department agrees to comply with substantive privacy and security requirements in the Computer Matching and Privacy Protection Act Agreement between SSA and the California Health and Human Services Agency (CHHS) and in the Agreement between SSA and DHCS, known as the Information Exchange Agreement (IEA), which are appended and hereby incorporated into this Agreement (Exhibit A). The specific sections of the IEA with substantive privacy and security requirements, which are to be complied with by County Department are in the following sections: E, Security Procedures; F. Contractor/Agent Responsibilities; G, Safeguarding and Reporting Responsibilities for PII, and in Attachment 4, Electronic Information Exchange Security Requirements, Guidelines, and Procedures for Federal, State and Local Agencies Exchanging Electronic Information with SSA. If there is any conflict between a privacy and security standard in these sections of the IEA and a standard in this Agreement, the most stringent standard shall apply. The most stringent standard means the standard which provides the greatest protection to Medi-Cal PII.

XII. COUNTY DEPARTMENT'S AGENTS AND SUBCONTRACTORS

County Department agrees to enter into written agreements with any agents, including subcontractors and vendors, to whom County Department provides Medi-Cal PII received from or created or received by County Department in performing functions or activities related to the administration of Medi-Cal that impose the same restrictions and conditions on such agents, subcontractors and vendors that apply to County Department with respect to Medi-Cal PII, including restrictions on disclosure of Medi-Cal PII and the use of appropriate administrative, physical, and technical safeguards to protect such Medi-Cal PII. County Department shall incorporate, when applicable, the relevant provisions of this PSA into each subcontract or subaward to such agents, subcontractors and vendors, including the requirement that any breach, security incident, intrusion, or unauthorized access, use, or disclosure of Medi-Cal PII be reported to County Department.

XIII. ASSESSMENTS AND REVIEWS

In order to enforce this Agreement and ensure compliance with its provisions, the County Department agrees to allow DHCS to inspect the facilities, systems, books, and records of County Department, with reasonable notice from DHCS, in order to perform assessments and reviews. Such inspections shall be scheduled at times that take into account the operational and staffing demands. County Department agrees to promptly remedy any violation of any provision of this Agreement and certify the same to the DHCS Privacy Officer and DHCS Information Security Officer in writing, or to enter into a written corrective action plan with DHCS containing deadlines for achieving compliance with specific provisions of this Agreement.

XIV. ASSISTANCE IN LITIGATION OR ADMINISTRATIVE PROCEEDINGS

In the event of litigation or administrative proceedings involving DHCS based upon claimed violations by County Department of the privacy or security of Medi-Cal PII, or federal or state laws or agreements concerning privacy or security of Medi-Cal PII, County Department shall make all reasonable effort to make itself and County Workers assisting in the administration of Medi-Cal and using or disclosing Medi-Cal PII available to DHCS at no cost to DHCS to testify as witnesses. DHCS shall also make all reasonable efforts to make itself and any subcontractors, agents, and employees available to County Department at no cost to County Department to testify as witnesses, in the event of litigation or administrative proceedings involving County Department based upon claimed violations by DHCS of the privacy or security of Medi-Cal PII, or state or federal laws or agreements concerning privacy or security of Medi-Cal PII.

XV. AMENDMENT OF AGREEMENT

DHCS and County Department acknowledge that federal and state laws relating to data security and privacy are rapidly evolving and that amendment of this PSA may be required to provide for procedures to ensure compliance with such developments. Upon request by DHCS, County Department agrees to promptly enter into negotiations concerning an amendment to this PSA as may be needed by developments in federal and state laws and regulations. DHCS may terminate this PSA upon thirty (30) days written notice if County Department does not promptly enter into negotiations to amend this PSA when requested to do so, or does not enter into an amendment that DHCS deems necessary.

XVI. TERMINATION

This PSA shall terminate three years after the date it is executed, unless the parties agree in writing to extend its term. All provisions of this PSA that provide restrictions on disclosures of Medi-Cal PII and that provide administrative, technical, and physical safeguards for the Medi-Cal PII in County Department's possession shall continue in effect beyond the termination of the PSA, and shall continue until the Medi-Cal PII is destroyed or returned to DHCS.

XVII. TERMINATION FOR CAUSE

Upon DHCS' knowledge of a material breach or violation of this Agreement by User, DHCS may provide an opportunity for User to cure the breach or end the violation and may terminate this Agreement if User does not cure the breach or end the violation within the time specified by DHCS. DHCS may terminate this Agreement immediately if User has breached a material term and DHCS determines, in its sole discretion, that cure is not possible or available under the

circumstances. Upon termination of this Agreement, User must destroy all PHI and PCI in accordance with Section VI.I, above. The provisions of this Agreement governing the privacy and security of the PHI and PCI shall remain in effect until all PHI and PCI is destroyed and DHCS receives a certificate of destruction.

XVIII. SIGNATORIES

The signatories below warrant and represent that they have the competent authority on behalf of their respective agencies to enter into the obligations set forth in this Agreement.

The authorized officials whose signatures appear below have committed their respective agencies to the terms of this Agreement. The contract is effective on the day the final signature is obtained.

For the County of_____ Department of _____,

_____ _____
(Signature) (Date)

_____ _____
(Name) (Title)

For the Department of Health Care Services,

_____ _____
(Signature) (Date)

_____ _____
(Name) (Title)

Exhibit A: Agreement between SSA and CHHS, and Agreement between SSA and DHCS with Attachment "Information System Security Guidelines for Federal, State and Local Agencies Receiving Electronic Information from the SSA." This is a sensitive document that is provided separately to the County's privacy and security office.