



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Social Services
Department No.: 044
For Agenda Of: 3/24/09
Placement: Administrative
Estimated Time:
Continued Item: No
If Yes, date from:
Vote Required: 4/5

TO: Board of Supervisors

FROM: Department Kathy M. Gallagher, Director
Director(s) Department of Social Services
805 346-7101
Contact Info: Terrie Concellos, Deputy Director
805 681-4620

SUBJECT: Budget Revision Request for Medi-Cal Data Privacy and Security Project

County Counsel Concurrence

As to form: No

Auditor-Controller Concurrence

As to form: Yes

Other Concurrence: No

As to form: No

Recommended Actions:

1. Authorize and approve a Budget Revision Request to increase appropriations in the amount of \$850,000 of unanticipated revenue. These funds will fund necessary expenditures to comply with the Medi-Cal Data Privacy and Security Project.

Summary Text: Approval of the requested action will provide the California Department of Health Services with an assurance that the County's Department of Social Services will have security and privacy measures in place to protect Personally Identifiable Information accessed by the County from the State's Medi-Cal Eligibility Determination System (MEDS). Total cost for the entire project is estimated at \$1.72 million, (\$850k in FY 2008-09 and \$866k in FY 2009-10). The State Department of Health Care Services is committed to funding the remaining costs in FY 09-10.

Background: To access data from the Federal Social Security Administration (SSA), the State Department of Health Care Services (DHCS) is required to enter into a data sharing agreement with SSA. DHCS operates the Medi-Cal Eligibility Determination System (MEDS), which enables California counties to access the data covered under the DHCS-SSA agreement. Counties access MEDS data to track, confirm, and/or determine eligibility for public assistance programs.

As a result of recent directives from the Federal Office of Management and Budget, SSA introduced substantial changes in the data sharing agreement with DHCS, including limiting access to SSA data

only to authorized individuals who need it to perform their official duties, such as county eligibility workers who determine eligibility for public assistance programs. Additional provisions include enhanced security procedures related to protecting the privacy of SSA data containing personally identifiable information (PII).

The data sharing agreement between SSA and DHCS requires DHCS to diligently oversee the SSA data being accessed by multiple users (agents and contractors of DHCS) throughout the State. As agents of DHCS and the State in the administration of the Medi-Cal program, counties must conform to the SSA's security and disclosure standards outlined in the SSA-DHCS data sharing agreement. This is a high priority project for DHCS because non-compliance could result in the loss of Federal Medicaid funding to the State.

The Medi-Cal Data Privacy and Security agreement lays out the terms and conditions for compliance with:

- Privacy and confidentiality assurance measures;
- Employee orientation and training regarding privacy and confidentiality;
- Management and oversight of workplace compliance with privacy and confidentiality measures;
- Physical security of records;
- Computer security safeguards;
- Paper document controls; and
- Notification and investigation of breaches.

The agreement states the expectation that the County be in substantial compliance with all provisions by July 1, 2010, and have developed a plan to ensure the stated terms and conditions are met as required.

Performance Measure:

Fiscal and Facilities Impacts:

Budgeted: No **Fiscal Analysis:**

Funding for security enhancements to bring the Santa Barbara County Department of Social Services (DSS) into compliance with the Medi-Cal Data Privacy and Security Agreement is provided as part of the County's Fiscal Year 2008-09 Medi-Cal allocation. The State evaluated counties' needs for additional funding on a case-by-case basis. The agreement stipulates that substantial compliance must be met no later than July 1, 2010. Therefore, any compliance standards not met in the current fiscal year would need to be completed in Fiscal Year 2009-2010. The FY 2008-09 allocation will only partially bring DSS into compliance. Additional resources will be necessary to fully comply with the security requirements. It is estimated that an additional \$866,000 will be necessary in FY 2009-10 to fully implement all of the necessary security initiatives for an estimated total of \$1,716,000. The State Department of Health Services is committed to funding the remaining costs in FY 09-10.

<u>Funding Sources</u>	<u>Current FY Cost:</u>	<u>Annualized On-going Cost:</u>	<u>Total One-Time Project Cost</u>
General Fund			
State	\$ 425,000.00		\$ 858,000.00
Federal	\$ 425,000.00		\$ 858,000.00
Fees			
Other:			
Total	\$ 850,000.00		\$ 1,716,000.00

Narrative:

Funding for this project has been provided through the FY 08-09 Medi-Cal allocation, 50% State and 50% Federal. No additional General Fund dollars are required for this effort.

Staffing Impacts:

Legal Positions:

FTEs:

Special Instructions:

After execution by the Chair, please return one (1) originally signed agreement for the Contractor, the Department copies of the agreements and one (1) copy of the minute order, attention: Diana Klopp

Attachments:

Medi-Cal Data Privacy and Security Agreement
Budget Revision Request

Authored by: Victor Zambrano