



RICK SCOTT  
GOVERNOR

JUSTIN M. SENIOR  
SECRETARY

July 11, 2017

Mr. Justin M. Senior, Secretary  
Agency for Health Care Administration  
2727 Mahan Drive  
Tallahassee, FL 32308

Dear Secretary Senior,

Enclosed is a six-month status report on the Auditor General's *Agency for Health Care Administration Fraud and Abuse Case Tracking System*, Report Number 2017-093, issued January 2017. This status report is issued in accordance with the statutory requirement to report on corrective actions resulting from the Auditor General's recommendations six months from the report date.

If you have any questions about this status report, please contact Mary Beth Sheffield at 412-3978.

Sincerely,

Mary Beth Sheffield  
Interim Inspector General

MBS/szg

Enclosure: Six-Month Status Report of AG Report# 2017-093  
cc/enc: Joint Legislative Auditing Committee  
Eric W. Miller, Chief Inspector General, EOG  
Kelly Bennett, Chief, Medicaid Program Integrity  
Scott Ward, Chief Information Officer, Information Technology



Florida Agency for Health Care Administration  
Auditor General IT Operational Audit (Report No. 2017-093)  
Six-Month Status Report as of July 11, 2017

Finding #1	Recommendation	Previous Management Response(s)	Status of Finding as of July 11, 2017	Management Response as of July 11, 2017 and Agency Contact
<p><b>Information Security Program Plan.</b> The Agency's Information Technology Security Plan needs improvement to provide for comprehensive and current Agencywide security controls to protect the Agency's IT resources.</p>	<p>We recommend that the Agency improve security controls that protect the Agency's IT resources by ensuring that the Agency's Information Technology Security Plan is kept current and includes an information security risk management process. Additionally, we recommend that the Information Technology Security Plan describe the controls in place or planned to meet the security requirements for the Agencywide information security program.</p>	<p>The AHCA Division of IT will update the Information Technology Security Plan (ITSP).</p> <p><b>Estimated Corrective Action Date:</b> March 1, 2017</p>	<p>Fully Corrected</p>	<p>The Agency has a new Information Security Program Plan.</p> <p>Karen Calhoun (850) 412-4849</p>

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Finding #2	Recommendation	Previous Management Response(s)	Status of Finding as of July 11, 2017	Management Response as of July 11, 2017 and Agency Contact
<p><b>Security Administration Procedures.</b> The Agency had not developed written security administration procedures for authorizing and assigning user access accounts to FACTS.</p>	<p>We recommend that Agency management develop documented and approved security administration procedures for authorizing and assigning user access accounts to FACTS to ensure that access privileges granted are appropriately controlled according to management's expectations.</p>	<p>The Agency's Bureau of Medicaid Program Integrity (MPI) currently has written procedures in place but will develop written FACTS access management policies for authorizing and assigning user access accounts to FACTS.</p> <p><b><i>Estimated Corrective Action Date:</i></b> July 1, 2017</p>	<p>Partially Corrected</p>	<p>Internal Operating Procedures (IOP) Completed. Access oversight is ongoing. Official Access Form under construction and full reconciliation to be completed by August 31, 2017. System enhancements, numerous audits, and preparation for annual report for executive branch completed with full implementation of this task.</p> <p>Shannon Bagenholm (850) 412-4645</p> <p>Ken Yon (850) 412-4637</p>



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Finding #3	Recommendation	Previous Management Response(s)	Status of Finding as of July 11, 2017	Management Response as of July 11, 2017 and Agency Contact
				Shannon Bagenholm (850) 412-4645  Ken Yon (850) 412-4637

Finding #4	Recommendation	Previous Management Response(s)	Status of Finding as of July 11, 2017	Management Response as of July 11, 2017 and Agency Contact
<b>Access Control Alignment.</b> User access roles for FACTS were not adequately correlated to users' assigned job duties.	We recommend that the Agency develop FACTS user roles that reflect the required level of FACTS access privileges based on users' assigned job duties.	See response to Finding #2. MPI will incorporate adequate correlation of user access roles to users' assigned job duties in the FACTS access management policies.  <b>Estimated Corrective Action Date:</b> July 1, 2017	Partially Corrected	IOP Completed. Access oversight is ongoing. Official Access Form under construction and full reconciliation to be completed by August 31, 2017. System enhancements, numerous audits, and preparation for annual report for executive branch completed with full implementation of this task.  Shannon Bagenholm (850) 412-4645  Ken Yon (850) 412-4637

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Finding #5	Recommendation	Previous Management Response(s)	Status of Finding as of July 11, 2017	Management Response as of July 11, 2017 and Agency Contact
<p><b>Appropriateness of Access Privileges.</b> The access privileges for some FACTS users did not promote an appropriate separation of duties and did not restrict users to only those functions necessary for their assigned job duties.</p>	<p>We recommend that Agency management limit user access privileges to FACTS to promote an appropriate separation of duties and to restrict users to only those user access privileges and functions necessary for the users' assigned job duties.</p>	<p>See response to Finding #2. MPI will define the appropriateness of user access privileges and roles in the FACTS access management policies.</p> <p><b><i>Estimated Corrective Action Date:</i></b> July 1, 2017</p>	<p>Partially Corrected</p>	<p>IOP Completed. Access oversight is ongoing. Official Access Form under construction and full reconciliation to be completed by August 31, 2017. System enhancements, numerous audits, and preparation for annual report for executive branch competed with full implementation of this task.</p> <p>Shannon Bagenholm (850) 412-4645</p> <p>Ken Yon (850) 412-4637</p>



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Finding #7	Recommendation	Previous Management Response(s)	Status of Finding as of July 11, 2017	Management Response as of July 11, 2017 and Agency Contact
<p><b>Timely Deactivation of Access Privileges.</b> The Agency did not timely deactivate the access privileges of FACTS user accounts for users who separated from Agency employment or transferred into positions that did not require access to FACTS.</p>	<p>We recommend that Agency management ensure that FACTS user account access privileges of former users are timely deactivated to prevent former users or others from misusing the access privileges.</p>	<p>See response to Finding #2. MPI will address the timely deactivation of user access privileges in the FACTS access management policies.</p> <p><b>Estimated Corrective Action Date:</b> July 1, 2017</p>	<p>Partially Corrected</p>	<p>IOP Completed. Access oversight is ongoing. Official Access Form and full reconciliation to be completed by August 31, 2017. System enhancements, numerous audits, and preparation for annual report for executive branch competed with full implementation of this task.</p> <p>Shannon Bagenholm (850) 412-4645</p> <p>Ken Yon (850) 412-4637</p>

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Finding #8	Recommendation	Previous Management Response(s)	Status of Finding as of July 11, 2017	Management Response as of July 11, 2017 and Agency Contact
<p><b>Configuration Management Controls.</b> Agency configuration management controls for FACTS need improvement to ensure that controls are in place to provide reasonable assurance that all configuration changes moved into the production environment follow an established configuration management process and are properly authorized, tested, and approved.</p>	<p>We recommend that Agency management ensure that controls are in place to provide reasonable assurance that all configuration changes that are moved into the production environment follow an established configuration management process and are properly authorized, tested, and approved.</p>	<p>The Division of IT will revise its Change Control Process policy and procedures to address Software-as-a-Service (SaaS) solution needs.</p> <p><b>Estimated Corrective Action Date:</b> July 1, 2017</p> <p>MPI will refer to the response provided by IT.</p>	<p>Not Corrected</p>	<p>The Division of IT is evaluating how to address this recommendation. Estimated Completion date: 12/31/17</p> <p>Karen Calhoun (850) 412-4849</p> <p>MPI Response: IT to respond.</p> <p>Shannon Bagenholm (850) 412-4645</p> <p>Ken Yon (850) 412-4637</p>

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Finding #9	Recommendation	Previous Management Response(s)	Status of Finding as of July 11, 2017	Management Response as of July 11, 2017 and Agency Contact
<p><b>Security Controls – User Authentication, Logging, and Access Controls.</b>            Certain security controls related to user authentication, logging, and access controls for FACTS and related IT resources need improvement to ensure the confidentiality, integrity, and availability of FACTS data and related IT resources.</p>	<p>We recommend that Agency management improve certain security controls related to user authentication, logging, and access controls to ensure the confidentiality, integrity, and availability of FACTS data and related IT resources.</p>	<p>The Agency will improve certain security controls as identified in the recommendation.</p> <p><b>Estimated Corrective Action Date:</b>            July 1, 2017</p> <p>MPI will refer to the response provided by IT.</p>	<p>Partially Corrected</p>	<p>The Agency has remediated some of the recommendations and work is in progress for the remainder. Date of completion is contingent on a security-related procurement.</p> <p>Karen Calhoun            (850) 412-4849</p> <p>MPI Response: IT to respond.</p> <p>Shannon Bagenholm            (850) 412-4645</p> <p>Ken Yon            (850) 412-4637</p>