



State of Louisiana

Department of Health and Hospitals
Bureau of Health Services Financing

August 15, 2011

The Honorable Joel T. Chaisson, II, President
Louisiana State Senate
P.O. Box 94183, Capitol Station
Baton Rouge, LA 70804-9183

The Honorable Jim Tucker, Speaker
Louisiana State House of Representatives
P.O. Box 94062, Capitol Station
Baton Rouge, LA 70804-9062

The Honorable Kay Katz, Chair
House Health and Welfare Committee
Louisiana State House of Representatives
P.O. Box 44486, Capitol Station
Baton Rouge, LA 70804-4486

The Honorable Willie L. Mount, Chair
Senate Health and Welfare Committee
Louisiana State Senate
P.O. Box 94183, Capitol Station
Baton Rouge, LA 70804-9183

Dear President Chaisson, Speaker Tucker, and Honorable Chairs:

We are writing this letter pursuant to HCR 19 of the 2011 Regular Session. This concurrent resolution requests the Louisiana Department of Health and Hospitals to minimize the use of complete social security numbers of its clients, assess the overall security of client identifying information, and report findings of the assessment to both the House and Senate Committees on Health and Welfare.

The DHH/Medical Vendor Administration uses Social Security Numbers in many of the Medicaid eligibility systems to identify individuals. The agency takes the protection of this information seriously and makes every effort to reduce the risk of compromised data.

Required by federal regulation, per 42 CFR 435.910, the Medicaid agency must require as a condition of eligibility, that each individual (including children) requesting Medicaid services furnish their SSN. It also states the agency must verify the SSN with Social Security Administration (SSA). The SSN is used in verifying income and resources of clients with financial institutions. CMS requires SSN as part of its Medicaid Statistical reporting requirements.

Current programming for the Medicaid Eligibility Data System (MEDS) requires entry of an individual's Social Security Number (SSN) in order to add a person to the system. This unique identifier is used for matching purposes, along with first name, last name and date of birth; prevention of duplicate entry/eligibility; and aids in the exchange of information with both internal and external agencies.

Although there are a number of internal interfaces (Ex: Vital Records, LaHIPP, etc.) which currently use the SSN as a unique identifier for person matching purposes, the following is a list of external interfaces which require the use of applicant/recipient SSN.

Social Security Administration (SSA)

Supplemental Security Income (SDX)

Benefit Data Exchange (BENDEX)

Low Income Subsidy (LIS)

Center for Medicare and Medicaid Services (CMS)

Medicare Buy-In

Medicare Enrollment Database (EDB)

Medicare Modernization Act (MMA)

Medicare Modernization Act Territory Batch Query (MMATBQ)

File transfers to these agencies is accomplished using Connect Direct—a file transfer product commonly used to transfer files between midrange and mainframe computers. Connect Direct is considered a private line and safe.

Department of Children and Family Services (DCFS)

Temporary Assistance for Needy Families (TANF)

Supplemental Nutrition Assistance Program (SNAP)

CLIENT system

Louisiana Support Enforcement Services (LASES)

Public Assistance Reporting Information System (PARIS) – *the PARIS system has links to the Department of Defense, the Veteran's Administration and Interstate matches for Medicaid, Food Stamp, TANF, General Assistance or SSI information*

State Income and Eligibility System (SIEVS) – *SIEVS has links to the Social Security Administration, Internal Revenue Service and the Louisiana Department of Labor*

Since DHH and DCFS share a common mainframe, files are shared on the mainframe. Access is based on high level qualifiers.

Office of Group Benefits

Premium Payment System

The 834 file transfer with the Office of Group Benefits is accomplished using PGP encryption software.

In an effort to reduce the risk of identity theft and to assess the overall security of client identifying information, the Department of Health and Hospitals has recently made changes to the Facility Notification System used by providers and Medicaid eligibility staff to report admissions, transfers and changes for nursing patients, to display only the last four digits of the SSN. A similar change is also being planned for other systems used to exchange information with Medicaid providers. Also, changes were made to the Notice system in 2007 to remove Social Security Numbers from all notices generated to an applicant or enrollee.

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Should you have any questions or need additional information, please contact Diane Batts, Acting Medicaid Deputy Director, at (225) 342-2300 or by email at Diane.Batts@la.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Don Gregory". The signature is stylized with a large "D" and "G".

Don Gregory
Medicaid Director

DG:DSB:rs

Cc: Representative Page Cortez
Honorable Members of the House Health and Welfare Committee
Honorable Members of the Senate Health and Welfare Committee
David R. Poynter Legislative Research Library