

AP/AL: Appropriation **Project Type:** Life / Health / Safety
Category: Public Protection
Location: Statewide **House District:** Statewide (HD 1-40)
Impact House District: Statewide (HD 1-40) **Contact:** Cheryl Lowenstein
Estimated Project Dates: 07/01/2012 - 06/30/2017 **Contact Phone:** (907)465-5655

Brief Summary and Statement of Need:

The Division of Retirement and Benefits (DRB) systems house important data regarding health care eligibility and premium payments. DRB is defined as the Covered Entity for both the active and retiree health plans. This means that DRB is legally mandated by the Health Insurance Portability and Accounting Act to develop a continuity of operation plan for critical IT systems that have access to electronic protected health information.

Funding:	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	Total
Ben Sys	\$120,000						\$120,000
Jud Retire	\$1,500						\$1,500
Nat Guard	\$4,600						\$4,600
P/E Retire	\$141,300						\$141,300
Teach Ret	\$57,600						\$57,600
Total:	\$325,000	\$0	\$0	\$0	\$0	\$0	\$325,000

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input checked="" type="checkbox"/> Phased - underway	<input type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	
Totals:	0	0

Additional Information / Prior Funding History:

\$796,200 SB 46 Ch 5 FSSLA 11 Sec 1 Pg 2

Project Description/Justification:

This is the second and final phase of the Disaster Recovery and Continuity of Operations Plan (COOP). The Division of Retirement and Benefits (DRB) is defined as the Covered Entity for both the active and retiree health plans and is legally mandated by the Health Insurance Portability and Account Act to comply with the contingency plan standard for electronic protected health information (EPHI) and emergency access procedure standards as required by the HIPAA Administrative Safeguards Security Section.

What is the purpose of the project?

The DRB systems contain important data regarding health care eligibility and premium payments. As such, DRB is defined as the Covered Entity for both the active and retiree health plans. DRB is legally mandated by the Health Insurance Portability and Account Act to comply with the contingency

plan standard for electronic protected health information (EPHI) and emergency access procedure standards as required by the HIPAA Administrative Safeguards Security Section.

1. The Contingency Plan standard under the HIPAA Administrative Safeguards Security Section for electronic protected health information (EPHI). The Contingency Plan standard requires covered entities to establish and implement policies and procedures for responding to emergencies and other occurrences that can damage systems containing EPHI. Examples of such occurrences include fires, vandalism, system failures and natural disasters.
2. The Emergency Access Procedure standard under the HIPAA Technical Safeguards Security Section for EPHI. Emergency access procedure is a required implementation specification defined within the Access Control Standard in the Technical Safeguards section of the HIPAA Security Rule. The objective of the emergency access procedure implementation specification is to establish and implement procedures for obtaining necessary EPHI during an emergency.

This is the final year of this project. Completion will bring DRB into compliance with two required and two addressable implementation specifications.

Is this a new systems development project? Or, an upgrade or enhancement to existing department capabilities?

This is a new system development. Phase one began in FY2012.

Specifically, what hardware, software, consulting services, or other items will be purchased with this expenditure. Include a line item breakdown.

Total	Description	Qty	Unit price	Type
100,000.00	UCM enterprise upgrade (Standard to Enterprise - License migration) to 4 cpu count (server factor .5) = 8 cores	1	100,000.00	Software
100,000.00	UCM EE Net Name User (10 names = 2 core = 1 cpu worth of performance) Need 2 for test UCM and 2 for Dev	4	25,000.00	Software
46,400.00	Oracle support services	1	46,400.00	Software Maintenance
2,400.00	VRS license or additional workstations	4	600.00	Software
10,000.00	Kofax annual system support	1	10,000.00	Software Maintenance
10,000.00	Four additional workstations - Dell T1500 (2 for Marks crew, 2 for scanners), including monitors	4	2,500.00	Hardware

50,000.00	Backup tapes	1000	50.00	Hardware
6,200.00	Two Kofax standalone windows server to replace existing aging Dell servers. One primary, one redundant	2	3,100.00	Hardware
\$325,000.00	Grand total			

How will service to the public be measurable improved if this project is funded?

The Division will be able to recover necessary data and continue to report health eligibility for participants in the AlaskaCare active and retiree health plans and to meet federal requirements regarding personal health information.

Does project affect the way in which other public agencies will conduct their business?

No.

What are the potential out-year cost implications if this project is approved? (Bandwidth requirements, etc.)

- Anticipated bandwidth hasn't been established. It will depend on the methodology used between the host site and the disaster site. This decision hasn't been formulated at this time.
- There will be annual hardware maintenance agreements.
- There will be annual software licenses maintenance agreements.
- Consulting services: In the beginning there will be larger amount of consulting servers needed, but as we advance and become proficient with the imaging process these services should taper off completely.

What will happen if the project is not approved?

A consequence of not completing this project are that fines and penalties outlined by the HITECH Act (signed into law in 2009) may be imposed on both the active and retiree health plans for noncompliance.

It is in the State's best interest for DRB to be in compliance with the HIPAA Security Rule Standards as it allows for business continuity, including any applicable federal funding that may become available.