

Report in Brief

Date: February 2018

Report No. A-18-17-11300

U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES
OFFICE OF INSPECTOR GENERAL



Why OIG Did This Review

The Social Security Act requires that each Medicare administrative contractor (MAC) have its information security program evaluated annually by an independent entity. The Centers for Medicare & Medicaid Services (CMS) contracted with PricewaterhouseCoopers (PwC) to evaluate information security programs at the MACs, using a set of agreed-upon procedures (AUPs). The HHS OIG must submit to Congress annual reports on the results of these evaluations, to include assessments of their scope and sufficiency. This report fulfills that responsibility for fiscal year 2016.

Our objectives were to assess the scope and sufficiency of evaluations of CMS's MAC information security programs and to report the results of those evaluations.

How OIG Did This Review

We reviewed PwC's working papers to determine whether PwC sufficiently addressed all areas required by the AUPs. We also determined whether all security-related weaknesses were included in the PwC reports by comparing supporting documentation with the reports. We determined whether all gaps in the PwC reports were adequately supported by comparing the reports with the PwC working papers.

Review of Medicare Administrative Contractor Information Security Program Evaluations for Fiscal Year 2016

What OIG Found

PwC's evaluations of the contractor information security programs were adequate in scope and sufficiency. PwC reported a total of 145 gaps at the 8 MACs for FY 2016, which was 8 percent more than the number of gaps for the same 8 contractors in FY 2015; however, the number of high- and medium-risk gaps decreased. Deficiencies remain in all of the Federal Information Security Management Act of 2002 control areas tested, including high- and medium-risk gaps repeated from the previous year. CMS should continue its oversight visits and ensure that the MACs remediate all gaps in a timely manner.

What OIG Recommends and CMS Comments

This report contains no recommendations. CMS provided a technical comment, which we addressed. CMS had no other comments on the draft report.