

Department of Health and Human Services

**OFFICE OF
INSPECTOR GENERAL**

**PUBLIC SUMMARY REPORT:
INFORMATION TECHNOLOGY
CONTROL WEAKNESSES FOUND
IN THE NEW MEXICO HUMAN
SERVICES DEPARTMENT'S
MEDICAID ELIGIBILITY SYSTEMS**

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Office of Inspector General

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The New Mexico Human Services Department did not adequately secure its Medicaid data and information systems potentially compromising the integrity of its Medicaid program, which could have resulted in unauthorized access to and disclosure of Medicaid beneficiary information.

This summary report provides an overview of the results of our audit of the information system general controls over the New Mexico Medicaid eligibility systems. It does not include specific details of the vulnerabilities that we identified because of the sensitive nature of the information. We have provided more detailed information and recommendations to the New Mexico Human Services Department (HSD) so that it can address the issues we identified. The findings listed in this summary report reflect a point in time regarding system security and may have changed since we reviewed these systems.

WHY WE DID THIS REVIEW

We selected HSD for review because of inherent risks related to HSD's migration of its legacy eligibility systems to the Automated System Program and Eligibility Network (ASPEN) in 2014. We also considered the numerous risks related to HSD's security controls over the eligibility systems for entitlement programs that were identified during a previous audit conducted by the U.S. Department of Health and Human Services (HHS), Office of Inspector General (OIG). This review is one of a number of HHS OIG reviews of the computer systems States use to administer HHS-funded programs. The appendix includes a list of related work available on our website.

In New Mexico, HSD administers the eligibility systems for entitlement programs through ASPEN. HSD designed ASPEN to improve New Mexicans' access to services through the Internet and to provide HSD field staff with more efficient and technically advanced tools. HSD completed the implementation of ASPEN in June 2014 and moved it into operation in July 2014. HSD managed a \$4.97 billion budget of State and Federal funds and administered services to more than 800,000 beneficiaries.

The objective of our audit was to determine whether HSD had adequately secured its Medicaid data and information systems in accordance with Federal requirements.

HOW WE CONDUCTED THIS REVIEW

We reviewed HSD's information system general controls over its eligibility systems. To accomplish our objective, we used appropriate procedures from the Government Accountability Office's *Federal Information System Controls Audit Manual*, which provides guidance on evaluating general controls over computer-processed data from information systems. We reviewed policies and procedures, interviewed staff, and reviewed supporting documentation. To identify potential security-related configuration vulnerabilities on websites and HSD eligibility systems databases, we used audit software-scanning programs. We limited our review to HSD's implementation of certain information system controls supporting the security of its eligibility systems. We did not review HSD's overall internal controls.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective. We communicated to HSD our preliminary findings in advance of issuing our draft report.

WHAT WE FOUND

HSD had not adequately secured its Medicaid data and information systems in accordance with Federal requirements. Although HSD adopted a security program for its eligibility systems, we identified system vulnerabilities that potentially placed HSD's operations at risk. These vulnerabilities existed because HSD had not implement sufficient controls over its Medicaid data and information systems.

Although we did not identify evidence that the vulnerabilities had been exploited, exploitation could have resulted in unauthorized access to, and disclosure of, sensitive information, as well as in disruption of HSD's critical operations. As a result, the vulnerabilities were collectively and, in some cases, individually significant and could have potentially compromised the confidentiality, integrity, and availability of HSD's eligibility systems.

WHAT WE RECOMMENDED

We recommended that HSD implement our detailed recommendations to address the findings we identified in its eligibility system security program.

NEW MEXICO HUMAN SERVICES DEPARTMENT COMMENTS AND OUR RESPONSE

In written comments on our draft report, HSD stated that it concurred with all of our findings and described corrective actions that it had taken or plans to take. However, HSD did not concur with one of our recommendations and described a compensating control and that they elected to accept all risks related to the compensating control. We continue to recommend that HSD implement our recommendation. However, if HSD continues to rely on its compensating control, then we recommend that HSD conduct a full risk assessment and accept all related risks in accordance with Federal requirements.

APPENDIX: RELATED OFFICE OF INSPECTOR GENERAL REPORTS

AUDITS OF MEDICAID MANAGEMENT INFORMATION SYSTEMS AT STATES

Report Title	Report Number	Date Issued
Public Summary Report: Virginia Did Not Adequately Secure Its Medicaid Data	A-04-15-05066	May 2017
Public Summary Report: Information Technology Control Weaknesses Found at the Commonwealth of Massachusetts' Medicaid Management	A-06-15-00057	March 2017
Public Summary Report: The State of Colorado Did Not Meet Federal Information System Security Requirements for Safeguarding Its Medicaid Systems and Data	A-07-15-00463	October 2016
Public Summary Report: South Carolina Did Not Meet Federal Information System Security Requirements for Safeguarding Medicaid Management Information System Data and Supporting Systems	A-04-13-05049	February 2016