



City of Chattanooga

Stan Sewell
Director

INTERNAL AUDIT
City Hall
Chattanooga, Tennessee 37402

Ron Littlefield
Mayor

Oct 22, 2009

Mayor and Members of the City Council
City Hall
Chattanooga, TN 37402

RE: Post Audit Review of Personnel Department PHI Security, 08-15

Dear Mayor Littlefield:

On April 8, 2009, the Internal Audit Division released an audit on the Personnel Department Personal Health Information (PHI) Security. We performed certain procedures, as enumerated below, with respect to activities of the Personnel Department in order to render a conclusion on the status of the recommendations made as a result of that audit.

This Post Audit Review consisted principally of inquiries of City personnel and examinations of various supporting documentation. It was substantially less in scope than an audit in accordance with generally accepted government auditing standards.

The evidence obtained provided a reasonable basis for our conclusions; however, had an audit been performed, other matters might have come to our attention that would have been reported to you and our conclusions may have been modified.

The conclusions of Audit 08-15 were that:

1. The PHI records of employees do not appear to be protected as required by Title II of HIPPA,
2. There appears to be adequate security measures in place to protect employee's identity and PHI.

The audit contained 3 recommendations, which the Department concurred with, that addressed the audit's findings. Based on the review performed, we concluded that all three recommendations were fully implemented.

Recommendations Fully Implemented

We recommended (**Recommendation 1**) that all clinic staff should use extreme caution and care to protect the individually identifiable health information of all users of the clinics. They should ensure that the computers are logged off when unattended and positioned to prevent possible viewing by unauthorized individuals.

We recommended (**Recommendation 2**) that CAREHERE should conduct a risk analysis as soon as possible, and provide the City with documentation.

We recommended (**Recommendation 3**) that The City should take the necessary steps to comply with the requirements of HIPAA immediately by appointing a privacy official; appointing a contact person who is responsible for receiving complaints and training the workforce in procedures regarding PHI; setting up a system to track disclosures, and policies and procedures to ensure privacy and security; securing documentation from the third party vendor that they have a framework in place to comply with HIPAA; conducting a risk analysis and putting a risk management program in place.

At this time, the Personnel Department is in a transition period since Jeff Claxton left employment. He has temporarily been replaced by Donna Kelly as privacy official and complaint contact. Madeline Green is the new Risk and Insurance Director. Documents provided show that the issues and the recommendations made have been implemented as suggested.

The Administrator of the Personnel Department stated that they are in compliance with HIPAA as itemized during the audit. The documentation provided by management and observations made during this post audit review confirms compliance with the recommendations made.

We thank the staff in the Personnel Department for their assistance in conducting this review. We will consider this report to be final unless directed to continue our review.

Sincerely,



Stan Sewell, CPA, CGFM
Director of Internal Audit

cc: Dan Johnson, Chief of Staff
Donna Kelly, Administrator of Personnel
Madeline Green, Director Risk and Insurance