

# Program Memorandum Intermediaries/Carriers

Department of Health and  
Human Services (DHHS)  
HEALTH CARE FINANCING  
ADMINISTRATION (HCFA)

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Transmittal AB-01-82

Date: MAY 17, 2001

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## CHANGE REQUEST 1705

### **SUBJECT: Clarification of HCFA Core Security Requirements**

Some Medicare contractors, in the course of completing their Contractor Assessment Security Tool (CAST) review, have raised questions about the HCFA Core Security Requirements (CSR) and CAST reporting requirements. The HCFA Business Partners Systems Security Manual will be updated at the end of this fiscal year and will include the clarification proffered in this memorandum.

### **FEDERAL TAX INFORMATION (FTI)**

CSR Section 1.3, Appendix A, addresses general requirements and control techniques for FTI. The specific requirement is for "Handling, storage, and destruction of Federal Tax returns and return information (FTI) shall be formally controlled." Section 1.3 does not provide an operational definition of FTI. HCFA will review the existing CSR requirement and develop an operational definition that assures that Medicare contractors will provide safeguards that balance risk and cost while still satisfying IRS' data user requirements.

### **INTERIM DEFINITION OF FEDERAL TAX INFORMATION FOR THE HCFA CORE SECURITY REQUIREMENTS**

For the purposes of CSR Section 1.3, an interim definition of FTI is any record, file, transaction, tape or cartridge received directly from the IRS or the Medicare Coordination of Benefits (COB) contractor that contains a beneficiary or spouse name, SSN, employer name and address and taxpayer identifier number. The record, file, transaction, tape or cartridge is uniquely identifiable as being received from the IRS or the COB contractor. Section 1.3 ceases to apply when data from these records, files, transactions, tapes or cartridges has been incorporated into Medicare contractor databases.

FTI does not include tax information forwarded by a provider when enrolling in the Medicare program and used in preparing that provider's IRS Form 1099.

Use the interim operational definition of FTI in your CAST Self-Assessments.

### **OBSOLETE TECHNOLOGY REFERENCES**

In developing CSRs, HCFA incorporated language from the external source documents including the GAO FISCAM and IRS Pub 1075 requirements. This included some obsolete technology requirements. CSR 9.11, based on the FISCAM, is an example of an obsolete requirement. It requires Medicare contractors to re-key data to verify its accuracy. Data is no longer keypunched. Current technology employs automated edits to ensure data accuracy.

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When a Medicare contractor encounters this situation, they should indicate that the requirement is not specifically applicable to it and then cite the policy, procedure, or control that they have in place that satisfies the intent of the requirement. In this example, a contractor would cite how data is verified through an application program's data entry validity and consistency edits.

In the event that a CSR and its source documents are not clear, always seek clarification from HCFA by sending an inquiry to: [contractorsystemssecurity@HCFA.gov](mailto:contractorsystemssecurity@HCFA.gov).

## **CAST REFERENCES TO DATA CENTERS AND STANDARD SYSTEMS**

While developing answers to questions in CAST related to Data Center and Standard Systems, every effort should be made to work with the associated Data Center(s) and Standard Systems Maintainers (SSMs). Data Centers and SSMs have been asked by HCFA to work quickly to develop their CAST information (see CR1605 "Data Center Information Collection). Although a Medicare contractor may be in a shared processing environment, they must evaluate and respond to each CSR, even if that information has to be provided by another party like a system maintainer or data center operator.

## **CAST ENTRY OF MULTIPLE CONTRACTS**

Many Medicare contractors process claims for multiple states and therefore have multiple workloads/contract numbers.

As a result of Fast Track site visits, we have determined that rolled-up contract/workload data will be allowed, thereby eliminating the need for duplicate data entry.

## **SUBMISSION OF ENTIRE CAST DATABASE REQUIREMENT**

AB-01-49 incorrectly states that the CAST reports are to be submitted by July 31, 2001. HCFA Software Control expects the entire CAST database to be submitted (not the reports). This clarification was previously provided to you in our memorandum dated April 16, 2001.

## **LOGICON WEB SITE AND CAST HELP DESK**

The Logicon WEB site ([www.cast.logicon.com](http://www.cast.logicon.com)) has been deleted. All materials related to the HCFA External Business Partners Systems Security Initiative are now contained on the HCFA WEB site ([www.hcfa.gov/extpart](http://www.hcfa.gov/extpart)). Please note, however, the new CAST Help Desk phone number which is 703-205-6006. This number should only be used for technical assistance related to the CAST. CAST technical assistance can include questions related its installation, maintenance or field definitions. HCFA policy questions should continue to be submitted via the questionnaire form on the HCFA WEB site.

**The *effective date* for this Program Memorandum (PM) is May 17, 2001.**

**The *implementation date* for this PM is May 17, 2001.**

**These instructions should be implemented within your current operating budget.**

**This PM may be discarded after May 31, 2002.**

**If you have any questions, contact [contractorsystemssecurity@HCFA.gov](mailto:contractorsystemssecurity@HCFA.gov).**