



An Audit of

Confidential Data Management at the Health and Human Services Commission

Lisa R. Collier, CPA, CFE, CIDA
State Auditor

June 28, 2023

Members of the Legislative Audit Committee:

While the Health and Human Services Commission (Commission) implemented some processes and controls to secure its confidential data, it should strengthen those processes and controls to help prevent unauthorized disclosure of its confidential data.

To minimize security risks, auditors communicated details about the audit findings separately to the Commission in a confidential report.

PRIORITY

One chapter was rated Priority because of issues that could critically affect the Commission's ability to effectively administer its information security function. Immediate action should be taken to reduce the risk.

HIGH

Two chapters were rated High because of issues that could substantially affect the Commission's ability to effectively administer its information security function. Prompt action should be taken to reduce the risk.

NOT RATED

The Commission fully implemented two and substantially implemented one prior State Auditor's Office recommendations related to information technology.

Auditors made recommendations in the confidential report to address the findings. The Commission agreed with the recommendations.

Pursuant to Standard 9.61 of the U.S. Government Accountability Office's *Government Auditing Standards*, certain information was omitted from this document because that information was deemed to present potential risks related to public safety, security, or the disclosure of private or confidential data. Under the provisions of Texas Government Code, Section 552.139, the omitted information is also exempt from the requirements of the Texas Public Information Act.

Sincerely,

Lisa R. Collier, CPA, CFE, CIDA
State Auditor

For more information about this audit, contact Audit Manager
Lauren Godfrey or State Auditor Lisa Collier at 512-936-9500.

Summary of Objective and Scope

The objective of this audit was to determine whether the Commission has implemented information security standards and related controls to help ensure that confidential data in the Commission's possession is secure.

The scope of this audit covered security monitoring measures and certain Commission-wide general controls related to selected systems that contain some form of confidential data for the period of September 2021 through January 2023. The scope also included the Commission's monitoring of devices and access to confidential data provided to its contractor, the implementation of prior State Auditor's Office recommendations, and a review of significant internal control components related to securing confidential data.

We conducted this performance audit from September 2022 through May 2023 in accordance with generally accepted government auditing standards.

cc: The Honorable Greg Abbott, Governor
Ms. Cecile Erwin Young, Executive Commissioner



This document is not copyrighted. Readers may make additional copies of this report as needed. In addition, most State Auditor's Office reports may be downloaded from our website: <https://sao.texas.gov>.

In compliance with the Americans with Disabilities Act, this document may also be requested in alternative formats. To do so, contact our report request line at (512) 936-9500 (Voice), (512) 936-9400 (FAX), 1-800-RELAY-TX (TDD); or visit the Robert E. Johnson Building, 1501 North Congress Avenue, Suite 4.224, Austin, Texas 78701.

The State Auditor's Office is an equal opportunity employer and does not discriminate on the basis of race, color, religion, sex, national origin, age, or disability in employment or in the provision of services, programs, or activities.

To report waste, fraud, or abuse in state government, visit <https://sao.fraud.texas.gov>.