



Office of Inspector General
Internal Audit

Report No. 13-02
May 2014

REVIEW OF ACCURINT

EXECUTIVE SUMMARY

As part of the Agency for Health Care Administration's (Agency) fiscal year 2012-13 audit plan, we conducted a review to determine whether there were adequate internal controls in place to govern the use of Accurint by the Office of Inspector General (OIG) staff and whether the use was appropriate and efficient.

Overall, the OIG has weak controls in place to govern Accurint use. In addition, Accurint use has not been efficient or always appropriate. We have identified opportunities for improvements in documentation, processes, policy/procedure, and forms development and training. The Findings and Recommendations section of this report provides details of our results.

SCOPE, OBJECTIVES, AND METHODOLOGY

The scope of this engagement included the OIG's Investigations Unit (Investigations) and the Office of Medicaid Program Integrity's (MPI) use of Accurint from July 2012 to January 2014. Our objectives were to determine if 1) adequate internal controls are in place to govern the OIG's use of Accurint, and 2) the use is appropriate and efficient.

To accomplish our objectives, we reviewed policies, procedures, Accurint agreements and reports, and related documents; interviewed appropriate Agency staff; evaluated controls over use; and analyzed frequency of use by staff.

BACKGROUND

Accurint for Government is an investigative tool, offered by LexisNexis^{®1} that aids government agencies in locating people, detecting fraud, uncovering assets, verifying identity and identifying complex relationships. Used by more than 3,000 agencies across the country, it helps enforce laws and regulations, fight fraud, waste and abuse and provide essential citizen services. Some of its benefits are verifying essential personal information such as name, address and Social Security Number or Federal Identification Number, and confirming the identities of businesses and their authorized agents. It also

¹ LexisNexis consists of two distinct businesses, LexisNexis[®] Legal & Professional and LexisNexis[®] Risk Solutions. Both businesses are part of Reed Elsevier, a leading publisher and information provider that serves customers in more than 100 countries with more than 30,000 employees worldwide.

can be used to verify identities and validate professional licenses, Drug Enforcement Administration licensing², legal standing and criminal records.

Accurint is accessed via its main web link www accurint.com. The Accurint Administrator, who is currently an MPI staff person, emails each OIG user when his/her user account has been established. When signing in, users are asked to select the purpose for utilizing Accurint. According to the OIG's agreement, the option that should be selected is "Fraud Prevention or Detection." Searches can be initiated by name (business or personal), Social Security Number or other identifiers. Information categories include: people, business, assets, licenses, courts, phones, and healthcare. The Accurint Administrator can produce reports on Accurint use by person and date range.³

In July 2004, Accurint use became effective when LexisNexis approved the OIG's application and agreement. This application/agreement appears to be for MPI - Tallahassee. In March 2005, LexisNexis approved the OIG's application for an additional Accurint account for the MPI field office in Miami. In April 2005, LexisNexis approved another OIG application for an additional Accurint account for Investigations. None of the applications identified the users. There are no other agreements/applications for the Agency on file with LexisNexis.

Investigations is responsible for evaluating complaints and conducting investigations of Agency employees and contractors for alleged violations of policies, procedures, rules or laws.

MPI is responsible for overseeing the activities of Medicaid recipients, and Medicaid providers and their representatives, to ensure that fraudulent and abusive behavior and neglect of recipients occur to the minimum extent possible and for recovering overpayments and imposing sanctions as appropriate. Employees are located in Tallahassee, Miami, Tampa, Jacksonville and Orlando.

Accurint purchase orders for fiscal year 2013-2014 totaled \$14,387.52 for two licenses in Investigations, ten licenses in MPI - Tallahassee and two licenses in MPI - Miami.

² Accurint lists Drug Enforcement Administration licenses by number and expiration date. These licenses allow physicians to be either a prescriber or dispenser of controlled substances to their patients.

³ The report is limited to no more than 90 days of Accurint search history prior to the date the report is requested.

INDEPENDENCE

Pursuant to Section 20.055, Florida Statutes (F.S.), this engagement was performed under the direction of the Audit Director and conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing (Standards)* as established by the Institute of Internal Auditors. These *Standards* require us to be organizationally independent and objective in the performance of our work. However, since Investigations, MPI and Internal Audit all report organizationally to the Office of Inspector General, we are required to disclose this potential impairment to our independence and objectivity. Except for the noted impairment, we have adhered to the *Standards* of our profession in conducting this engagement.

FINDINGS AND RECOMMENDATIONS

Finding 1: Out-of-date Agreements	
Finding Statement	Investigations and MPI have not updated their Accurint applications/agreements with LexisNexis since 2005.
Criteria	The Agency's Policy/Procedure 4006, <i>Procurement of Goods and Services</i> , states that contracts may be renewed for a period that may not exceed three years or the term of the original contract.
Condition	Each year, depending on when the subscription term expires, Investigations and MPI issue new purchase orders to continue their access to Accurint. The original applications/agreements are not updated when these purchase orders are issued.
Cause	Neither the Accurint service provider nor OIG management have requested updated agreements.
Effect	The current on-line agreement has 27 terms and conditions; the original agreement has 13 terms. The current agreement has terms that are more extensive and not listed in the original agreement. Examples are: restricted license, security and employee training. The OIG may not be in compliance with what Accurint or current laws require.
Recommendation	<ol style="list-style-type: none"> 1. Investigations and MPI should review and update their current applications/agreements with LexisNexis. 2. Every three years, both Investigations and MPI should renew their applications/agreements with LexisNexis to ensure the information contained is up-to-date.
Management Response	<ol style="list-style-type: none"> 1. We concur with the findings and recommendation. The Investigations Unit and MPI will review and update, as necessary, their agreements with LexisNexis. 2. We concur with the findings and recommendation. The OIG will adopt a policy requiring at least a triennial review of the LexisNexis/State of Florida agreement.
Anticipated Completion Date	<ol style="list-style-type: none"> 1. 5/30/2014 2. 9/1/2014

FINDINGS AND RECOMMENDATIONS

Finding 2: Compliance with Fair Credit Reporting Act	
Finding Statement	MPI has not complied with the Fair Credit Reporting Act (FCRA) terms of the Accurant application/agreement because MPI used Accurant for reviewing employee applicant information.
Criteria	<p>According to the Fair Credit Reporting Act section of the application/agreement, the customer certifies that it will not use any of the information it receives through Accurant for employment purposes or in connection with a determination of a consumer's eligibility for a license or other benefit granted by a government agency.</p> <p>Users logging into Accurant also receive a warning that states the data provided may not be used as a factor in establishing a consumer's eligibility for employment as identified under the Fair Credit Reporting Act.</p>
Condition	<p>According to a staff interview, MPI staff used Accurant to perform background checks on potential employees. An Accurant report of staff searches revealed a search on an Agency employee. MPI also used Accurant to verify a current employee's dates of employment for an application to serve on several governmental boards.</p> <p>All three applications/agreements contain clauses that Accurant information would be used for fraud detection and prevention on behalf of a government agency. There is no documentation to support that the OIG would be using Accurant to verify or research employment.</p>
Cause	Based on a recent survey, MPI users appear to understand the purpose of having access to Accurant. However, accessing Accurant may have become a routine of "checking the boxes" whereby users do not read the warnings for misuse.
Effect	MPI staff used Accurant for reasons other than what was stated in the original applications/agreements. If misuse is reported to Accurant, the OIG's agreements may be suspended or terminated and the misuse referred to applicable federal or state regulatory agencies.

FINDINGS AND RECOMMENDATIONS

Recommendation	<ol style="list-style-type: none"> 1. The Accurint Administrator should document and implement procedures, with the Inspector General's approval, to ensure all Accurint users and any associated personnel understand the consequences if users do not comply with requirements of the Accurint agreement for any misuse, including the Fair Credit Reporting Act. 2. The Accurint Administrator should develop and implement a Civil/Criminal Sanctions Acknowledgement form, with the Inspector General's approval, for all Accurint users to sign when given access. The form should address the consequences of any misuse, including the Fair Credit Reporting Act. Signed forms should be in a central file maintained by the Accurint Administrator for documentation purposes. 3. The Accurint Administrator should train all Investigations and MPI staff who have access to Accurint information regarding the requirements of the Accurint agreement, including the Fair Credit Reporting Act.
Management Response	<ol style="list-style-type: none"> 1. We concur with the findings and recommendations. MPI has already discontinued use of Accurint Services for pre-employment checks and for pre-employment background purposes, effective December 9, 2013. The OIG will adopt a written policy and procedures regulating Accurint and other restricted databases usage, with appropriate guidance provided in the policy statements. 2. We concur with the findings and recommendations. Such an acknowledgement form will be included in the adopted policy regulating Accurint and other restricted databases usage. The retention of acknowledgment forms will be maintained by the Accurint Administrator within the OIG. 3. We concur with the findings and recommendations. Training of all Accurint users will be required by the adopted policy regulating Accurint and other restricted databases usage. Such training will address the Accurint agreement's allowances and disallowances, including the proscriptions related to the FCRA.
Anticipated Completion Date	<ol style="list-style-type: none"> 1. 9/1/2014 2. 9/1/2014 3. 9/30/2014

FINDINGS AND RECOMMENDATIONS

Finding 3: Maintaining Documentation Support and Conducting Reviews	
Finding Statement	The OIG does not have adequate internal controls to ensure Accurint is used for identified purposes and that there is no misuse of information.
Criteria	<p>According to the OIG's original agreement with LexisNexis, the OIG should limit Accurint's use to those purposes identified in the agreement and take appropriate measures so as to protect against the misuse of information provided by Accurint.</p> <p>LexisNexis may conduct periodic reviews of the OIG's use of Accurint to ensure compliance with applicable laws.</p> <p>A good business practice of recording searches and monitoring these searches plays an important role in an organization's enterprise risk management strategy.</p>
Condition	<p>The OIG did not have a written procedure addressing Accurint use or review of searches; did not require documenting in Accurint the reason searches were made until October 2013; had not conducted a documented review until December 2013; and had not trained staff in the consequences of Accurint misuse.</p> <p>MPI has had three OIG investigations in the past two years that involved allegations of Accurint misuse. Two of the three investigations had allegations that were substantiated.</p>
Cause	<p>The OIG did not develop a documented process for the use of Accurint.</p> <p>The OIG did not address issues identified in investigative reports.</p>
Effect	<p>A lack of written procedures or regular monitoring of Accurint use may result in misuse by staff.</p> <p>The OIG is not complying with a condition listed in the on-line agreement: Part 5 – Terms and Conditions, 2(x) Retention of Records which states "For uses of GLB Data, DPPA Data and MVR Data, as described in Sections 2(ii), 2(iii) and 2(viii), Customer shall maintain for a period of five (5) years a complete and accurate record (including consumer identity, purpose and, if applicable, consumer authorization) pertaining to every access to such data."</p>

FINDINGS AND RECOMMENDATIONS

Recommendation	<ol style="list-style-type: none"> 1. The Accurint Administrator should develop procedures, with the Inspector General's approval, to address Accurint use. The procedures should also require Accurint users to document the reason(s) for each search; for example, case number, reason for audit/investigation, and the name of requestor. 2. The Accurint Administrator should train all staff in the proper use of Accurint and documentation for searches. 3. The Inspector General should appoint a person independent of both Investigations and MPI to perform reviews of Accurint searches on a quarterly basis. All reviews should be documented and maintained for no less than five years. 4. The appointed staff person should also work with the Inspector General to develop desk procedures for quarterly usage reviews.⁴
Management Response	<ol style="list-style-type: none"> 1. We concur with the findings and recommendations. The OIG will develop a written policy and procedures for Accurint and other restricted databases usage requiring the documentation of purpose for every Accurint query, documentation of the related case or project number, and requiring the identification of the querying investigator, analyst or auditor. 2. We concur with the findings and recommendations. All staff members within OIG associated with Accurint queries for case support will receive training on Accurint allowances, documentation, and restrictions. 3. We concur with the findings and recommendations. On April 11, 2014, personnel action was effected to incorporate Accurint compliance and review duties into the position description of an Inspector General direct report independent of both Investigations and MPI. 4. We concur with the findings and recommendations. The appointed compliance person, a direct report to the Inspector General, will work with the Inspector General in developing the procedures for quarterly usage reviews, and summarizing these procedures for inclusion in the policy related to Accurint and other restricted databases policy.
Anticipated Completion Date	<ol style="list-style-type: none"> 1. 9/1/2014 2. 9/30/2014 3. Completed - 4/11/2014 4. 9/1/2014

⁴ Only 90 days of information is maintained in Accurint.

FINDINGS AND RECOMMENDATIONS

Finding 4: User Access	
Finding Statement	The OIG does not have a consistent, documented process for adding and deleting Accurint users.
Criteria	According to the OIG's original agreement with LexisNexis, the OIG agrees "to take appropriate measures so as to protect against the misuse of information provided pursuant to the Accurint Services."
Condition	The Accurint Administrator does not maintain documentation of all Accurint user additions and terminations. Supervisors notify the Accurint Administrator by phone call or emails. Supervisors do not always timely notify the Accurint Administrator of terminations.
Cause	There is no written procedure for timely notification when users leave the Agency, move within the Agency or have a change in duties that do not require Accurint use.
Effect	The risk of inappropriate use may increase.
Recommendation	<ol style="list-style-type: none"> 1. The OIG should designate specific individuals responsible for approving Accurint access and termination. 2. The Accurint Administrator should develop written procedures, with the Inspector General's approval, to address user access and termination requests, and distribute them to identified parties. All requests should be documented in writing. 3. The Accurint Administrator should maintain written documentation for no less than five years for each Accurint addition or termination.
Management Response	<ol style="list-style-type: none"> 1. We concur with the findings and recommendations. The Accurint administrator and the compliance officer, a direct report to the Inspector General, will sequentially approve or disapprove Accurint users based on policy parameters, employment status, and satisfaction of training and acknowledgment requirements. 2. We concur with the findings and recommendations. The Accurint administrator and the compliance officer will both work with the Inspector General in including access and termination request processes and procedures in the upcoming policy and procedures being developed to address Accurint and other restricted database usage.

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	3. We concur with the findings and recommendations. A 5-year retention period for records associated with Accurint user additions and user deletions will be included in policy.
Anticipated Completion Date	1. 9/1/2014 2. 9/1/2014 3. 9/1/2014

FINDINGS AND RECOMMENDATIONS

Finding 5: Confidentiality and Security	
Finding Statement	MPI may not be complying with the Drivers' Privacy Protection Act (DPPA) and related state laws.
Criteria	<p>Part of the warning that users see when logging into Accurint is "Laws applicable to use of this product include the Drivers' Privacy Protection Act and related state laws (DPPA)."</p> <p>Section 119.0712(2)(b), Florida Statutes states, "Personal information, including highly restricted personal information as defined in 18 U.S.C. s. 2725, (defined below) contained in a motor vehicle record is confidential pursuant to the federal Driver's Privacy Protection Act of 1994, 18 U.S.C. ss. 2721 et seq. Such information may be released only as authorized by that act...."</p>
Condition	<p>According to the current Accurint Administrator, Accurint users are not instructed on the confidential nature of the information available in Accurint and there are no confidential acknowledgements being maintained.</p> <p>MPI does not store Accurint information in a consistent manner. The information may be stored in the case file, the employee's hard drive or home drive (H:), according to survey responses.</p> <p>Investigations began storing Accurint information in either a locked storage room or offices with locks. They began using a dedicated drive in February 2013.</p>
Cause	<p>According to MPI Accurint user survey responses, staff receives either verbal, on-line or no training.</p> <p>Accessing Accurint may have become a routine of "checking the boxes" and users do not read or understand the warnings for misuse.</p> <p>There are no written procedures for handling confidential information.</p>
Effect	Anyone who comes into MPI offices or open areas could potentially view confidential information if the files are not secured within individual offices. Depending on the storage method, non-Accurint users may be able to access Accurint information.

FINDINGS AND RECOMMENDATIONS

	Information may be shared with outside parties without confidential information being redacted.
Recommendation	<ol style="list-style-type: none"> 1. The Accurint Administrator should develop written procedures, with the Inspector General's approval, to ensure Accurint users and any associated personnel understand the confidentiality/security of data obtained from Accurint. 2. The Accurint Administrator should develop and implement a Confidentiality Acknowledgement form, with the Inspector General's approval, for all Accurint users to sign when given access. These forms should be in a central file maintained by the Accurint Administrator for documentation purposes. 3. The Accurint Administrator should train all Investigations and MPI staff who have access to Accurint information regarding the confidentiality/security of the data. 4. MPI staff should ensure any Accurint-related information is secured where it is not accessible to any person coming into MPI's offices.
Management Response	<ol style="list-style-type: none"> 1. We concur with the findings and recommendations. The policy under development by the IG, the Accurint administrator, and the Accurint compliance officer will address the requirement for security and confidentiality of information derived from Accurint. 2. We concur with the findings and recommendations. Such an acknowledgement form will be included in the adopted policy regulating Accurint and other restricted databases usage. The retention of acknowledgment forms will be maintained by the Accurint Administrator within the OIG. 3. We concur with the findings and recommendations. The policy under development by the IG, the Accurint administrator, and the Accurint compliance officer will address training and re-training of all Accurint users on the security and confidentiality of information derived from Accurint. 4. We concur with the findings and recommendations. MPI will modify its internal security condition to ensure Accurint-based print-outs and information are secured and inaccessible to unauthorized parties.
Anticipated Completion Date	<ol style="list-style-type: none"> 1. 9/1/2014 2. 9/1/2014 3. 9/1/2014 4. 5/30/2014

FINDINGS AND RECOMMENDATIONS

Finding 6: Use of Accurint software	
Finding Statement	Users do not fully utilize Accurint’s potential. Some users do not use Accurint on a routine basis.
Criteria	Organizations establish and maintain control processes to support the management of risks and achievement of established and communicated objectives. These control processes should ensure operations are performed efficiently and help achieve established objectives. ⁵
Condition	<p>According to the MPI Accurint survey, none of the responders access Accurint on a daily basis and four of the ten responders access Accurint less than five times a year.</p> <p>From May 6 to August 1, 2013, seven MPI users performed Accurint searches on 41 days. Five users performed no searches during the period. One of the users, in the Bureau of Financial Services, has not accessed Accurint since early 2013.</p> <p>MPI pays \$85.64 per month per user for 12 users. This rate has not changed since the initial agreement in 2004.</p> <p>Only three of the ten MPI survey responders have used the Healthcare option in Accurint. Healthcare is an available search tool that can provide information on providers and provider sanctions. Users can request both comprehensive healthcare provider and business reports, and search National Provider Identifier data and Clinical Laboratory Improvement Amendments certificates.</p> <p>Investigations pays \$2,055.36 for two users; one of the users is a back-up. Depending on the type of investigation, a user may access Accurint to provide target identity and business ownership for external parties; or secondary employment and business addresses for internal parties.</p>
Cause	Supervisors do not monitor usage to determine how efficiently or frequently Accurint is used in the MPI function. There are no usage reports, which would show the lack of use, issued to management.

⁵ IIA Practice Advisories, 2130-Control, [International Professional Practices Framework](#), 2013

FINDINGS AND RECOMMENDATIONS

Effect	MPI pays \$12,332.16 each year for Accurint use. MPI is paying for licenses that are either not used often or never used.
Recommendation	<ol style="list-style-type: none"> 1. The Accurint Administrator should terminate the Bureau of Financial Services staff's access and discontinue payment for that user's access. 2. The OIG should reevaluate its need for Accurint and determine whether it is the appropriate tool for MPI. 3. MPI should determine how many licenses are necessary to perform the intended function and consider limiting the licenses to one or two staff whose job responsibilities would include accessing Accurint for all MPI requests. 4. All Accurint users should be trained in the use of all applicable Accurint services, including the Healthcare option.
Management Response	<ol style="list-style-type: none"> 1. We concur with the findings and recommendations. Bureau of Financial Services' Accurint access will be terminated no later than May 30, 2014. 2. We concur with the findings and recommendations. Such an evaluation was conducted by the Inspector General and the Chief of MPI prior to offering this audit response. Accurint is an appropriate tool for MPI; however, the assignment of Accurint user rights requires modification by MPI. 3. We concur with the findings and recommendations. The Chief of MPI has informed the Inspector General of his intention to limit Accurint access to selected employees within the Data Detection Unit, who may process queries for all MPI needs, and to specific designees identified by the Chief of MPI who require access for unique program integrity needs. 4. We concur with the findings and recommendations. Training of all Accurint users will be required by the adopted policy regulating Accurint and other restricted databases usage. Such training will address the Accurint agreement's allowances and disallowances, Accurint program features enabled, including the Healthcare features for the Accurint product.
Anticipated Completion Date	<ol style="list-style-type: none"> 1. 5/30/2014 2. Completed - 4/9/2014 3. 6/30/2014 4. 9/30/2014

FINAL COMMENTS AND PROJECT TEAM

FINAL COMMENTS

Internal Audit would like to thank the management and staff of MPI and Investigations for their assistance and cooperation extended to us during this review.

PROJECT TEAM

The review was conducted by Karen Calhoun, CISA, CIGA, under the supervision of Mary Beth Sheffield, Audit Director, CPA, CIA, CFE, CIG.



The Agency for Health Care Administration's mission is Better Health Care for All Floridians.

The Inspector General's Office conducts audits and reviews of Agency programs to assist the Secretary and other agency management and staff in fulfilling this mission.

This review was conducted pursuant to Section 20.055, Florida. Please address inquiries regarding this report to the AHCA Audit Director by telephone at (850) 412-3978.

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