The State of North Carolina Did Not Meet Federal Information System Security Requirements for Safeguarding Its Medicaid Eligibility Determination Systems and Data

What OIG Found
The State agency had not ensured that NC FAST implemented adequate information system general controls over the Medicaid eligibility determination system in accordance with Federal requirements. The vulnerabilities that we identified increased the risk to the confidentiality, integrity, and availability of North Carolina’s Medicaid eligibility data.

Although we did not identify evidence that the vulnerabilities had been exploited, exploitation could result in unauthorized access to and disclosure of sensitive information, as well as disruption of critical North Carolina Medicaid eligibility operations. As a result, the vulnerabilities are collectively and, in some cases, individually significant.

What OIG Recommends and State Agency Comments
We recommend that the State agency improve the protection of sensitive data on its Medicaid eligibility determination system by working with NC FAST to address the vulnerabilities identified during our audit to ensure compliance with Federal requirements. The State agency did not directly address our recommendations but agreed with eight of our nine findings. The State agency partially agreed with one of our findings. When fully implemented, the corrective actions that the State agency described should allow it, working with other State agencies, to resolve the recommendations associated with all nine of our findings.