

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

838



FROM: Riverside County Information Technology (RCIT)

SUBMITTAL DATE:
May 4, 2015

SUBJECT: Ratify and amend Purchase Orders for Intelligent Business Concepts, and Baker Hostetler for HIPAA Breach Incident Response Services, All Districts; [Total \$85,424]; (Departmental Budgets)

RECOMMENDED MOTION: That the Board of Supervisors:

1. Ratify and authorize the Purchasing Agent to increase the purchase order for Intelligent Business Concepts from \$25,000 to \$51,973 for HIPAA Breach Incident Response Services provided to Riverside County Regional Medical Center (RCRMC); and
2. Ratify and authorize the Purchasing Agent to increase the purchase order for Baker Hostetler LLP from \$25,000 to \$33,451 for HIPAA Breach Incident Response Services provided to RCRMC.

BACKGROUND:

Summary

(continued on page 2)

Steve Reneker
Chief Information Officer

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 85,424	\$ 0	\$ 85,424	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	

SOURCE OF FUNDS: Departmental Budget

Budget Adjustment: No

For Fiscal Year: 14/15

C.E.O. RECOMMENDATION:

APPROVE

BY:

County Executive Office Signature

Jennifer L. Sargent

MINUTES OF THE BOARD OF SUPERVISORS

- ☐ A-30
☐ Positions Added
☐ 4/5 Vote
☐ Change Order

Prev. Agn. Ref.:

District: ALL

Agenda Number:

3-27

BACKGROUND:

Summary (continued)

In November 2014, the Information Security Office (ISO) engaged Baker Hostetler to provide legal services, Intelligent Business Concepts (IBC) for mailing and call center services, and Experian for credit monitoring services to respond to a HIPAA breach incident at Riverside County Regional Medical Center (RCRMC). The county put in place purchase orders of up to \$25,000 to respond to this incident. Subsequently, another incident occurred in January 2015, thereby requiring Experian, Baker Hostetler, and IBC to remain engaged to address the additional incident. These vendors were specifically requested to assist the county as they are preapproved by the county's insurance provider.

Baker Hostetler has rendered services for a total of \$33,451, and IBC has rendered services totaling \$51,973. Experian services totaled \$3,784 which is covered under the existing PO for \$25,000. The county may receive additional invoices as these contractors continue to support the county and county's clients for the HIPAA breach incidents.

Impact on Residents and Businesses

The services are intended to support victims of HIPAA breach incidents; failure to fund could impact these victims by not being able to receive federally required services in a prompt fashion.

Contract History and Price Reasonableness

The Information Services Office engaged with Risk Management who works with the CSAC Excess Insurance Authority (EIA), a risk sharing pool of California public agencies to which the County of Riverside is a member and the county's insurance broker Alliant Insurance Services (Alliant), to obtain insurance services. Because of the strength of pooling, EIA and Alliant are able to offer programs of insurance that provide broader coverage than what can be obtained on the open market.

Cyber Liability Insurance is one such program that the county participates in by way of Risk Management, Alliant and the EIA. The county utilizes the insurance underwriter's (Beazley) preapproved vendors such as IBC, Baker and Experian for HIPAA breach incident response. Being relatively a new insurance market, there are few qualified vendors available for services. By utilizing the underwriter's preapproved vendors and by not pursuing outside avenues, the county is able to increase its aggregate sublimit from \$250,000 to \$1,000,000.