

May 7, 1999

Dear State Survey Agency Director:

I am writing as part of a continuing series of communications from the Health Care Financing Administration (HCFA) to State agencies concerning their readiness to address the potential adverse effects of Y2K on beneficiaries' health care. The purpose of this letter is to request that you provide HCFA with a copy of your agency's Y2K contingency plan no later than June 1, 1999.

Providers have the responsibility to maintain standards that protect beneficiaries' health and safety. However, your agency must be prepared to deal with threats to the quality and continuity of care beneficiaries receive in facilities that are created by Y2K-related problems experienced by providers, suppliers, and other critical links in the patient-care chain. That is why your agency needs a detailed Y2K contingency plan that goes beyond the traditional disaster recovery plan.

We will be reviewing your submission to gain a better understanding of your proposed strategies to assure the quality and continuity of care in the unlikely event of Y2K failures in the patient-care chain. The purpose of our review is not to "certify" your plan's effectiveness, but to increase our understanding of the approaches you plan to follow should facilities run into problems. Given our national perspective on what other States agencies are doing and have planned, we may be able to provide additional technical assistance, where appropriate, to make your plan even stronger.

Please note that HCFA is not mandating a specific format or set of requirements for your contingency plan. We strongly urge you to give careful consideration to the contingency planning guidance previously developed by the General Accounting Office (see the GAO's August 1998 report on this subject: Year 2000 Business Continuity and Contingency Planning, available on the Web at <http://www.gao.gov/special.pubs/bcpguide.pdf>). In that document, the GAO identified five specific steps that it believed appropriate for organizations to undertake when developing their contingency plans:

- Assess the costs and benefits of identified alternatives and select the best contingency strategy for each core business process;
- Identify and document contingency plans and implementation modes;
- Define and document triggers for activating contingency plans;
- Establish a business resumption team for each core business process; and
- Develop and document "zero day" strategy and procedures

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There are several additional resources that you may find useful. One is the HCFA Year 2000 Business Continuity Plan (BCP) Handbook, published in January of this year. It is available on HCFA's Web site at <http://www.hcfa.gov/y2k/990113hc.pdf>. Chapters Six and Seven detail contingency planning steps that were developed originally for the Medicare program, but provide additional guidance on the subject that may be helpful to your agency. The Veterans Administration has a sample hospital contingency plan on its Web site at

<http://www.va.gov/year2000/conguide>. Finally, the Rx2000 Solutions Institute, a nonprofit organization specializing in Y2K-related issues in health care, has an informative Web site at <http://www.rx2000.org>. The self-help section may be directly accessed at www.rx2000.org/data/self-help.html.

We look forward to receiving a copy of your Y2K contingency plan, in hard copy and, if possible, electronically, no later than June 1, 1999. Please send it to the Associate Regional Administrator in the appropriate HCFA Regional Office. A listing of names and addresses is attached. If your contingency plan will not be completed by this date, please share your working draft with the Regional Office or inform us of the status of your plans. Please also let us know if you have any questions or need technical assistance in developing your Y2K contingency plan.

Our beneficiaries are counting on us to ensure their safety and the continued delivery of services. Thank you for helping to achieve this outcome.

Sincerely,

/s/

Sally K. Richardson Director Center for Medicaid and State Operations

Attachment

cc: Regional Administrators, I-X
Associate Regional
Administrators, I-X

HCFA REGIONAL OFFICES

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Region II

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Suite 4T20 Atlanta, Georgia 30303-8909 Attention: Brenda Nimmons

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Attention: Chuck Bennett

Region VI Roger Perez, ARA, DMSO 1301 Young Street, Room 714 Dallas, Texas 75202

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Region X Terry Trimble, ARA, DMSO 2201 Sixth Avenue, MS/RX-40 Seattle, Washington 98121
Attention: Mary (Fran) Lassiter <% 'Sitewide navigation info / do NOT edit %>

