

ADDENDUM A: DATA SHARING AND INFORMATION TECHNOLOGY SECURITY
MEMORANDUM OF AGREEMENT

Between

THE NORTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES

And

_____ COUNTY

This Data Sharing and Information Technology Security Memorandum of Agreement (MOA) between the North Carolina Department of Health and Human Services (NCDHHS) and _____ County (County), collectively with NCDHHS referred to as the "Parties", establishes the agreement between the Parties regarding the County's access to, use, and disclosure of all confidential data, information, and NCDHHS IT Systems and NCDHHS IT Resources provided by NCDHHS to the County for purposes of administering North Carolina's public assistance and public service programs.

1. PURPOSE AND SCOPE

- a. Purpose. The purpose of this MOA is to identify certain roles and responsibilities of each party as it relates to the sharing and use of all confidential data, information, and access to a NCDHHS Information System or other NCDHHS IT Resource provided by NCDHHS to the County and the data collected by the County on behalf of NCDHHS in connection with the administration of North Carolina's public assistance programs as well as the County's administration and performance of other public services delegated to it by law (collectively referred to as NCDHHS Data). For purposes of this MOA, NCDHHS Data includes, but is not limited to:
 - i. Social Security Administration (SSA) data;
 - ii. Federal Tax Information (FTI) as defined in the current IRS Publication 1075, Tax Information Security Guidelines for Federal, State and Local Agencies (IRS Publication 1075);
 - iii. Protected health information as defined by 45 CFR 160.103;
 - iv. Identifying information, as defined by N.C.G.S. § 14-113.20(b); and
 - v. Personal information, as defined by the North Carolina Identity Theft Protect Act, N.C.G.S. § 75-61(10);
 - vi. Names or other information concerning persons applying for or receiving public assistance or social services which are confidential pursuant to N.C.G.S. §108A- 80.
 - vii. Sensitive IT Security Information, including but not limited to security features of electronic data processing systems, applications, programs, information technology systems, telecommunications networks, or electronic security systems, including hardware or software security, passwords, or security standards, procedures, processes, configurations, software, and codes.

For purposes of this MOA, "IT Resource" includes NCDHHS Information Systems and all platforms (i.e. operating systems), servers, software, infrastructure, digital devices (e.g.

computers, smart phones, tablets, mainframes, switches, routers, etc.), equipment (e.g. faxes, copiers, phones, etc.), hosted services or infrastructure, network connections, applications (both developed in-house and acquired from third parties) and the data accessed, used, created by, or contained within them that are owned or operated by the Party.

- b. Objectives. The objectives of this MOA are to:
- i. Manage the information technology process and systems pertaining to NCDHHS Data and NCDHHS IT Resources to ensure compliance with all applicable federal and state laws, regulations, standards and policies regarding the confidentiality, privacy and security of this NCDHHS Data and NCDHHS IT Resources;
 - ii. Enhance the County's and NCDHHS's secure receipt, access to, and use of NCDHHS Data and IT Resources provided by NCDHHS to the County; and
 - iii. Permit and facilitate efficient use of and ready access to NCDHHS Data and NCDHHS IT Resources for purposes of administering North Carolina's public assistance and public service programs.

2. BACKGROUND

The NCDHHS administers and oversees a variety of public assistance and public service programs for the State of North Carolina (collectively, Public Assistance Programs), including, but not limited to, the following:

- NC Medicaid Program
- NC Health Choice for Children (North Carolina's CHIP Program)
- Temporary Assistance for Needy Families
- Supplemental Nutrition Assistance Program
- NC Food and Nutrition Services (North Carolina's SNAP Program)
- Work First (North Carolina's Temporary Assistance for Needy Families program)
- Women, Infants and Children (WIC)
- Adult and Family Services
- Child Support Services
- Child Welfare Services

As part of its role pertaining to these Public Assistance Programs, NCDHHS receives, maintains, and stores certain data pertaining to applicants for, and recipients participating in, the Public Assistance Programs, which includes NCDHHS Data.

The County administers the daily operations of many of the Public Assistance Programs at the local level, in accordance with State and Federal law, and policies and rules adopted by NCDHHS. As part of its role pertaining to these Public Assistance Programs, the County collects, accesses, and utilizes certain data pertaining to applicants for, or recipients participating in, the Public Assistance Programs, which includes NCDHHS Data.

NCDHHS and the County agree to work cooperatively to ensure that NCDHHS Data and NCDHHS IT Resources are available to the County for purposes of administering North Carolina's Public Assistance Programs, and that the County accesses and utilizes NCDHHS Data and NCDHHS IT Resources in accordance with applicable federal and state laws, regulations,

standards and policies governing confidentiality, privacy and security of the NCDHHS Data and NCDHHS IT Resources and the terms of this MOA. The parties acknowledge and agree that this MOA is intended to renew and amend prior similar memoranda of agreement in place between the Parties, which was effective on or about October 14, 2016.

3. AUTHORITY OF PARTIES

Each Party is a separate and distinct agency of the government of the State of North Carolina and operates pursuant to their respective statutory authority and obligations. This MOA is authorized under the provisions of N.C.G.S. §§ 108A-25, 108A-54, and 153A-11 and Article 13 of Chapter 153A of the North Carolina General Statutes, and the implementing recommendations or regulations of these laws, if any. For the convenience of the Parties and avoidance of doubt, the Parties acknowledge and agree that NCDHHS is the “NCDHHS” as such term is used in IRS Publication 1075, and that the County is a statutory agent but not a “contractor” or “agent” as such term is used in North Carolina statutory or common law. The NCDHHS and County separately acknowledge their respective organizations are authorized to receive and use FTI pursuant to 26 U.S.C. § 6103.

4. PARTIES’ ROLES AND RESPONSIBILITIES

- a. Pursuant and subject to this MOA, NCDHHS shall provide to the County NCDHHS Data and access to NCDHHS IT Resources, and the County shall provide NCDHHS County Data and access to County IT Resources pertaining to the Public Assistance Programs, through access to NCDHHS’s information technology systems utilized in conjunction with the Public Assistance Programs. These information technology systems include, but are not limited to, the NCDHHS’s current NC FAST case management system (NC FAST), and the legacy information systems which preceded NC FAST (collectively, NCDHHS Information Systems). The NCDHHS Information Systems are secured via NCDHHS access control mechanisms and related procedures, including, but not limited to, Resource Access Control Facility (RACF), North Carolina Identification (NCID), and Web Identity Role Management Portal (WIRM) (collectively, NCDHHS Access Controls).
- b. All NCDHHS Data shall remain confidential and secure at all times. Confidentiality and security of this NCDHHS Data and NCDHHS IT Resources will be maintained by the County in accordance with all applicable federal and state laws, regulations, standards and policies governing this NCDHHS Data and NCDHHS IT Resources and in accordance with the terms of this MOA. Only appropriately authorized County employees and contractors whose job responsibilities require access to the NCDHHS Data and NCDHHS IT Resources will be granted access, only to the minimum extent required, through the NCDHHS Information Systems and NCDHHS Access Controls. Any data, records or other information shared through this MOA are protected from unauthorized use and disclosure and shall be accessed and used by the County only for purposes of administering and operating the Public Assistance Programs and for no other purpose.
- c. NCDHHS Responsibilities:
 - i. To provide NCDHHS Data to the County through access to the NCDHHS Information Systems in strict accordance with the NCDHHS Access Controls and in accordance with the terms of this MOA.

- ii. To allow the County to access and utilize the NCDHHS Data and NCDHHS IT Resources that NCDHHS determines are required to administer and operate the Public Assistance Programs.
- iii. To allow appropriately authorized County employees and contractors whose job responsibilities require access to the NCDHHS Data to access and utilize the NCDHHS Data through access to the NCDHHS Information Systems, to the extent needed to perform their job responsibilities.
- iv. To work cooperatively with the County regarding County employee and contractor access to NCDHHS Data, NCDHHS Information Systems, and other NCDHHS IT Resources in compliance with this MOA and applicable law.
- v. To safeguard all County Data, County IT Resources, and County Sensitive IT Security Information, including but not limited to investigations and reports, in accordance with all applicable federal and state laws, regulations, standards, policies, and this MOA. NCDHHS will not disclose or permit access to County Data, County IT Resource, or County IT Sensitive Security Information to third parties unless permitted under this MOA or required by law to do so. If NCDHHS determines it is required by law to disclose or permit access to County Data, Sensitive IT Security Information, or County IT Resources, NCDHHS shall promptly notify the County prior to disclosure so that County may assert whatever rights and pursue whatever legal remedies to which County may be entitled.
- vi. To perform privacy and security assessments required by CMS, or according to NCDHHS policy and this MOA, on any County IT Resource related to or impacting an NCDHHS Information System or NCDHHS Data based on compliance with NIST Standards, applicable federal and North Carolina statutes, regulations, standards, NCDHHS policies, and this MOA, to the limited extent necessary meet federal, state or NCDHHS requirements.
- vii. To be responsible for supervision of its own employees and contractors.

d. County Responsibilities:

- i. To safeguard all NCDHHS Data, NCDHHS IT Resource, and NCDHHS Sensitive IT Security Information, including but not limited to investigations and reports, in accordance with all applicable federal and state laws, regulations, standards, policies, and this MOA. The County will not disclose or permit access to NCDHHS Data, NCDHHS IT Resource, or Sensitive IT Security Information to third parties unless permitted under this MOA or required by law to do so. If the County determines it is required by law to disclose or permit access to NCDHHS Data, NCDHHS IT Resource, or Sensitive IT Security Information, it shall notify the County prior to disclosure so that the County may assert any rights and pursue whatever remedy to which the County may be entitled.
- ii. To ensure County and NCDHHS IT Resources that connect to NCDHHS Information Systems or other NCDHHS IT resource are accessed and utilized only for the purposes authorized by law and under this MOA in the administration and operation of the Public Assistance Programs and for no other purpose.
- iii. To grant access to the NCDHHS Data, NCDHHS Information Systems, and County information systems that connect to NCDHHS Information Systems and other NCDHHS IT Resources only to appropriately authorized County employees and contractors whose job responsibilities require access to the NCDHHS Data or

- NCDHHS IT Resource, and only to the minimum extent necessary for purposes of administering and operating the Public Assistance Programs.
- iv. To ensure access to NCDHHS Data through access to the NCDHHS Information Systems or other NCDHHS IT Resource only to authorized County employees and contractors in strict accordance with the NCDHHS Access Controls and in accordance with the terms of this MOA.
 - v. The County shall conduct background checks for individual employees prior to authorizing their access to FTI.
 - vi. To ensure NCDHHS Information Systems and NCDHHS Data are readily available to persons authorized by law and this MOA to access and use the NCDHHS Information Systems, other NCDHHS IT Resources, and NCDHHS Data.
 - vii. To obtain prior written permission from NCDHHS for the disclosure of any NCDHHS Data or access to any NCDHHS Information System or other NCDHHS IT Resource to any contractor. If NCDHHS approves disclosure of any NCDHHS Data or access to NCDHHS Information System or other NCDHHS IT Resource to County's contractor, the County shall ensure the contractor is provided a copy of this MOA and signs a written agreement with the County acknowledging receipt of a copy of this MOA and agreeing to comply with the terms of this MOA as it relates to the contractor's access to NCDHHS Data, NCDHHS Information Systems, or other NCDHHS IT Resource.
 - viii. To ensure that all information technology systems receiving, storing, processing, or transmitting FTI meet the requirements in IRS Publication 1075, including the requirements set forth in Exhibit 7 to IRS Publication 1075, a copy of which is available at: <https://www.irs.gov/pub/irs-pdf/p1075.pdf>.
 - ix. To maintain a current list of employees and contractors authorized to access and utilize NCDHHS Information Systems, NCDHHS Data, or NCDHHS IT Resource pursuant to this MOA, and to provide NCDHHS a copy of that list upon written request by NCDHHS.
 - x. To submit, when requested by NCDHHS, a written certification that continuous security monitoring has been performed in accordance with applicable requirements. Additionally, the County will submit a written certification that all mainframe and network device configurations supporting the County environment are compliant with all applicable requirements. This certification will be provided to NCDHHS with supporting evidence, such as a recent vulnerability scan.
 - xi. At NCDHHS's request, to work with the IRS, Social Security Administration, or other federal agencies or their agents with respect to periodic safeguard and security reviews. The County will support the resolution of NCDHHS's findings based on a written plan satisfactory to both Parties.
 - xii. Upon notification from the IRS, Social Security Administration, other federal agencies, or NCDHHS of changes to functional and security specifications, to collaborate with NCDHHS to develop and implement plans to meet specified requirements in accordance with guidance and direction provided by the IRS and/or NCDHHS. The County will be responsible for costs arising from such modifications.
 - xiii. To provide annual access and disclosure awareness and incident reporting training to its employees and any approved contractors that may have access to SSA data and/or FTI data (only certain functions in support of Child Support Enforcement may allow contractor access to FTI).

- xiv. To work cooperatively with NCDHHS regarding County employee or contractor access to NCDHHS Data ,NCDHHS Information Systems, and other NCDHHS IT Resources and compliance with this MOA and applicable law.
- xv. To ensure a third party, independent evaluation of IT privacy and security compliance is performed at least annually on any IT resource related to or impacting NCDHHS data or systems and provide the report to NCDHHS upon request.
- xvi. To cooperate with and permit NCDHHS to perform its own privacy and security assessments, along with those required by CMS, on any IT resource related to or impacting NCDHHS Information System, other NCDHHS IT Resources, or NCDHHS Data based on compliance with NIST Standards, applicable federal and North Carolina statutes, regulations, standards, NCDHHS policies, and this MOA.
- xvii. In the case of NCDHHS assessments that CMS requires NCDHHS to perform, to reimburse NCDHHS for the actual cost of those assessments.
- xviii. As required by CMS in the event of breach or other unauthorized access of any FDA, CMS, or Child Support Services data, to provide NCDHHS, who will in turn provide to CMS, the final, detailed, investigation report, including those performed by third parties.
- xix. To sign a BAA, MOA, or other information or information technology security agreement as required by NCDHHS in accordance with federal and state law, rules and regulations, and NCDHHS policies and procedures consistent with this MOA.
- xx. To be responsible for supervision of its own employees and contractors.

5. SAFEGUARDING DATA

- a. Access Controls. The County shall comply with all applicable laws, ordinances, codes, rules, regulations, licensing requirements, and electronic storage standards concerning privacy, data protection, confidentiality, and security including those of federal, state, and local jurisdictions having jurisdiction where business services are provided for accessing, receiving, or processing all confidential information.
- b. Security Measures. The County shall implement internal data security measures, environmental safeguards, firewalls, access controls, and other industry security best practices utilizing appropriate hardware and software necessary to monitor, maintain, and ensure data integrity in accordance with all applicable federal regulations, state regulations, and NCDHHS privacy and security policies.
- c. Credentialing. The County shall be responsible for reviewing, approving, delegating, and monitoring access to NCDHHS Data and IT Resources by County employees and any approved contractors in strict accordance with NCDHHS Access Controls applicable to NCDHHS IT Resources and in accordance with the terms of the MOA. The County shall terminate access privileges to NCDHHS Data of County employees immediately when their employment has been terminated or their job responsibilities no longer require access.
- d. Employee Oversight. The County shall monitor County employees' access to NCDHHS Data, NCDHHS Information Systems, and other NCDHHS IT Resources, especially high-risk data elements such as Social Security numbers, dates of birth, and FTI.

- e. Adherence to Guidelines. The County will adhere to any written standard or guidelines provided by NCDHHS regarding management and implementation of NCDHHS Access Controls, and access to NCDHHS IT Resources, including, but not limited to, the information systems [access control policy](#) in the current version of the [North Carolina Statewide Information Security Manual](#).

6. DATA OWNERSHIP

- a. Data Ownership. NCDHHS and the County acknowledge and agree that NCDHHS Data that NCDHHS provides to the County shall be classified as and shall remain, “NCDHHS Data” or “State Data”, and County Data that the County provides to NCDHHS shall be classified as and shall remain County Data. At no time will NCDHHS Data provided by NCDHHS ever be classified as County data.
- b. Data Quality. The quality and accuracy of any NCDHHS Data that has been manipulated or reprocessed by the County is the responsibility of the County.

7. CONFIDENTIALITY

- a. Data Reidentification. County shall not use NCDHHS Data for any purpose beyond those specified in this MOA or subsequent written agreement. Except as permitted by this MOA, County shall not use NCDHHS Data in an attempt to track individuals, link to an individual’s data from other data sources, determine real or likely identities, or contact any individual who is the subject of NCDHHS Data.
- b. Approved Purposes. The County will be permitted to use NCDHHS Data, NCDHHS Information Systems, and other NCDHHS IT Resources only:
 - i. For the administration and implementation or public assistance and public service programs for the State of North Carolina.
 - ii. To the minimum extent necessary for the **specific use case** for which the access and use is authorized by NCDHHS.
 - iii. In the manner expressly approved by NCDHHS in this MOA and subsequent writing and in no other manner and for no other purpose.

The County acknowledges and agrees that in accessing, receiving, utilizing, or otherwise handling NCDHHS Data, NCDHHS Information Systems, and other NCDHHS IT Resources it will safeguard and not access, use, or disclose them except for Approved Purposes.

- c. State and Federal Requirements. The County shall protect the confidentiality of NCDHHS Data in accordance with applicable federal and North Carolina laws, regulations, standards and guidelines, including, but not limited to the following:
 - i. Privacy Act of 1974 (5 USC § 552a), as amended by the Computer Matching and Privacy Protection Act of 1988;
 - ii. IRS Publication 1075;
 - iii. Medicaid, 42 U.S.C. § 1396(a)(a)(7), 42 CFR Part 431.300-307;
 - iv. Temporary Assistance to Needy Families, 42 U.S.C. § 602 (a)(1)(A)(iv);

- v. Supplemental Nutrition Assistance Program, 7 U.S.C. § 2020 (e)(8); 7 CFR Part 272.1(c);
 - vi. Social Security Act, 42 U.S.C. § 1396(a)(a)(7);
 - vii. Social Security Administration Disclosure, 20 CFR Part 401;
 - viii. Child Support, 42 U.S.C. § 654(26);
 - ix. Public Assistance Programs (Public Welfare), 45 CFR Part 205.50; and
 - x. U.S. Department of Labor Employment and Training Administration, 20 CFR Part 603;
 - xi. Health Information Portability and Accountability Act and HIPAA Privacy Rule, 45 CFR [Part 160](#) and Subparts A and E of [Part 164](#);
 - xii. North Carolina law governing confidentiality of, and access to, public assistance program data and records, including N.C. Gen. Stat. 108A-80 and implementing regulations; and
 - xiii. North Carolina Identify Theft Protection Act, N.C. Gen. Stat. 75-60 et seq. and 132-1.10 and any implementing regulations.
- d. Identifying Information. The County acknowledges and agrees that some of the data elements within NCDHHS Data can be classified as “Identifying Information” within the meaning of N.C.G.S. § 14-113.20(b). In addition, the combination of certain data elements could classify the data elements as “Personal Information” within the meaning of N.C.G.S. § 75-61(10). Since NCDHHS and the County are subject to the North Carolina Identity Theft Protect Act requirements, N.C.G.S. § 132-1.10 and 75-65, NCDHHS and the County acknowledge and understand that the unauthorized disclosure, misuse, or loss of these certain data elements could subject the County and/or NCDHHS to security breach notification requirements.
- e. HIPAA. NCDHHS is a Hybrid Entity as defined in 45 CFR § 164.103 as that term is designated pursuant to 45 CFR § 164.105(a)(2)(iii)(D) and is comprised of covered and non-covered components. The County may or may not be a Covered Entity and may or may not be a Hybrid Entity with covered and non-covered components. It is possible NCDHHS will provide County access to NCDHHS Data or NCDHHS IT Resources containing Individually Identifiable Health Information (“IIHI”) that is considered Protected Health Information (“PHI”) as defined in 45 CFR § 160.103 or Limited Data set, as defined in 45 CFR § 164.514(e). The Parties agree to the provisions of this MOA in order to address the obligations or requirements enforceable under HIPAA and to protect the interests of both Parties. However, nothing in this MOA shall be construed as creating obligations or liabilities enforceable under HIPAA for NCDHHS or County when HIPAA does not apply.

8. SECURITY

- a. Secure Transport. NCDHHS data will be exchanged between the County and NCDHHS through methods approved by NCDHHS. In accordance with applicable federal and North Carolina statutes, regulations, standards, and policies, the County shall use appropriate physical and technological security safeguards to prevent re-disclosure of NCDHHS Data, and to protect NCDHHS Data in paper and/or electronic forms during transmission, storage or transport. The County shall use encryption during the data transmission process and shall protect NCDHHS Data on portable computers and devices through the use of applicable encryption and strong authentication procedures and other security controls to make NCDHHS Data unusable and inaccessible by unauthorized individuals.

- b. Disposal and Destruction. The County shall dispose of paper, media, and equipment containing NCDHHS Data in a secure manner in accordance with applicable law and information security NIST standards. Data destruction shall be accomplished by destroying, purging or clearing NCDHHS Data so that NCDHHS Data and any related data components are not recoverable, in accordance with all applicable laws, commercially accepted and reasonable standards for the type of data being destroyed, and in compliance with the minimum standards set out in the Guidelines for Media Sanitization (NIST 800-88) guideline issued by the US Dept of Commerce (<https://nvlpubs.nist.gov/nistpubs/SpecialPublications/NIST.SP.800-88r1.pdf>). At the request of NCDHHS, the County shall provide documentation of proper disposal of NCDHHS Data, media, or equipment to NCDHHS.
- c. Unintentional Disclosure. The County shall safeguard and protect the security of NCDHHS Data from loss, theft, or inadvertent disclosure, in accordance with applicable federal and North Carolina laws, regulations, standards and guidelines, and policies including, but not limited to the following:
- i. Federal Information Security Management Act of 2002 (44 USC 3541 et seq.)
 - ii. SSA's "Electronic Information Exchange Security Requirements and Procedures for State and Local Agencies Exchanging Electronic Information with the Social Security Administration"
 - iii. IRS Publication 1075;
 - iv. Health Information Portability and Accountability Act and HIPAA Security Rule, 45 CFR [Part 160](#) and Subparts A and C of [Part 164](#); and
 - v. National Institute of Standards and Technology (NIST) guidelines.
- d. Security Incidents. The County shall implement procedures for detecting, investigating, reporting and responding to security incidents involving NCDHHS Data and NCDHHS IT Resources. The County shall implement an Incident Management Plan which will be the source for how to handle incident management involving NCDHHS Data and NCDHHS IT Resources, and the Incident Management Plan will be available to NCDHHS upon request.
- e. Duty to Report. The County shall evaluate and report all losses, misuse, or unauthorized disclosure of NCDHHS Data and NCDHHS IT Resource to the NCDHHS Privacy and Security Office without unreasonable delay. Any expenses incurred as a result of the loss, misuse, or unauthorized disclosure of NCDHHS Data or NCDHHS IT Resource by the County will be the responsibility of the County.
- f. Reports to NCDHHS. To enable NCDHHS to effectively mitigate impact and comply with its own reporting obligations to federal partners, the County shall report any suspected or confirmed privacy or security incidents or breaches involving NCDHHS Data, NCDHHS Information Systems, or other NCDHHS IT Resources to the NCDHHS Office of Privacy and Security via electronic mail and

through the Office's website, <https://www.ncdhhs.gov/about/administrative-offices/privacy-and-security>, within twenty-four (24) hours after the suspected or confirmed incident or breach is first discovered. For reports involving Social Security Administration (SSA) information, the County shall report suspected or confirmed incidents or breaches immediately, but no later than (one) 1 hour after the suspected or confirmed privacy or security incident or breach is first discovered. If reports involving SSA information occur after normal business hours, the County shall also make a report to the NCDHHS Chief Information Security Officer via the phone numbers listed at the link above. At a minimum and to the extent known at the time of the report, such privacy and security incident or breach reports shall contain the following information:

- i. The nature of the incident or breach;
 - ii. Information about the system or data affected, including a description of the specific data or system;
 - iii. The date the incident or breach was discovered;
 - iv. The date the incident or breach occurred;
 - v. The date the County was notified of the incident or breach; and
 - vi. The identities of affected or potentially affected individual(s).
- g.** Duty to Mitigate. County will take reasonable steps to limit any further such unauthorized use or disclosure of NCDHHS Data, NCDHHS Information System, or other NCDHHS IT Resource. NCDHHS in its sole discretion may require the County to:
- i. Investigate and respond to NCDHHS regarding any alleged disclosure and promptly resolve any problems identified by the investigation.
 - ii. Submit a corrective action plan with steps designed to prevent any future unauthorized disclosures.
 - iii. Require that all of NCDHHS data files be returned or, if infeasible, be destroyed immediately.
- h.** Contact by OCR. During the performance of this MOA, the County is to notify NCDHHS Privacy and Security Office of any contact by the federal Office for Civil Rights (OCR) received by the County. In addition, the County will reasonably cooperate with NCDHHS Divisions and Offices to mitigate the damage or harm of such security incidents.
- i.** Cooperation with NCDHHS. The County will collaborate and cooperate with NCDHHS regarding investigation, actions and potential remedies pertaining to any suspected or confirmed privacy or security breach or incident involving NCDHHS Data, NCDHHS Information System, or other NCDHHS IT Resource.

- j. Breach Notifications. If the County experiences a security breach involving NCDHHS Data, the County will be responsible for providing notification to all affected persons. The County will collaborate and cooperate with NCDHHS Office of Privacy and Security regarding the content and timing of notification prior to providing the notification.
- k. Notification Costs. When the privacy or security breach arises out of a Party's performance under this MOA, that Party will pay for or reimburse the other Party for the costs associated with giving affected persons written notice of a privacy or security breaches.
- l. Access To NCDHHS Data, U.S. Sensitive Personal Data, and Government-Related Data By Countries Of Concern Or Covered Persons. The County shall fully comply with all restrictions in 28 CFR Part 202 concerning direct or indirect access to or bulk U.S. sensitive personal data or government-related data by Countries of concern or covered persons as identified by the United States or North Carolina Attorney General, including but not limited to China (including Hong Kong & Macau), Cuba, Iran, North Korea, Russia, and Venezuela. For purpose of this MOA, the County shall treat NCDHHS Data as if it were "bulk U.S. sensitive personal data" or "United States Government-related data" as those phrases are defined in 28 CFR 202. The County shall not engage in any acquisition, holding, use, transfer, transportation, or exportation of, or dealing in, any property in which a foreign country or national thereof has any interest ("transaction"), where the transaction: involves United States Government-related data ("government-related data") or bulk U.S. sensitive personal data, as defined by 28 CFR 202; falls within a class of transactions that has been determined by the North Carolina or U.S. Attorney General or NCDHHS to pose an unacceptable risk to the national security of the United States, the state of North Carolina, or NCDHHS because the transactions may enable access by countries of concern or covered persons to government-related data or bulk U.S. sensitive personal data; and meets other criteria specified by Executive Order 14117. This requirement applies to any transaction that takes place after the regulation's effective date, July 1, 2025, even if an agreement was signed prior to that effective date, including but not limited to: Master Service Agreements (MSAs), Data transfer agreements, Research agreements with foreign sites, and Service agreements with cloud, analytics, and tech vendors.

9. NOTICE AND CONTACTS

The Parties mutually agree that the following named individuals will be designated as points of contact for the MOA on behalf of NCDHHS and the County:

For NCDHHS:

The relevant NCDHHS Program Information Security Officers, via the head of the respective program or office.

In the event the head of a program or office head or information security officer cannot be located or contacted, the point of contact will be:

Pyreddy Reddy
Chief Information Security officer
N.C. DHHS Privacy and Security Office
1915 Health Services Way
Raleigh, NC 27607
Phone: (919) 855-3090
Fax: (919) 733-1524
Email: pyreddy.reddy@dhhs.nc.gov

For County:

[Name]
[Title]
[Address]
[Phone Number]
[Fax Number]
[E-Mail]

The Parties agree that if there is a change regarding the information in this section, the party making the change will notify the other party in writing of such change.

10. LIABILITY AND INDEMNIFICATION

- a. Sovereign Immunity. Nothing herein shall be construed as a waiver of the sovereign immunity of either Party or the State of North Carolina, or the assumption by the State of any liability contrary to the laws and statutes of North Carolina. Each Party shall be responsible for its own liabilities and neither Party shall seek indemnification from the other.
- b. Inurement. This MOA shall inure to the benefit of and be binding upon the Parties hereto and their respective successors in the event of governmental reorganization pursuant to N.C.G.S. § 143A-6 or other authority.

11. THIRD PARTY MONITORING AND AUDITING

- a. Federal Access. With advance notice, the IRS, SSA, other legally authorized other federal agency, and NCDHHS shall have the right to send its officers and employees into the offices and facilities of the County for inspection of the County's facilities to ensure that adequate safeguards and security measures have been maintained as required by this MOA. Key areas to be inspected include record keeping, secure storage, limited access areas, disposal areas, and computer security systems such as those described in IRS Publication 1075. The County and NCDHHS will work together to correct any deficiencies identified during any

internal inspection. NCDHHS may opt to utilize the County representatives for compliance validation.

- b. State Access. The State Auditor, NCDHHS internal auditors, and the Joint Legislative Commission on Governmental Operations and legislative employees whose primary responsibility is to provide professional or administrative services to the joint Legislative Commission on Governmental Operations shall have the right, upon prior written notice, to audit and inspect the County's records, systems, processes and facilities as they relate to the use, storage, processing, and protection of NCDHHS Data under this MOA. Such audits may be conducted during normal business hours. The County shall provide reasonable access to all relevant records, personnel, and systems necessary to conduct the audit, including but not limited to electronic records, databases, and networks. The County shall retain the records and information at least one (1) year following the termination or expiration of this MOA, one (1) year following the end of the record retention period, or one year after the resolution of an audit, litigation, or other action related to NCDHHS Data under this MOA, whichever is later.

The following entities may audit the records of this MOA during and after the term of this MOA to verify accounts and data affecting fees or other performance under this MOA:

- i. The State Auditor.
- ii. NCDHHS internal auditors.
- iii. The Joint Legislative Commission on Governmental Operations and legislative employees whose primary responsibility is to provide professional or administrative services to the joint Legislative Commission on Governmental Operations.

12. DURATION OF AGREEMENT

- a. Term. This MOA is effective on July 1, 2026, and shall continue through and including June 30, 2028, after which it will be renewed automatically for up to two additional one-year terms, unless either party provides prior written notice to the other party of its intent not to renew the MOA within 90 days prior to the end of the current term.
- b. Termination. The Parties may terminate this MOA at any time upon mutual written agreement. In addition, either party may terminate this MOA upon ninety (90) days' advance written notice to the other party. Such unilateral termination will be effective 90 days after the date of the notice or at a later date specified in the notice. In the event this MOA is terminated unilaterally by the County, NCDHHS will suspend the flow of NCDHHS Data and access to NCDHHS IT Resources to the County until a superseding written agreement is executed by the Parties.
- c. Effect of Failure to Perform. NCDHHS may immediately and unilaterally suspend the flow of NCDHHS Data and access to NCDHHS IT Resources to the County under this MOA, or terminate this MOA, if NCDHHS, in its sole discretion, determines that the County (including its employees, contractors and agents) has: (i) made an unauthorized use or disclosure of NCDHHS Data; (ii) provided unauthorized access to NCDHHS Information

Systems or other NCDHHS IT Resource; or (iii) violated or failed to follow the terms and conditions of this MOA (Breach of Agreement). At the request of NCDHHS, the County shall immediately discontinue access and use of any NCDHHS Data and NCDHHS IT Resources demanded by NCDHHS.

- d. Termination for Cause. If a Breach of Agreement or other failure to perform as required is not cured within thirty (30) days, or as otherwise agreed to by NCDHHS in writing and in a manner deemed acceptable by NCDHHS, then this MOA will be terminated for cause. If the NCDHHS Data is a HIPAA-covered data set, a matter resolved in an unacceptable manner will result in discontinued access and use of that NCDHHS Data and NCDHHS shall report the problem to the Secretary of the United States Department of Health and Human Services, per 45 CFR 164.514(e)(4)(iii)(A).

13. MODIFICATION

- a. Regular Review. The Parties shall review this MOA as deemed necessary by NCDHHS and upon the written request of either NCDHHS or the County to the other party, or whenever a State or Federal statute is enacted that material affects the substance of this MOA, in order to determine whether it should be revised or renewed, as applicable.
- b. Amendments. The Parties agree that all changes and amendments to this MOA shall be in writing and executed by both parties.

14. GOVERNING LAW

- a. The Laws of the State of North Carolina. The validity of this MOA and any of its terms or provisions, as well as the rights and duties of the parties to this MOA, are governed by the laws of North Carolina.
- b. Venue. The place of this MOA and all transactions and agreements relating to it, and their situs and forum, shall be Wake County, North Carolina, where all matters, whether sounding in contract or tort, relating to the validity, construction, interpretation, and enforcement shall be determined.

15. OTHER PROVISIONS/SEVERABILITY

- a. Severability. Nothing in this MOA is intended to conflict with current federal or state laws or regulations, or any governing policies of the County or NCDHHS. If any term of this MOA is found by any court or other legal authority, or is agreed by the Parties to be in conflict with any law or regulation governing its subject, the conflicting term shall be considered null and void. The remaining terms and conditions of this MOA shall remain in full force and effect.
- b. Entire Agreement. This MOA and any amendments hereto and any documents incorporated specifically by reference represent the entire agreement between the Parties and supersede all prior oral and written statements or agreements.
- c. Conflicts. The terms and conditions of this MOA shall override and control any conflicting term or condition of any prior agreement between the Parties pertaining to the NCDHHS Data, NCDHHS Information System, or other NCDHHS It Resource.

- d. Requests from Third Parties and Subpoenas or Other Legal Process. If a subpoena or other legal process in any way concerning the NCDHHS Data, NCDHHS Information System, or other NCDHHS IT Resource is served upon the County, then Recipient shall notify NCDHHS promptly following receipt of such subpoena or other legal process and shall cooperate with NCDHHS in any lawful effort by NCDHHS to contest the legal validity of such subpoena or other legal process. If the County is contacted by a third party for information related to the NCDHHS Data, NCDHHS Information System, other NCDHHS IT Resource, or the terms of this MOA, then the County shall promptly notify NCDHHS of the request and shall not provide any such information to the third party without first receiving written approval from NCDHHS unless otherwise required by law.

16. EFFECTIVE DATE

This MOA shall become effective July 1, 2026 and shall continue in effect until June 30, 2028 unless otherwise extended or terminated under the terms of this MOA.

-----*Signatures on Next Page. The Rest of This Page Left Intentionally Blank.*-----

17. SIGNATURE WARRANTY

Each individual signing below warrants that he or she is duly authorized by the party to sign this MOA and to bind the party to the terms and conditions of this MOA.

For the County

BY: _____
Name

TITLE: _____

DATE: _____

-AND-

BY: _____
Name

TITLE: _____

DATE: _____

For the North Carolina Department of Health and Human Services

BY: _____
Name

TITLE: Secretary, North Carolina Department of Health and Human Services

DATE: _____