



HEALTHY PLAN

US laws have led Delta Dental - currently exploring the American dental insurance market - to adopt technology that will align its business with the leading practices in the Healthcare industry

With 6.2 million clients, Delta Dental is the largest dental benefits carrier in the US. In order to ensure Information Security of its large client base and meet regulatory requirements, the dental care service provider decided to manage its business risks using Modulo's proprietary technology.

With operations in Michigan, Ohio, Indiana and Tennessee, the company is also a member of the Delta Dental Plans Association (DDPA) – an association that combines dental insurance providers independently operated in the US market. These member companies currently provide coverage to over 50 million clients, and encompass the largest network of dentists in the USA. This makes it the largest administrator of dental insurance plans in that country.

The figures alone point to the level of responsibility, and the volume of both data and claims that must be efficiently managed by the company. In addition, Delta Dental is also part of the Healthcare insurance segment, which is closely monitored by US regulatory agencies. Therefore, apart from the inherent complexity of its business and systems, the company must stay up-to-date and in compliance with a number of laws and regulations that exist in the sector.

Among these is the SAS70 (Statement on Auditing Standard #70), which includes a report based on professional control standards on transactions performed by these service providers. This data is used by auditors in assessing the company's internal controls.

COMPLIANCE REQUIREMENTS

Another US government requirement establishes that Delta Dental must be in compliance with the so-called DIACAP (Department of Defense Information Assurance Certification and Accreditation Process). This process is overseen by the US Department of Defense in order to ensure that companies throughout the country have applied risk management on their Information Systems (IS) in accordance with its certification standards and guidelines.

In this context, it became obvious that Delta Dental would require a solution that enabled it to approve a large volume of processes in accordance with these complex guidelines and laws that regulate this industry segment in the US. Therefore, the company identified the need to adopt a system that would be capable of efficiently collecting critical data, while prioritizing actions to fix potential issues.

Given this specific requirement, Delta Dental decided

to implement Modulo Risk Manager – Modulo’s Governance, Risk and Compliance (GRC) software – during the second quarter of 2007. The tool was implemented with the partnership of Viopoint, and was a direct result of the SAS70 audits being carried out internally during that same period.

“The solution allows for the configuration of controls specific to the regulatory requirements imposed on Delta Dental, thus enabling preventative audits that can anticipate irregularities, and ensure SAS70 compliance”, explained Rob Cote, Viopoint’s consultant.

Compliance with the legal requirements is confirmed by Jayson Cavendish, Delta Dental’s technical services Director, who points out the tool’s data consolidation and analysis functionality. “We’ve chosen MÓdulo Risk Manager due to its optimal data consolidation and analysis capability combined with its flexibility and user friendliness, which is something we truly value”, says the Executive.

PROJECT DEPLOYMENT

In May 2007, only three weeks after deciding to purchase the tool, Modulo Risk Manager had already been implemented at Delta Dental. Following the initial assessment and the implementation, Delta Dental employees were trained in the tool. They were taught to effectively support the risk and compliance programs adopted by the company.

EFFICIENT MANAGEMENT

Currently, only the Information Security Director and his team work directly with Modulo’s software. However, during the risk reassessment period, approximately 10% to 15% of the company’s employees interact directly with the tool. This interaction takes place through surveys developed to assess their knowledge of the company’s security policies.

Among the several benefits observed by Delta Dental with the implementation of Modulo’s software is the more efficient management of their overall risk programs. More importantly, the company points out the ability to report in detail the progress and status of these action plans to top Executives, who can in turn monitor them more closely.

These positive benefits have led the company to consider plans to adopt a widespread use of the solution. According to Viopoint’s Cote, Delta Dental plans to further utilize the tool for supporting risk prevention activities with a focus on DIACAP.

