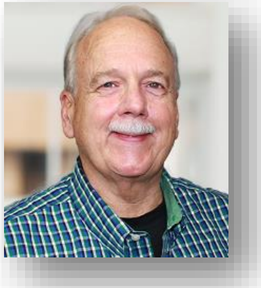
8x8, Inc.

Is Your Compliance Strategy Putting Your Business at Risk?

January 20, 2015

Today’s Speakers



Michael McAlpen
Exec. Dir. of Security & Compliance, 8x8, Inc.

David Leach
Business Communications Consultant, 8x8, Inc.

Mike McAlpen - 8x8, Inc.
Executive Director, IT Security & Compliance

- Business Leader, Global Information Security & Compliance, Visa Inc.
- Senior Director, Hewlett Packard Professional Services Information Security, CIO/CISO Advisory, Enterprise Architecture Practices
- American Bar Association – Science and Technology Law – Information Security & Forensic Committees
- Senior Member ISACA Information Systems Audit and Control Association
- Member, Communications Fraud Control Association (CFCA)
- Member Cloud Security Alliance (CSA)
- U.S. Secret Service Cyber Crime Task Force
- Board member FBI/DHS InfraGard
- Board member Healthcare Information and Management Systems Society (HIMSS)

HIMSS® NORTHERN CALIFORNIA Chapter

ABA AMERICAN BAR ASSOCIATION
Defending Liberty, Pursuing Justice

Health Insurance Portability and Accountability Act

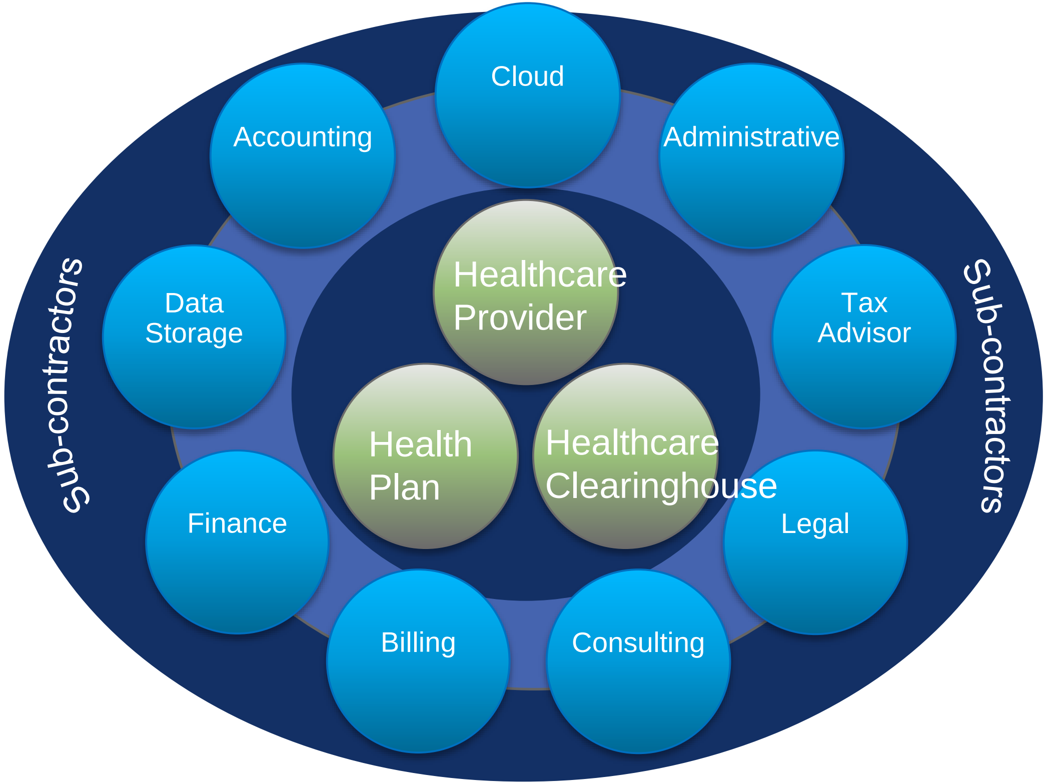
Pre-2013

HIPAA covered any business associate who performed or assisted in any activity involving the use or disclosure of individually identifiable health information, such as third-party administrators, pharmacy benefit managers and benefit consultants

Enforceable as of Sept. 23, 2013

Under the new regulations, business associate status is triggered when a vendor “creates, receives, maintains or transmits” personal health information (PHI).

Companies Impacted by HIPAA (partial list)



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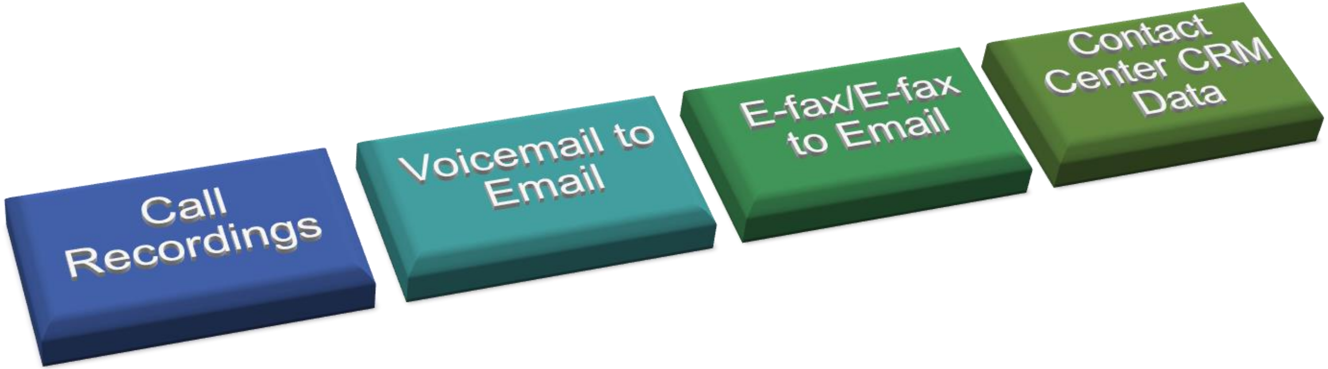
Penalties for Non-Compliance

HIPAA

Enforced by U.S. Department of Health and Human Services (HHS), Office for Civil Rights (OCR)

Violation Category	Each Violation	All Such Violations Annual Max
Did not know	$100 - 50,000	$1,500,000
Reasonable cause	$1,000 - 50,000	$1,500,000
Willful neglect, corrected	$10,000 – 50,000	$1,500,000
Willful neglect, not corrected	$50,000	$1,500,000

HIPAA Impact on Communications



Electronic Personal Health Information (E-PHI) may be contained in any one of these forms.

PCI-DSS Security Breach Fines

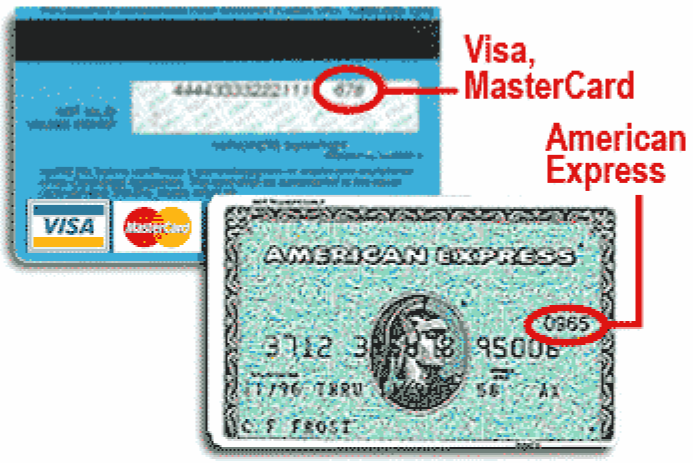
- MasterCard
  - Level 1 & 2 Merchants
    - First Violation – up to $25,000
    - Second Violation – Up to $50,000
    - Third Violation – up to $100,000
    - Fourth Violation – up to $200,000
  - Level 3 Merchants
    - First Violation – up to $10,000
    - Second Violation – Up to $20,000
    - Third Violation – up to $40,000
    - Fourth Violation – up to $80,000
- Visa
  - Level 1 Merchants - $25,000 monthly
  - Level 2 Merchants - $5,000 monthly

Level 1 – >6 M transactions/yr.
Level 2 – 1-6 M transactions/yr.
Level 3 – 20,000 – 1 M transactions/yr.

PCI-DSS Best Practices

If you take credit card numbers, be sure you . . .

- Never store or write down the CVV2 data (card security code)
- All other card information, if stored, must be encrypted and/or tokenized (i.e. number, user name, exp. Date)
- Ideally pass this data through to your card processing vendor, rather than store it
- Auditors will require verification of training & authorization of all parties handling the data



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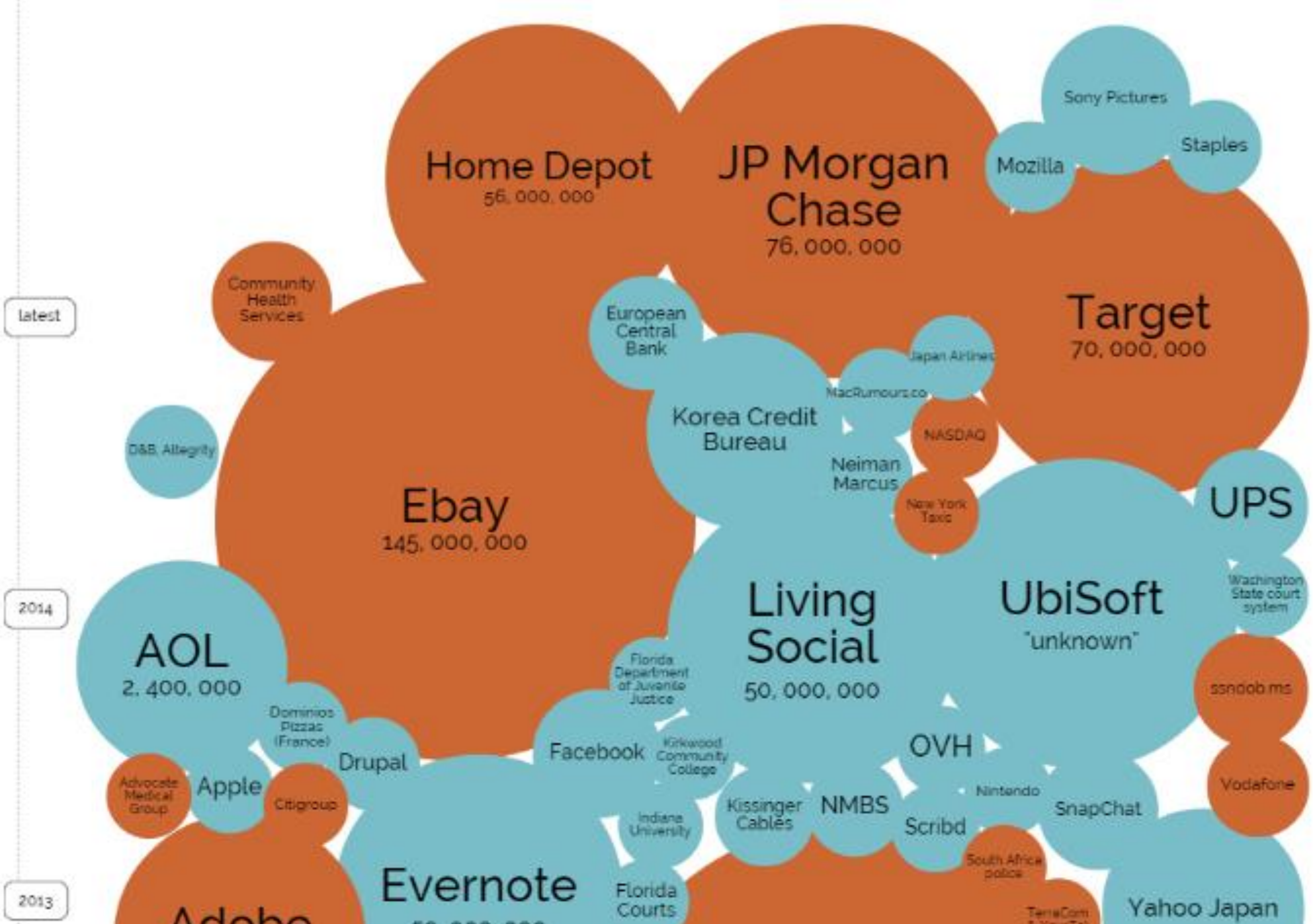
Other Regulatory Compliance

- Any business concerned with data privacy (Energy, Bio-Tech, Hi-Tech, Law Firms, Labor Unions, Construction, etc…)
- FISMA/FedRAMP (local, state, Federal, defense and the 3rd parties supporting them)
- FERPA - Education
- FFIEC – Financial Services
- GLBA – Financial Services
- Data Privacy Regulations in other Countries

World’s Biggest Data Breaches – 30,000+ Records



Other Compliance Best Practices

Develop a Culture of Compliance to Maintain Data Privacy

What auditors look for:

- Separation of duties
- Evidence of training & authorization
- Secure storage practices (data encryption)
- Reputable 3rd party attestation of any 3rd party vendors persistently handling your sensitive data
- Secure policies & procedures in place
- Due diligence practices

Complete, Secure & Compliant Portfolio

HIPAA

Don't jeopardize your compliance!

FISMA

Doing business with government?

FIPS 140-2

8x8 meets strict US government standards.

PCI-DSS v3.0

8x8 is secure enough for e-commerce.

Safe Harbor

8x8 complies with US/EU/EEA Safe Harbor regulations.

CPNI

8x8 protects customer information

The Most Secure & Compliant Cloud Communications Provider

Alliances

HiMSS

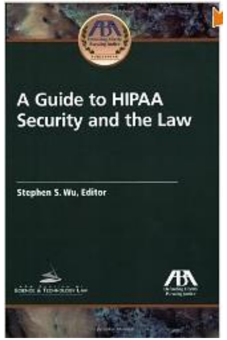
NORTHERN CALIFORNIA *Chapter*

UNITED STATES SECRET SERVICE

INFRAGARD

3rd Party Compliance Validations

IBM®



A Guide to HIPAA Security and the Law

Stephen S. Wu, Editor

Deep Water Point

Compliances Achieved

SKYHIGH ENTERPRISE-READY

HIPAA
Health Insurance Portability
and Accountability Act

FCC Federal Communications Commission

FISMA
FEDERAL INFORMATION SECURITY MANAGEMENT ACT

PCI Security Standards Council

VERACODE

SSAE 16

OWASP

U.S.• EU
SAFEHARBOR
U.S. DEPARTMENT OF COMMERCE

Quality and security similarities

- Deming’s TQM principles turned around the Japanese auto industry
- You can’t inspect-in quality, you must build quality into a product throughout production.
- The same is true for security, it takes time, effort and complete commitment. 8x8 has done this over many years and it is not at all easy for competitors to copy – it will take them years!

Continuous Improvement
Customer Focus
Control
TQM
Cooperation
Culture
Commitment

What does it take to meet HIPAA Compliance Requirements?

The HIPAA related data in:

1. **Back end systems -**(50 Policies, 150 audit controls, training, physical securtiy, monitoring, Defense in Depth, OWASP Application Security, DR/BCS
2. **Services & Solutions -**(FIPS 140-2 Data In Motion and At Rest Encryption, Authentication, Logging, etc.)
3. **3rd Parties –**(Must meet minimum above standards and sign BAA
4. **Employee HR personnel records - (**Data security Audited annually)

Must be safeguarded by:

1. Physical
2. Administrative
3. Technical

To protect HIPAA related Data:

C. Confidentiality

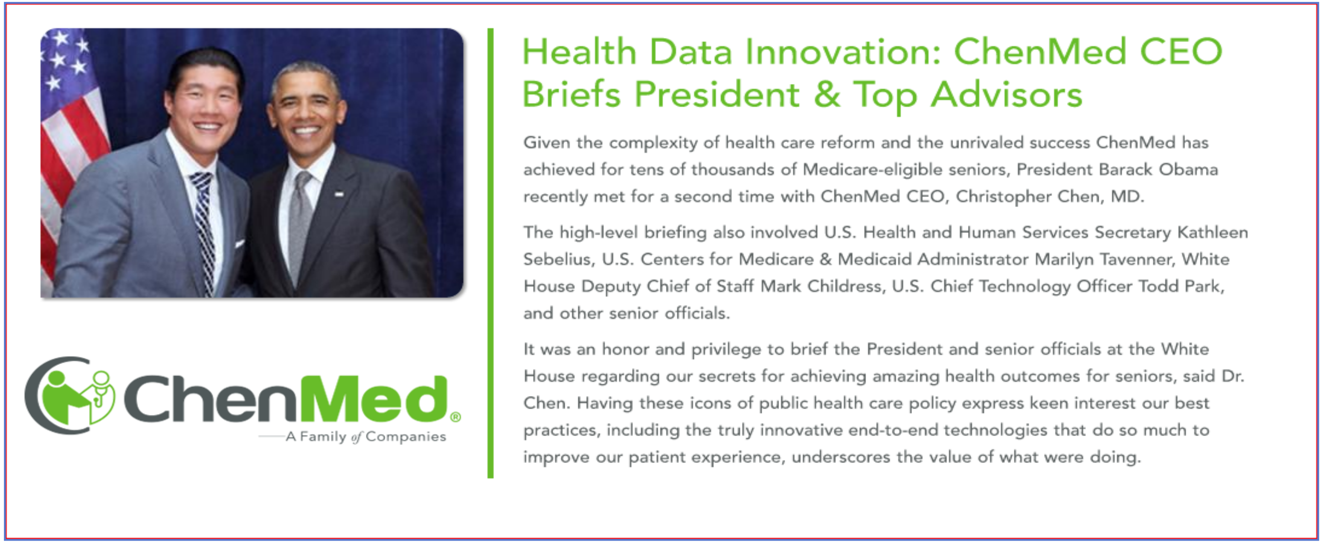
I. Integrity

A. Availability

Customers require 3rd Party Validation:

Ours is from the nationally known HIPAA Security & Compliance legal authority and author, Stephen Wu.

ChenMed Primary Care Provider Turns to 8x8 for HIPAA-Compliant Cloud Communications



Health Data Innovation: ChenMed CEO Briefs President & Top Advisors

Given the complexity of health care reform and the unrivaled success ChenMed has achieved for tens of thousands of Medicare-eligible seniors, President Barack Obama recently met for a second time with ChenMed CEO, Christopher Chen, MD.

The high-level briefing also involved U.S. Health and Human Services Secretary Kathleen Sebelius, U.S. Centers for Medicare & Medicaid Administrator Marilyn Tavenner, White House Deputy Chief of Staff Mark Childress, U.S. Chief Technology Officer Todd Park, and other senior officials.

It was an honor and privilege to brief the President and senior officials at the White House regarding our secrets for achieving amazing health outcomes for seniors, said Dr. Chen. Having these icons of public health care policy express keen interest our best practices, including the truly innovative end-to-end technologies that do so much to improve our patient experience, underscores the value of what were doing.

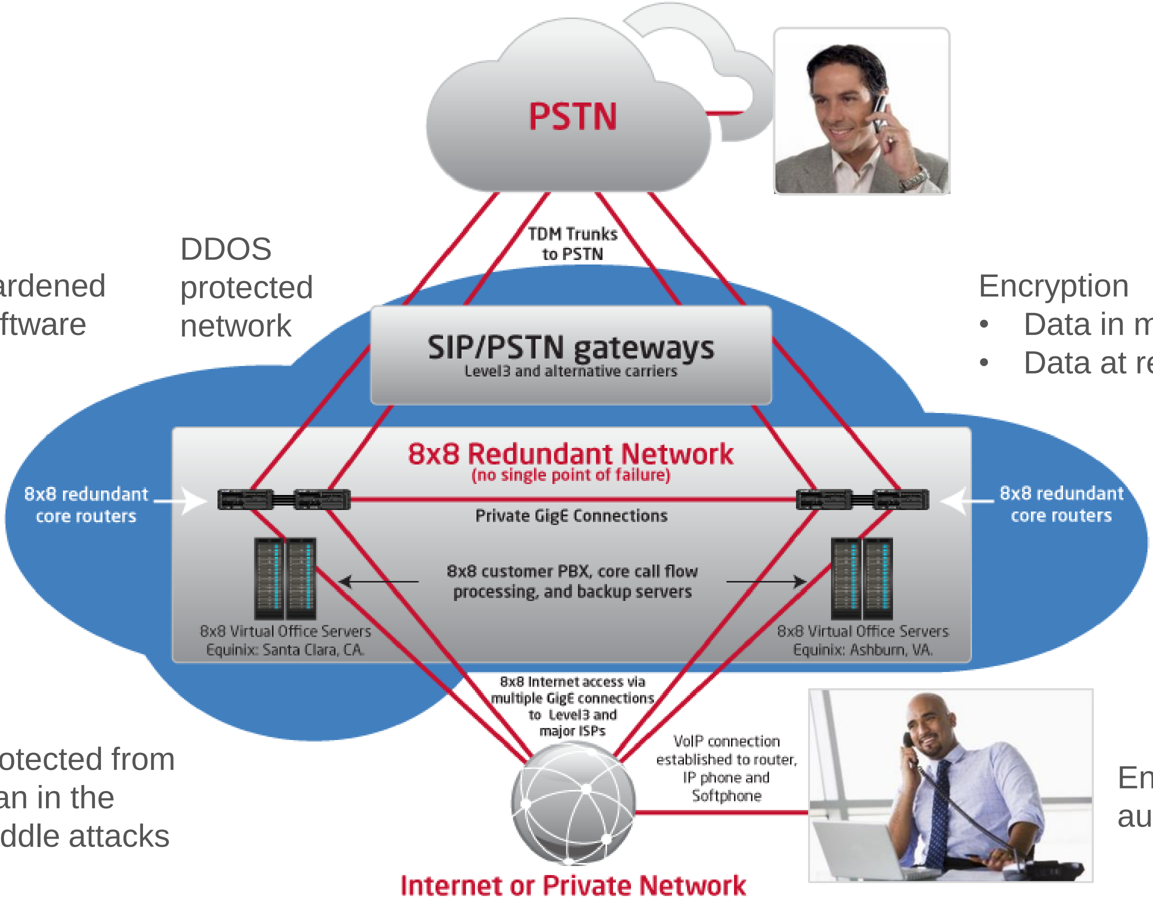
- Innovative, physician-led primary care provider; HIPAA compliance a must
- Over 1,400 employees in 38 locations and six states
- Deployed Virtual Office in all locations; completed in under five weeks
- Customer saving more than $5 million over three year period over Cisco on-premises system

Always Secure Communications

Hardened software

DDOS protected network

Encryption
- Data in motion
- Data at rest


PSTN
TDM Trunks to PSTN
SIP/PSTN gateways
Level3 and alternative carriers
8x8 Redundant Network
(no single point of failure)
8x8 redundant core routers
8x8 redundant core routers
Private GigE Connections
8x8 customer PBX, core call flow processing, and backup servers
8x8 Virtual Office Servers
Equinix: Santa Clara, CA.
8x8 Virtual Office Servers
Equinix: Ashburn, VA.
8x8 Internet access via multiple GigE connections to Level3 and major ISPs
VoIP connection established to router, IP phone and Softphone
Internet or Private Network

Protected from man in the middle attacks

End point authentication

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Questions?

Additional Resources

- U.S. Department of HHS HIPAA web site
  http://www.hhs.gov/ocr/privacy/hipaa/understanding/index.html
  http://www.hhs.gov/ocr/privacy/hipaa/administrative/enforcementrule/hitechenforcementifr.html

  http://www.hhs.gov/web/508/accessiblefiles/checklists.html

- CMS Security Risk Analysis Tip Sheet

  http://www.cms.gov/site-search/search-results.html?q=security%20risk%20analysis%20tip%20sheet

- National Institute of Standards and Technology (NIST)

  http://www.nist.gov/ (search for NIST 800-53 Rev.4)

- SANS Institute (security policy guidance & 20 critical security controls)

  http://www.sans.org/ (look for "Policy Template" link)

- 8x8, Inc. compliance web site

  http://www.8x8.com/VoIPBusinessPhoneSystems/ByBusinessSize/Government/Compliance.aspx

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Thank you

Contact us: Mike McAlpen

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