

BC adjusts contracting to protect privacy

PRIVACY CONCERNS RAISED by the US government's *Patriot Act* are forcing the British Columbia government to change its procurement practices.

A November report by BC Privacy Commissioner David Loukidelis concluded there is a risk the *Patriot Act* could compel US companies or their Canadian subsidiaries doing business with the government to turn over personal information on British Columbians to US authorities. The US government enacted the legislation following the Sept. 11, 2001 terrorist attacks. (For more information, see "Legal Notes," *Summit*, March 2005.)

However, Loukidelis added, the risks could be minimized through contract provisions and legislation.

The province had already moved on the legislative front, passing amendments last summer to BC's *Freedom of Information and Protection of Privacy Act*. When outsourcing, provisions must now be in-

cluded that require databases be located and accessed solely within Canada, and that employee Web, email and access to data transfer hardware be restricted. The amendments also provide for a \$500,000 fine for the unauthorized disclosure of personal information.

BC's Ministry of Management Services, Information and Privacy Branch has established a privacy hotline to assist procurement staff and an updated privacy protection schedule must now be included in all contracts involving personal information.

Patriot Act concerns were first raised by the BC Government Employees Union last spring when the government announced plans to outsource administration of BC's Medical Services Plan to a US company.

The government signed a 10-year, \$324 million contract in November with Reston, Virginia-based Maximus Inc. for administration of BC's Medical Services Plan (MSP) and PharmaCare programs.

MSP insures medically required services provided by physicians and supplementary health care practitioners, laboratory services and diagnostic procedures. PharmaCare subsidizes eligible prescription drugs and designated medical supplies. The BC government says, with the privacy act amendments and specific contract provisions, it is satisfied confidential information will be safe.

"The government had made a commitment that we would not enter into any arrangement that would put the privacy of personal health information at risk," said Lisa Brewster, a spokesperson for the BC Ministry of Health Services. "The government feels it has reasonable and appropriate provisions in the contract to make sure privacy is protected." 

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