



Privacy Impact Assessment
for the

**Health Claims Data Warehouse
(HCDW)**

May 8, 2018

Contact Points

Dennis Hardy
Healthcare and Insurance

Reviewing Official

Kellie Cosgrove Riley
Chief Privacy Officer

Abstract

The Health Claims Data Warehouse (HCDW), sponsored by the Office of Personnel Management Office of Healthcare and Insurance will receive and analyze health claims data to support management and administration of the Federal Employee Health Benefits Program, a \$53 billion program covering approximately 8 million eligible participants using more than 100 health insurance carriers. The HCDW will incorporate extensive analytical capabilities to support cost analysis, administration, design, and quality of healthcare services provided to eligible participants. This Privacy Impact Assessment is being conducted because the HCDW collects, maintains, and uses personally identifiable information.

Overview

The Health Claims Data Warehouse (HCDW) contains medical claims information, enrollment information, pharmacy information, and provider information that the Office of Personnel Management (OPM) Office of Healthcare and Insurance (HI) obtains from the numerous health insurance carriers (Carriers). The information pertains to approximately 8 million individuals, including Federal employees, Postal employees, retirees, and their family members, who voluntarily participate in the Federal Employee Health Benefits Program (FEHB).

HI uses the HCDW to receive and analyze information made available by fee-for-service (FFS) insurance Carriers and health maintenance organizations (HMOs) from current and future OPM health benefit programs to support management and administration of the FEHBP. The primary purpose of the HCDW is to provide a central database from which OPM may analyze the FEHBP to support the management of the program to ensure the best value for the enrollees and taxpayers.

HI collects, manages, and analyzes health services data provided by the Carriers through secure data transfer. The system allows for analysis of the data in order to evaluate the cost of care, utilization of services, and quality of care for specific population groups, geographic areas, health plans, health care providers, disease conditions, and other relevant categories.

Information contained in the HCDW assists in improving the effectiveness and efficiency of care delivered by health care providers to the enrollees by

facilitating robust contract negotiations, health plan accountability, performance management, and program evaluation.

While certain of the analyses conducted by HI can be completed using aggregate, non-identifiable data, HI also requires personally identifiable information (PII) in order to create person-level longitudinal records. The PII in the HCDW is used to generate a system-unique individual record key that is used to build de-identified longitudinal records for analysis purposes. Access to the raw data obtained from the Carriers, including PII, is restricted within HI to a maximum of 5 analysts; access to the de-identified data is limited within OPM to HI analysts. The longitudinal records are necessary because individuals may change plans over the years they remain in the FEHB; data that can be linked over time, and then aggregated at various levels as specific analyses may require, are essential to examine issues both within and across health plans.

HI analysts use the de-identified data for the purposes of conducting analysis of health care and health insurance trends and relevant health-related issues, formulating health care program changes and enhancements to limit cost growth, improve outcomes, increase accountability, and improve efficiency in program administration. The information in the HCDW is used only for analytical purposes related to the Carriers and is never used for any purpose related to a specific individual.

To the extent any information from the HCDW is distributed within OPM, outside of the HI staff with access to the HCDW, it will include only de-identified and aggregate information. No disclosure of the HCDW information will be made outside of OPM unless required by law, and then only in de-identified or aggregate form.

Section 1. Authorities and Other Requirements

1.1. What specific legal authorities and/or agreements permit and define the collection of information by the project in question?

Authority for requiring FEHBP Carriers to allow OPM access to records and for requiring reports, as well as authority for OPM's maintenance of FEHBP health claims information, is provided by 5 U.S.C. § 8910, which requires OPM to continually study the operation and administration of the FEHB carriers and also requires the Carriers to furnish reports and provides OPM access to records upon request. In addition, the regulations promulgated under the Health Insurance Portability and Accountability Act at 45 C.F.R. 164.512(d) permit the Carriers to provide information to OPM for its oversight activities.

1.2. What Privacy Act System of Records Notice(s) (SORN(s)) apply to the information?

The applicable SORN is OPM/Central 15 Health Claims Data Warehouse.

1.3. Has a system security plan been completed for the information system(s) supporting the project?

A system security plan was completed for the HCDW as part of the Authority to Operate, which was granted on or about May 9, 2018.

1.4. Does a records retention schedule approved by the National Archives and Records Administration (NARA) exist?

All information in the HCDWP system is retained in accordance with the NARA Schedule Number DAA-0478-2014-0005.

1.5. If the information is covered by the Paperwork Reduction Act (PRA), provide the OMB Control number and the agency number for the collection. If there are multiple forms, include a list in an appendix.

The HCDW does not collect information directly from the public and, therefore, the PRA does not apply.

Section 2. Characterization of the Information

2.1. Identify the information the project collects, uses, disseminates, or maintains.

The records in the HCDW contain the following information about those individuals who participate in the FEHB and their covered dependents:

- Name
- Social security number
- Date of birth
- Gender
- Home address
- Enrollee's employing agency
- Name of health care provider
- Health care provider address
- Health care provider taxpayer identification number (TIN) or carrier identifier
- Health care coverage information regarding benefit coverage for the plan in which the person is enrolled
- Health care procedures performed on the individual in the form of International Classification of Diseases (ICD), Current Procedural Terminology (CPT) and other appropriate codes
- Health care diagnoses in the form of ICD codes, and treatments, including prescribed drugs, derived from clinical medical records
- Provider charges, amounts paid by the plan and amounts paid by the enrollee for the above coverage, procedures, and diagnoses

2.2. What are the sources of the information and how is the information collected for the project?

The FEHBP data is securely transmitted from participating Carriers to the HCDW system either monthly, quarterly or annually (depending on the carrier's data updating preference).

2.3. Does the project use information from commercial sources or publicly available data? If so, explain why and how this information is used.

Information in the HCDW is not collected from commercial sources or publicly available data sources.

2.4. Discuss how accuracy of the data is ensured.

OPM validates the data for quality of the information but does not make any determinations concerning the accuracy of the data. The Carriers are responsible to ensure the data that it submits to OPM is correct. Moreover, it is presumed that the Carriers will provide accurate data as inaccurate data may have an adverse impact on any analysis concerning their performance.

2.5. Privacy Impact Analysis: Related to Characterization of the Information

Privacy Risk: There is a risk that the HCDW may obtain more information than is necessary for OPM HI to effectively study the operation and administration of the FEHB and perform its oversight function.

Mitigation: This risk is mitigated by OPM verifying that the data it requests from the Carriers is the minimum necessary to perform oversight. In addition, OPM specifies the file formats and specific data elements in order to ensure that it does not over collect.

Privacy Risk: There is a risk that the information received from the Carriers will contain inaccuracies that impact HI's analysis.

Mitigation: This risk is mitigated by the quality control check that HI conducts on the data it receives from the Carriers. Any anomalies will be examined and addressed. In addition, this risk is mitigated by the Carriers, who have a business interest in providing accurate information. Moreover,

because the information in the HCDW will not be used for any purpose related to a specific individual, any inaccurate information will not have a direct impact on an individual.

Section 3. Uses of the Information

3.1. Describe how and why the project uses the information.

The information in the HCDW will be used to conduct analyses and provide reports internal to OPM regarding the effectiveness and efficiencies of FEHBP, such as bundled payments of maternity care; pharmacy cost share, associated effects on adherence, and its relation to clinical outcomes; total cost of care; and observed-to-expected ratios used in OPM's Plan Performance Assessment.

Individual-level data that can be linked over time and then aggregated at various levels for specific analyses are essential to enable OPM HI to examine issues both within and across health plans. The types of analyses this individual-level data support include, but are not limited to:

- modeling the effects of potential payment changes, such as bundled payments for episodes of care;
- monitoring enrollment patterns across benefit levels and across health plans as new offerings emerge and/or older plans transition out of the program;
- assessing the total cost of care on a risk adjusted basis across variously-defined groups of enrollees, across plans, and across geographic regions; and
- implementing additional ways to assess, and potentially reward, plan performance.

Diagnosis and pharmacy-based data, which is widely used to support many aspects of the assessment and administration of health plans, is used to enhance many of the analyses. This data requires consistent and comprehensive individual-level data across time and across plans, in particular.

Social Security Numbers are required to build the comprehensive longitudinal enrollment, service use, and claims data.

3.2. Does the project use technology to conduct electronic searches, queries, or analyses in an electronic database to discover or locate a predictive pattern or an anomaly? If so, state how OPM plans to use such results.

Special Structured Query Language (SQL)-based queries are written by analysts to evaluate the data. No specialized electronic technology is used to conduct queries. There are no commercial-off-the-shelf products used to query the data.

3.3. Are there other programs/offices with assigned roles and responsibilities within the system?

A maximum of five individuals in OPM HI have assigned roles and responsibilities with respect to the information in the HCDW. To the extent OPM HI reports the results of their analysis to others within OPM, this is done in the form of summary reports that contain only aggregate and/or de-identified information.

3.4. Privacy Impact Analysis: Related to the Uses of Information

Privacy Risk: There is a risk that an authorized user may access the information in the HCDW for an unauthorized purpose, such as to conduct searches on themselves, friends, family members or others.

Mitigation: This risk is mitigated by ensuring that only a limited number of well-trained HI analysts have access to the information in the HCDW and by segregating the identifiable information from the de-identified information that is used to conduct the analyses. Even within HI, most users only see de-identified data.

Privacy Risk: Because the HCDW compiles identifiable data from multiple Carriers, information that previously was not accessible in a single system is combined, and there is a risk that authorized users will unnecessarily have access to comprehensive, sensitive information about individuals.

Mitigation: This risk is mitigated through training those individuals who have access to the HCDW regarding the sensitivity and proper handling of

the information it contains, and through segregating the identifiable information from the de-identified information that is used by HI to conduct its analyses. The unique identifier that is assigned at the record level is generated systematically and can only be linked to the identifiable data by the limited number of HI analysts with access to that segregated data.

Section 4. Notice

4.1. How does the project provide individuals notice prior to the collection of information? If notice is not provided, explain why not.

The Carriers' plan brochures notify members that their data may be transmitted to OPM. In addition, OPM has published a system of records notice pursuant to the Privacy Act which describes the records maintained in the HCDW and the purpose for which they are collected. Notice is also provided through the publication of this Privacy Impact Assessment.

4.2. What opportunities are available for individuals to consent to uses, decline to provide information, or opt out of the project?

There are no opportunities for individuals to consent or decline to the use of data in HCDW.

4.3. Privacy Impact Analysis: Related to Notice

Privacy Risk: There is a risk is that individuals will not have notice that the information that the Carriers have about them will be collected and stored by OPM HI.

Mitigation: This risk is mitigated through information that the Carriers provide to those individuals who participate in their health plans and through the publication of a SORN and this PIA.

Section 5. Data Retention by the project

5.1. Explain how long and for what reason the information is retained.

The records in the HCDW are retained pursuant to NARA Disposition Authority Number DAA-04 78-2014-0005. Specifically, information obtained

from the Carriers that has been entered into master file or database and verified can be deleted when no longer required to support reconstruction of, or serve as backup to, a master file or database, whichever is later. In addition, the record keys created to link the de-identified data with the PII in the system must be cut off each fiscal year and destroyed seven years after cut off.

5.2. Privacy Impact Analysis: Related to Retention

Privacy Risk: There is a risk that the information in the HCDW will be retained for longer than is necessary.

Mitigation: This risk is mitigated by properly training HI staff to dispose of records as designated in the relevant records schedule.

Section 6. Information Sharing

6.1. Is information shared outside of OPM as part of the normal agency operations? If so, identify the organization(s) and how the information is accessed and how it is to be used.

None of the information in the HCDW is shared outside of OPM.

6.2. Describe how the external sharing noted in 6.1 is compatible with the SORN noted in 1.2.

None of the information in the HCDW is shared outside of OPM.

6.3. Does the project place limitations on re-dissemination?

None of the information in the HCDW is shared outside of OPM.

6.4. Describe how the project maintains a record of any disclosures outside of OPM.

None of the information in the HCDW is shared outside of OPM.

6.5. Privacy Impact Analysis: Related to Information Sharing

Privacy Risk: There is a risk that OPM will be required to share information from the HCDW with outside entities, for legal or policy reasons.

Mitigation: OPM does not intend to provide information from the HCDW to any outside entity, but if required by law to do so will provide only aggregate or de-identified data in order to mitigate any risk to individuals.

Section 7. Redress

7.1. What are the procedures that allow individuals to access their information?

Individuals wishing to determine whether the HCDW contains information about them may do so by writing to the U.S. Office of Personnel Management, FOIA/PA Requester Service Center, 1900 E Street, NW, Room 5415, Washington, DC 20415-7900 or by emailing foia@opm.gov.

Individuals must provide the following information for their records to be located: full name, date of birth, social security number, signature, any available information regarding the type of information requested, the reason the individual believes the system contains information about him or her, and the address to which the information should be sent. Individuals must also comply with OPM's Privacy Act regulations regarding verification of identity and access to records at 5 C.F.R. part 297.

7.2. What procedures are in place to allow the subject individual to correct inaccurate or erroneous information?

Individuals wishing to request amendment of about them in the HCDW should write to the U.S. Office of Personnel Management, FOIA/PA Requester Service Center, 1900 E Street NW, Room 5415, Washington, DC 20415-7900 ATTN: Policy and Planning Analysis. OPM cannot change the information in the HCDW but can direct individuals to the appropriate Carrier to address the inaccuracy and the Carrier can then provide updated information to OPM.

7.3. How does the project notify individuals about the

Individuals are notified about the procedure for correcting their information in the published SORN, OPM/Central 15 Health Claims Data Warehouse and through the publication of this PIA.

7.4. Privacy Impact Analysis: Related to Redress

Privacy Risk: There is a risk that individuals will be unable to correct or amend information about them that is contained in the HCDW.

Mitigation: This risk is not fully mitigated as OPM HI cannot amend the read-only files that it obtains from the Carriers, and does not have relevant information to determine whether the information requires correction. OPM HI can only direct the individual to the Carrier to resolve the inaccuracy and then receive updated information from the Carrier. The risk to the individual, however, is low as the information in the HCDW is not being used to make any decisions directly about the individual's benefits.

Section 8. Auditing and Accountability

8.1. How does the project ensure that the information is used in accordance with stated practices in this PIA?

The system audits access to the HCDW records according to user id and session id. OPM HI also has in place internal management controls to minimize issues, monitor employee access and ensure the quality of the data.

8.2. Describe what privacy training is provided to users either generally or specifically relevant to the project.

All HI analysts with access to the HCDW take OPM's annual IT Security and Privacy Awareness Training. In addition, employees with IT administration and security responsibilities are required to take additional specialized training.

8.3. What procedures are in place to determine which users may access the information and how does the project determine who has access?

HI staff who have a need to access the information in the HCDW are required to have an appropriate background investigation that must be favorably adjudicated before they are allowed access to the HCDW system.

Once a HI employee is favorably adjudicated and credentialed, access is granted by an HCDW Change Control Board that determines the need and eligibility of the HI employees.

8.4. How does the project review and approve information sharing agreements, MOUs, new uses of the information, new access to the system by organizations within OPM and outside?

All access to the system, and any uses of the information in the system, are evaluated and approved by the HCDW Program Manager and the Deputy Director of HI.

Responsible Officials

Dennis A. Hardy
Manager, Program Management Office,
HI/HCDW

Approval Signature

Signed Copy on File with the Chief Privacy Officer

Kellie Cosgrove Riley
Chief Privacy Officer