



Privacy Impact Assessment for  
Postal Service Health Benefits System (PSHBS)

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## **Abstract**

The purpose of the Postal Service Health Benefits System (PSHBS) is to assist the Office of Personnel Management's (OPM) Healthcare and Insurance office (HI) to oversee, manage, and analyze the Postal Service Health Benefits (PSHB) Program by establishing a centralized enrollment system for the PSHB Program. This Privacy Impact Assessment (PIA) is being conducted because the PSHBS collects, maintains, and uses personally identifiable information (PII) about PSHB enrollees and their family members who will be covered under the PSHB Program.

## **Overview**

Title I, Section 101 of The Postal Service Reform Act (PSRA, Pub. L. 117-108) requires OPM to establish the PSHB Program, a health insurance program that will be priced differently based on the health risk of the Postal population from the rest of the FEHB Program. The PSHB Program will offer coverage to the current FEHB-eligible Postal population of an estimated 1.7 million United States Postal Service (USPS) employees, annuitants, and their eligible family members currently enrolled in the FEHB Program. OPM is also responsible for enrolling Postal employees and annuitants in the PSHB Program. Under the Act, certain Postal Service annuitants are required to enroll in Medicare Part B, necessitating an eligibility determination based on partner Federal agency data.

Effective January 1, 2025, all current FEHB-eligible USPS employees, annuitants, individuals receiving workers' compensation ("compensationers"), and their family members will only be eligible for health insurance coverage through the PSHB Program. During the initial open season in the fall of 2024, all PSHB-eligible individuals will have the opportunity to enroll in a PSHB health plan of their choosing. If no choice is made during the initial open season, FEHB-enrolled PSHB-eligible individuals will be auto-enrolled into a PSHB plan based on criteria in the PSRA. PSHB coverage will begin in plan year 2025.



To meet PSRA statutory requirements, Deloitte Consulting has been tasked to work with OPM to develop and deliver a PSHB System (PSHBS). Starting in the fall of 2024, the system will process all enrollments and changes in enrollments for PSHB, including open season transactions, qualifying life events, and enrollments for newly eligible.

The system will provide a one-stop-shop where enrollees can: 1) compare and learn about PSHB plan options, including benefits, provider networks, formulary, cost-sharing, and total out-of-pocket expenses, 2) select a plan that fits the unique needs of their family, and 3) complete the enrollment process. Enrollees may use the system to browse anonymously or through a user account. When logged into an account, enrollee PII is collected, while PII is not collected when an enrollee browses the system anonymously. While OPM currently collects FEHB enrollment transaction data from Carriers via the OPM Research and Oversight Repository (ROVR), PSHB enrollment transaction data will be directly collected within the PSHBS instead.

The system will also serve as the authoritative source for PSHB Program enrollment data, ensuring enrollee eligibility by exchanging data with relevant Federal agencies, and provide real-time enrollment and premium transaction information to employing agencies (including US Postal Service for active employees, Retirement Services for annuitants, the Department of Labor Office of Workers' Compensation for compensationers, and the National Finance Center for negative net annuitants) and participating Carriers. The system will also support enrollment transaction processing and ongoing reconciliation of enrollment and premiums. The system will use obfuscated production data in the test environment for various test scenarios and data integration. The use of the obfuscated data will continue until the system is fully developed and in production.

Additionally, data from the system will be used within the Master Enrollment Index (MEI), a comprehensive OPM database containing data from enrollees and family members that is used to help administer and manage the FEHB and PSHB Programs to ensure the best value for enrollees and taxpayers.



## **Section 1.0. 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?**

Title I, Section 101 of The Postal Service Reform Act (PSRA, Pub. L. 117-108) authorizes OPM to establish the PSHB Program.

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

The applicable SORN is OPM/Central-23, FEHB and PSHB Program Enrollment Records.

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

The system security plan is in process and will be completed as part of the ATO process.

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

All information in the PSHBS is retained in accordance with the NARA Disposition Authority Number DAA-0478-2017-0006.

### **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.**

Enrollment information for employees, annuitants, and their family members is usually collected through the Health Benefits Election Form (SF Form 2809 (OMB Control Number 3206-0160) or OPM 2809 (OMB Control Number 3206-0141)), or electronic equivalent.

Enrollment information is forwarded to the relevant PSHB plan for purposes of effectuating enrollment and changes to enrollment.

## **Section 2.0. Characterization of the Information**

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

The records in the PSHBS contain the following information about those covered individuals who are or have been enrolled in the PSHBS and their covered family members:



- Full name, including any former names;
- Nicknames;
- Social Security number;
- Date of birth;
- Age;
- Sex;
- Martial status;
- Home mailing address;
- Personal email address;
- Personal cell number;
- Tax identification number;
- Bank account information;
- Retirement information;
- CSA / CSF number;
- Relationship code of any covered family member(s) to enrollee;
- Medicare status, forms of Medicare coverage, and Medicare beneficiary identifier; and
- Other insurance information.



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

PSHB Program data is securely transmitted from users of the PSHBS during enrollment transactions. This data includes enrollment information for the user as well as covered family member data for individuals indicated as eligible to participate in the user's plan.

PSHB Program data is also securely transmitted to and from participating Carriers and other Federal agencies, such as the US Postal Service (USPS), the Social Security Administration (SSA), the National Finance Center (NFC), the Department of Labor Office of Worker's Compensation (OWCP), and the Department of Veterans Affairs (VA). Data transmitted to OPM is used to determine individuals' eligibility for enrollment in the PSHB Program, while data transmitted from OPM to USPS, NFC, and participating Carriers is used to transmit enrollment transactions as well as enrollment transactions.

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

The PSHBS receives pharmacy reference data (containing drug names, uses, industry categorizations, and reference costs) from commercial sources on drugs that are covered under insurance plans to provide users with information to make informed plan selections. This data is not specific to particular individuals and contains no personally identifiable information but is made available so that users can compare and learn about different available plans and estimated costs, select their preferred plans, and make enrollment decisions.

**2.4. Discuss how accuracy of the data is ensured.**

The Federal agencies and Carriers are responsible for the accuracy of the data they submit to OPM. It is presumed that the Federal agencies and Carriers will provide accurate data.

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

**Privacy Risk:** There is a risk that the PSHBS may collect and maintain more information than is necessary to effectively administer PSHB Program enrollment.



**Mitigation:** This risk is mitigated by OPM verifying that the data it requests from Federal agencies, Carriers, and other sources is the minimum necessary to administer the Program. In addition, OPM specifies the file formats and specific data elements to ensure that it does not over collect information.

**Privacy Risk:** There is a risk that the information received from Federal agencies, Carriers, and other sources will contain inaccuracies that impact OPM's analysis and an individual's enrollment in the PSHB Program.

**Mitigation:** This risk is mitigated in part by the quality control checks that OPM conducts on the data it receives from Federal agencies, Carriers, and other data sources. These checks include review of the consistency and completeness of the data and cross-verification of sources to ensure their appropriate integration. Any anomalies will be examined and addressed. In addition, this risk is mitigated in part by the Federal agencies and Carriers, who have a business interest in providing accurate information.

## **Section 3.0. Uses of the Information**

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

The information in the PSHBS is used for the effective administration of the PSHB Program by allowing enrollees to compare and learn about PSHB plan options, select a plan that fits their needs, and complete the enrollment process. The system will also serve as the authoritative source for PSHB Program enrollment data, ensure enrollee eligibility, and provide real-time enrollment and premium transaction information to employing agencies and Carriers.

### **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.**

Yes. The PSHBS has a number of reports available for staff to execute while also allowing specific users to generate ad-hoc reports based on certain parameters to identify potential patterns and anomalies. These reports will facilitate the business need for efficient processes and correct enrollment in appropriate insurance plans by allowing staff to review aggregate



enrollment data, review task management related metrics, review user demographics and coverage by plan types, and enrollment reconciliation.

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

In addition to OPM, USPS and OWCP will have a limited number of users with assigned roles and limited access to facilitate any changes and/or resolve errors on behalf of enrollees. Otherwise, user access will be limited to approved customer support staff and other OPM approved users.

**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 PSHBS for an unauthorized purpose, such as to conduct searches on themselves, friends, family members, or others.

**Mitigation:** This risk is mitigated by limiting the number of users with access to the information in the PSHBS and the use of role-based access controls, which only permit authorized users to access information they need to know to perform their job responsibilities. Additionally, audit logs are available to track user activity and access of information.

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

**Mitigation:** This risk is mitigated through requiring users to undergo the respective IT Annual Security and Privacy Awareness Training, as well as by limiting the number of users with access to the information in the PSHBS and through the use of role-based access controls, which only permit authorized users to access information they need to know to perform their job responsibilities. Additionally, audit logs are available to track user access of information.





## **Section 4.0. Notice**

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

Individuals receive notice about the information they provide in the enrollment process and how it will be used via the Privacy Act statement on the PSHBS. This PIA, as well as the SORN referenced in Section 1.2, provides additional notice to individuals.

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

Participation in the PSHB Program is voluntary. The relevant Privacy Act statement that individuals receive when they enroll in a PSHB plan gives notice that providing information is voluntary, but that failure to provide it may result in a delay in processing their enrollment, and that failure to furnish a Social Security number or Medicare Beneficiary Identifier may impact the processing or the promptness of claims payments, proper coordination with Medicare, and/or proper insurance status reporting to the IRS.

There is no way to "opt out" of having information included in the PSHBS other than to decline to enroll in a PSHB plan. By declining to participate in the PSHB Program, certain individuals become ineligible for PSHB coverage, and there may be no way to re-enroll in the PSHB Program; this will result in the individual losing health insurance coverage unless they are able to secure coverage through other means.

### **4.3. Privacy Impact Analysis: Related to Notice**

**Privacy Risk:** There is a risk that individuals will not have notice that their enrollment data will be collected and stored in the PSHBS nor regarding how it will be used.

**Mitigation:** This risk is mitigated primarily through the use of Privacy Act statements found on various agency forms, such as the SF 2809 or OPM 2809, and electronic systems, such as the PSHBS, that inform individuals concerning why and for what purpose their information is being collected. In addition, individuals are provided notice through the publication of the SORN referenced in Section 1.2.



## **Section 5.0. Data Retention by the Project**

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

The records in the PSHBS are retained pursuant to NARA Records Schedule Number DAA-0478-2017-0006.

Information obtained from the Carriers that has been entered into a master file or database and verified will be deleted when no longer required to support reconstruction of, or serve as backup to, a master file or database, whichever is later. In no case will information or data be retained in excess of 7 years, in compliance with the NARA Records Schedule.

Information will also be maintained within the Master Enrollment Index as a permanent record to support longitudinal analyses of PSHB enrollment patterns.

### **5.2. Privacy Impact Analysis: Related to Retention**

**Privacy Risk:** There is a risk that the information in the PSHBS 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. The PSHBS is configured to flag relevant records for deletion at the appropriate time.

## **Section 6.0. 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.**

OPM shares certain enrollment data with the US Postal Service, Department of Labor Office of Workers' Compensation and the National Finance Center ("employing agencies") and Carriers, such as enrollment elections and changes. Other than this, none of the information in the PSHBS 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.**

The limited information sharing with employing agencies and Carriers is conducted in accordance with routine use "h" described in OPM/Central-23, FEHB Program Enrollment Records. Information shared with employing agencies and Carriers is used to communicate enrollment elections and changes to determine premium deductions and plan coverage.

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

Re-dissemination of data by OPM is limited by Central 23 Systems of Records notice and terms set forth in agreements between OPM and other employing agencies and will be shared only to facilitate enrollment in health insurance coverage. Re-dissemination of data by Carriers is limited to business needs for providing health insurance coverage by terms set forth in contract agreements between OPM and the Carriers. Other than the information sharing outlined in the agreements, no information at the individual level contained within the PSHBS is shared outside of OPM, although OPM may utilize aggregate data to prepare and present information related to the PSHB Program to external audiences. This aligns with current release of data by Retirement Services for the Federal Employees Health Benefits Program.

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

A Standard Form 2809 or OPM 2809, or electronic equivalent, will be generated, provided to individuals, and placed in employment and/or retirement files for purposes of effectuating enrollment and changes to enrollment. Additionally, PSHBS contains automated audit log capabilities that record access and review of information in the system according to user ID and session ID in the audit logs. In the event that external disclosure occurs, these audit logs will be able to identify the party responsible for the disclosure.

**6.5. Privacy Impact Analysis: Related to Information Sharing**

**Privacy Risk:** There is a risk that information will be shared outside of OPM, either by other Federal agencies and/or PSHB Carriers, for purposes other than the purpose for which it was collected as negotiated in data exchange agreements between agencies or in contracts with PSHB Carriers.



**Mitigation:** This risk is mitigated in part through provisions specified in agreements between OPM and other Federal agencies and/or PSHB Carriers. This risk is further mitigated by limiting the number of users with access to the PSHBS, the use of role-based access controls to limit authorized user access to information that is not relevant to their job responsibilities, as well as requiring authorized users to undergo training on the use of the PSHBS and the proper handling of information in the system prior to receiving access to the system. This risk is further mitigated through the use of audit logs that record access and review of information in the system, training project team members on the proper handling of the information in the system, including appropriate disclosures.

## **Section 7.0. Redress**

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

Data contained within the PSHBS is securely collected in a variety of ways. Certain information collected from Federal agencies, such as USPS, SSA, OWCP, and VA, are transmitted to OPM as read-only data. This data is used to determine individuals' eligibility for enrollment in the PSHB Program and is not able to be modified by enrollees.

However, individuals can access their enrollment information directly through the PSHBS. Individuals can also access and confirm certain information directly with their PSHB plan.

In addition, individuals may obtain access to their information by following the process outlined in the applicable SORN referenced in Section 1.2 and submitting a request in writing to the U.S. Office of Personnel Management, Office of the Executive Secretariat, Privacy and Information Management - FOIA, 1900 E Street, NW., Washington, DC 20415-7900 or by emailing [foia@opm.gov](mailto:foia@opm.gov); ATTN: Healthcare and Insurance. Individuals must provide the following information for their records to be located: full name (including any former names), date of birth, Social Security number, name and address of employing agency or retirement system, reasonable specification of the information requested, the address to which the information should be sent, and signature. Individuals must also comply with OPM's Privacy Act policy regarding verification of identity and access to records (5 CFR 297).



Enrollees who request access to their records will have access to the entirety of their record, to include information about all covered individuals who are part of their enrollment record. Family members of the enrollee who request access to their records may have access only to their own information and not to that of the enrollee or other covered family members.

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

Individuals are able to access and make corrections to their enrollment information directly through the PSHBS.

In addition, individuals wishing to request amendment of their enrollment records in the PSHBS may make that request in writing to the U.S. Office of Personnel Management, Office of Privacy and Information Management - FOIA, 1900 E Street NW., Washington, DC 20415-7900 or by emailing [foia@opm.gov](mailto:foia@opm.gov); ATTN: Healthcare and Insurance. Requests for amendment of records should include the words "PRIVACY ACT AMENDMENT REQUEST" in capital letters at the top of the request letter; if e-mailed, include those words in the subject line. Individuals must provide the following information for their records to be located: full name (including any former names), address, date of birth, Social Security number, precise identification of the information to be amended, and signature. Individuals must also comply with OPM's Privacy Act regulations regarding verification of identity and access to records (5 CFR 297).

**7.3. How does the project notify individuals about the procedures for correcting their information?**

Individuals receive notice directly from the PSHBS about the procedures for correcting their information. Individuals also receive notice from their agency regarding how to correct erroneous or inaccurate information. Additionally, they are provided notice through the applicable SORN and Privacy Act policy.

**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 PSHBS.



**Mitigation:** This risk is mitigated by allowing individuals to update information in source files with the agencies responsible for those files. OPM cannot amend eligibility-related data that is contained in the read-only files obtained from the employing agencies, Carriers, and other sources and does not have relevant information to determine whether the information requires correction. OPM will direct individuals to correct information through the agency responsible for the source data. Once the correction is communicated to the employing agency, the updated information will be transmitted from the employing agency to the PSBHS in the usual course of reporting up-to-date eligibility information.

Individuals can correct and amend information about them that is submitted directly into the PSHBS, such as enrollment elections and demographic information.

## **Section 8.0. Auditing and Accountability**

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

The system audits access to PSHBS records according to user ID and session ID in the audit logs. OPM maintains internal management controls to minimize access, 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 PSHBS account workers take the relevant annual IT Security and Privacy Awareness 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?**

The PSHBS uses role-based access controls which categorizes users according to the work that they perform and determines the level of access to the system. OPM authorizing officials determine which staff members require access to the system and assign roles as appropriate.



**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 PHSBS, and any uses of the information in the system, are evaluated and approved by the PSHB Program Manager and relevant employing agency and OPM executive leadership.

**Responsible Officials**

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**Approval Signature**

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