The Federal Data Services Hub: The Good, The Bad, and The Ugly

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Speakers

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Agenda

1. Federal Data Hub Services
   - Real-time
   - Real challenges
2. Arizona’s State Hub
3. Questions
The Situation – ACA Is a Game Changer

- Electronic verification
- Real-time eligibility
- Expanded coverage options
- MAGI
- Transfers to the Federally Facilitated Marketplace (FFM)
- Re-invented Arizona eligibility process and systems
- Automated renewals
Everything Changes!

- Verification must move to electronic processes to be effective
- Other changes include:
  - Immediacy
  - Currency
  - Comprehensiveness
  - Integrated and improved systems
  - Changed supports
  - Different policy
  - Different practice
  - Different involvement of consumer and community-based assistors
Eligibility Verifications Needed

» Federal Data Services Hub (FDSH) verification offerings SSA composite
  ‣ Citizenship
  ‣ Other indicators:
    • Age
    • Disability
    • Medicare
    • Income

» Homeland Security
  ‣ Immigrant status
  ‣ Date of entry

» ESI-"Lite"

» Verify income
  ‣ WorkNumber
  ‣ IRS
Verifications Needed But Not Supported

**ACA-specific**
- Tax household
- Tobacco use
- American Indian

- Alaskan Native
- Living status

**Other Verifiable Elements**
- Address
- State residency
- Pregnancy
- Assets
- Expenses
- School/student status
- Other insurance

- Receiving benefits, in-state and other states
- Identity
- Absent parent
- Death
- Relationship
- Foster care
- Adoption subsidy
"I think you should be more explicit here in Step Two."

Diagram elements:
- MAGI Hub
- Current Income
- Then a Miracle Occurs
- Subsidies
- Smooth Operations
- Seamless Enrollment
The Federal Data Services Hub: Read All About It!

“States Cite Federal Data Hub as Main Concern for Exchanges”

“Obamacare’s data ‘Hub’ is an identity theft risk for us all.”

“PPACA DATA HUB TESTING INCOMPLETE.”

“Senator Urges Delay for Exchange Enrollment, Citing Data Hub Issues.”

“Obamacare months behind in IT testing data security” – gov’t

“TECH ERRORS PROMPT RED LIGHT WARNING FOR EXCHANGE.”

GOP Lawmakers Lash CMS Chief Over ACA ‘Data-Hub’

“Why The Obamacare Data Hub Will Lead To Identity Theft.”
## Challenges = Changes

<table>
<thead>
<tr>
<th>FDSH</th>
<th><strong>Income</strong></th>
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<tbody>
<tr>
<td>IRS, SSA, Equifax (if necessary)</td>
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<thead>
<tr>
<th>Challenge</th>
<th><strong>Income</strong></th>
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<tr>
<td>IRS Data 12-18 months old Non-Federal income tax filers Unreported changes to income</td>
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<td>State marketplaces: For 2014 in cases where projected income is more than 10% below Federal Data Hub state may choose to verify claimed income for a statistically valid sample of applicants Federal marketplace: statistical sample for review will be 100%</td>
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Challenges = Changes (cont’d)

<table>
<thead>
<tr>
<th>FDSH</th>
<th>Employer-Sponsored Coverage</th>
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<td>OPM, SHOP</td>
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<th>Challenge</th>
<th>Non-Federal employees</th>
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<td>Employees of large employers</td>
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<td>Unattested employer coverage</td>
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<td>Unreported changes in employment</td>
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<td>Access to coverage</td>
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<td>Determination of Affordability and Minimum Value</td>
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<td>In cases where data is unavailable to confirm attestation the Exchange will select a statistically significant random sample of cases in which it only has the attestation and, after notice to the applicant, contact the employer to verify the information.</td>
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<tr>
<td>States can rely on HHS for service starting in 2015</td>
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<td>States are excused from sampling until 2015</td>
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Other Coverage

Employer related

» Employer health care coverage provided? 51% provide coverage
» Coverage meets minimum (60%) requirements?
» Employee health care premium payment amount?

Employee related

» Employment status (full-time/part-time)
» Post probationary period, when can employee enroll?
» Employee available for health care coverage?
» Participating in coverage? 63 million households should be yes
Data Challenges and Solutions

» Comprehensiveness
» Currency
» Accuracy
» Significance
A State Residency Example

PARIS Match (coverage in another state) 1.2%

DMV (license in another state) 1.2%

5.3%
Proprietary source
New address in another state

4.6%
Why Arizona Is Building a Robust State Hub to Complement the FDSH
Why Arizona Is Building a State Hub…

- Wider array of local information
- Back-up to FDSH (once we’re up, we can’t afford to be down)
- Fully integrated with SNAP and TANF (FDSH doesn’t support)
- More information from each source (even those offered in the FDSH)
- Supplemental alternative ID proofing
- Future cost to use FDSH?
Arizona’s Approach

PRIORITIZE DATA SOURCES

IDENTIFY SYSTEM OWNER

IDENTIFY SPONSOR TO CHAMPION DATA SHARING AGREEMENT

Analyze current data sharing agreement

SET UP TEAMS FOR EACH SOURCE

CREATE/UPDATE DATA SHARING AGREEMENT

Operationalize receipt of data

TEST DATA

Ready for go-live
Arizona’s Sources

- Arizona Eligibility and Enrollment systems (MMIS, SNAP, TANF)
- DHS SAVE system
- Base Wage (GUIDE)
- Child Support (ATLAS)
- Pre-compliance, sanctions, compliance, payments
- DCYF - Foster Care Placement (CHILDS)
- JOBS/E&T (JAS)
- JPPO (orientation), sanctions, compliance
- PARIS
- SSA SVES and SOLQI
- SSA SDX and BENDEX

- State new hire
- WorkNumber (TALX)
- Department of Corrections
- County jails
- Interstate UI (BAGQ)
- Supreme Court drug convictions (for SNAP)
- Vital Records (ADHS)
- Disqualified Recipient Subsystem (DRS) (for SNAP)
- Arizona Retirement System
- Arizona Lottery
Arizona’s Technology

- Microsoft SQL database serves as State Hub data store
- Integration via the HEAplus Enterprise Service Bus (ESB)
- Multiple integration modalities:
  - Real-time web services
  - Batch uploads
  - Batch data matching
  - On-line access via authorized users
  - Third party portal
- Each data source requires:
  - Different matching criteria
  - Different access requirements and credentials
  - Different transport protocols
Alternative Identity Proofing

» Leverage the State Hub information to automate manual ID-proofing process and keep consumers moving in real time
The Challenges

- Authority to share data
- Data sharing agreements
- Consents
- Security and privacy standards and protocols.
- Education
- Cross-program impacts
- Using partner agreements
- Source disclosure
- Integration and management of partial information
- Data storage
- Latency
- Verification considerations (what trumps?)
- Appeals
- Costs
Arizona: Making a Difference

» Despite complications, the State Hub is one of the single most significant changes in supporting:
  - Getting to real time eligibility determinations
  - Electronically ID-proofing almost everyone
  - Consumer efficiency and completion of applications
  - Staff efficiency in education and eligibility support
  - Automated renewals
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Questions?