



Open Enrollment For Fraud

With 55 Days Until The ObamaCare Exchanges Open, The Obama Administration Is Falling Behind In Its Efforts To Protect Americans' Personal Information

Last Month, Health And Human Services (HHS) "Released A Web Video ... Entitled 'HHS Is On Schedule.'" "The Health and Human Services (HHS) Department says the implementation of ObamaCare is 'on schedule' despite a recent decision to delay the employer mandate. Federal health officials released a web video Monday entitled 'HHS is on schedule.'" (Elise Viebeck, "HHS: ObamaCare Rollout 'On Schedule,'" [The Hill's Health Watch](#), 7/15/13)

THE OBAMA ADMINISTRATION CONTINUES TO MISS SECURITY DEADLINES

Health And Human Services' Inspector General Finds That The Administration Is Missing Important Security Deadlines

***The Washington Post* Headline: "Uh Oh: ObamaCare Security Testing Is Months Behind, Report Says."** (Sarah Kliff, "Uh Oh: ObamaCare Security Testing Is Months Behind, Report Says," [The Washington Post's Wonk Blog](#), 8/6/13)

- **"... A Report That Could Spell Trouble For ObamaCare."** (Sarah Kliff, "Uh Oh: ObamaCare Security Testing Is Months Behind, Report Says," [The Washington Post's Wonk Blog](#), 8/6/13)

The Obama Administration "Is Months Behind In Testing Data Security For The Main Pillar Of ObamaCare." "The federal government is months behind in testing data security for the main pillar of ObamaCare: allowing Americans to buy health insurance on state exchanges due to open by October 1." (Sharon Begley, "ObamaCare Months Behind In Testing IT Data Security," [Reuters](#), 8/6/13)

Inspector General: "CMS Is Working With Very Tight Deadlines ..." "CMS is working with very tight deadlines to ensure that security measures for the Hub are assessed, tested, and implemented by the expected initial enrollment date of October 1, 2013." (Observations Noted During The OIG Review Of CMS'S Implementation Of The Health Insurance Exchange - Data Services Hub, [HHS Office Of Inspector General](#), 8/2/13)

- **According To The Report, Missed Security Deadlines Are Being Pushed To One Day Before The Launch Of The Exchanges On October 1.** "The missed deadlines have pushed the government's decision on whether information technology security is up to snuff to exactly one day before that crucial date, the Department of Health and Human Services' inspector general said in a report." (Sharon Begley, "ObamaCare Months Behind In Testing IT Data Security," [Reuters](#), 8/6/13)

The Inspector General: “If There Are Additional Delays ... CMS CIO May Not Have A Full Assessment Of System Risks And Security Controls” As The Exchanges Go Live. “If there are additional delays in completing the security authorization package, the CMS CIO may not have a full assessment of system risks and security controls needed for the security authorization decision by the initial opening enrollment period expected to begin on October 1, 2013.” (Observations Noted During The OIG Review Of CMS’S Implementation Of The Health Insurance Exchange – Data Services Hub, [HHS Office Of Inspector General](#), 8/2/13)

The Obama Administration’s Failure To Meet Security Deadlines Could Result In Serious Security Breaches - Opening Americans Up To Fraud And Abuse

The Missed Security Deadlines Could Have The Exchanges “Open With Security Flaws.” “As a result, experts say, the exchanges might open with security flaws or, possibly but less likely, be delayed.” (Sharon Begley, “ObamaCare Months Behind In Testing IT Data Security,” [Reuters](#), 8/6/13)

- **“The Most Likely Serious Security Breach Would Be Identity Theft.”** “The most likely serious security breach would be identity theft, in which a hacker steals the social security numbers and other information people provide when signing up for insurance.” (Sharon Begley, “ObamaCare Months Behind In Testing IT Data Security,” [Reuters](#), 8/6/13)

Director At Center For Democracy & Technology: The Obama Administration Has “Removed Their Margin For Error” And A Security Matter “Would Be A Complete Disaster From A PR Viewpoint.” “‘They’ve removed their margin for error,’ said Deven McGraw, director of the health privacy project at the non-profit Center for Democracy & Technology. ‘There is huge pressure to get (the exchanges) up and running on time, but if there is a security incident they are done. It would be a complete disaster from a PR viewpoint.’” (Sharon Begley, “ObamaCare Months Behind In Testing IT Data Security,” [Reuters](#), 8/6/13)

MISSED DEADLINES IN THE NAVIGATORS PROGRAM RAISE THE LIKELIHOOD OF FRAUD

The Program Has Faced Delays And Lowered Training Requirements

ObamaCare’s Program To “Recruit And Train Workers” To Help People Sign Up For ObamaCare Is “Barely Off The Ground In Many States.” “Opening day for the new health-insurance marketplaces is two months away, but efforts to recruit and train workers to help people enroll are barely off the ground in many states.” (Amy Schatz, “Preparations For Health Exchanges On Tight Schedule,” [The Wall Street Journal](#), 8/5/13)

Facing More Delays, The Obama Administration Has Weakened The Training Requirements For ObamaCare’s “Navigators” Program. “With time running short before enrollment kicks off Oct. 1, the Obama administration last week cut back on training requirements for these ‘navigators.’ Officials were concerned there might not be enough time to do more-extensive training before the health-insurance exchanges open.” (Amy Schatz, “Preparations For Health Exchanges On Tight Schedule,” [The Wall Street Journal](#), 8/5/13)

- **The Administration Slashed The Hours Of Training For The Program By A Third.** “Three weeks ago, the administration said navigators would need up to 30 hours of training before they start, but it said last week that 20 hours would be sufficient. ‘We view training as an ongoing process, and will continue to offer refresher training...throughout the six-month open-enrollment period as we respond to consumers’ needs,’ said Joanne Peters, a Department of Health and Human Services spokeswoman.” (Amy Schatz, “Preparations For Health Exchanges On Tight Schedule,” [The Wall Street Journal](#), 8/5/13)

The Obama Administration Has Dragged Its Feet On Issuing Rules And Regulations For The Program. “The navigator issue is one of many bedeviling federal and state officials working to launch the centerpiece of President Barack Obama's health law this fall. Delays in issuing some rules and implementing the law have officials scrambling to get ready for October.” (Amy Schatz, “Preparations For Health Exchanges On Tight Schedule,” [The Wall Street Journal](#), 8/5/13)

Some States Don't Require Background Checks To Become A Navigator

Several States Don't “Require Criminal Background Checks.” “Sixteen states—some that are helping run their own marketplaces and some that aren't—have additional requirements for navigators. Florida, Texas and Ohio, for instance, require criminal background checks.” (Amy Schatz, “Preparations For Health Exchanges On Tight Schedule,” [The Wall Street Journal](#), 8/5/13)

- **In California, Navigators Will “Have Access To Highly Sensitive Consumer Information Such As Social Security Numbers, Dates Of Birth, Income Data And Tax Returns.”** “These enrollers, who will earn \$58 from the state for every application completed, would have access to highly sensitive consumer information such as Social Security numbers, dates of birth, income data and tax returns.” (Chad Terhune, “Call For Screening Of Health Care Enrollers Meets Resistance,” [Los Angeles Times](#), 3/15/13)

Consumer Groups And Insurance Commissioners Are Worried That Criminals Will Have Access To Sensitive Information

The Federal Trade Commission Is Still Waiting For Finalized Rules “On How Best To Distinguish Real Navigators From Fake Ones.” “She said her agency is waiting for the Department of Health and Human Services to finalize rules for the navigators before advising consumers on how best to distinguish real navigators from fake ones.” (“Confusion About ObamaCare Opens The Door For Fraud,” [McClatchy](#), 7/15/13)

- **Associate Director Of The Federal Trade Commission's Division Of Marketing Practices: “There's No Doubt In My Mind That The Fraudsters View It As An Opportunity To Rip People Off.”** “This is the huge, new government program. There's no doubt in my mind that the fraudsters view it as an opportunity to rip people off,” said Lois Greisman, associate director for the Federal Trade Commission's division of marketing practices.” (“Confusion About ObamaCare Opens The Door For Fraud,” [McClatchy](#), 7/15/13)

“Consumer Groups Are Worried The Uninsured Could Fall Victim To Fraud, Identity Theft, Or Other Crimes At The Hands Of Some Of The Very People Who Are Supposed To Help Them Enroll.” “As California prepares to launch its health care exchange, consumer groups are worried the uninsured could fall victim to fraud, identity theft or other crimes at the hands of some of the very people who are supposed to help them enroll.” (“Fraud Fear Raised In California's Health Exchange,” [The Associated Press](#), 7/14/13)

California's Insurance Commissioner Dave Jones, A Democrat: “We Can Have A Real Disaster On Our Hands.” ““We can have a real disaster on our hands,’ Jones, a Democrat, said in an interview.” (“Fraud Fear Raised In California's Health Exchange,” [The Associated Press](#), 7/14/13)