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U.S. House of Representatives

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MINORITY CHIEF COUNSEL

June 28, 2013

The Honorable Kathleen Sebelius
Secretary
Department of Health and Human Services
200 Independence Avenue, S.W.
Washington, D.C. 20201

Dear Secretary Sebelius:

The Government Accountability Office (GAO) recently released two reports, "Status of CMS Efforts to Establish Federally Facilitated Health Insurance Exchanges," and "Status of Federal and State Efforts to Establish Health Insurance Exchanges for Small Businesses," which both raise concerns about whether exchanges will be functioning in all states by October 1, 2013. This comes despite your Department's spending nearly \$400 million on private contractors for exchange infrastructure.

As you know, the GAO found that your Department has missed several key deadlines for setting up the insurance exchanges and questions the Administration's ability to "assure the timely and smooth implementation of the exchanges." In addition, the Centers for Medicare & Medicaid Services' Federal Data Services Hub on which both state and federal exchanges will rely has not been tested, and it remains unclear whether it will be operable and able to protect sensitive health and taxpayer information.

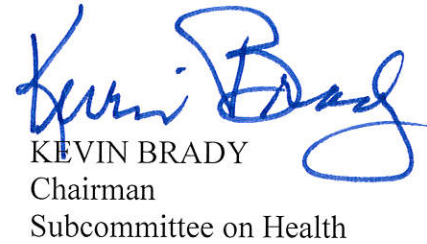
According to your Department, the Federal Data Services Hub will share and transmit protected health information, tax and financial information, criminal background and immigration status, and various other personal information between agencies, including the Internal Revenue Service, HHS, the Departments of Justice, Homeland Security, Veterans Affairs, Defense, and the Social Security Administration, state governments, as well as state and federal exchanges. Without an operable Federal Data Services Hub, exchanges will be unable to access the real-time information necessary to verify consumer exchange application information. And more, the Federal Data Services Hub raises many serious privacy concerns.

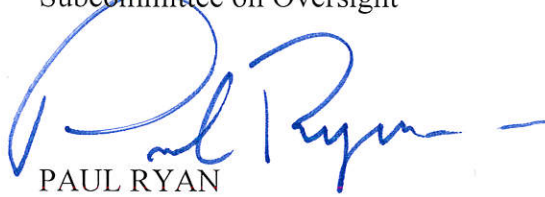
Given the preceding concerns, by no later than July 12, we ask that your Department provide our Committee a briefing on the current status of the Federal Data Services Hub and how it will protect sensitive information. Please contact staff at: (202) 225-3625 if you have questions. Thank you in advance for your cooperation in this matter.

Sincerely,


DAVE CAMP
Chairman


CHARLES BOUSTANY, Jr.
Chairman
Subcommittee on Oversight

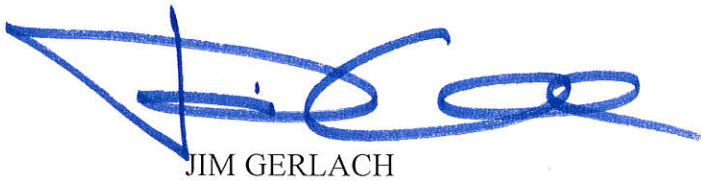

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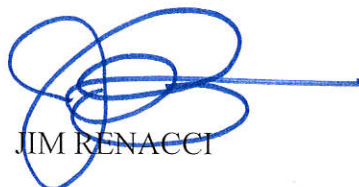

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