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# STATUS OF AUTOMATION

Presented by:

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## Health Insurance Portability and Accountability Act (HIPAA)

**Laurie Bodenheimer**

**Jay Fritz**

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## **HIPAA**

- Law and regulations define FEHB Program as a “health plan”
- We will comply with HIPAA regulations
- Transactions and Privacy regulations issued as final
- Security regulation issued as proposed

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## **Administrative Simplification Compliance Act**

- Entities covered by HIPAA may delay compliance with Transactions regulation until 10/16/03
- Let us know if you intend to seek delay (Carrier Letter 2002-02)
- Does not change compliance date of Privacy regulations

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## **FEHB HIPAA Workgroup**

- Set up to identify and work on issues and concerns unique to the FEHB Program
- First meeting held on 11/1/01
- Several issues identified
- Separate subgroups for Transactions, Privacy and Security regulations

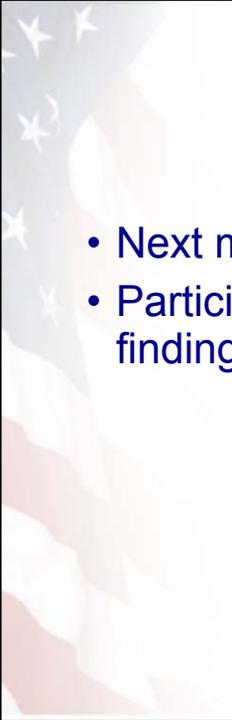
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## **Privacy subgroup**

- Met on 2/20/02
- Issues under discussion
  - Impact on disease management programs
  - Gramm-Leach-Bliley notices
  - Consent and authorization
  - Relationship of FEHB Clearinghouse to plans
  - EOB distribution
  - Does HIPAA impact overseas members
  - Can member appeal denials of access to OPM

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## Privacy subgroup continued

- Next meeting mid-March
- Participants will analyze issues and report findings to subgroup for review

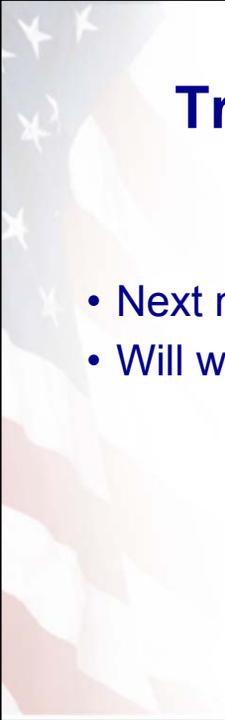
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## Transactions subgroup

- Met on 2/20/02
- Issues under discussion
  - Impact of HIPAA on OPM and plan web pages
  - If plan requests delay, when can they start receiving 834 transactions
  - Certification that transactions are HIPAA compliant
  - How plans are to handle non-compliant transactions
  - **Mapping current Macon file format and FEHB Clearinghouse formats to 834**
  - Standard trading partner agreement between OPM and plans

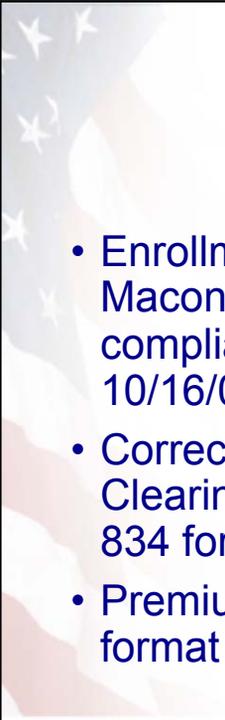
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## Transactions subgroup continued

- Next meeting mid-March
- Will work on mapping

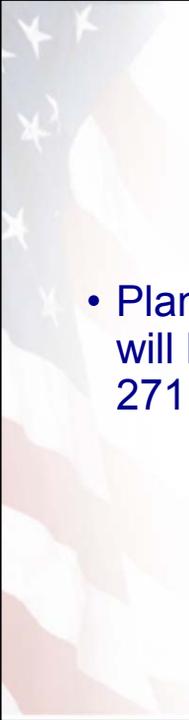
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## Transactions - What we know now

- Enrollment files picked up from OPM-Macon will be available in HIPAA compliant (ASC X12N 834) format by 10/16/02
- Corrective Action files from FEHB Clearinghouse will also be available in 834 format
- Premium payments will **not** be in 820 format

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## What we know now - Transactions

- Plan submissions to FEHB Clearinghouse will be proprietary format - **not** ASC X12N 271

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## Security subgroup

- Will meet after substantial headway made on Transactions and Privacy issues

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# FEHB Clearinghouse

(aka **CLER**)

**Eric Figg**

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## How Will **CLER** Work- Step 1

- Each quarter, agency payroll offices and FEHB carriers will send their enrollment lists electronically to NFC
- Carriers will send their records through OPM's Macon HUB
- Agencies will send their records directly to NFC

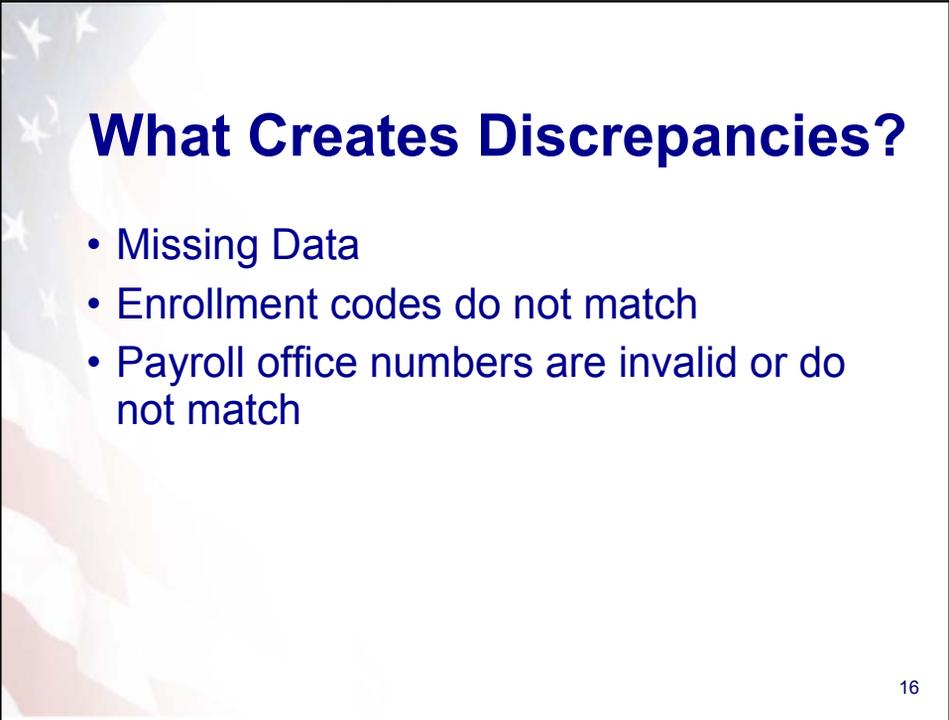
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## How Will **CLER** Work- Step 2

- CLER will compare enrollments lists from carriers and agencies and identify discrepancies between the two sets of lists.

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## What Creates Discrepancies?

- Missing Data
- Enrollment codes do not match
- Payroll office numbers are invalid or do not match

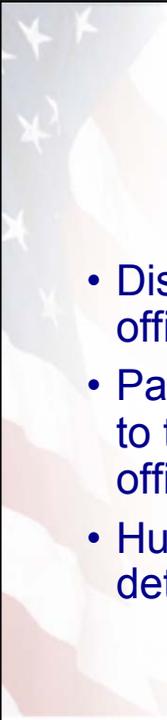
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## Our Objectives in Matching Data

- To ensure members listed are eligible
- Members are in the correct enrollment code
- Members are assigned to the proper payroll office
- Better identification of employees vs annuitants

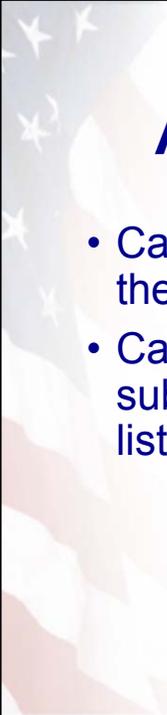
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## How Will **CLER** Work- Step 3

- Discrepancies are sent to the payroll office of record
- Payroll offices forward each discrepancy to the appropriate Human Resources office
- Human Resources offices research and determine resolution of discrepancies

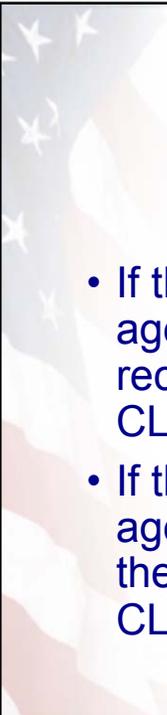
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## Access to Discrepancies

- Carriers may view their discrepancies on the CLER web site
- Carriers are asked not to disenroll subscribers based solely on their being listed as a discrepancy on CLER

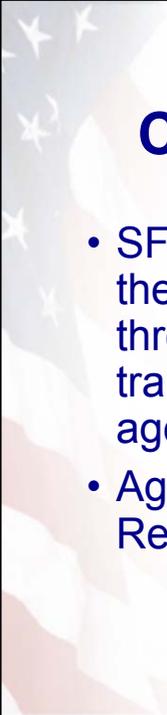
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## How Will **CLER** Work- Step 4

- If the agency's records are incorrect, the agency will take steps to correct its own records, and report this action back to CLER
- If the carrier's records are incorrect, the agency must issue **corrective action** to the carrier, and report this action back to CLER

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## **Corrective Action Reports**

- SF 2809 and SF 2810 data is provided to the carriers either via fax or electronically through CLER. Note that which means of transmission is at the discretion of the agency.
- Agencies must report a Reconciliation Reason Code back to CLER

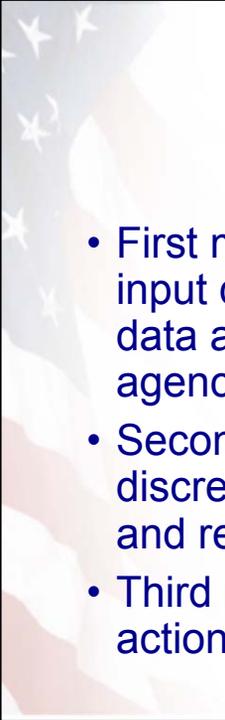
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## **Carriers Make Corrections**

- Carriers use Corrective Action data to make corrections in their databases
- Corrective actions sent electronically via CLER will be HIPAA compliant
- Carriers may disagree with Corrective Actions
- Carriers must report back to CLER

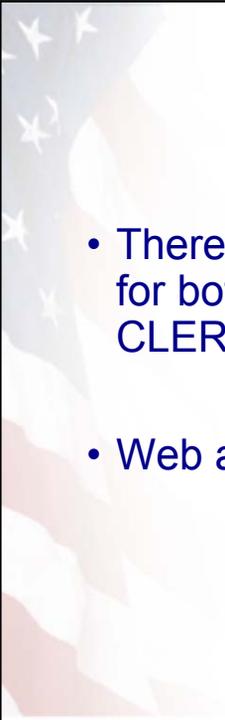
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## Three-Month Cycle

- First month carriers and agencies submit input data, NFC conducts the match of data and reports discrepancies to agencies
- Second month agencies research discrepancies, determine corrective action and report corrective action to carriers
- Third month carriers process corrective actions

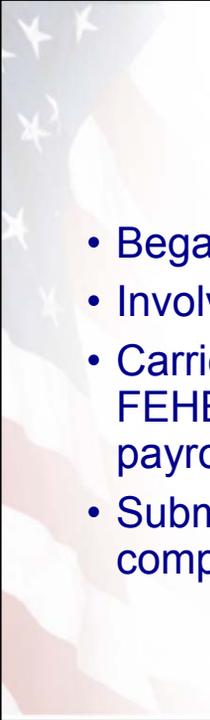
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## Contacts

- There will be a listing of contact persons for both carriers and agencies on the CLER web site
- Web address is [www.usda.nfc.gov/cler](http://www.usda.nfc.gov/cler)

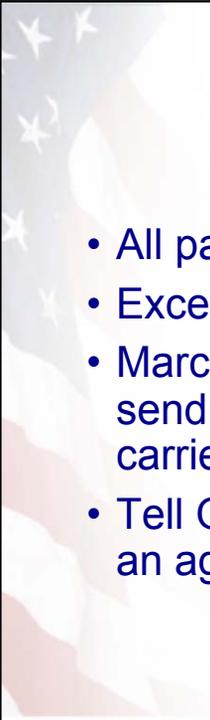
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## **Pilot Test**

- Began March 1, 2002
- Involves all carriers and 3 payroll offices
- Carriers may send a full listing of their FEHB subscribers or just those in the 3 payroll offices; carrier's choice
- Submission of input data must be completed by Mid-March

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## **Full Implementation**

- All payroll offices will begin on June 1
- Except NSA
- March 2002 will be the last time agencies send their enrollment data directly to the carriers
- Tell OPM if you receive data directly from an agency after June 1

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## **Training in New Orleans**

- March 11-15, 2002
- April 8-12, 2002
- May 20-24, 2002
- June 17-21, 2002

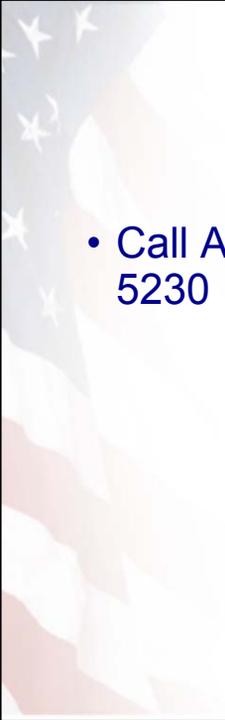
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## **Training in Washington, DC**

- March 18-22, 2002
- April 15-19, 2002
- May 20-24, 2002
- June 10-14, 2002

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## **Arranging Training**

- Call Angelique Dyer of NFC at 504-255-5230

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## **OPM Contact**

- Eric Figg
- 202-606-4083
- [edfigg@opm.gov](mailto:edfigg@opm.gov)

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# Electronic Enrollment- Employee Express and the Data Hub

**Eric Figg**  
**Larry Gott**

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## US OPM EMPLOYMENT SERVICE

**T**ECHNOLOGY  
**S**UPPORT  
**C**ENTER

**Macon, Georgia**

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**EMPLOYEE**  
**PRESS**

# Employee Express

- Fully automated system that empowers Federal employees to manage their own discretionary payroll and personnel transactions
- Available through the Internet (ADA compliant) and Interactive Voice Response System
- Available 24 hours a day / 7 days a week
- Developed and governed by a User Board, representing 51 Federal agencies (soon to be 52)
- NPR Hammer Award Recipient (2000)

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# Agencies

- Department of Agriculture 133,000
- Department of Commerce 40,500
- Department of Education 4,900
- Department of Health and Human Services 59,000
- Department of Housing and Urban Development 10,200
- Department of Justice 75,200
- Department of Labor 16,200
- Department of State 19,000
- Department of Transportation 64,500
  - National Transportation Safety Board
- Department of the Treasury 163,500



# Agencies

- Department of the Interior 87,000
  - Selective Service System
  - Securities & Exchange Commission
  - Federal Labor Relations Authority
  - Pension Benefit Guaranty Corporation
  - James Madison Memorial Fellowship Funds
  - Commission of Fine Arts
  - Executive Residence of White House
  - Equal Employment Opportunity Commission
  - U.S. Holocaust Memorial Council
  - ADV Council on Historic Preservation
  - Harry S. Truman Scholarship Foundation
  - U.S. International Trade Commission
  - Utah Reclamation Mitigation & Conserv Comm
  - Office of Navajo and Hopi Indian Relocation



# Agencies

- Environmental Protection Agency 19,100
  - Surface Transportation Board
  - General Services Administration 14,300
  - National Aeronautics and Space Administration 19,300
  - Office of Personnel Management 4,000
  - Social Security Administration 64,700
  - Small Agency Consortium 42,500
- Commodities Futures Trading Commission  
Congressional Budget Office  
Court Services and Offender Supervision  
Farm Credit Administration  
Farm Credit System Insurance Corporation  
Federal Communications Commission



# Agencies

- Federal Deposit Insurance Corporation
- Federal Election Commission
- Federal Emergency Management Agency
- General Accounting Office
- Library of Congress
- Merit Systems Protection Board
- National Endowment of the Arts
- National Labor Relations Board
- Office of Government Ethics
- Office of Special Counsel
- Small Business Administration
- Smithsonian Institution
- U. S. Agency for International Development

**Total 860,000**



## Current Payroll/Personnel Interfaces

- Department of Defense Personnel
- Department of Health and Human Services
- Department of the Interior
- Department of Labor Personnel and Payroll
- Department of State
- Department of Transportation
- Environmental Protection Agency
- General Services Administration Personnel and Payroll
- National Aeronautics and Space Administration
- National Finance Center

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## Actions

- Federal Taxes with W-4 Worksheet
- State Taxes
- Direct Deposit
- Financial Allotments
- Home and Check Mail Address
- Federal Employees Health Benefits (10 dependents)
- FEHB Pre-Tax Waiver

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## Actions

- Thrift Savings Plan
- Savings Bonds
- Combined Federal Campaign (with automated pledge reports)
- PIN Changes
- PIN Request via Web
- Earnings and Leave Statement (with remarks)

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## System Security

- Router limits traffic to EEX web site
- EEX data is protected by firewall
- File integrity and virus scanning on all equipment
- Software tracks all web activity (used to detect unauthorized access)
- User must use secure browser that encrypts data between user site and EEX web site
- User access with unique SSN and PIN
- System times out to ensure user is working with current page and data

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## Other Features

- Email confirmation of actions
- **FEHB and TSP online history reports**
- **FEHB enrollment data feed to carriers**
- Monthly financial reports
- Monthly, Quarterly, and Annual statistical usage reports
- Monthly Help Desk reports

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## System Usage

- **FY2000**
  - 472, 102 Completed Transactions
  - 35 % Increase (from FY99)
- **FY2001 (October 2000- September 2001)**
  - 1,188,635 Completed Transactions
  - 250% Increase (from FY2000)
- **User Satisfaction**
  - 94 % & Higher

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## System Usage (FEHB)

### ➤ Open Season – Nov/Dec 2001

- Employee Express Transactions generated: 87,784
- Data Hub Agencies Transactions generated: 297,326
- Total: 385,110

➤ Note: An action by the employee to change from one carrier to another carrier generates two transactions (one for each carrier). Those carriers that were dropping out of the FEHB program or merging with another FEHB carrier did pick up and process their actions this year.

➤ Also, note that the FEHB Data HUB agencies counts include files they sent to us in JAN as well.

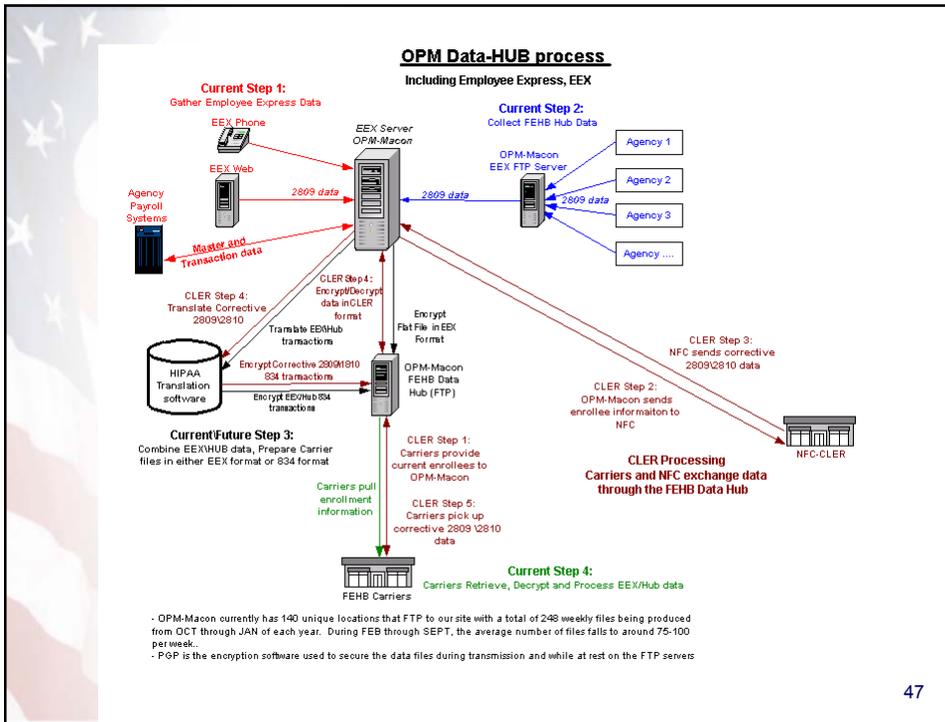
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## Future Enhancements

- Online W-2
- Online Benefits Statement
- Online PIN Validation
- Enter-on-Duty Process
- **Year-round FEHB**
- Year-round TSP
- Payroll Estimator
- City Taxes

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## Benefits of Automation

- What are the benefits of investing the time to automate the processing of electronic data?
  - Reduces the number of errors due to key entry problems, conversion problems, missed files
  - Automation can lead to quicker processing and distribution of insurance cards
- What are the benefits of picking up files at a single location
  - Single user ID and password
  - Single transfer method (FTP)
  - Single decryption method (PGP)

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## Current File Processing

- Current File Processing – February 2002
  - Employee Express and FEHB Hub Transactions are delivered to the FEHB carriers in the Employee Express format
  - Testing receipt of current membership from the FEHB carriers and distribution to CLER
  - Testing receipt of corrective 2809/2810 actions from CLER and distribution to the FEHB carriers in the CLER format

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## Future File Processing

- March 1 - Fall 2002
  - March 1 pilot date for CLER Processing
  - Employee Express and FEHB Hub Transactions delivered to the FEHB carriers in the **834 format** (1 file for each enrollment code) - August/September
  - Testing receipt of corrective 2809/2810 actions from CLER and distribution to the FEHB carriers in the **834 format**
  - Files can be available in the current format as well as the 834 format for parallel testing by the FEHB carriers

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## Issues and Enhancements

- Issues and enhancements
  - Employee and dependent names in incorrect order
  - Date format is currently MMDDYYYY – 834 transaction set uses YYYYMMDD
  - Employee Express Confirmation Letters are acceptable as proof of insurance
  - Can phone number be required
  - Getting Open Season data long after it has ended (FEHB Data HUB)
  - Others Questions?

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## Processing Our Electronic Feed

- Send our electronic feed directly to carrier's computer system
- Print to paper and manually enter into carrier's computer system

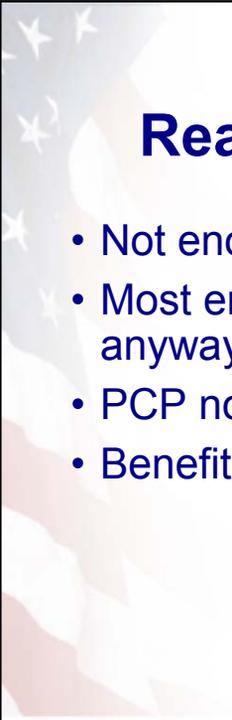
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## **Problems with Manual Entry**

- Most of the problems concerning subscribers not having their enrollments processed come from carriers that manually enter electronic enrollment data

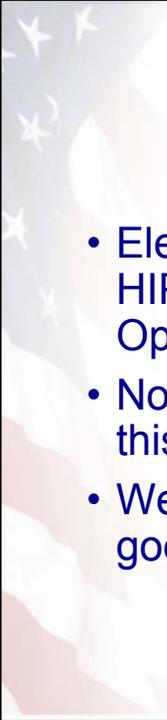
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## **Reasons for Manual Entry**

- Not enough volume of enrollments
- Most enrollments received in paper anyway
- PCP not provided
- Benefit changes had to be made first

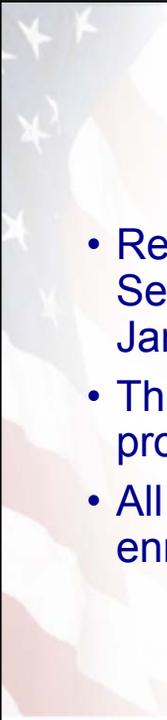
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## **Effect of HIPAA**

- Electronic enrollments will be available in HIPAA compliant format before the next Open Season
- No need to write translator programs at this time
- We expect direct connection once HIPAA goes into effect

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## **Effective Date Change**

- Regulation change will make all Open Season changes effective the ensuing January 1
- This will give less time than in the past for processing enrollment changes
- All the more reason for entering electronic enrollments automatically

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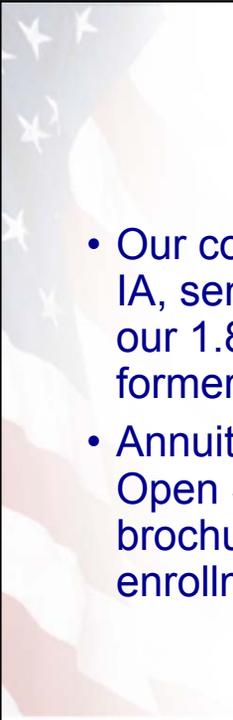
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# Annuitant Enrollment Changes

**Mary Anne Hoofnagle**

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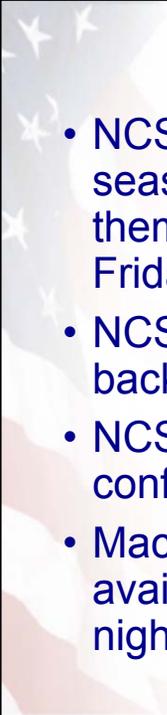
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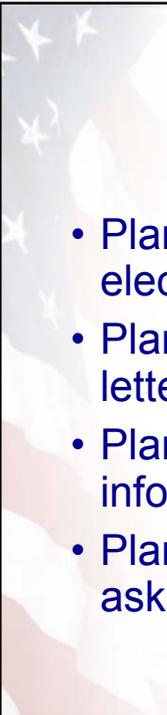
## Open Season

- Our contractor, NCS Pearson, Iowa City, IA, sends out open season packages to our 1.8 million annuitants, survivors and former spouses
- Annuitants use Open Season Express or Open Season Online to request brochures, other information, or make enrollment changes

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- NCS Pearson compiles all the open season enrollment changes and sends them to the OPM Macon Hub each Friday morning
  - NCS Pearson sends each HMO a paper back-up of the enrollment changes
  - NCS sends each enrollee a letter confirming the enrollment change
  - Macon makes the enrollment data available to the health plans on Sunday night

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## **Some Problems Encountered**

- Plans don't always process the electronic enrollments timely
- Plans don't accept the confirmation letters as verification of enrollment
- Plans don't accept dependent information from the annuitants
- Plans tell the annuitants to call OPM and ask for a form 2809

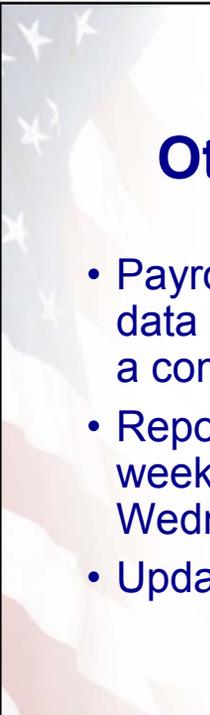
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## **Tools Available to the Carriers**

- Carrier Help Desk (202) 606-5149
- Carrier Information System (478) 757-3164
- Confirmation Letters
- FEHBP Carrier Letter 95-23 of June 30, 1995

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## **Enrollment Changes Other than Open Season**

- Payroll Office 24 90 0002 sends weekly data to carriers either by a paper report, or a computer cartridge (also OPM 2809s)
- Reports come out on Monday of each week and are mailed to carriers usually by Wednesday
- Update changes to the CIS each night

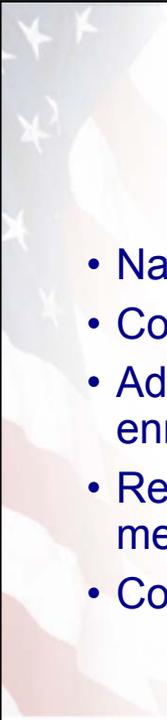
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## **Some Transactions can be Processed by Telephone**

- Reinstatement Actions
- Changes/corrections of enrollment effective dates
- Transfer-in actions from agency to the retirement system
- Addition of family members to a family enrollment
- Other actions when an enrollee is awaiting medical care

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## **Transactions Without Contacting OPM**

- Name Corrections
- Corrections to dates of birth
- Addition of family members to a family enrollment
- Reinstatement of previously listed family members
- Corrections to Social Security Numbers

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**Questions???**

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