

NEWS RELEASE

Luther Strange

Alabama Attorney General



FOR IMMEDIATE RELEASE

August 15, 2013

For More Information, contact:

Joy Patterson (334) 242-7491

Claire Haynes (334) 242-7351

Page 1 of 2

AG STRANGE JOINS 12 OTHER STATES IN LETTER RAISING CONCERNS ABOUT CONSUMER PRIVACY PROTECTION UNDER HEALTH CARE EXCHANGES

MONTGOMERY--Attorney General Luther Strange today announced that Alabama joined 12 other states in a letter to the U.S. Department of Health and Human Services (HHS) expressing grave concerns about consumers' private information being protected under the new health insurance exchanges that are set to go into effect this fall.

The letter to Secretary Kathleen Sebelius says very few concrete privacy protection measures have been written into HHS's rules governing programs that assist consumers with enrolling in the new health care exchanges created as part of the Affordable Care Act (ACA).

"The various groups and agencies involved in Obamacare will have significant access to consumers' personal information. Yet HHS rules do not make any clear provisions to protect the privacy of such information," Attorney General Strange said. "Although HHS rules indicate there will be 'extensive' training, the agency has already reduced the number of required training hours to just 20. Such shortcuts are ill-advised and will simply lead to more problems."

The ACA provides funding for groups, such as navigators, to help consumers enroll in health insurance plans. As part of that process, these navigators and other assistance personnel will have significant access to consumers' private and personal data. However, HHS's rules fail to ensure that navigators will be adequately trained to safeguard data provided by consumers. The rules also fail to make clear who is responsible if an identity theft occurs.

Even more concerning is that the rules do not require criminal background checks or fingerprint checks of potential navigator hires and do not list any prior criminal acts as being a disqualifier for someone seeking to work with consumers.

--more--



501 Washington Avenue • Montgomery, AL 36104 • (334) 242-7300
www.ago.state.al.us

“The risk of inadequate training is only one issue I am concerned about,” Attorney General Strange said. “The proposed consumer safeguards also are woefully substandard and come up short when compared to other privacy protections at the state and federal level. HHS must understand that it is not enough to adopt vague policies against fraud. Each person collecting information will be in a position of trust and will have access to a wide variety of personal information from consumers. Therefore, HHS must implement an on-the-ground plan to secure personal information, follow up on complaints, and work with law enforcement to prosecute bad counselors. Otherwise this is a disaster waiting to happen.”

In their letter, the attorneys general raise eight areas of concern and ask HHS a series of questions about steps the agency will take to ensure citizens are protected. The attorneys general ask HHS to respond to their questions by August 28, 2013.

Along with Alabama, other states joining in the letter are West Virginia, Florida, Georgia, Kansas, Louisiana, Michigan, Montana, Nebraska, North Dakota, Oklahoma, South Carolina and Texas.