



# eHEALTH INITIATIVE

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## **House Committee on Oversight & Government Reform: "ObamaCare Implementation: The Rollout of HealthCare.gov."**

On Wednesday, November 13<sup>th</sup>, the House Oversight & Government Reform Committee conducted a full committee hearing to investigate the technical issues behind the rollout of the federal health insurance marketplace, HealthCare.gov. Witness panel:

- [Frank Baitman](#), Deputy Assistant Secretary for Information Technology, Department of Health and Human Services (HHS)
- [Henry Chao](#), Deputy Chief Information Officer, Deputy Director of the Office of Information Services, Centers for Medicare and Medicaid Services (CMS)
- [Todd Park](#), U.S. Chief Technology Officer, Office of Science and Technology Policy, The White House
- [Steve VanRoekel](#), U.S. Chief Information Officer, Administrator, Office of Electronic Government, Office of Management and Budget
- [David Powner](#), Director, Information Technology Management Issues, Government Accountability Office (GAO)

The hearing began with opening statements from Committee Chairman Darrell Issa (R-CA) and from Ranking Member Elijah Cummings (D-MD).

Chairman Issa explained that the focus of this hearing is to address the number of problems associated with the rollout of HealthCare.gov. Chairman Issa hoped to further the discussion by investigating the insufficient end-to-end testing prior to the rollout of HealthCare.gov and addressing the potential security risks. He stated that there were documents from contractors identifying security risks and yet the website went live. This heightened the risks of non-encrypted data and losing personal information.

### **Background**

The House Committee on Oversight and Government Reform has legislative jurisdiction over the District of Columbia, the government procurement process, federal systems, and other important matters. As it is stated on the Committee on Oversight and Government Reform mission statement, they are responsible with investigating and exposing waste, fraud, and abuse overseeing the federal government. Since October 1<sup>st</sup>, there have been several technical problems with the federal Health Insurance Marketplace system, also known as HealthCare.gov. The Patient Protection and Affordable Care Act (PPACA or ACA) requires the states to establish a State-based Marketplace by January 1<sup>st</sup>, 2014. States choosing not to create their own Marketplace are referred to the Federally-facilitated Marketplace (FFM) that is established by the federal government. The purpose of the Marketplace is to provide consumers access to health care coverage. However, since the rollout of HealthCare.gov, many Americans have experienced technical difficulties navigating the website and enrolling in a health care plan. In response, both House and Senate committees have held multiple hearings since the rollout in order to further examine the issue.

## Witnesses

**David Powner, Director of Information Technology Management Issues at the United States Government Accountability Office (GAO)**, testified on the importance to improve information technology (IT) investment oversight and management. Mr. Powner discussed before the committee on the importance of federal government's acquisition of IT investment. It is essential that the federal agencies successfully receive systems within budget and on time in order to present the expected functionalities. Also, he explained that there are several initiatives started by Office of Management and Budget (OMB) in order to increase IT investments transparency. GAO's Quality Assurance Framework also requires that GAO performs its tasks in order to meet the stated objectives.

**Henry Chao, Deputy Chief Information Officer & Deputy Director at the Office of Information Services for Centers for Medicare & Medicaid Services (CMS)**, testified before the committee on the development of HealthCare.gov. Mr. Chao explained that his main role is to guide the technical aspects of the Marketplace development and the implementation of the exchanges. He understood that many Americans are experiencing problems navigating through the website. He stated that CMS is continuously working to fix and to address these technical problems so that it can be resolved by the end of this month. A key feature of the Marketplace IT systems is to ensure privacy and security to safeguard consumer information. He assured the committee that the Data Service Hub and FFM database is secure and private as the data flows through the system. CMS had designed the Hub to minimize security risks by providing connection among trusted Federal and state databases to verify personal information. Mr. Chao explained that the FFM eligibility and enrollment system consisted of several modules. The modules were individually tested for functionality. In regards to the HealthCare.gov website, Mr. Chao explained how his team has made significant progress since the roll out and the website is now able to process approximately 17,000 applicants per hour. He expects for the website to improve significantly by November 30<sup>th</sup>.

**Frank Baitman, Deputy Assistant Secretary for Information Technology and Chief Information Officer at the U.S. Department of Health and Human Services (HHS)**, testified before the committee to discuss the development of the information technology framework of HealthCare.gov. He explained that the Office of the Chief Information Officer (OCIO) serves to develop and implement the information technology (IT) framework as well as other functionalities such as capital planning, records management, and security and privacy. He further explained that the office has been continuously working to restructure the IT system and to promote transparency across the Operating Divisions. There are three IT steering committees created to integrate technology and program experts across the Department in order to assist HHS with managing IT resources. The Steering Committee is responsible for the functionality of the IT system. The first was created in efforts to oversee HHS systems, the second for scientific research systems, and the third for administrative purposes with technology infrastructure.

**Todd Park, U.S. Chief Technology Officer at the Executive Office of the President**, testified before the members of the committee on the Administration's ongoing efforts to implement the ACA. Mr. Park explained that his role in the White House as an advisor ranges on a broad spectrum of technology policy and strategy priorities. He acknowledged the frustrations many Americans experienced during the rollout of HealthCare.gov. He explained that he and his team are working endlessly to improve its overall system

performance, stability and of its functionality. As a result, he has seen number of improvements. Many Americans are able to successfully create an account, shop, and apply for a health care plan.

**Steven VanRoekel, Federal Chief Information Officer and Administrator for E-Government and Information Technology at the Office of Management and Budget (OMB)**, testified on behalf of OMB for their efforts to improve Federal Information Technology (IT) and its support for implementing the ACA. He explained that as an administrator of the Office of Electronic Government and Information Technology, his duties include overseeing the development of the President's \$82 billion IT budget, facilitating Federal IT stakeholders, and issuing guidance and policy work. He emphasized that his office has experience working in cyber security. Mr. VanRoekel's specific role with the implementation of the ACA has been with the Data Services Hub feature. He worked as the facilitator of agencies in efforts to manage the technical details. He continues to work with HHS and CMS in efforts to improve the overall systems performance of HealthCare.gov.

### **Questions and Discussion from the Committee Members**

**Chairman Darrell Issa (R-CA)** stated that there were too many users simultaneously attempting the website which caused the website to shut down. Mr. Todd Park responded that the system's capacity has been managing an estimate of 20-25,000 concurrent users and the unexpected volume of traffic overwhelmed the system. Mr. David Powner stated the IRS deals with these sorts of problems on a daily basis. In efforts to minimize the shut down of a system, they conduct stress testing. Mr. Issa asked Mr. Henry Chao why the anonymous shopper feature was turned-off and why he testified previously that the feature was not ready when it had passed the test. Mr. Chao explained that at the time, based on his knowledge, the feature did not pass the test.

**Congressman Elijah Cummings (D-MD)** shared similar concerns with Mr. Issa with the capacity issue of the website. Mr. Park explained that volume was the major issue of the system failure. Volume is still an issue for the website however, the team is trying to expand the capacity. Mr. Park also explained that they detect and fix the problems as more diagnostics are conducted on the system. He has seen improvements each week.

**Congressman John Mica (R-FL)** asked the panel of witnesses if they were aware that the ACA was not ready from an IT operational and security standpoint and, if there were any heightened security risks. Mr. Chao and along with the other witnesses responded no to the Congressman's first question. Mr. Chao further explained that there are always potential security risks for any mass operational system such as HealthCare.gov.

**Congresswoman Carolyn Maloney (D-NY)** shared to the committee a success story of the ACA and explained that there are many Americans obtaining health coverage because of the health care law. She asked Mr. Park if they are continuing their work every day in order to fix the system problems and to improve overall consumer experience. Mr. Park responded that they are working every day and seeing improvements each week. The system response time is on an average of 8 seconds. He explained that the goal is to further reduce the average response time which will reduce the wait time for consumers. Also, expanding systems capacity, system configuration changes, and code changes will improve the experience for many Americans shopping for affordable health insurance. Currently, an average of 17,000 applicants per one hour can be accessed through the website. Mr. Park

stated that his team is striving to making the website user-friendly has been a priority. They received feedback from users, call centers, and testers.

**Congressman John Duncan, Jr. (R-TN)** expressed his concerns with the cost and the use of taxpayer's dollars with implementing the ACA. He asked how much the technology will continue to cost and how long this will take. Mr. Powner responded that in Fiscal Year 2013 (end of September) approximately \$6 million dollars has been already spent. However, it is not all from CMS and HHS. The cost to fix the system is a key question. Mr. VanRoekel explained that as consumers continue to register and the system continues to improve, they formulate the budget and Congress grants the budget. Empowering the agencies in order to make the decision is important, Mr. VanRoekel stated.

**Congressman Jim Jordan (R-OH)** asked specifically who was in charge of launching the website and who was the IT person. Mr. Chao responded it was Ms. Marilyn Tavenner, the Administrator for the Centers for Medicare and Medicaid Services (CMS), in charge of the launch. He explained that it was not his decision when to rollout HealthCare.gov.

**Congressman Jason Chaffetz (R-UT)** asked about the security risks and ethical hacking process of HealthCare.gov. Mr. Baitman responded that they have engaged an ethical hacker to hack into the system. They found approximately 7-10 items on the hacking report. He explained that the report was turned into CMS and majority of the items have been remediated. This information was not shared with HHS Secretary Kathleen Sebelius because this is a technical issue.

**Congressman William Lacy Clay (D-MO)** expressed his concerns for using taxpayer's dollars in order to implement the ACA. He asked about the contract's structure with the private government contractors on the project. Mr. Chao explained that there is a performance element within the contract. There is also a base set of cost. If the contractors are able to deliver on their performance, then financial incentives are rewarded based on their review period.

The witness testimonies and a video recording of the hearing are available [here](#).