

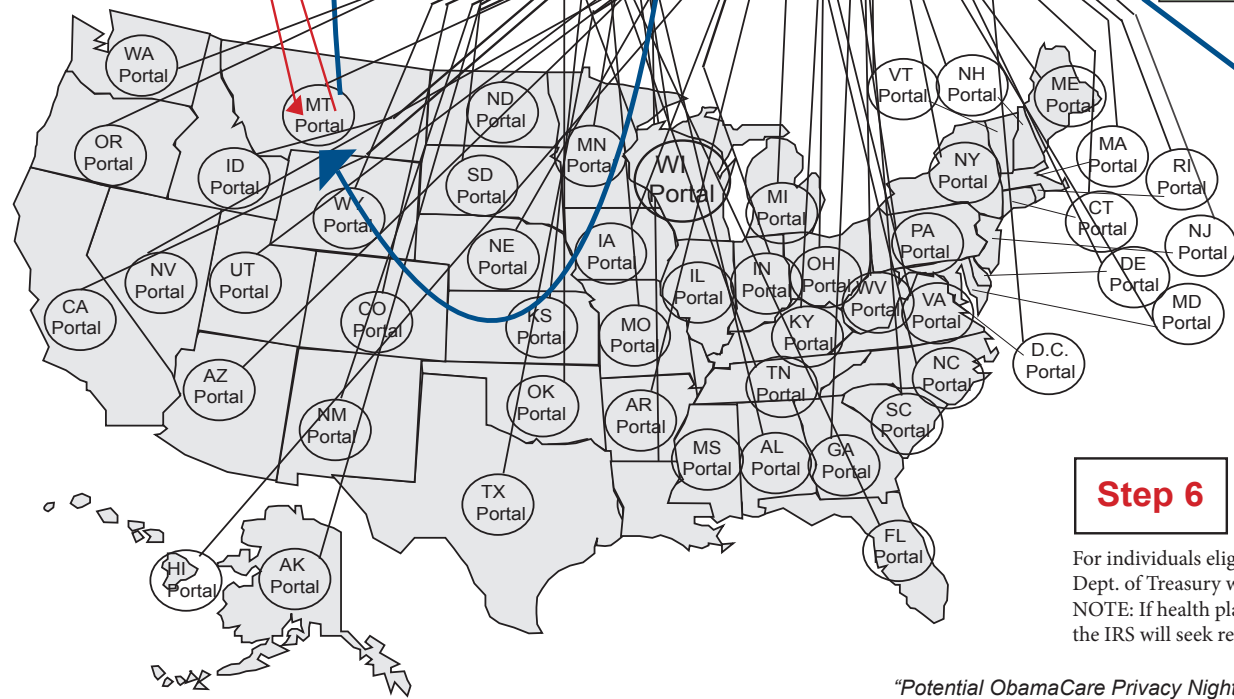
# The Obamacare Machine

## National Exchange System to Transfer Dollars and to Track and Transfer Insurance/Financial Data

“the largest consolidation of personal data in the history of the republic.” *USA Today*



Person or employer enters personal data into state or federal Exchange (government website portal).



**Step 2**

State or Federal website portal sends individual's data to **Federal Data Services Hub** and other state data sources (Medicaid, Revenue, Health, etc.) and requests data from state data sources and the Hub.

**Federal Data Services Hub**  
*(Central Server)*

**Makes Data Transfers:**

- Tax Information
- Income
- Employment
- Patient Medical Data
- Social Security No.
- Welfare Information
- Family Size
- Demographic Data (e.g. address, birthdate, age)

**Step 4**

The Exchange (website portal), using data from state sources and the Hub, approves or does not approve coverage, including access to federal taxpayer-funded premium subsidies.

**Step 3**

To transfer and validate a person's or employer's data, the Hub connects with the federal government and then transfers data back to the Exchange.

### FEDERAL GOVERNMENT

**Dept. of Justice**  
Checks Imprisonment Status and Criminal History

**Social Security Admin.**  
• Validates Social Security Number  
• Validates Birth  
• Validates the Person Has Not Died

**Dept. of Homeland Security**  
• Checks Citizenship Status

**Health & Human Services**  
• Checks Enrollment or Eligibility for Entitlement Programs  
• Collects/Analyzes Medical Data

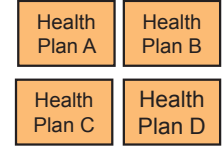
**IRS and Treasury Dept.**  
• Verifies Employment Status  
• Individual Income Status  
• Determines Premium Subsidies

**HealthCare.gov**  
Federal Portal

**Step 5**

All personal, state, and federal data collected by the Hub is sent to a new federal database.

Health Insurance Exchange Database



**Step 6**

For individuals eligible for taxpayer-funded federal premium subsidies or Medicaid, the U.S. Dept. of Treasury will transfer the funds directly to the health plan chosen by the individual.  
NOTE: If health plans are overpaid due to inaccurate estimates of income or employment status, the IRS will seek repayment from the individual in what is known as a “clawback.”

“Potential ObamaCare Privacy Nightmare,” Paul Howard & Stephen Parente, *USA Today*, December 6, 2012.  
“PPACA; Standards Related to Reinsurance, Risk Corridors and Risk Adjustment; Final Rule,” Dept. of HHS, March 23, 2012.  
“All Payer Claims Database Roles and Requirements,” United HealthCare, July 31, 2012.  
“Federal Exchange Program System Data Services Hub Statement of Work,” Centers for Medicare & Medicaid Services, Dept. of HHS, July 15, 2011.

