

**Department of Health and Human Services  
Health Care Financing Administration  
Operational Policy Letter #93  
OPL99.093**

**DATE:** May 3, 1999

**SUBJECT:** Clarification of Policy Regarding the Collection of Information on Race and Ethnicity

**NOTE:**

This Operational Policy Letter (OPL) replaces OPL98.069 dated April 15, 1998 reflecting a revised legal interpretation regarding the circumstances under which a Medicare+Choice organization (M+CO) may collect information on race and ethnicity. The April 15, 1998 OPL stated that M+COs may only collect information on race and ethnicity post-enrollment. Further legal review indicates that HCFA need not limit when M+COs collect the race and ethnicity data. Hence, we are revising the policy to allow M+COs to collect information on race and ethnicity before, during, and after enrollment.

**Operational Policy Question:**

May M+COs collect information on race and ethnicity?

**Answer:**

Yes. M+COs contracting with Medicare may collect race and ethnicity information from Medicare beneficiaries. However, Medicare beneficiaries can only be asked to provide this information on a *voluntary* basis. The race and ethnicity information may be collected either before, during, or after enrollment. M+COs contracting with Medicare may not use the data for either preselection or to make eligibility determinations. Further, when requesting the data, M+COs must inform beneficiaries that their response will not affect their eligibility to enroll in the M+CO. Health screening of applicants, except for ESRD and hospice as provided by law and regulation, is prohibited in M+C.

For guidance in the collecting and formatting of the data, M+COs should refer to the Office of Management and Budget (OMB) Standards for Maintaining, Collecting, and Presenting Federal Data on Race and Ethnicity (revision to OMB Directive # 15, October 30, 1997). Collecting data in accordance with these revised standards will promote the usefulness of the data for analysis. The five categories for data on race, as defined by the revised standards are: (1) American Indian or Alaska Native, (2) Asian, (3) Black or African American, (4) Native Hawaiian or Other Pacific Islander, and

(5) White. The two categories for data on ethnicity are: (1) Hispanic or Latino and (2) Not Hispanic or Latino.

Collection of race and ethnicity data can help managed care organizations reach out to specific demographic groups for prevention, health education, and treatment efforts for diseases prevalent in those groups. Additionally, it can facilitate the provision of culturally and linguistically appropriate care. Also, analysis of the collected data can enable M+COs to identify and track similarities and differences in plan performance in various geographic, cultural, and ethnic communities.

**Contact: HCFA Regional Office Managed Care Staff**

**M+COs may also contact the following divisions for further assistance with collecting these data: Office for Civil Rights, (202) 619-0553; Office of Minority Health, (301) 443-9923; Substance Abuse and Mental Health Administration, (301) 443-7018; Indian Health Service, (301) 443-1180.**

**This OPL was prepared by the Center for Health Plans and Providers**