

COMPUTER MATCHING AGREEMENT

BETWEEN

SOCIAL SECURITY ADMINISTRATION

AND

**U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
ADMINISTRATION FOR CHILDREN AND FAMILIES
OFFICE OF CHILD SUPPORT ENFORCEMENT**

“SSI-OCSE Quarterly Match Agreement” and
“Online Query for SSI, Disability Insurance, & Ticket-to-Work Agreement”
SSA Match #1074/HHS Match #2203

I. PURPOSE, LEGAL AUTHORITY, AND DEFINITIONS

This computer matching agreement, hereinafter “agreement,” governs a matching program between the Office of Child Support Enforcement (OCSE) and the Social Security Administration (SSA). The agreement covers the following information exchange operations wherein OCSE will provide SSA with online query access to the National Directory of New Hires (NDNH) for administration of the Supplemental Security Income (SSI), Disability Insurance (DI), and Ticket-to-Work and Self-Sufficiency (Ticket) programs, and will provide SSA quarterly wage and unemployment insurance data from NDNH through a batch match for administration of the SSI program.

A. Purpose of the Matching Program

The Privacy Act, as amended by the Computer Matching and Privacy Protection Act of 1988, provides that no record contained in a system of records (SOR) may be disclosed for use in a computer matching program, except pursuant to a written agreement containing specified provisions. 5 U.S.C. § 552a(o). SSA and OCSE are executing this agreement to comply with the Privacy Act of 1974, as amended, and the regulations and guidance promulgated thereunder. See prior agreements at Appendix A.

The Commissioner of Social Security is required to verify eligibility of a recipient or applicant for SSI using independent or collateral sources. SSI benefits may not be determined solely based on declarations by the applicant concerning eligibility factors or other relevant facts. Information is also obtained, as necessary, in order to assure that SSI benefits are only provided to eligible individuals (or eligible spouses) and that the amounts of such benefits are correct. Section 1631(e)(1)(B) of the Social Security Act (Act) (42 U.S.C § 1383(e)(1)(B)). The Commissioner of Social Security may review DI benefits to determine if a reduction in benefits is required based on wages or self-employment. Section 224(h) of the Act (42 U.S.C. § 424a(h)).

The Commissioner also evaluates the work activity (employment and earnings levels) of DI and SSI beneficiaries as a basis to make payments to Employment Networks and State Vocational Rehabilitation (VR) Agencies under the Ticket program Public Law (Pub. L.) No.106-170) and to State VR Agencies pursuant to the State VR reimbursement program, subsections 222(d) and 1615(d) and (e) of the Act (42 U.S.C. §§ 422(d), 1382d(d) and (e).

A computerized comparison of two or more SORs (i.e., SORs maintained by different federal agencies) for the purpose of establishing or verifying the eligibility for benefits, or continuing compliance with statutory and regulatory requirements, by applicants for or recipients or beneficiaries of cash or in-kind assistance or payments under a federal benefit program constitutes a “matching program,” as defined by the Privacy Act at 5 U.S.C. § 552a(a)(8)(i)(II). Records may not be disclosed from a system of records to a recipient agency or non-federal agency for use in a “matching program” except pursuant to a written agreement containing the provisions specified in the Privacy Act at 5 U.S.C. § 552a(o). This agreement contains the specified provisions. It also contains, or incorporates by reference, requirements from the Act, pursuant to which the matching program is authorized, National Institute of Standards and Technology (NIST) Series 800 Special Publications (SP), U.S. Department of Health and Human Services (HHS) Information Security Program Policy, Office of Management and Budget (OMB) guidance, HHS and OCSE requirements, and other federal privacy and security requirements governing the disclosure of personally identifiable information.

This agreement assists SSA in:

- (1) establishing or verifying eligibility or payment amounts, or both under the SSI program;
- (2) establishing or verifying eligibility or continuing entitlement under the DI program;
- and
- (3) administering the Ticket program.

These activities include overpayment avoidance and recovery for all three programs. SSA evaluates the cost-benefits, including programmatic and operational impact, which NDNH information has on SSA programs and operations. OCSE and SSA have been parties to matching agreements and recertification for these purposes since 2001. Appendix A provides background information about these prior agreements.

SSA will use the NDNH comparison information stored in SSA electronic folders, paper folders, and obtained through online query of the NDNH to administer the SSI, DI, and Ticket programs efficiently, as set forth in this agreement. SSA will make the online request through its authorized query applications. This query will submit the request through OCSE’s web service. SSA’s use of authorized query applications to access the OCSE web service is understood by OCSE and SSA to apply throughout the agreement.

This agreement also governs the use, treatment, and safeguarding of the information exchanged.

OCSE is the “source agency” and SSA is the “recipient agency,” as defined by the Privacy Act. 5 U.S.C. §§ 552a(a)(9) and (11).

The SSA component responsible for this agreement and its contents is the Office of Privacy and Disclosure. The responsible component for OCSE is the Division of Federal Systems. This agreement is applicable to personnel, facilities, and information systems of SSA and OCSE involved in the processing and storage of NDNH information. Personnel are defined as employees, and contractors/agents of OCSE and SSA.

This agreement includes a security addendum and four appendices (A-D).

B. Legal Authority

The legal authorities for disclosures under this agreement are the Act and the Privacy Act of 1974, as amended. Section 453(j)(4) of the Act provides that OCSE shall provide the Commissioner of Social Security with all information in the NDNH. 42 U.S.C. § 653(j)(4). SSA has authority to use data to determine entitlement and eligibility for, and to conduct, programs it administers pursuant to § 1631(e)(1)(B) and (f) (SSI), § 224(h) (DI), § 1148 (Ticket) of the Act. 42 U.S.C. § 1383(e)(1)(B) and (f), 42 U.S.C. § 424a(h), and 42 U.S.C. § 1320b-19, and § 222(d) (Rehabilitation Services), 42 U.S.C. § 422(d), and § 1615(d) and (e), 42 U.S.C. § 1382d(d) and (e). Disclosures under this agreement shall be made in accordance with 5 U.S.C. § 552a(b)(3), and in compliance with the matching procedures in 5 U.S.C. § 552a(o), (p), and (r).

With respect to the SSI program, subsection 1631(f) of the Act (42 U.S.C. § 1383(f)) provides that “the head of any federal agency shall provide such information as the Commissioner of Social Security needs for purposes of determining eligibility for or amount of benefits, or verifying information with respect thereto.”

With respect to the DI program, subsection 224(h) of the Act (42 U.S.C. § 424a(h)) provides that “the head of any Federal agency shall provide such information within its possession as the Commissioner of Social Security may require for purposes of making a timely determination of the amount of the reduction, if any, required by this section in benefits payable under this subchapter, or verifying other information necessary in carrying out the provisions of this section.”

With respect to the Ticket program, subsections 1148(b)(4)(d), and (h) of the Act (42 U.S.C. § 1320b-19(b)(4), (d), and (h)) require SSA to verify earnings of beneficiaries/recipients to make payments to employment network providers under the Ticket program. With respect to cost-reimbursement payments to State VR agencies for services to beneficiaries outside of the Ticket program, subsections 222(d) and 1615(d) and (e) of the Act (42 U.S.C. §§ 422(d), 1382d(d) and (e)) requires SSA to verify earnings of beneficiaries/recipients to ensure accurate payments.

C. Definitions

See Appendix B.

II. JUSTIFICATION AND ANTICIPATED RESULTS

The Privacy Act requires that each matching agreement specify the justification for the program and anticipated results, including a specific estimate of any savings.
5 U.S.C. § 552a(o)(1)(B).

A. Cost Benefit Analysis

The Privacy Act provides that a Data Integrity Board (DIB) shall not approve any written agreement for a matching program unless the agency has completed and submitted to such Board a cost benefit analysis (CBA) of the proposed program and such analysis demonstrates that the program is likely to be cost effective. Unless statutorily excepted or waived by the DIB, a CBA must be completed and submitted to the DIB and must demonstrate that the program is likely to be cost effective, or the DIB cannot approve the matching agreement. 5 U.S.C. § 552a(u)(4)(A).

Comparison of NDNH data with the specified SSA programs results in significant recovery of, or avoidance of, overpayments. Differences between the data within a specified dollar range sends alerts to the specific SSA programs for follow up case review. The case reviews result in case actions to avoid or recover overpayments; these results are projected over the caseload at large resulting in the total benefit for SSA. For every \$1.00 spent \$4.00 are saved. Details of the CBA are found in Appendix C.

B. Other Supporting Justifications

The Improper Payments Information Act of 2002, Pub. L. 107-300, the Improper Payments Elimination and Recovery Act of 2010, Pub. L. 111-204, and the Improper Payments Elimination and Recovery Improvement Act of 2012, Pub. L. 112-248, require federal agencies to identify programs susceptible to significant improper payments and to report to agencies and to report to Congress of efforts to reduce such payments. OMB issued implementing guidance to federal agencies in Appendix C to Circular A-123, *Requirements for Payment Integrity Improvement* (revised March 5, 2021)(M-21-19).

SSA conducts a CBA for each year of the match program resulting in the conclusion that the agency has avoided or recovered substantial payments far above the cost of the matching program.

The NDNH is the only nationally centralized directory of new hire, quarterly wage, and unemployment insurance information and, as such, provides an effective, efficient, and comprehensive method of collecting and comparing this information. SSA's use of NDNH information for purposes authorized under the Act supports SSA's program accuracy, program administration, and reduces overpayments. There is no other

administrative activity that can accomplish the same purpose and provide the same security safeguards with the same degree of efficiency.

C. Specific Estimate of Any Savings

The benefit to the United States Treasury of these combined matching programs includes the correction of those cases where there is a decrease in the monthly payment amount, the recovery of detected overpayments, and the Continuing Disability Review work cost avoidance, which project to over \$1,258,959,205 billion. The total costs are projected to be approximately \$336,668,578 million. The actual savings to the United States Treasury make this matching program cost effective with a benefit to cost ratio of 3.74 to 1.

III. RECORDS DESCRIPTION

The Privacy Act requires that each matching agreement specify a description of the records that will be matched, including each data element that will be used, the approximate number of records that will be matched, and the projected starting and completion dates of the matching program. 5 U.S.C. § 552a(o)(1)(C).

A. Systems of Records (SOR)

OCSE will disclose match results to SSA from the following system of records: *OCSE National Directory of New Hires*, System No. 09-80-0381; see System of Records Notice (SORN) published in full at 87 FR 3553 (January 24, 2022). The disclosure of NDNH records by OCSE to SSA constitutes a “routine use,” as defined by the Privacy Act. 5 U.S.C. § 552a(b)(3). Routine use (9) published in the NDNH SORN authorizes the disclosure of NDNH records to SSA. 87 FR 3553, 3555 (January 24, 2022).

SSA published notice of the relevant SORs in the *Federal Register*. For the batch process, SSA’s SOR is the Supplemental Security Income Record and Special Veterans Benefits, (SSR), 60-0103, last fully published at 71 Fed. Reg. 1830 (January 11, 2006), and amended at 72 Fed. Reg. 69723 (December 10, 2007), 83 Fed. Reg. 31250-31251 (July 3, 2018), and at 83 Fed. Reg. 54969 (November 1, 2018).

For the query process, SSA’s SORs are:

- the SSR;
- the Completed Determination Record-Continuing Disability Determination file (CDR-CDD), 60-0050, last fully published at 71 Fed. Reg. 1813 (January 11, 2006), amended at 72 Fed. Reg. 69723 (December 10, 2007), and 83 Fed. Reg. 54969 (November 1, 2018), and at 84 Fed. Reg. 17907 (April 26, 2019);
- the Master Beneficiary Record (MBR), 60-0090, last fully published at 71 Fed. Reg. 1826 (January 11, 2006), amended at 72 Fed. Reg. 69723 (December 10, 2007), 78 Fed. Reg. 40542 (July 5, 2013), 83 Fed. Reg. 31250-31251 (July 3, 2018), and 83 Fed. Reg. 54969 (November 1, 2018);

- the Electronic Disability (eDIB) Claim File, (60-0320) last fully published at 85 Fed. Reg. 34477 (June 4, 2020);
- the Ticket-to-Work and Self-Sufficiency Program Payment Database, (60-0295) last fully published at 66 Fed. Reg. 17985 (April 4, 2001), and amended at 72 Fed. Reg. 69723 (December 10, 2007), and 83 Fed. Reg. 54969 (November 1, 2018);
- and the Ticket-to-Work Program Manager (PM) Management Information System, (60-0300) last fully published at 66 Fed. Reg. 32656 (June 15, 2001), and amended at 72 Fed. Reg. 69723 (December 10, 2007), and 83 Fed. Reg. 54969 (November 1, 2018).

SSA has the appropriate routine uses to disclose information to the NDNH from the identified SORs under this agreement.

The information in these SORs may be updated during the effective period of this agreement as required by the Privacy Act.

SSA will access the OCSE web service when making online queries for new hire, quarterly wage, and unemployment insurance information in the NDNH. To comply with limitations on disclosure and to prohibit browsing, SSA access is restricted by anti-browsing technology (permission modules) to only those Social Security numbers (SSN) that have a direct business relationship with SSI, DI, or Ticket program (that is, the record must have a valid SSI, DI, or Ticket payment or application issue). If no business relationship exists with SSA, OCSE denies access to NDNH and the user is unable to proceed. If a business relationship exists with SSA, SSA can access the NDNH via the OCSE web service to display SSN-specific new hire, quarterly wage, or unemployment insurance information in the NDNH. The Master File Query Menu (MFQM) or Electronic Viewer (eView) extracts information from SSA's SSR (for SSI recipients) or CDR-CDD (for ticket holders and disability beneficiaries) to facilitate query access.

B. Number of Records Involved

The SSA finder file for the SSI quarterly batch match will contain approximately 8.6 million records of individuals. For online queries, SSA will only query one record at a time and queries of individual records should not exceed 14 million in a given year. The NDNH contains approximately 1.4 billion new hire, quarterly wage, and unemployment insurance records, which represents the most recent 24 months of information. In accordance with section 453(j)(4) of the Act, NDNH information provided to SSA by OCSE will contain all the available data elements from the new hire, quarterly wage and unemployment insurance information, if any, pertaining to the individuals whose records are contained in the SSA online query. 42 U.S.C. § 653(j)(4).

Specified Data Elements Used in the Match

1. Data Elements in the SSA Finder File

- a. Quarterly Batch Match (SSI). SSA's finder file is matched against the quarterly

wage and unemployment insurance information in OCSE's NDNH.

SSA will provide electronically to OCSE the following data elements in the finder file:

- Individual's Social Security number (SSN); and
 - Name
- b. Online Query Access (SSI, DI, and Ticket programs). SSA will access OCSE's web service when making online requests for NDNH records. SSA will initiate an online query in SSA's Permission Module with the individual's SSN.

2. NDNH Data Elements

- a. Quarterly Batch Match (SSI). OCSE will provide electronically to SSA the following data elements from the NDNH in the quarterly wage file:
- Quarterly wage record identifier
 - For employees:
 - (1) Name (first, middle, last)
 - (2) SSN
 - (3) Verification request code
 - (4) Processed date
 - (5) Non-verifiable indicator
 - (6) Wage amount
 - (7) Reporting period
 - For employers of individuals in the quarterly wage file of the NDNH:
 - (1) Name
 - (2) Employer identification number
 - (3) Address(es)
 - Transmitter agency code
 - Transmitter state code
 - State or agency name

OCSE will provide electronically to SSA the following data elements from the NDNH in the unemployment insurance file:

- Unemployment insurance record identifier
- Processed date
- SSN
- Verification request code
- Name (first, middle, last)
- Address
- Unemployment insurance benefit amount

- Reporting period
- Transmitter agency code
- Transmitter state code
- State or agency name

b. Online Query Access (SSI, DI, and Ticket programs).
Data elements on quarterly wage screen:

- Quarterly wage record identifier
- Date report processed
- Name/SSN verified
- For Employees:
 - (1) SSN
 - (2) Name (first, middle, last)
 - (3) Date of hire
- For Employers:
 - (1) Name
 - (2) Employer identification number
 - (3) Employer Federal Information Processing System (FIPS) code (if present)
 - (4) Address(es)

Data elements on the new hire screen:

- New hire record identifier
- Name/SSN verified
- Date report processed
- For Employees
 - (1) Name
 - (2) Employer identification number
 - (3) Employer FIPS code (if present)
 - (4) Address(es)

Data elements on the unemployment insurance screen:

- Unemployment insurance record identifier
- Name/SSN verified
- SSN
- Name (first, middle, last)
- Address
- Unemployment insurance benefit amount
- Reporting period
- Payer state
- Date report processed

C. Frequency of Data Exchanges

OCSE Responsibilities

1. On a quarterly basis, OCSE will compare the SSA finder file against the quarterly wage and unemployment insurance files in the NDNH for the purposes set forth in this agreement.
2. OCSE will send a response file to SSA containing the results of the comparison. See section III.B.2 for a description of the OCSE response file.
3. On a daily basis, OCSE will provide SSA with online access through its web service so SSA authorized personnel may query the NDNH's new hire, quarterly wage, and unemployment insurance files, as needed, for the purposes set forth in this agreement.

SSA Responsibilities

1. On a quarterly basis, SSA will submit a finder file of SSI beneficiaries for comparison by OCSE against the quarterly wage and unemployment files in the NDNH. See section III.B.1 for a description of the SSA finder file.
2. On a daily basis, SSA authorized personnel will query the NDNH's new hire, quarterly wage, and unemployment insurance files to administer the DI, SSI, and Ticket programs efficiently, as needed, for the purposes set forth in this agreement.

D. Projected Start and Completion Dates

The matching program will continue in effect until it expires, unless terminated, renewed, or modified, as stated in this agreement. SSA will conduct batch matches for SSI applicants or recipients with the NDNH database no more frequently than quarterly; online access queries will be conducted only as needed according to the purposes stated in this agreement.

The projected start date of this agreement is August 6, 2022, and the projected expiration date is February 5, 2024 (18 months from the start date), or February 4, 2025, if the agreement is renewed for one year. Any renewal will be signed in advance by OCSE, SSA and the respective DIB Chairpersons and must be signed between November 4, 2024, and February 4, 2025, and include OCSE's and SSA's certification that the requirements stated in section XII have been met.

OCSE may commence comparisons and disclosures under this agreement upon completion of all of the following requirements:

- OCSE and SSA agency officials sign the agreement; and
- SSA submits the documentation required by OCSE to assess the security posture of the agency.

IV. NOTICE PROCEDURES

A. Individualized Notice that Information May be Subject to Verification through Matching Programs

The Privacy Act requires that the matching agreement specify procedures for providing individualized notice at the time of application. Subject to guidance provided by the Director of OMB, SSA will send notice to applicants for and recipients of financial assistance or payments under the federal benefit programs and that any information provided by such applicants and recipients may be subject to verification through matching programs. 5 U.S.C. § 552a(o)(1)(D)(i).

This requirement is best accomplished by notice provided to the individual on the form in the agency's request for information or on a separate form pursuant to the Privacy Act. 5 U.S.C. § 552a(e)(3). SSA and OCSE provide the following notices, respectively, to persons whose records are disclosed from the SORs involved in the matching program established under this agreement.

B. Constructive Notice of Matching Program

The Privacy Act requires federal agencies to publish notice of the establishment or revision of a matching program in the *Federal Register* for public notice and comment, at least 30 days prior to conducting such program. 5 U.S.C. § 552a(e)(12).

SSA will publish a notice of the matching program in the *Federal Register* at least 30 days before conducting the program and will make the notice and this agreement available on the SSA computer matching agreement internet site; these publications will provide constructive notice of the matching program to affected individuals. SSA will not publish the *Federal Register* notice until SSA has reported the matching program to OMB and Congress for advance review and OMB has completed its review, as required by 5 U.S.C. § 552a(o)(2)(A) and (r) and OMB Circular A-108, *Federal Agency Responsibilities for Review, Reporting, and Publication under the Privacy Act*.

C. Notice to Applicants

SSA will notify individuals, at the time of application for SSI payments or DI benefits, regarding the comparison of their records against those of other agencies to verify their eligibility or payment amounts. SSA's notice consists of appropriate language printed on its application forms or on a separate handout when necessary.

D. Notice to Recipients

SSA will notify SSI recipients and DI beneficiaries at least once during the life of the agreement and, of any extension to the agreement, of the comparison of records against those of other agencies to verify their eligibility or payment amounts. SSA's notice to SSI recipients and DI beneficiaries is included in mailings pertaining to redetermination actions and to the annual cost-of-living adjustment notice to all recipients. SSA will also

notify Ticket beneficiaries via the Privacy Act Statement on Form SSA-1365 and SSA-1370 that SSA may compare their records against those of other agencies in SSA's administration of its programs, including verification of payment amounts made to states VR agencies.

V. VERIFICATION PROCEDURES AND OPPORTUNITY TO CONTEST FINDINGS

The Privacy Act requires that each matching agreement specify procedures for verifying information produced in the matching program and an opportunity to contest findings. 5 U.S.C. § 552a(o)(1)(E) and (p). SSA recognizes that the occurrence of a comparison between its files and the NDNH is not conclusive evidence of the address, employer, or wages of an identified individual, but is an indication that warrants further verification.

A. Verification Procedures

SSA verifies the name/SSN combinations in its SORs. SSA will compare the identity information in its records for the matched individual with the NDNH information and then determine whether the information in the NDNH is consistent with the information in SSA's files. If the information is not consistent, SSA will contact the individual to confirm the information provided by the NDNH.

If the individual is unable to confirm the information, SSA will contact the employer(s) shown by the NDNH new hire file (online query only) or quarterly wage file to confirm the information shown by the comparison results and the appropriate source agency to confirm the unemployment insurance payment information. SSA will independently verify the NDNH information, investigate, and confirm information that is used as a basis for an adverse action against an individual, as described in 5 U.S.C. § 552a(p)(1) and (2).

B. Opportunity to Contest Findings

SSA will not take action to reduce, suspend, or terminate SSI or DI benefits based on information obtained from this matching program until:

1. SSA provides notice to the affected individual that informs that individual of the results of SSA's verification of the information and his or her opportunity to contest the findings;
2. Under applicable SSA regulations and procedures, the affected individual is given 10 days to respond to the notice before SSA takes any adverse action as a result of the comparison information (20 C.F.R. 404.1595(c), 416.996, and 416.1336);
3. The notice clearly states that, unless the individual responds to the notice in the required time, SSA will conclude that the comparison results provided by OCSE are correct and will make the necessary adjustment to the individual's payment.
4. SSA will not take any action against a beneficiary solely because of the findings from this matching program.

VI. DISPOSITION OF MATCHED ITEMS

The Privacy Act requires that each matching agreement specify procedures for the retention and timely destruction of identifiable records created by a recipient agency in such matching program. 5 U.S.C. § 552a(o)(1)(F).

After the retention periods for the records contained in the SSA finder files and the NDNH records provided to SSA, OCSE and SSA must destroy the records, in accordance with the security addendum herein, including the erasure of all electronic records.

A. SSA Records in the Input File

OCSE may retain the records contained in the SSA finder files only for the period required for processing related to the matching program and no later than 60 days after the transmission of the file to OCSE.

B. NDNH Records in the Output File

SSA will adhere to the following procedures for the retention and destruction of identifiable records:

1. SSA will retain the response files generated based upon matching NDNH information only for the period required for any processing related to the matching program and will then destroy the response files and records. SSA will destroy all information obtained from OCSE under this agreement in accordance with the applicable Federal Records Retention Schedule. 44 U.S.C. Chapter 33.
2. SSA will store and retain the electronic files of the batch match only for the period of time required to support the matching program and will then destroy the records. NDNH information will not be duplicated or disseminated within or outside SSA without the written permission of OCSE, except as necessary within SSA for ongoing operations of the matching program or for the purpose of disaster recovery. OCSE will not grant such authority unless the disclosure is required by law or is essential to the matching program.
3. SSA will store, view, and use the information obtained by an online query only for the period of time required for any processing related to the case and will then delete the electronic record.
4. SSA field office personnel will dispose of the case file printouts of the comparison results of specific individuals in accordance with the applicable Federal Records Retention Schedule. 44 U.S.C. Chapter 33.

Neither SSA nor OCSE will create a separate file or SOR concerning individuals in the matching program, other than SSA records needed for integrity and audit purposes. Both

SSA and OCSE will keep an accurate accounting of disclosures from an individual's records, as required by subsection (c) of the Privacy Act.

VII. SECURITY PROCEDURES

The Privacy Act requires that each matching agreement specify procedures for ensuring the administrative, technical, and physical security of the records matched and the results of such programs. 5 U.S.C. § 552a(o)(1)(G).

SSA and OCSE will comply with the requirements of the Federal Information Security Management Act (FISMA). 44 U.S.C. Chapter 35, Subchapter II, as amended by the Federal Information Security Modernization Act of 2014 (Pub. L. 113-283); related OMB circulars and memoranda, such as Circular A-130, *Managing Information as a Strategic Resource* (July 28, 2016), and Memorandum M-17-12, *Preparing for and Responding to a Breach of Personally Identifiable Information* (Jan. 3, 2017); National Institute of Standards and Technology (NIST) directives; and the Federal Acquisition Regulations, including any applicable amendments published after the effective date of this agreement. These laws, directives, and regulations include requirements for safeguarding federal information systems and personally identifiable information (PII) used in federal agency business processes, as well as related reporting requirements. Both agencies recognize, and will implement the laws, regulations, NIST standards, and OMB directives including those published subsequent to the effective date of this agreement.

FISMA requirements apply to all federal contractors, organizations, or entities that possess or use federal information, or that operate, use, or have access to federal information systems on behalf of an agency. Both agencies are responsible for the oversight and the compliance of their contractors and agents.

The security addendum to this agreement specifies these security procedures and must be taken and considered as part of this agreement, as if the provisions contained in the addendum were fully set out here.

A. Loss Reporting

If either SSA or OCSE experiences an incident involving the loss or breach of PII provided by SSA or OCSE under the terms of this agreement, they will follow the incident reporting guidelines issued by OMB. In the event of a reportable incident under OMB and the incident under OMB guidance involving PII, the agency experiencing the incident is responsible for following its established procedures, including notification to the proper organizations (e.g., United States Computer Emergency Readiness Team and the agency's privacy office). In addition, the agency experiencing the incident (e.g., electronic or paper) will notify the other agency's Systems Security Contact named in this agreement. If OCSE is unable to speak with the SSA Systems Security Contact within one hour or if for some other reason notifying the SSA Systems Security Contact is not practicable (e.g., it is outside of the normal business hours), OCSE will call SSA's National Network Service Center toll free at 1-877-697-4889. If SSA is unable to speak

with OCSE's Systems Security Contact within one hour, SSA will contact OCSE's Director of Operations at the National Computer Center, Baltimore, Maryland (202) 596-0494.

B. Breach Notification

SSA and OCSE will follow PII breach notification policies and related procedures issued by OMB. If the agency that experienced the breach determines that the risk of harm requires notification to affected individuals or other remedies, that agency will carry out these remedies without cost to the other agency.

C. Administrative Safeguards

SSA and OCSE will restrict access to the data matched and to any data created by the match to only those users (e.g., employees, contractors, etc.) who need it to perform their official duties in connection with the uses of the data authorized in this agreement. Further, SSA and OCSE will advise all personnel who have access to the data matched and to any data created by the match of the confidential nature of the data, the safeguards required to protect the data, and the civil and criminal sanctions for noncompliance contained in the applicable federal laws.

D. Physical Safeguards

SSA and OCSE will store the data matched and any data created by the match in an area that is physically and technologically secure from access by unauthorized person at all times (e.g., door locks, card keys, biometric identifiers, etc.). Only authorized personnel will transport the data matched and any data created by the match. SSA and OCSE will establish appropriate safeguards for such data, as determined by a risk-based assessment for the circumstances involved.

E. Technical Safeguards

SSA and OCSE will process the data matched and any data created by the match under the immediate supervision and control of authorized personnel in a manner that will protect the confidentiality of the data, so that unauthorized person cannot retrieve any data by computer, remote terminal, or other means. Systems personnel must enter personal identification numbers when accessing data on the agencies' systems. SSA and OCSE will strictly limit authorization to those electronic data areas necessary for the authorized analyst to perform his or her official duties.

F. Application of Policy and Procedures

SSA and OCSE will adopt policies and procedures to ensure that each agency uses the information contained in their respective records or obtained from each other solely as provided in this agreement. SSA and OCSE will comply with these guidelines and any subsequent revisions.

G. Security Assessment

NIST Special Publication 800-37, as revised, encourages agencies to accept each other's security assessment in order to reuse information system resources and/or to accept each other's assessed security posture in order to share information. NIST 800-37 further encourages that this type of reciprocity is best achieved when agencies are transparent and make available sufficient evidence regarding the security state of an information system so that an authorizing official from another organization can use that evidence to make credible, risk-based decisions regarding the operation and use of that system or the information it processes, stores, or transmits. Consistent with that guidance, the parties agree to make available to each other upon request system security evidence for the purpose of making risk-based decisions. Requests for this information may be made by either party at any time throughout the duration or any extension of this agreement.

VIII. RECORDS USAGE, DUPLICATION, AND REDISCLOSURE RESTRICTIONS

The Privacy Act requires that each matching agreement specify prohibitions on duplication and redisclosure of records provided by the source agency within or outside the recipient agency or the non-federal agency, except where provided by law or essential to the conduct of the matching program. 5 U.S.C. § 552(o)(1)(H).

The Privacy Act also requires that each matching agreement specify procedures governing the use by a recipient agency or non-federal agency of records provided in a matching program by a source agency including procedures governing return of the records to the source agency or destruction of records used in such program. 5 U.S.C. § 552(o)(1)(I).

OCSE will adhere to the following limitations on the use of the information contained in SSA's finder files and the information SSA discloses to OCSE through online query under the provisions of this agreement.

1. OCSE will not duplicate or disseminate SSA finder files, the information contained therein, and the information submitted with online queries within or outside OCSE without the written approval of SSA, except as necessary within OCSE for backup for ongoing operations of the matching program. SSA will not grant such authority unless the disclosure is required by law or is essential to the matching program. The SSA finder files remain the property of SSA. OCSE will handle the files as provided in sections VI and X, once the matching activity authorized under this agreement is completed.
2. OCSE will use and access the SSA finder files and information provided by SSA only for the purposes specified in this agreement.
3. OCSE will not use SSA finder files or information provided by SSA to extract information concerning the individuals therein for any purpose not specified in the agreement.

SSA will adhere to the following limitations on the use of the information OCSE provides to SSA.

1. SSA will only use NDNH information for the purposes specified in this agreement.
2. SSA will not use or redisclose the NDNH information to extract information concerning the individuals therein for any purpose not specified in this agreement.
3. SSA will not duplicate or disseminate NDNH information within or outside SSA without the written permission of OCSE, except as necessary within SSA for backup for ongoing operations of the matching program, disaster recovery, and for online queries by authorized SSA field office personnel using SSA's eView application or MFQM. Permitted paper folder and electronic NDNH duplication or dissemination must be in accord with sections VI and X. OCSE will not grant such authority unless the disclosure is required by law or is essential to the matching program.
4. Information provided by OCSE remains the property of OCSE. SSA will handle the files as provided in sections VI and X once matching activity under this agreement is completed.

Subsection 453(l)(1) of the Act requires that NDNH information and the results of comparisons using NDNH information shall not be used or disclosed except as expressly provided in section 453, subject to section 6103 of the Internal Revenue Code of 1986. 42 U.S.C. § 653(l)(1). Subsection 453(1)(2) provides that an administrative penalty (up to and including dismissal from employment) and a fine of \$1,000 shall be imposed for each act of unauthorized access to, disclosure of, or use of, information in the NDNH by any officer or employee of the United States or any other person who knowingly and willfully violates the requirement. 42 U.S.C. § 653(1)(2). These fines are subject to the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015, Pub. L. 114-74, 45 C.F.R. Part 102.

IX. RECORDS ACCURACY ASSESSEMENTS

The Privacy Act requires that each matching agreement specify information on assessments that have been made on the accuracy of the records that will be used in the matching program. 5 U.S.C. § 552a(o)(1)(J).

A. NDNH Records

The information maintained within the NDNH is reported to OCSE by state and federal agencies. OCSE verifies the accuracy of name and SSN combinations maintained by OCSE against SSA's NUMIDENT file, in accordance with 42 U.S.C. § 653(j)(1). A record reported to the NDNH is considered "verified" if the name and SSN combination has a corresponding name and SSN within SSA's NUMIDENT.

One hundred percent of the employee name and SSN combinations contained in the new hire file and the unemployment insurance file against which input files are compared have been verified against SSA's NUMIDENT. For quarterly wage, 77 percent of name and SSN combinations have been verified because some states do not capture enough name data. However, information comparisons may be conducted and reliable results obtained.

B. SSA Records

SSA does not have an accuracy assessment specific to the data elements listed in this agreement. However, SSA conducts periodic, statistically valid, stewardship (payment accuracy) reviews, in which the benefits or payments listed in this agreement are included as items available for review and correction. SSA quality reviewers interview the selected OASDI and SSI beneficiaries/recipients and redevelop the non-medical factors of eligibility to determine whether the payment was correct. Based on the available study results, there is a reasonable assurance that SSA's accuracy assumptions of a 95 percent confidence level for the monthly benefits or payments listed in this agreement are accurate (Fiscal Year (FY) 2020 Title II Payment Accuracy Report, August 2021; FY 2021 Title XVI Payment Accuracy Report, July 2021).

X. COMPTROLLER GENERAL ACCESS

The Privacy Act requires that each matching agreement specify that the Comptroller General of the United States may have access to all records of a recipient agency or a non-federal agency that the Comptroller General deems necessary in order to monitor or verify compliance with this agreement. 5 U.S.C. § 552a(o)(1)(K). OCSE and SSA agree that the Comptroller General may have access to such records for the authorized purpose of monitoring or verifying compliance with this agreement.

XI. REIMBURSEMENT/FUNDING

This agreement does not authorize OCSE to incur obligations through the performance of services described herein. The authority to perform such services requires the execution of the OCSE Reimbursable Agreement (RA), Form SSA-429, and FS Forms 7600A and 7600B. Moreover, OCSE may incur obligations by performing services under this agreement only on a fiscal year basis. The RA, Form SSA-429, and FS Forms 7600A and 7600B are incorporated herein by reference. To the extent any inconsistency exists between the terms of this agreement and the RA conditions, the terms of this agreement take precedence and control the relationship between SSA and OCSE.

Since OCSE's performance under this agreement spans multiple fiscal years, SSA will prepare Form SSA-429 and FS Forms 7600A and 7600B at the beginning of each succeeding fiscal year during which OCSE will incur obligations through the performance of the services described herein. Such forms will be signed by the parties on or before the commencement of the fiscal year. OCSE's ability to provide service in all fiscal years of this agreement is subject to the availability of funds.

Pursuant to section 453(k)(3) of the Act, a state or federal agency that receives information from OCSE must reimburse OCSE for costs incurred in furnishing the information, at rates which OCSE determines to be reasonable. 42 U.S.C. § 653(k)(3). SSA will reimburse OCSE for use of NDNH information on a quarterly basis. SSA will reimburse OCSE via the following:

- an RA, prepared by OCSE
- Form SSA-429 and FS Forms 7600A and 7600B prepared by SSA

All documents are signed by both OCSE and SSA. The RA, Form SSA-429, and Forms 7600A and 7600B will be entered into each fiscal year and will address costs and reimbursement terms. SSA may incur obligations only on a fiscal year basis. SSA's ability to perform work for fiscal years beyond FY 2022 is subject to the availability of funds.

OCSE will collect funds from SSA through the Intra-governmental Payment and Collection (IPAC) system. OCSE will bill SSA twice during the fiscal year, in accordance with the amounts and terms outlined in the RA, Form SSA-429, and FS Forms 7600A and 7600B. SSA will remit payments no later than 15 days following the receipt of each bill. Additionally, at least quarterly, the parties will reconcile balances related to revenue and expenses for work performed under the agreement.

XII. DURATION OF AGREEMENT

A. Effective Date of the Agreement

This agreement will not be effective until the agreement has been approved by the Department of Health and Human Services (HHS) DIB and has been fully signed, SSA has reported the proposal to re-establish this matching program to the Congressional committees of jurisdiction and to OMB in accordance with 5 U.S.C. § 552a(o)(2)(A) and (r) and OMB Circular A-108, and, after completion of OMB's review, SSA has published notice of the matching program in the *Federal Register* for 30 days in accordance with 5 U.S.C. § 552a(e)(12) and OMB Circular A-108. SSA will post a copy of the published notice and this agreement to its computer matching agreement internet site.

This agreement will remain in effect for 18 months. The parties may, within 3 months prior to the expiration date of this agreement, renew the agreement for a period of one year if the matching program will be conducted without change and OCSE and SSA certify to their DIBs in writing that the program has been conducted in compliance with the original agreement. 5 U.S.C. § 552a(o)(2)(D).

Both SSA and OCSE will sign Form SSA-429, FS Forms 7600A and 7600B, and an OCSE reimbursement agreement, prior to the initiation of any services in this agreement and for each fiscal year in which this agreement is in effect. The Privacy Act as amended, provides that a copy of each matching agreement shall be transmitted to the Committee on Homeland Security and Government Affairs of the Senate and the Committee on Oversight and Government Reform of the House of Representatives and be available

upon request to the public, in order to permit an evaluation of the probable or potential effect of such proposal on the privacy or other rights of individuals. 5 U.S.C.

§ 552a(o)(2)(A) and (r). OMB Circular No. A-108, *Federal Agency Responsibilities for Review, Reporting, and Publication under the Privacy Act*, requires agencies to report to OMB and Congress any proposal to re-establish a matching program and to continue a program past the expiration of the current matching agreement, at least 60 days prior to the expiration of the existing matching agreement.

Subsection (q) of the Privacy Act provides that no source agency may renew a matching agreement unless the recipient agency or non-federal agency has certified that it has complied with the provisions of that agreement; and the source agency has no reason to believe that the certification is inaccurate. 5 U.S.C. § 552a(q)(2)(A) and (B).

B. Modification of the Agreement

This agreement may be modified at any time by a written amendment to the agreement which is approved by SSA and OCSE. The proposed modification should be reviewed by HHS and SSA DIB counsel to determine if the change is significant and requires a new agreement.

C. Termination of the Agreement

Prior to the agreement's end in accord with this section, the agreement may be terminated in three ways. First, it may be terminated immediately with the consent of both agencies. Second, either agency may unilaterally terminate it by written notice to the other agency. Unilateral termination is effective 90 days after the date of the notice or on a later date, as specified in the notice. Third, either agency may immediately and unilaterally terminate the agreement and any further disclosures if it determines that:

- SSA does not meet its requirement to reimburse OCSE under section 453(k) of the Act, as agreed upon in section XI of this agreement and the fiscal agreements of both SSA and OCSE or OCSE has reason to believe that the verification and opportunity to contest requirements of subsection (p), or any matching agreement entered into pursuant to subsection (o), or both, are not being met pursuant to 5 U.S.C. § 552a(q)(1);
- Any authorized entity to which NDNH information is redisclosed in accordance with section VIII is not complying with any of the terms and provisions in this agreement; or
- The privacy or security of NDNH information is at risk.

Each agency will submit to its DIB a copy of any notification of termination.

XIII. NECESSITY OF INFORMATION FOR AUTHORIZED PURPOSES

The Privacy Act requires federal agencies to maintain in its records only such information as is relevant and necessary to accomplish the purpose of the agency, 5 U.S.C. § 552a(e)(1). Additionally, OMB guidance provides privacy principles in conducting inter-agency data sharing and requires data minimization. *See OMB Circular A-130, Managing Information as a Strategic Resource* (July 28, 2016).

SSA will comply with such requirement by ensuring that each individual pertaining to whom information is requested and each data element requested, the frequency of transmission and the retention and disposition periods of NDNH information are necessary to accomplish the authorized purpose for obtaining NDNH information – determining eligibility and detecting fraud.

XIV. PERIODIC REPORTING OF PERFORMANCE OUTCOMES

OMB requires OCSE to periodically report measures of the performance of the Federal Parent Locator Service, including the NDNH, through various federal management devices, such as the Office of Management and Budget Information Technology Dashboard, the Annual Report to Congress, and the Major IT Business Case. OCSE is required to provide performance measures demonstrating how the Federal Parent Locator Service supports OCSE’s strategic mission, goals and objectives, and cross-agency collaboration. OCSE also requests such performance reporting to ensure matching partners use NDNH information for the authorized purpose.

To assist OCSE in its compliance with federal reporting requirements, and to provide assurance that SSA uses NDNH information for the authorized purpose, SSA must provide OCSE with performance outputs and outcomes attributable to its use of NDNH information for the purposes set forth in this agreement.

SSA will provide such reports in a format determined by OCSE, and approved by OMB in accordance with the Paperwork Reduction Act, to OCSE on an annual basis, no later than three months after the end of each fiscal year of the matching program.

The performance reports may also assist in the development of a CBA of the matching program required for any subsequent matching agreements in accordance with 5 U.S.C. § 552a(o)(1)(B). See section II.A of this agreement.

XV. DISPUTE RESOLUTION

Disputes related to this Agreement will be resolved in accordance with instructions provided in the Treasury Financial Manual (TFM) Volume I, Part 2, Chapter 4700, Appendix 5, *Intragovernmental Transaction Guide*.

XVI. PERSONS TO CONTACT

A. The U.S. Department of Health and Human Services, Administration for Children and Families, Office of Child Support Enforcement program contact is:

Maureen Henriksen
Data Access Manager
Division of Federal Systems
Office of Child Support Enforcement
Administration for Children and Families
Mary E. Switzer Building
330 C Street, SW
Washington, DC 20201
Phone: (202) 205-3848
Email: Maureen.Henriksen@acf.hhs.gov

B. Social Security Administration contacts are:

Program Policy Issues

La'Tonya A. Anderson, Policy Analyst
Office of Supplemental Security Income and Program Integrity Policy
Office of Income Security Programs
Office of Retirement and Disability Policy
(2-C-19) Robert M. Ball Building
6401 Security Boulevard
Baltimore, MD 21235-6401
Phone: (410) 966-3882
Email: LaTonya.A.Anderson@ssa.gov

Systems Operations Issues

Angil Escobar, Branch Chief
DDE/Verifications and Exchanges Analysis Branch (VEAB)
of Office of Enterprise Information Systems
Office of Systems
6401 Security Boulevard, 3-E-2-F Robert M. Ball Building
Baltimore, MD 21235
Phone: (410) 965-7213
Email: Angil.Escobar@ssa.gov

Matching Agreement Issues

Sonia Robinson, Government Information Specialist
Office of Privacy and Disclosure
Office of the General Counsel
6401 Security Boulevard, G-401 WHR
Baltimore, MD 21235-6401
Phone: (410) 966-4115
Email: Sonia.V.Robinson@ssa.gov

Data Exchange Issues

Stephanie Brock, Senior Data Exchange Liaison
Office of Data Exchange and International Agreements
Office of Data Exchange, Policy Publication, and International Negotiations
6401 Security Boulevard
Baltimore, MD 21235
Phone: (410) 965-4025
Email: Stephanie.Brock@ssa.gov

Leechelle Harrison, Data Exchange Liaison
Office of Data Exchange and International Agreements
Office of Data Exchange, Policy Publications, and International Negotiations
Office of Retirement and Disability Policy Social Security
Administration
6401 Security Boulevard,
Baltimore, MD 21235
Phone: (410) 966-0308
Email: Leechelle.Harrison@ssa.gov

Information Security Issues

Jennifer Rutz, Director
Office of Information Security
Division of Compliance and Assessments
Suite 3208 Annex
6401 Security Boulevard
Baltimore, MD 21235
Phone: (410) 966-8253
Email: Jennifer.Rutz@ssa.gov

XVII. INTEGRATION CLAUSE

This agreement, the Security Addendum, the appendices, FS Forms 7600A and 7600B, and the OCSE reimbursement agreement prepared and authorized at the start of each fiscal year throughout the life of this agreement constitute the entire agreement of the parties with respect to its subject matter and supersede all other data exchange agreements between the parties for the purposes described herein. The parties have made no representations, warranties, or promises outside of this agreement. This agreement takes precedence over any

other documents potentially in conflict with it, however; it does not supersede federal law or HHS and OMB directives.

XVIII. APPROVALS

By their signatures below, the authorized officials approve this agreement.

The authorized program officials whose signatures appear below accept and expressly agree to the terms and conditions expressed herein, confirm that no verbal agreements of any kind shall be binding or recognized, and hereby commit their respective organizations to the terms of this agreement.

Electronic Signature Acknowledgement: The signatories may sign this document electronically by using an approved electronic signature process. Each signatory electronically signing this document agrees that his/her electronic signature has the same legal validity and effect as his/her handwritten signature on the document, and that it has the same meaning as his/her handwritten signature.

A. U.S. Department of Health and Human Services

| | |
|---|-------------|
| Tanguler S. Gray -S Digitally signed by Tanguler S. Gray -S Date: 2022.03.10 12:26:00 -05'00' | |
| Tanguler Gray Commissioner Office of Child Support Enforcement | Date |

B. Social Security Administration

| | |
|---|-------------|
| MARY ZIMMERMAN Digitally signed by MARY ZIMMERMAN Date: 2022.03.10 14:27:17 -05'00' | |
| Mary Ann Zimmerman Deputy Executive Director Office of Privacy and Disclosure Office of the General Counsel | Date |

C. U.S. Department of Health and Human Services Data Integrity Board

| | |
|--|--------------------|
| <p>James C. Canning Jr -S Digitally signed by James C. Canning Jr -S Date: 2022.05.26 19:08:07 -04'00'</p> | |
| <p>Cheryl Campbell Chair HHS Data Integrity Board</p> | <p>Date</p> |

Social Security Administration Data Integrity Board

| | |
|---|--------------------|
| <p>Matthew Ramsey Digitally signed by Matthew Ramsey Date: 2022.04.08 15:20:41 -04'00'</p> | |
| <p>Matthew D. Ramsey Chair SSA Data Integrity Board</p> | <p>Date</p> |

SECURITY ADDENDUM

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES ADMINISTRATION FOR CHILDREN AND FAMILIES OFFICE OF CHILD SUPPORT ENFORCEMENT

AND

SOCIAL SECURITY ADMINISTRATION

“SSI-OCSE Quarterly Match Agreement” and
“Online Query for SSI, Disability Insurance, & Ticket-to-Work Agreement”
SSA Match #1074/HHS Match #2203

I. PURPOSE AND EFFECT OF THIS SECURITY ADDENDUM

The purpose of this security addendum is to specify the security controls that the Office of Child Support Enforcement (OCSE) and the Social Security Administration (SSA) must have in place to ensure the security of the records compared against records in the National Directory of New Hires (NDNH), and the results of the information comparison.

By signing this security addendum, OCSE and SSA agree to comply with the provisions of the Social Security Act (Act), the Privacy Act of 1974, the Federal Information Security Modernization Act of 2014 (FISMA), Office of Management and Budget (OMB) directives, and the National Institute of Standards and Technology (NIST) series of Special Publications (SP), and the underlying agreement to this security addendum. Further, each agency has implemented the minimum security controls required for a system categorized as “moderate” in accordance with the Federal Information Processing Standards (FIPS) Publication 199, *Standards for Security Categorization of Federal Information and Information Systems*. OCSE and SSA agree to use the information (that is, finder and response files) received from each agency for authorized purposes in accordance with the terms of the agreement.

As federal requirements change or new requirements are established, OCSE and SSA must comply with such requirements.

II. APPLICABILITY OF THIS SECURITY ADDENDUM

This security addendum is applicable to the agency, personnel, facilities, documentation, information, electronic, physical records, and other machine-readable information, and the information systems of OCSE and SSA.

III. SECURITY AND PRIVACY SAFEGUARDING REQUIREMENTS

The safeguarding requirements in this security addendum are drawn from the Office of Child Support Enforcement Division of Federal Systems Security Requirements for Federal

Agencies Receiving National Directory of New Hires Data. This document is available upon request from ocsesecurity@acf.hhs.gov.

This section presents the safeguarding requirements with which OCSE and SSA shall comply and continuously monitor. SSA shall also comply with three additional requirements: Breach Reporting and Notification Responsibility; Security Authorization; and Audit Requirements.

The safeguarding requirements for receiving NDNH information, as well as the safeguards in place at OCSE for protecting the agency finder files, are as follows:

1. SSA must restrict access to, and disclosure of, NDNH information to authorized personnel who need NDNH information to perform their official duties in connection with the authorized purposes specified in the agreement.

OCSE restricts access to and disclosure of the agency finder files to authorized personnel who need them to perform their official duties, as authorized in this agreement.

Policy/Requirements Traceability: 5 U.S.C. § 552a(b)(1). NIST SP 800-53 Rev 5, *Security and Privacy Controls for Information Systems and Organizations*, AC-3, & AC-6

2. SSA must establish and maintain an ongoing management oversight and quality assurance program to ensure that only authorized personnel have access to NDNH information.

OCSE management oversees the use of the agency finder files to ensure that only authorized personnel have access.

Policy/Requirements Traceability: 5 U.S.C. § 552a and b(1); NIST SP 800-53 Rev 5, PL-4(1), PS-6, PS-8

3. SSA must advise all authorized personnel who will access NDNH information of the confidentiality of NDNH information, the safeguards required to protect NDNH information, and the civil and criminal sanctions for non-compliance contained in the applicable federal laws, including section 453(1)(2) of the Act. 42 U.S.C. § 653(1)(2).

OCSE advises all personnel who will access the agency finder files of the confidentiality of the information, the safeguards required to protect the information, and the civil and criminal sanctions for non-compliance contained in the applicable federal laws.

Policy/Requirements Traceability: 5 U.S.C. § 552a; NIST SP 800-53 Rev 5, PL-4(1), PS-6, PS-8

4. SSA must deliver security and privacy awareness training to personnel with authorized access to NDNH information and the system that houses, processes, or transmits NDNH information. The training must describe each user's responsibility for proper use and protection of NDNH information, how to recognize and report potential indicators of insider threat, and the possible sanctions for misuse. All personnel must receive security and privacy awareness training before accessing NDNH information and at least annually thereafter. The training must cover the matching provisions of the federal Privacy Act, the Computer Matching and Privacy Protection Act, and other federal laws governing use and misuse of NDNH information.

OCSE delivers security and privacy awareness training to personnel. The training describes each user's responsibility for proper use and protection of other agencies' finder files, how to recognize and report potential indicators of insider threat, and the possible sanctions for misuse. All personnel receive security and privacy awareness training before accessing agency finder files and at least annually thereafter. The training covers the other federal laws governing use and misuse of protected information.

Policy/Requirements Traceability: 5 U.S.C. § 552a; 44 U.S.C. § 3551 et seq.; OMB Circular A-130, *Managing Information as a Strategic Resource*; OMB M-17-12, *Preparing for and Responding to a Breach of Personally Identifiable Information*; NIST SP 800-53 Rev 4, AT-2(2), AT-3

5. SSA personnel with authorized access to NDNH information must sign non-disclosure agreements, rules of behavior, or equivalent documents before system access, annually, and if changes in assignment occur. The non-disclosure agreement, rules of behavior, or equivalent documents must outline the authorized purposes for which SSA may use NDNH information, the privacy and security safeguards contained in this agreement and security addendum, and the civil and criminal penalties for unauthorized use. SSA may use "wet" and/or electronic signatures to acknowledge non-disclosure agreements, rules of behavior, or equivalent documents.

OCSE personnel with authorized access to the agency finder files sign non-disclosure agreements and rules of behavior annually.

Policy/Requirements Traceability: OMB Circular A-130 – Appendix I, *Responsibilities for Protecting and Managing Federal Information Maintaining Records About Individuals Resources*; OMB M-17-12; NIST SP 800-53 Rev 5, PS-6

6. SSA must maintain records of authorized personnel with access to NDNH information. The records must contain a copy of each individual's signed non-disclosure agreement, rules of behavior, or equivalent document, and proof of the individual's participation in security and privacy awareness training. SSA must make such records available to OCSE upon request.

OCSE maintains a record of personnel with access to the agency finder files. The

records will contain a copy of each individual's signed non-disclosure agreement, rules of behavior, or equivalent document, and proof of the individual's participation in security and privacy awareness training.

Policy/Requirements Traceability: NIST SP 800-53 Rev 5, AT-4

7. SSA must have appropriate procedures in place to report confirmed or suspected security or privacy incidents (unauthorized use or disclosure involving personally identifiable information), involving NDNH information. Immediately upon discovery, but in no case later than one hour after discovery of the incident, SSA must report confirmed and suspected incidents, in either electronic or physical form to OCSE, as designated in this security addendum. The requirement for SSA to report confirmed or suspected incidents involving NDNH information to OCSE exists in addition to, not in lieu of, any SSA requirements to report to the United States Computer Emergency Readiness Team (US-CERT).

OCSE has appropriate procedures in place to report security or privacy incidents, or suspected incidents involving the agency finder files. Immediately upon discovery but in no case later than one hour after discovery of the incident, OCSE will report confirmed or suspected incidents to the SSA security contact designated in this security addendum. The requirement for OCSE to report confirmed or suspected incidents to SSA exists in addition to, not in lieu of, requirements to report to US-CERT or other reporting agencies.

Policy/Requirements Traceability: OMB Circular A-130 – Appendix I, OMB M-17-12, NIST SP 800-53 Rev 5, IR-6

8. SSA must prohibit the use of non-SSA furnished equipment to access NDNH information without specific written authorization for the equipment from the appropriate SSA representatives.

OCSE does not permit personnel to access the agency finder files remotely using non-agency furnished equipment.

Policy/Requirements Traceability: NIST SP 800-53 Rev 5, AC-20(1)(2)

9. SSA must require that personnel accessing NDNH information remotely (for example, telecommuting) adhere to all the security and privacy safeguarding requirements provided in this security addendum. SSA and non-SSA furnished equipment must have appropriate software with the latest updates to protect against attacks, including, at a minimum, current antivirus software and up-to-date system patches and other software patches. Before electronic connection to SSA resources, SSA must scan the SSA and non-SSA furnished equipment to ensure compliance with SSA standards. All remote connections must be through a Network Access Control, and all data in transit between the remote location and SSA must be encrypted using FIPS 140-2 encryption standards. Personally owned devices must not be authorized. See number 8 and number 19 of this section for additional information.

OCSE does not permit personnel to access the agency finder files remotely using non-agency furnished equipment.

Policy/Requirements Traceability: OMB M-17-12; NIST SP 800-53 Rev 5, AC-17, AC-20

10. SSA must implement an effective continuous monitoring strategy and program that must ensure the continued effectiveness of security controls by maintaining ongoing awareness of information security, vulnerabilities, and threats to the information system housing NDNH information. The continuous monitoring program must include configuration management, patch management, vulnerability management, risk assessments before making changes to the system and environment, ongoing security control assessments, and reports to SSA officials, as required.

OCSE has implemented a continuous monitoring strategy and program that ensures the continued effectiveness of security controls by maintaining ongoing awareness of information security, vulnerabilities, and threats to the information system housing the finder files. The continuous monitoring program includes configuration management, patch management, vulnerability management, risk assessments before making changes to the system and environment, ongoing security control assessments, and reports to the U.S. Department of Health and Human Services officials, as required.

Policy/Requirements Traceability: NIST SP 800-53 Rev 5, CA-7(1); NIST SP 800-137, *Information Security Continuous Monitoring (ISCM) for Federal Information Systems and Organizations*

11. SSA must maintain an asset inventory of all software and hardware components within the boundary of the information system housing NDNH information. The inventory must be detailed enough for SSA to track and report.

OCSE maintains an inventory of all software and hardware components within the boundary of the information system housing the agency finder files.

Policy/Requirements Traceability: NIST SP 800-53 Rev 5, CM-2(3)(7), CM-7(1)(2)(4), CM-8(1)(3), CM-11, IA-3, PM-5, SA-4(1)(2)(9)(10), SC-17, SC-18, SI-4(2)(4)(5)

12. SSA must maintain a system security plan describing the security requirements for the system housing NDNH information and the security controls in place or planned for meeting those requirements. The system security plan shall describe the responsibilities and expected behavior of all individuals who access the system. OCSE maintains a system security plan that describes the security requirements for the information system housing the agency finder files and the security controls in

place or planned for meeting those requirements. The system security plan includes responsibilities and expected behavior of all individuals who access the system.

Policy/Requirements Traceability: NIST SP 800-53 Rev 5, PL-2, NIST SP 800-18 Rev 1, *Guide for Developing Security Plans for Federal Information Systems*

13. SSA must maintain a plan of action and milestones (and, when applicable, a corrective action plan) for the information system housing NDNH information to document plans to correct weaknesses identified during security control assessments and to reduce or eliminate known vulnerabilities in the system. SSA must update the plan of action and milestones (and, when applicable, the corrective action plan), as necessary, based on the findings from security control assessments, security impact analyses, and continuous monitoring activities.

OCSE maintains a plan of action and milestones for the information system housing the agency finder files to document plans to correct weaknesses identified during security control assessments and to reduce or eliminate known vulnerabilities in the system. OCSE updates the plan of action and milestones, as necessary, based on the findings from security control assessments, security impact analyses, and continuous monitoring activities.

Policy/Requirements Traceability: NIST SP 800-53 Rev 5, CA-5; NIST SP 800-18 Rev 1

14. SSA must maintain a baseline configuration of the system housing NDNH information. The baseline configuration must include information on system components (for example, standard software packages installed on workstations, notebook computers, servers, network components, or mobile devices; current version numbers and patch information on operating systems and applications; and configuration settings/parameters), network topology, and the logical placement of those components within the system architecture.

OCSE maintains a baseline configuration of the information system housing the agency finder files.

Policy/Requirements Traceability: NIST SP 800-53 Rev 4, CA-7, CA-9, CM-2(1)(3)(7), CM-3(2), CM-5, CM-6, CM-7(1)(2)(4), CM-8(1)(3)(5), CM-11, SI-4(2)(4)(5)

15. SSA must limit and control logical and physical access to NDNH information to only those personnel authorized for such access based on their official duties, and identified in the records maintained by SSA pursuant to number 6 and number 28 of this section. SSA must prevent personnel from browsing case files not assigned to them by using technical controls or other compensating controls.

OCSE limits and controls logical and physical access to the agency finder files to

only those personnel authorized for such access based on their official duties. OCSE prevents browsing using technical controls that limit and monitor access to the agency finder files.

Policy/Requirements Traceability: 5 U.S.C. § 552a; NIST SP 800-53 Rev 45, AC-2, AC-3

16. SSA must transmit and store all NDNH information provided pursuant to the agreement in a manner that safeguards the information and prohibits unauthorized access. All electronic SSA transmissions of information to SSA and entities specified in the agreement must be encrypted using a FIPS 140-2 compliant product.

SSA and OCSE exchange data via a mutually approved and secured data transfer method, which utilizes a FIPS 140-2 compliant product.

Policy/Requirements Traceability: OMB M-17-12; *FIPS 140-2, Security Requirements for Cryptographic Modules*; NIST SP 800-53 Rev 5, MP-4, SC-8

17. SSA must transfer and store NDNH information only on SSA owned portable digital media and mobile computing and communications devices that are encrypted at the disk or device level, using a FIPS 140-2 compliant product. See number 8 and number 18 of this section for additional information.

OCSE does not copy the agency input files to mobile media.

Policy/Requirements Traceability: OMB M-17-12; *FIPS 140-2*

18. SSA must prohibit the use of computing resources resident in commercial or public facilities (for example, hotels, convention centers, airports) from accessing, transmitting, or storing NDNH information.

OCSE prohibits the use of computing resources resident in commercial or public facilities (for example, hotels, convention centers, airports) from accessing, transmitting, or storing the agency finder files.

Policy/Requirements Traceability: NIST SP 800-53 Rev 45, AC-19(5), CM-8(3)

19. SSA must prohibit remote access to NDNH information, except via a secure and encrypted (FIPS 140-2 compliant) transmission link and using two-factor authentication. SSA must control remote access through a limited number of managed access control points.

OCSE prohibits remote access to the agency finder files, except via a secure and encrypted (FIPS 140-2 compliant) transmission link and using two-factor authentication.

Policy/Requirements Traceability: OMB M-17-12; FIPS 140-2; NIST SP 800-53 Rev 5, AC-17, IA-2(6)(12), SC-8

20. SSA must maintain a fully automated audit trail system with audit records that, at a minimum, collect data associated with each query transaction to its initiator, capture date and time of system events, and type of events. The audit trail system must protect data and the audit tool from addition, modification, or deletion and should be regularly reviewed and analyzed for indications of inappropriate or unusual activity.

OCSE maintains a fully automated audit trail system with audit records that, at a minimum, collect data associated with each query transaction with its initiator, capture date and time of system events, and type of events. The audit trail system must protect data and the audit tool from addition, modification, and deletion and should be regularly reviewed and analyzed for indications of inappropriate or unusual activity.

Policy/Requirements Traceability: NIST SP 800-53 Rev 45, AU-2, AU-3, AU-6(1)(3), AU-8, AU-9(4), AU-11

21. SSA must log each computer-readable data extract (secondary store or files with duplicate NDNH information) from any databases holding NDNH information and verify that each extract has been erased within 90 days after completing the authorized use. If SSA requires the extract for longer than 90 days to accomplish a purpose authorized pursuant to this agreement, SSA must request permission, in writing, to keep the extract for a defined period of time, subject to OCSE written approval. SSA must comply with the retention and disposition requirements in the agreement.

OCSE does not extract information from the agency finder files.

Policy/Requirements Traceability: OMB M-17-12, NIST SP 800-53 Rev 5, MP-4, MP-6, SI-12

22. SSA must utilize a time-out function for remote access and mobile devices that require a user to re-authenticate after no more than 30 minutes of inactivity. See sections 8, 9, and 19 of this section for additional information.

OCSE utilizes a time-out function for remote access and mobile devices that requires a user to re-authenticate after no more than 30 minutes of inactivity.

Policy/Requirements Traceability: OMB M-17-12, NIST SP 800-53 Rev 5, AC-11, AC-12, AC-17, SC-10

23. SSA must erase electronic records after completing authorized use in accordance with the retention and disposition requirements in the agreement.

OCSE erases the electronic records after completing authorized use in accordance with the retention and disposition requirements in the agreement.

Policy/Requirements Traceability: 5 U.S.C. § 552a, NIST SP-800-53 Rev 5, MP-4, MP-6, SI-12

24. When SSA and OCSE storage media are disposed of, the media will be destroyed or sanitized so that the erased records are not recoverable.

Policy/Requirements Traceability: 5 U.S.C. § 552a, NIST SP-800-53 Rev 4, MP-4, MP-6, SI-12

25. SSA must implement a Network Access Control (also known as Network Admission Control (NAC) solution in conjunction with a Virtual Private Network (VPN) option to enforce security policy compliance on all SSA and non-SSA remote devices that attempt to gain access to, or use, NDNH information. SSA must use a NAC solution to authenticate, authorize, evaluate, and remediate remote wired and wireless users before they can access the network. The implemented NAC solution must evaluate whether remote machines are compliant with security policies through host(s) integrity tests against predefined templates, such as patch level, service packs, antivirus, and personal firewall status, as well as custom created checks tailored for the SSA enterprise environment. SSA must disable functionality that allows automatic code execution. The solution must enforce security policies by blocking, isolating, or quarantining non-compliant devices from accessing the SSA network and resources while maintaining an audit record on users' access and presence on the SSA network. See numbers 8 and 20 of this section for additional information.

OCSE ensures that personnel do not access the agency finder files remotely using non-agency furnished equipment.

Policy/Requirements Traceability: NIST SP 800-53 Rev 5, AC-17, AC-20, IA-2(6)(12), IA-3

26. SSA must ensure that the organization responsible for the data processing facility storing, transmitting, processing NDNH information complies with the security requirements established in this security addendum. The "data processing facility" includes the personnel, facilities, documentation, data, electronic and physical records and other machine-readable information, and the information systems of SSA including, but not limited to, employees and contractors working with the data processing facility, contractor data centers, and any other individual or entity collecting, storing, transmitting, or processing NDNH information.

OCSE ensures that the data processing facility complies with the security requirements established in this security addendum.

Policy/Requirements Traceability: NIST SP 800-53 Rev 5, SA-9(2)

27. SSA must store all NDNH information provided pursuant to this agreement in an area that is physically safe from access by unauthorized persons during duty hours as well as non-duty hours or when not in use.

OCSE stores the agency finder files provided pursuant to this agreement in an area that is physically safe from access by unauthorized persons during duty hours as well as non-duty hours or when not in use.

Policy/Requirements Traceability: NIST SP 800-53 Rev 5, PE-2, PE-3

28. SSA must maintain a list of personnel authorized to access facilities and systems processing sensitive data, including NDNH information. SSA must control access to facilities and systems wherever NDNH information is processed. Designated officials must review and approve the access list and authorization credentials initially and periodically thereafter, but not less often than annually.

OCSE maintains lists of personnel authorized to access facilities and systems processing the agency finder files. OCSE controls access to facilities and systems wherever the agency input files are processed. Designated officials review and approve the access list and authorization credentials initially and periodically thereafter, but no less often than annually.

Policy/Requirements Traceability: NIST SP 800-53 Rev 5, AC-2, PE-2

29. SSA must label printed reports containing NDNH information to denote the level of sensitivity of the information and limitations on distribution. SSA must maintain printed reports in a locked container when not in use and must not transport NDNH information off SSA and permitted entities premises. When no longer needed, in accordance with the retention and disposition requirements in the agreement, SSA must destroy these printed reports by burning or shredding.

OCSE does not generate printed reports containing the agency finder files.

Policy/Requirements Traceability: NIST SP 800-53 Rev 5, MP-3, MP-4, MP-5, MP-6

30. SSA must use locks and other protective measures at all physical access points (including designated entry/exit points) to prevent unauthorized access to computer and support areas containing NDNH information.

OCSE uses locks and other protective measures at all physical access points (including designated entry/exit points) to prevent unauthorized access to computer and support areas.

Policy/Requirements Traceability: NIST SP 800-53 Rev 5, PE-3

IV. Cloud Solution (Optional)

SSA may choose to use cloud computing to distribute services over broader architectures. The cloud service provider must be Federal Risk and Authorization Management Program (FedRAMP) certified in order to meet federal security requirements for cloud-based computing or data storage solutions. Cloud implementations are defined by the service model and deployment model used. Software as a Service Platform as a Service, and Infrastructure as a Service, are examples of cloud service models for cloud implementation. The deployment models may include private cloud, community cloud, public cloud, and hybrid cloud. Data security requirements as defined below still must be met regardless of the type of cloud implementation chosen.

1. The cloud-based solution must reside on a FedRAMP compliant system. FedRAMP is a government-wide program that provides a standardized approach to security assessment, authorization, and continuous monitoring for cloud products and services.
2. Use of a cloud solution must be approved in advance by OCSE before connectivity to NDNH information can be established.
3. SSA and the cloud service provider must comply with all requirements in this agreement, including the security addendum, in accordance with section VI.B of the agreement, including the data retention policies agreed upon by SSA and OCSE to ensure that all required statutory requirements are met. SSA must ensure such compliance by the cloud service provider.
4. The data stored by the cloud service provider should ONLY be used for the authorized purpose of the matching program.
5. It is the obligation of the matching partner to ensure that the cloud housing NDNH information is stored domestically and is specified in the contract or Service Level Agreement between the matching partner and the cloud service provider.

V. BREACH REPORTING AND NOTIFICATION RESPONSIBILITY

Upon disclosure of NDNH information from OCSE to SSA, SSA is the responsible party in the event of a confirmed or suspected breach of the information, including responsibility for any costs associated with breach mitigation and remediation. Immediately upon discovery, but in no case later than one hour after discovery of the incident, SSA must report the confirmed and suspected incidents, in either electronic or physical form, to OCSE as designated in this security addendum. SSA is responsible for all reporting and notification activities, including but not limited to: investigating the incident; communicating with US-CERT; notifying individuals whose information is breached; notifying any third parties including the media; notifying any other public and private sector agencies involved; responding to inquiries about the breach; responding to Congressional inquiries; resolving all issues surrounding the information breach; performing any follow-up activities; correcting the vulnerability that allowed the breach; and any other activity as required by OMB M-17-

12, *Preparing for and Responding to a Breach of Personally Identifiable Information*, and other federal law and guidance.

Policy/Requirements Traceability: *US-CERT Federal Incident Notification Guidelines* (April 1, 2017); OMB Circular A-130 – Appendix I; OMB M-17-12; NIST SP 800-53 Rev 5, IR-6

VI. SECURITY AUTHORIZATION

OCSE requires systems that process, transmit, or store NDNH information to be granted authorization to operate following the guidelines in NIST 800-37 Rev 2, *Risk Management Framework for Information Systems and Organizations: A System Life Cycle Approach for Security and Privacy*.

A. SSA Security Posture

OCSE requires SSA to demonstrate its security posture before receiving NDNH information and, periodically thereafter, by providing a copy of the Authorization to Operate (ATO) for the SSA environment that will house the NDNH information on SSA premises.

SSA is only authorized to process, transmit, and store NDNH information in the SSA environment and premises.

VII. AUDIT REQUIREMENTS

The Act, section 453(m)(2), requires that the Secretary of Health and Human Services to establish and implement safeguards with respect to the entities established under section 453, to restrict access to confidential information to authorized persons, and to restrict use of such information to authorized purposes. 42 U.S.C. § 653(m)(2). OMB's guidance provides that since information security remains the responsibility of the originating agency, procedures should be agreed to in advance that provide for the monitoring over time of the effectiveness of the security controls of the recipient organization. OMB M-01-05, *Guidance on Inter-Agency Sharing of Personal Data - Protecting Personal Privacy*. See also section 453(l)(2) of the Social Security Act. (42 U.S.C. § 653(l)(2)) and 5 U.S.C. § 552a(e)(10)).

Policy/Requirements Traceability: OMB M-21-02, Fiscal Year 2020-2021 *Guidance on Federal Information Security and Privacy Management Requirements*, November 9, 2020; OMB Circular No. A-130, Appendix I.

VII. PERSONS TO CONTACT

The U. S. Department of Health and Human Services, Administration for Children and Families, Office of Child Support Enforcement security contact is:

Venkata Kondapolu, Acting Director
Division of Federal Systems
Office of Child Support Enforcement
Administration for Children and Families
Mary E. Switzer Building
330 C Street, SW
Washington, DC 20201
Phone: 202-260-4712
E-mail: Venkata.kondapolu@acf.hhs.gov

The SSA security contact is:


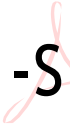
Jennifer Rutz, Director
Division of Compliance and Assessments
Office of Information Security
Office of Systems
Suite 3383 Perimeter East Building
6201 Security Boulevard
Baltimore, MD 21235
Phone: 410-966-8253
E-mail: Jennifer.Rutz@ssa.gov

VIII. APPROVALS

The authorized program officials, whose signature appear below, accept and expressly agree to the terms and conditions expressed herein, confirm that no verbal agreements of any kind will be binding or recognized, and hereby commit their respective organizations to the terms of this agreement.

Electronic Signature Acknowledgement: The signatories may sign this document electronically by using an approved electronic signature process. Each signatory electronically signing this document agrees that his/her electronic signature has the same legal validity and effect as his/her handwritten signature on the document, and that it has the same meaning as his/her handwritten signature.

A. U.S. Department of Health and Human Services Officials

| | |
|---|-------------|
| Venkata Kondapolu -S  Digitally signed by Venkata Kondapolu -S Date: 2022.03.07 13:00:31 -05'00' | |
| Venkata Kondapolu Acting Director Division of Federal Systems Office of Child Support Enforcement | Date |
| Tanguler S. Gray -S  Digitally signed by Tanguler S. Gray -S Date: 2022.03.10 12:25:18 -05'00' | |
| Tanguler Gray Commissioner Office of Child Support Enforcement | Date |

B. Social Security Administration

| | |
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| <p>Digitally signed by Jennifer Rutz Jennifer Rutz Date: 2022.03.24 08:19:47 -04'00'</p> | |
| <p>Jennifer Rutz Director Division of Compliance and Assessments Office of Information Security Office of Systems</p> | <p>Date</p> |
| <p>MARY ZIMMERMAN Digitally signed by MARY ZIMMERMAN Date: 2022.03.10 14:29:10 -05'00'</p> | |
| <p>Mary Ann Zimmerman Deputy Executive Director Office of Privacy and Disclosure Office of the General Counsel</p> | <p>Date</p> |

APPENDIX A

Background: Prior Agreements Between OCSE and SSA for Online Query Access and Quarterly Batch Match

The data exchange operations governed by this agreement combines components of previous matching programs between the federal Office of Child Support Enforcement (OCSE) and the Social Security Administration (SSA). OCSE is required to provide SSA with information from the National Directory of New Hires (NDNH). Information exchanges have been ongoing for a number of years using two separate technologies; computer match and query interrogation. While the purposes of the disclosure are the same, to support SSA in the administration of programs under the Social Security Act (Act), the technologies that support the operations are different. Consequently, there was an agreement for each technology. This agreement is technology neutral and replaces the current agreements.

All authorized purposes for which the NDNH information is disclosed to SSA and all authorized persons and entities to be disclosed NDNH information are combined herein.

Prior Computer Matching Agreements (CMA) between the parties related to the Quarterly Batch Match are:

- CMA between SSA and OCSE, Administration for Children and Families (ACF), Department of Health and Human Services (HHS) (SSA Match #1074/HHS #1909 “SSI-OCSE Quarterly Match Agreement” and “Online Query for SSI, Disability Insurance & Ticket-to-Work Agreement”), effective February 6, 2020 through August 5, 2021; Certification of CMA effective August 6, 2021 through August 5, 2022
- CMA between SSA and OCSE, Administration for Children and Families (ACF), Department of Health and Human Services (HHS) (SSA Match #1074/HHS #1704 “SSI-OCSE Quarterly Match Agreement” and “Online Query for SSI, Disability Insurance & Ticket-to-Work Agreement”), effective June 12, 2017 through December 11, 2018; Recertification of CMA effective December 12, 2018 through December 11, 2019.
- CMA between SSA and OCSE, Administration for Children and Families (ACF), Department of Health and Human Services (HHS) (SSA Match #1074/HHS #1404 “SSI-OCSE Quarterly Match Agreement” and “Online Query for SSI, Disability Insurance, & Ticket-to-Work Agreement”), effective December 12, 2014 through June 11, 2016; Recertification of CMA, effective June 12, 2016 through June 11, 2017.
- CMA between SSA and OCSE, ACF, HHS (SSA Match #1074/HHS #1201 “SSI-OCSE Quarterly Match Agreement” and “Online Query for SSI, Disability Insurance, & Ticket-to-Work Agreement”), effective June 12, 2012 through December 11, 2013; Recertification of CMA, effective December 12, 2013 through December 11, 2014.
- CMA between SSA and OCSE, ACF, HHS (SSA Match #1074/HHS #0902 “SSI-OCSE Quarterly Match Agreement” and “Online Query for SSI, Disability Insurance, & Ticket-to-Work Agreement”), effective October 20, 2009 through April 19, 2011; Recertification of CMA effective April 20, 2011 through April 19, 2012.

- CMA between SSA and OCSE, ACF, HHS (SSA Match #1074/HHS #0804 “SSI-OCSE) and OCSE, ACF, HHS (SSA Match #1074/HHS #0605 “SSI-OCSE Quarterly Match Agreement”), effective February 16, 2009 through August 15, 2010.
- CMA between SSA (#1074) and OCSE, ACF, HHS (SSA Match #1074/HHS #0605 “SSA-OCSE Quarterly Match Agreement”), effective September 13, 2006 through March 12, 2008; Recertification of CMA, effective March 13, 2008 through March 12, 2009.
- CMA between SSA (#1074) and OCSE, ACF, HHS (SSA Match #1074/HHS #2000-02), effective April 16, 2001 through October 17, 2002; Recertification of CMA effective December 2, 2002 through December 3, 2003.
- CMA between SSA (#1074) and OCSE, ACF, HHS (SSA Match #1074/HHS #0306), “Quarterly Match Agreement”), effective December 18, 2003 through June 18, 2005; Recertification of CMA, effective June 18, 2005 through June 17, 2006.

Prior agreements between the parties related to Online Query are:

- CMA between SSA and OCSE, Administration for Children and Families (ACF), Department of Health and Human Services (HHS) (SSA Match #1074/HHS #1909 “SSI-OCSE Quarterly Match Agreement” and “Online Query for SSI, Disability Insurance & Ticket-to-Work Agreement”), effective February 6, 2020 through August 5, 2021; Recertification of CMA effective August 6, 2021 through August 5, 2022.
- CMA between SSA and OCSE, Administration for Children and Families (ACF), Department of Health and Human Services (HHS) (SSA Match #1074/HHS #1704 “SSI-OCSE Quarterly Match Agreement” and “Online Query for SSI, Disability Insurance & Ticket-to-Work Agreement”), effective June 12, 2017 through December 11, 2018; Recertification of CMA effective December 12, 2018 through December 11, 2019.
- CMA between SSA and OCSE, ACF, HHS (SSA Match #1074/HHS #1404 “SSI-OCSE Quarterly Match Agreement” and “Online Query for SSI, Disability Insurance, & Ticket-to-Work Agreement”), effective December 12, 2014 through June 11, 2016; Recertification of CMA, effective June 12, 2016 through June 11, 2017.
- CMA between SSA and OCSE, ACF, HHS (SSA Match #1074/HHS #1201 “SSI-OCSE Quarterly Match Agreement” and “Online Query for SSI, Disability Insurance, & Ticket-to-Work Agreement”), effective June 12, 2012 through December 11, 2013; Recertification of CMA, effective December 12, 2013 through December 11, 2014.
- CMA between SSA and OCSE, ACF, HHS (SSA Match #1074/HHS #0902 “SSI-OCSE Quarterly Match Agreement” and “Online Query for SSI, Disability Insurance, & Ticket-to-Work Agreement”), effective October 20, 2009 through April 19, 2011; Recertification of CMA, effective April 20, 2011 through April 19, 2012.
- Information Exchange Agreement (IEA) between SSA and OCSE, ACF, HHS (Match 316), effective February 26, 2004 through February 25, 2009.
- IEA between SSA and OCSE, ACF, HHS (Match 316), effective May 6, 2002 through May 5, 2005.

APPENDIX B
DEFINITIONS
FOR
THE COMBINED COMPUTER MATCHING AGREEMENT
BETWEEN
OCSE AND SSA

The SSI-OCSE Quarterly Match and the Online Query for SSI, DI, and Ticket Programs

The Privacy Act, 5 U.S.C. § 552a(a), defines the terms contained in this agreement.

Additional terms defined as follows:

“CDR-CDD” means Completed Determination Record-Continuing Disability Determination File. This SSA system of records (SOR) is SSA’s post-entitlement master record for Social Security Disability Insurance (SSDI) and Supplementary Security Income (SSI) beneficiaries receiving a disability-related benefit including Ticket program beneficiaries.

“Deemor” means an individual whose income and resources are subject to deeming; i.e., an individual’s income and resources are considered available for meeting an SSI claimant’s (or recipient’s) basic needs of food and shelter. A deemor includes ineligible parents, spouses of aliens, ineligible spouses, and essential persons.

“Disclose” and **“disclosure”** mean the release of information or data by either SSA or OCSE, with or without the consent of the individual or individuals to which the information pertains.

“MFQM” means SSA’s Master File Query Menu. The MFQM is a sub-menu used to request Master File query responses or to select other request screens and submenus.

“FIPS” means Federal Information Processing Standards, a numeric code, issued by the National Bureau of Standards, which identifies every State and local child support agency to facilitate interstate processing.

“S2 Diaries” relate to alerts that result from a comparison between the National Directory of New Hires (NDNH) quarterly wage file and the Supplemental Security Income Record (SSR). An alert gets generated each time a wage record is detected for an SSI recipient, deemor, or essential person and when the amount of the wages on the NDNH record for a particular quarter exceeds the total wage amount on the SSR for those three months by at least \$250 for the recipient and \$500 for the deemor. Diaries posted to SSR are for field offices to resolve discrepancies, update the SSR, determine past and continuing SSI eligibility, and pursue overpayment recovery.

“S7 Diaries” relate to alerts that identify records where the SSR master file shows over reported wages when compared to the NDNH quarterly file. The tolerances shown for the S2 Diaries above (at least \$250 for the recipient and \$500 for the deemor) also apply to S7 Diaries.

“Special Veterans Benefits” (SVB) or “Title VIII” means the federal benefit program effective December 14, 1999, under Title VIII of the Act, 42 U.S.C. §§ 1001, et. seq.

“State” means any of the 50 States, the District of Columbia, and territories.

“U5 Diaries” relate to alerts that identify records where the SSR master file and the NDNH quarterly file show a discrepancy in the unemployment insurance benefits reported.

APPENDIX C

**COST BENEFIT ANALYSIS (CBA) for
Computer Matching Agreement (CMA)
between
The Social Security Administration (SSA)
and
The Department of Health and Human Services (DHS),
Administration for Children and Families (ACF),
Office of Child Support Enforcement (OCSE)**

(Supplemental Security Income (SSI) - OCSE Quarterly Matching Agreement and
Online Query for SSI, Disability Insurance (DI) and Ticket-to-Work (Ticket) Agreement)
SSA Match #1074 / HHS #1404

BACKGROUND

A. Quarterly Batch Matching Operation

Since September 1998, SSA has performed a quarterly automated data matching operation between the Quarterly Wage file and Unemployment Compensation (UC) file in OCSE's National Directory of New Hires (NDNH) and the Supplemental Security Record (SSR). The purpose of this matching operation is to identify unreported, under-reported or over-reported wage income and unemployment compensation for SSI recipients and deemors.

SSA Systems forwards "S2" (NDNH under-reported wages/overpayments), "S7" (NDNH over-reported wages/underpayments), and "U5" (unreported unemployment compensation payments) alerts to the servicing SSA field offices (FO) for additional development.

The match generates an "S2" alert when the system detects a State wage/OCSE record for a recipient, deemor, or essential person and the wages on the State record exceeds the amount of wages on the SSR for a quarter by more than a certain tolerance.

The match generates an "S7" alert when the system detects a State wage/OCSE record for a recipient, deemor, or essential person and the wages on the State record are less than the amount of wages on the SSR for a quarter by more than a certain tolerance.

The match also generates a "U5" alert when the system detects a UC record for a recipient, deemor, or essential person, and the UC benefit amount on the State record exceeds the UC amount on the SSR by at least 15%.

B. Query Access to OCSE's NDNH Online Database

In 2001, SSA and OCSE entered into a formal agreement that allows authorized SSA employees query-only access to OCSE's NDNH database. The NDNH contains quarterly wage data, information on newly hired individuals, and unemployment compensation data.

Initially, SSA's use of the online query access was limited to the processing of Title XVI SSI pre-effectuation review claims, Title XVI initial claims with large underpayments, and any Title XVI case at the claims representative's discretion.

In April 2004, SSA and OCSE expanded the interagency agreement to permit authorized SSA employees to use the NDNH online query to develop work activity when processing Title II DI Continuing Disability Reviews (CDRs), Ticket-to-Work initiative cases, and to resolve earnings discrepancies.

The 2015 CMA combined the data exchange matching components of previous matching programs between OCSE and SSA. Since OCSE is required to provide SSA with information from the NDNH, information exchanges have been ongoing for several years using two separate technologies: computer match and query interrogation. While the purposes of the disclosure are the same, to support SSA in the administration of programs under the Social Security Act, the technologies that support the operations are different. Consequently, there was an agreement for each technology. The previous CMA was technology neutral and replaced the prior agreements. The current CMA remains technology neutral.

C. Methodology

Quarterly Batch Matching Operation

The Office of Data Exchange and International Agreements (ODXIA) staff selected and analyzed a random sample of 400 records for each type of alert to determine the amount of change in the recurring monthly payment and the amount of retroactive overpayment or underpayment attributable to the detection of unreported, under-reported, or over-reported wages and unemployment compensation benefits. The findings from this analysis reflect the results from ODXIA's review of the FO developed wages and UC alerts projected to the entire universe of S2, S7, and U5 alerts released in FY 2020.

Query Access to OCSE's NDNH Online Database

According to a file obtained from the Office of Systems, SSA generated 12 million NDNH online queries in FY 2020. We estimate that approximately 8.7 million were for SSI and approximately 3.3 million were for DI.

- SSI Query:

This CBA is based on a projection of the findings from the current volume of FY 2020 Title XVI online queries, Title XVI program benefit savings modified by subsequent cost of living adjustments (COLA), and the use of FY 2020 cost data.

To estimate the SSI online query costs, we used Systems costs from the Office of Systems. We prorated the total Interagency Agreement costs based on the volume of the Quarterly Batch Matching Operation and the volumes of the three types of Online Queries. We used a unit time of 2-minutes for no-match found and 24-minutes for match found SSI online query.

- DI Query:

We used a conservative estimate of 40% (840,000/2.1 million) to determine the volume of CDRs avoided based on the 2009 percentage of avoided CDRs, which was 48.8% (803,914/1,647,364). Therefore, the benefit from the DI OCSE online query was the cost avoidance of not having to conduct a work CDR on these cases.

To estimate the DI online query costs, we used Systems costs from the Office of Systems. We prorated the total Interagency Agreement costs based on the volume of DI online queries. We used a unit time of 2-minutes to request the DI online query.

COSTS

Key Element 1: Personnel Costs

For Agencies

- Source Agency: OCSE
- Recipient Agency: SSA

Quarterly Batch Matching Operation

Personnel Costs for Field Office Alert Development

The average time to develop an S2, S7, or U5 alert based on the match conducted in FY 2020 was 111.53 minutes. Using 111.53 minutes per alert and a development cost per alert of \$166.75 the total estimated development cost for the 251,366 S2 alerts released in FY 2020 was \$41,914,582. Using 111.53 minutes per alert and a development cost per alert of \$166.75, the total estimated development cost for the 80,233 S7 alerts released in FY 2020 was \$13,378,630. Using 114.72 minutes per alert and a development cost per alert of \$171.52, the total estimated development cost for the 11,342 U5 alerts released in FY 2020 was \$1,945,364.

The estimated FY 2020 FO development cost for all three alerts totaled **\$57,238,576**.

Personnel Costs for Overpayment Development and Recovery Processing

In addition, the FO incurs costs for overpayment development and recovery processing for cases identified with an overpayment. Based on our sample results, we project 62,974 cases with overpayments in FY 2020. The cost per case, established by the Division of Cost Analysis in the Office of Financial Policy and Operations, is \$93.73. Using \$93.73 for each overpaid record, the total additional FY 2020 personnel cost for development and recovery was **\$5,902,553**.

The total personnel cost incurred for the quarterly batch matching operation is \$63,141,129.

Query Access to OCSE’s NDNH Online Database

Personnel Costs for Query Access to OCSE’s NDNH Online Database

SSI Query:

The average time to obtain an online query, when SSA does not find a match, is 2 minutes. Using a 2-minute unit time for each of the estimated 1.6 million Title XVI queries with no match, we project that the total costs are **\$4,780,019**. The estimated time to obtain a query and develop a case when we find a match is 24 minutes. Using a 24-minute unit time for each of the estimated 7.1 million Title XVI queries with a match, we project that the total costs are **\$254,750,732**.

We estimate that the average time to develop an overpayment is 22 minutes. The 62,974 Title XVI cases estimated to have an overpayment would cost **\$2,071,087**.

DI Query:

We estimate that the average time to obtain a DI online query is 2 minutes. Using the FY 2020 overhead factor of 1.432 and a 2-minute unit time for each of the 3.3 million DI queries, the total costs to do queries is **\$9,853,862**.

The total costs incurred for the query access to OCSE’s NDNH online database is \$271,455,700.

- Justice Agencies: N/A

For Clients: N/A

For Third Parties: N/A

For the General Public: N/A

Key Element 2: Agencies’ Computer Costs

For Agencies

- Source Agency: OCSE
- Recipient Agency: SSA

Quarterly Batch Matching Operation

The FY 2020 Systems costs for the SSA and OCSE matching operation totaled **\$9,400** for direct services.

Query Access to OCSE's NDNH Online Database

For this data exchange, based on historical data from the Office of Systems budget staff we estimate the combined systems cost for FY 2020 to be **\$57,300** (\$36,230 for SSI and \$21,070 for DI).

The total computer costs to SSA for FY 2020 is \$ 66,700.

- Justice Agencies: N/A

For Clients: N/A

For Third Parties: N/A

For the General Public: N/A

FY 2020 Interagency Agency Agreement Costs

Quarterly Batch Matching Operation

The FY 2020 interagency agreement cost of services for this matching operation is \$1,053,049.

Query Access to OCSE's NDNH Online Database

The FY 2020 interagency agreement cost of services for this online matching operation is \$952,000.

The total interagency agreement cost for this matching operation is \$2,005,049.

BENEFITS

The benefits realized in the development of the alerts from this matching operation include the detection and recovery of retroactive overpayments and the avoidance of future overpayments due to changes in the recurring benefit amount, as well as the detection and correction of those records with increases in the recurring monthly payment amounts.

Key Element 3: Avoidance of Future Improper Payments

To Agencies

- Source Agency: OCSE
- Recipient Agency: SSA

Quarterly Batch Matching Operation

Between October 2019 and September 2020, SSA Systems reported matching 342,941 NDNH records and sending 251,366 S2, 80,233 S7, and 11,342 U5 alerted cases to the FOs for additional development. The FOs worked all these alerts.

Development of the match alerts resulted in a decrease in the recurring monthly payment in 0.75 percent of the S2 cases. The average monthly decrease was \$78 and the total decrease in monthly payments for the sample cases was \$233. If the match had not occurred, we assume that this incorrect payment would have continued for three additional months. Therefore, the estimated savings due to the prevention of erroneous future monthly payments would be about **\$441,090** when we project the results to the universe of alerts released in FY 2020.

Approximately 15.25 percent of the S7 cases analyzed had a decrease in the monthly payment amount. The average monthly payment adjustment was about \$345 for a total reduction of \$21,056. Based on the assumption that this incorrect payment would have continued for three additional months, we estimate the potential savings due to prevention of future incorrect payments would be about **\$12,664,260** for the entire universe of FY 20 alerts.

We determined that the FO did not reduce the recurring monthly payments in any of the U5 cases in FY 20.

We found that approximately 3.5 percent of the S2 alerts sampled had an increase in the monthly payment. The average monthly payment adjustment was about \$368, resulting in a total underpayment of \$5,154. Assuming the incorrect payment would have continued for three additional months, we project the potential underpayment for the universe of S2 alerts would be about \$9,712,992.

Reviewing the S7 alert, we found retroactive underpayments in approximately 2.75 percent of the cases analyzed. The average underpayment per underpaid case is \$2,159 for the year. Projecting these results to the universe of S7 alerts released in FY 2020, we estimate that 2,206 cases have retroactive underpayments detected from the match, which total approximately \$4,762,754 for FY 2020.

Approximately 13.75 percent of the S7 cases analyzed had an increase in the monthly payment amount. The average monthly payment adjustment was about \$238 for a total underpayment of \$2,625,616. Based on the assumption that this incorrect payment would have continued for three additional months, we estimate the potential underpayment would be \$7,876,848, when we project the results to the universe of alerts released in FY 2020.

The FO review of U5 alerts resulted in increased monthly payments in 2.75 percent of the sampled cases. The average monthly increase was \$499 for a total of \$5,484. When we assume the underpayments would have continued for three additional months, we estimate the potential underpayment prevented by this match to be approximately \$467,064.

While benefit changes due to retroactive underpayments and increases in monthly payment amounts are a benefit to customer service, benefit changes due to retroactive underpayments and

monthly payment increases do not present a monetary benefit to the Agency. Therefore, we note these finding totals but do not include them as a monetary savings.

The total benefit for avoidance of future improper payment is \$13,105,350.

Query Access to OCSE's NDNH Online Database

a. SSI Query:

The Title XVI program benefits realized from the use of the NDNH online query are the preventions and estimated recoveries of retroactive overpayments because of having immediate online access to NDNH data. For this CBA, the Title XVI program benefits were determined by updating the estimated average program savings of \$61.22 per query transaction reported in FY 2020. When applied to the estimated 6.7 million Title XVI online queries in FY 2020, the total estimated Title XVI program savings for the year are approximately **\$410,174,000**.

b. DI Query:

We use online queries of quarterly wages in identifying and developing cases where substantial gainful activity (SGA) could be involved. Although we cannot use the queries as evidence of earnings in making an SGA determination, we use them to identify and develop cases where work activity is an issue. We also use them to identify cases where we can curtail wage development because the earnings are not high enough to be a trial work period or SGA months. This process produces savings by avoiding the costs of extensive development.

Using the conservative estimate of 40%, based on the FY 2009 percentage of cases with overpayments due to work activity, we estimate that we avoided 840,000 work CDRs in FY 2020 by accessing the 3.2 million DI queries. Using the FY 2020 program savings of \$952.62 per query, the total benefits of the work CDR cost avoidance is approximately **\$800,200,800**.

The combined program benefits realized from the use of the NDNH online query are approximately **\$1,210,374,800**.

- Justice Agencies: N/A

To Clients: N/A

To Third Parties: N/A

To the General Public: N/A

Key Element 4: Recovery of Improper Payments and Debts

To Agencies

- Source Agency: OCSE

- Recipient Agency: SSA

Between October 2019 and September 2020, the FOs worked 251,366 S2 cases and 11,342 U5 cases.

We found retroactive overpayments in 24.5 percent of the S2 cases. The average retroactive overpayment is approximately \$864. Projecting these results to the universe of S2 alerts released to the FO in FY 2020, we estimate that 61,585 cases have retroactive overpayments, with a total estimated overpayment detected from the match of approximately \$53,209,440. Using the average historical recovery rate for Title XVI, we would expect to recover 65 percent of the overpaid dollars for a total benefit of approximately **\$34,586,136**.

We found retroactive overpayments in 12.3 percent of the U5 cases. The average retroactive overpayment is approximately \$989. Projecting these results to the universe of U5 alerts released to the FO in FY 2020, we estimate that approximately 1,389 cases have retroactive overpayments, with a total estimated overpayment detected from the match of approximately \$1,373,721. Using the average historical recovery rate for Title XVI, we would expect to recover 65 percent of the overpaid dollars for a total benefit of approximately **\$892,919**

The total benefit for recovery of improper payments and debt is \$35,479,055.

- Justice Agencies: N/A

To Clients: N/A

To Third Parties: N/A

To the General Public: N/A

CONCLUSION

These matching operations result in an overall savings of about **\$1,258,066,286**. The total costs are approximately **\$336,668,578**. These actual savings to the United States Treasury makes this matching operation cost effective with a benefit to cost ratio of **3.74:1**.

We note that SSA temporarily suspended processing and collection of some overpayments between March and September 2020 due to the Covid-19 pandemic. In addition, we found that many reviews conducted by the FO combined the effects of both wages and unearned income from Covid-19 related assistance (e.g., Economic Impact Payments)¹. Since we only count records where we can identify this match as the sole cause of detecting an improper payment or adjusting a payment, the numbers and amounts of improper and adjusted payments that should have been detected through this match may be understated. Therefore, this matching operation

¹ SSA determined that most Covid-related financial assistance would not affect eligibility for SSI or the monthly SSI payment amount. However, prior to this determination, SSA counted pandemic relief payments as income for the purposes of determining SSI eligibility and payment amounts. The agency is currently reviewing SSI claims and records to restore SSI payments for people whose SSI was incorrectly adjusted for Covid-related financial assistance.

resulted in lower benefits from corrected overpayments and prevention of future incorrect payments in FY 2020 than we expected based on historical experience.

This matching operation is cost effective. Accordingly, we recommend the continuance of this matching activity.

COSTS

Key Element 1: Personnel Costs

Quarterly Batch Matching Operation

Personnel Costs for Field Office Alert Development

| Alert Development Cost | | | |
|---|---------------------|---------------------|---------------------|
| | S2 | S7 | U5 |
| Total number of alerts released FY 2020 | 251,366 | 80,233 | 11,342 |
| Average FO Cost per Workyear ² | \$130,299 | \$130,299 | \$130,299 |
| Development Time per Alert ³ | 111.53 minutes | 111.53 minutes | 114.72 minutes |
| Total cost per alert type | \$41,914,582 | \$13,378,630 | \$1,945,364 |
| Total cost | | | \$57,238,576 |

Personnel Costs for Overpayment Development and Recovery Processing

| Overpayment Development and Recovery Costs | | | |
|---|-------------|-----------|--------------------|
| | S2 | U5 | Total |
| Cost per Alert ⁴ | \$93.73 | \$93.73 | -- |
| Estimated alerts with Overpayment | 61,585 | 1,389 | 62,974 |
| Total Alert Costs (alerts x cost per alert) | \$5,772,362 | \$130,191 | \$5,902,553 |

² Average cost per workyear (CPWY) for FOs provided by Office of Finance.

³ Unit times for queries and overpayment development provided by the Office of Public Service and Operations Support.

⁴ SSI overpayment and recovery unit cost provided by the Office of Finance.

Query Access to OCSE's NDNH Online Database

Personnel Costs for Query Access to OCSE's NDNH Online Database

| SSI No Match Found | |
|--|--------------------|
| Estimated Number of Queries | 1,600,800 |
| Development Time Per Query | 2 minutes |
| Average FO Cost per Workyear | \$130,299 |
| Estimated Total Cost – No Match Found | \$4,780,019 |

| SSI Match Found | |
|--|----------------------|
| Estimated Number of Queries | 7,099,200 |
| Development Time Per Query | 24 minutes |
| Average FO Cost per Workyear | \$130,299 |
| Estimated Total Cost –Match Found | \$254,750,732 |

| DI Query | |
|--|--------------------|
| Estimated Number of Queries | 3,300,00 |
| Development Time Per Query | 2 minutes |
| Average FO Cost per Workyear | \$130,299 |
| Estimated Total Cost – DI Query | \$9,853,862 |

| Ticket to Work Overpayment Development | |
|---|--------------------|
| Estimated Number of Queries | 62,974 |
| Development Time Per Query | 22 minutes |
| Average FO Cost per Workyear | \$130,299 |
| Estimated Total Cost – TTW Overpayment | \$2,071,087 |

Key Element 2: Agencies' Computer Costs

Quarterly Batch Matching Operation

| | |
|-------------------|---------|
| SSA Systems Costs | \$9,400 |
|-------------------|---------|

Query Access to OCSE's NDNH Online Database

| | SSI | DI/Ticket | Total |
|-------------------|----------|-----------|----------|
| SSA Systems Costs | \$36,230 | \$21,070 | \$57,300 |

FY 2020 Interagency Agreement Costs

Quarterly Batch Matching Operation

| | |
|--|-------------|
| Prorated Interagency Agreement Cost ⁵ | \$1,053,049 |
|--|-------------|

Query Access to OCSE's NDNH Online Database

| | |
|----------------------------|-----------|
| Interagency Agreement Cost | \$952,000 |
|----------------------------|-----------|

⁵ The Interagency Agreement combines the costs for two batch matches between SSA and OCSE. We determine the cost for the Quarterly Batch Match by determining the percentage of match transactions that are due to the Quarterly match and applying that percentage to the total batch match cost for the IAA.

BENEFITS

Key Element 3: Avoidance of Future Improper Payments

Quarterly Batch Matching Operation

| | S2 | S7 | U5 |
|--|------------------|---------------------|----------------------|
| Alerts Completed by FO in FY 2020 | 251,366 | 80,233 | 11,342 |
| Decreases in Monthly Payment Amount | | | |
| Percent of alerts with Decrease | 0.75% | 15.25% | 0% |
| Projected Alerts with Decrease | 1,885 | 12,236 | 0 |
| Average Decrease in Monthly Payment Amount | \$78 | \$345 | 0 |
| Total Decrease in Ongoing Monthly Payment | \$147,030 | \$4,221,420 | 0 |
| Projected for 3 months | \$441,090 | \$12,664,260 | \$ 0 |
| Total Benefit -Quarterly Batch | | | \$ 13,105,350 |

| | S2 | S7 | U5 |
|--|------------------|---------------------|------------------|
| Alerts Completed by FO in FY 2020 | 251,366 | 80,233 | 11,342 |
| Increases in Monthly Payment Amount | | | |
| Percent of alerts with Increase | 0.75% | 15.25% | 0% |
| Projected Alerts with Increase | 1,885 | 12,236 | 0 |
| Average Increase in Monthly Payment Amount | \$78 | \$345 | 0 |
| Total Increase in Ongoing Monthly Payment | \$147,030 | \$4,221,420 | 0 |
| Projected for 3 months | \$441,090 | \$12,664,260 | \$0 |
| Retroactive Underpayments | | | |
| Percent of alerts with Underpayment | 0% | 2.75% | 1.75% |
| Number of Alerts with Underpayment | 0 | 2,206 | 198 |
| Average underpayment amount | 0 | \$2,159 | \$890 |
| Total underpayment for FY 2020 | \$0 | \$4,762,754 | \$176,220 |

Access to OCSE’s NDNH Online Database

| Estimated Overpayment Recovery Avoidance | SSI Query | DI Query⁶ |
|---|----------------------|-----------------------------|
| Estimated number of online queries in FY 2020 | 6,700,000 | 840,000 |
| Estimated average savings per query | \$61.22 ⁷ | \$952.62 ⁸ |
| Estimated Savings from Preventing Overpayments and Retroactive Recovery Costs | \$410,174,000 | \$800,200,800 |
| Total Benefit – Overpayment and Recovery Cost Avoidance | | \$1,210,374,800 |

| | |
|--|------------------------|
| Total Benefits – Access to NDNH Online Database | \$1,210,374,800 |
|--|------------------------|

Key Element 4: Recovery of Improper Payments and Debts

Quarterly Batch Matching Operation

| Projected Overpayment Recovery | S2 | U5 |
|---|---------------------|------------------|
| Alerts Completed by FO in FY 2020 | 251,366 | 11,342 |
| Percent of Records with Improper Payments | 24.5% | 12.25% |
| Estimated Number of Alerts with Improper Payments | 61,585 | 1,389 |
| Average Improper Payment Amount | \$864 | \$989 |
| Total Improper Payment (Projected) | \$53,209,440 | \$1,373,721 |
| Amount Expected to Recover (65%) | \$34,586,136 | \$892,919 |
| Total Benefits – Quarterly Batch | \$35,479,055 | |

⁶ DI Query volume assumes we avoid 40% of Work CDRs for Ticket to Work participants. Please see DI Query section of Methodology for more information.

⁷ Estimated average savings per SSI query projected based on FY 2000 average savings per query adjusted for subsequent cost of living increases.

⁸ The unit cost per Work CDR was furnished by the Office of Finance.

CONCLUSION

| Costs | |
|---|------------------------|
| Key Element 1: Personnel Costs | |
| Alert Development | \$57,238,576 |
| Overpayment Development | \$5,902,553 |
| SSI/DI Query Retrieval | \$271,455,700 |
| Key Element 2: Computer Costs | |
| Systems Costs | \$66,700 |
| IAA Costs | \$2,005,049 |
| Total Cost | \$336,668,578 |
| Benefits | |
| Key Element 3: Avoidance of Future Improper Payments | |
| Quarterly Batch Match Alert Development | \$13,105,350 |
| SSI Query – Overpayment Recovery Avoidance | \$410,174,000 |
| DI Query – Work CDR Avoidance | \$800,200,800 |
| Key Element 4: Recovery of Improper Payments and Debts | \$35,479,055 |
| Total Benefit | \$1,258,959,205 |
| Benefit to Cost Ratio | 3.74 :1 |

Appendix D

Business Needs Assessment Chart for the Agreement between OCSE and SSA Covering SSI Quarterly Batch and Online Query for SSI, Disability Insurance, & Ticket-to-Work Activities

| SSA Application | Match Method | Function | Elements Provided by SSA to Conduct Match | Elements Provided by OCSE to Conduct Match | SSA User | Elements temporarily displayed if a match is found | OCSE Databases | Authority |
|------------------------------------|--------------|---|--|--|--|--|--|--|
| Supplemental Security Income (SSI) | Batch | To establish and verify eligibility or payment amounts, or both under the SSI program | Individual's Social Security number (SSN) and Name | From the Quarterly Wage File: quarterly wage record identifier; for employees: name, SSN, verification request code, processed date, non-verifiable indicator, wage amount, and reporting period; for employers of individuals: name, employer identification number (EIN), and addresses; transmitter agency code, transmitter state code, state or agency name. From the Unemployment Insurance File: unemployment insurance record identifier, processed date, SSN, verification request code, name, address, unemployment insurance benefit amount, reporting period, transmitted agency code, transmitter state code, and state or agency name. | SSA claims personnel responsible for determining eligibility for SSI | Quarterly wage record identifier, name, SSN, processed date, address(es), wage amount, quarterly wage reporting period. Employers name, transmitted agency code employer address(es). Unemployment insurance record identifier, processed date, unemployment insurance benefit amount, and reporting period. | National Directory of New Hires (NDNH) - Quarterly Wage File and Unemployment Information File | 42 U.S.C. § 653(j)(4), 42 U.S.C. § 1320b-19(d)(1), and 1383(e)(1)(B) and (f) |
| SSA Application | Match Method | Function | Elements Provided by SSA to Conduct Match | Elements Provided by OCSE to Conduct Match | SSA User | Elements SSA will update in the SSR if a match is found | OCSE Databases | Authority |

| | | | | | | | | |
|---|--------|---|------------------|---|---|---|--|--|
| Supplemental Security Income (SSI), Social Security Disability Income (SSDI), Ticket-to-Work (Ticket) | Online | To establish and verify eligibility or payment amounts, or both under the SSI and SSDI programs and support the administration of the Ticket program. | Individual's SSN | From the Quarterly Wage File: quarterly wage record identifier, date report processed, name/SSN verified; for employees: SSN, name, wage amount, and reporting period; for employers of individuals: name, federal (or state, if no federal) EIN, FIPS code (if present), and address(es). From the New Hire File: new hire identifier, name/SSN verified, date report processed, for employees: SSN, name, date of hire; for employers: name, EIN, FIPS code (if present) and address(es). From the Unemployment Insurance File: unemployment insurance record identifier, name/SSN verified, SSN, name, address, unemployment insurance benefit amount, reporting period, payer state, and date report processed. | SSA claims personnel responsible for determining eligibility for SSI, DI and Ticket | Quarterly wage record identifier, date report processed, name/SSN verified; for employees: SSN, name, wage amount, and reporting period; for employers of individuals: name, federal (or state, if no federal) EIN, FIPS code (if present), address(es), new hire identifier, date report processed, date of hire, unemployment insurance record identifier, unemployment insurance benefit amount, reporting period, payer state, and date report processed. | National Directory of New Hires (NDNH) - Quarterly Wage File, New Hire File, and Unemployment Information File | 42 U.S.C. § 653(j)(4), 42 U.S.C. § 1320b-19(d)(1), and 1383(e)(1)(B) and (f) |
|---|--------|---|------------------|---|---|---|--|--|