

**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 #1909**

**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 between OCSE and SSA from the National Directory of New Hires (NDNH): online query access for Supplemental Security Income (SSI), Disability Insurance (DI), Ticket-to-Work and Self-Sufficiency (Ticket) programs, and SSI Quarterly Wage batch match.

**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 Act (42 U.S.C § 1383(e)(1)(B)).

The Ticket program evaluates the work activity (employment and earnings levels) of DI and SSI beneficiaries as a basis to pay and verify milestone, outcome, and cost reimbursement payments to Employment Networks (EN) and State Vocational

Rehabilitation (VR) Agencies. (Public Law (Pub. L.) No. 107-70).

This agreement assists SSA:

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

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 DI, SSI, 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 Social Security Act (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 programs it administers pursuant to section 1631(e)(1)(B) and (f) (SSI), section 224(h) (DI) and section 1148(d) (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(d). 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, subsection 1148(d)(1) of the Act (42 U.S.C. § 1320b-19(d)) requires SSA to verify earnings of beneficiaries/recipients to ensure accurate payments to employer network providers under the Ticket program.

### **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 shall not approve any written agreement for a matching program unless the agency has completed and submitted to such Board a cost-benefit analysis of the proposed program and such analysis demonstrates that the program is likely to be cost effective. Unless statutorily excepted or waived by the Data Integrity Board (DIB), a cost benefit analysis 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 Cost Benefit Analysis (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. The Office of Management and Budget issued implementing guidance to federal agencies in Appendix C to Circular A-123, *Requirements for Effective Estimation and Remediation of Improper Payments*, (amended October 20, 2014).

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 supports 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 \$1,218,630,553 billion. The total costs are projected to be approximately \$303,378,081 million. The actual savings to the United States Treasury make this matching program cost effective with a benefit to cost ratio of 4.02 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)**

The NDNH contains new hire, quarterly wage, and unemployment insurance information furnished by state and federal agencies and is maintained by OCSE in the system of records titled "OCSE National Directory of New Hires," No. 09-80-0381, last published in full at 80 Fed. Reg. 17906 (April 2, 2015) and partially revised at 83 Fed. Reg. 6591 (Feb. 14, 2018). The disclosure of NDNH records by OCSE to the state agency constitutes a "routine use," as defined by the Privacy Act. 5 U.S.C. § 552a(b)(3). Routine



use (9) of the system of records authorizes the disclosure of NDNH records to SSA, 80 Fed. Reg. 17906, 17907 (April 2, 2015).

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), and at 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; Completed Determination Record-Continuing Disability Determination file (CDR-CDD), 60-0050, last fully published at 71 Fed. Reg. 1813 (January 11, 2006), and amended at 72 Fed. Reg. 69723 (December 10, 2007); and the Master Beneficiary Record (MBR), 60-0090, last fully published at 71 Fed. Reg. 1826 (January 11, 2006), and amended at 72 Fed. Reg. 69723 (December 10, 2007, and at 78 Fed. Reg. 40542 (July 5, 2013), and at 83 Fed. Reg. 31250-31251 (July 3, 2018), and at 83 Fed. Reg. 54969 (November 1, 2018); the Electronic Disability (eDIB) Claim File, (60-0320) last fully published at 68 Fed. Reg. 71210 (December 22, 2003), and amended at 72 Fed. Reg. 69723 (December 10, 2007), and at 83 Fed. Reg. 54969 (November 1, 2018); 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 at 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 at 83 Fed. Reg. 54969 (November 1, 2018). SSA has the appropriate routine uses to disclose information to the NDNH under this agreement.

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

OCSE will match SSA information against the new hire, quarterly wage, and unemployment insurance information furnished by state and federal agencies maintained in its SOR "OCSE National Directory of New Hires" (NDNH), No. 09-80-0381, established by publication in the *Federal Register* on April 2, 2015 at 80 Fed. Reg. 17906. The disclosure of NDNH information by OCSE to SSA constitutes a "routine use," as defined by the Privacy Act, 5 U.S.C. § 552a(b)(3). Routine use (9) of the SOR authorizes disclosure of NDNH information to SSA, 80 Fed. Reg. 17906, 17907 (April 2, 2015).

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 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 finder file or 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)
  - Name
- b. Online Query Access (SSI, DI, and Ticket programs). SSA will access OCSE's web service when making online requests for NDNH records:
    - Data element to initiate a query in SSA's Permission Module:
    - 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 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.

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
- SSA submits the documentation required by OCSE to assess the security posture of the agency; and
- OCSE completes the notice and reporting requirements specified in subsection XII.A of the agreement.

#### **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. And notice periodically thereafter, subject to guidance provided by the Director of the Office of Management and Budget, to applicants for and recipients of financial assistance or payments under the federal benefit programs, 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 the Office of Management and Budget (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.

### **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), 416.995, 416.996, and 416.1336); and
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 Ticket 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 shall 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 store and retain the electronic and paper comparison 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.
2. 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 and/or paper record.
3. SSA will retain the response files identifiable records 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.
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 shall 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 PEB, Baltimore, Maryland (877) 697-4889.

#### **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.
4. SSA will adhere to the following limitations on the use of the information OCSE provides to SSA.
5. SSA will only use NDNH information for the purposes specified in this agreement.
6. SSA will not use or redisclose the NDNH information to extract information concerning the individuals therein for any purpose not specified in this agreement.
7. 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.
8. 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(l)(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(l)(2). These fines are subject to the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015, P.L. 114-74, 45 CFR 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) 2016 Title II Payment Accuracy Report, August 2017; FY 2016 Title XVI Payment Accuracy Report, August 2017).

## **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 Reimbursement Agreement (RA) and Form SSA-429, Interagency Agreement Data Sheet. Moreover, OCSE may incur obligations by performing services under this agreement only on a FY basis. An RA and Form SSA-429 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 FYs, SSA will prepare a new Form SSA-429 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 FY. 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 an annual fiscal year (FY) basis. SSA will reimburse OCSE via a reimbursement agreement prepared by OCSE and the Form SSA-429 (including addendum) prepared by SSA and signed by both OCSE and SSA. A reimbursement agreement and Form SSA-429 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 FY2020 is subject to the availability of funds.

OCSE will collect funds from SSA through the Intra-Governmental Payment and Collection system. OCSE will bill SSA twice during the fiscal year, in accordance with the amounts and terms outlined in the reimbursement agreement and Form SSA-429. 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) Data Integrity Board 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, OCSE 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 shall 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 the DDS Data Integrity Board 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 a Form SSA-429, *Agreement Covering Reimbursable Services* 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(r) and (o)(2)(A). 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 must be reviewed by HHS 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**

The Office of Management and Budget 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 NDNDH information for the authorized purpose, SSA shall provide OCSE with performance outputs and outcomes attributable to its use of NDNH information for the purposes set forth in this agreement.

SSA shall provide such reports in a format determined by OCSE, and approved by the Office of Management and Budget 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 cost benefit analysis 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 shall be resolved in accordance with instructions provided in the Treasury Financial Manual (TFM), Volume I, Part 2, Chapter 4700, Appendix 10, available on the TFM website at <http://tfm.fiscal.treasury.gov/v1.html>, or a superseding directive.

#### **XVI. PERSONS TO CONTACT**

A. The U.S. Department of Health and Human Services, Administration for Children and Families, Office of Child Support Enforcement contacts for programs and security are:

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, 5<sup>th</sup> Floor  
Washington, DC 20201  
Phone: 202-260-4712  
Fax: 202-401-5558  
Email: [Venkata.Kondapolu@acf.hhs.gov](mailto:Venkata.Kondapolu@acf.hhs.gov)

Maureen Henriksen, OCSE Liaison with SSA for Data Exchange  
Division of Federal Systems  
Office of Child Support Enforcement  
Administration for Children and Families  
Mary E. Switzer Building  
330 C Street, 5<sup>th</sup> Floor  
Washington, DC 20101  
Phone: 202-205-3848  
Fax: 202-401-5558  
Email: [Maureen.Henriksen@acf.hhs.gov](mailto: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](mailto:LaTonya.A.Anderson@ssa.gov)

Systems Operations Issues

Jennifer Cullinane, Branch Chief  
DBIA/Data Exchange and Verification Branch of IT Programmatic Business Support  
Office of Systems  
6401 Security Boulevard, 3-F-3 Robert M. Ball Building  
Baltimore, MD 21235  
Phone: 410-966-8044  
Fax: 410-966-3147  
Email: [Jennifer.Cullinane@ssa.gov](mailto:Jennifer.Cullinane@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](mailto:Sonia.V.Robinson@ssa.gov)

**Data Exchange Issues**

Stephanie Brock, HHS Data Exchange Liaison  
Office of Data Exchange, Policy Publications, and International Negotiations  
Office of Retirement and Disability Policy  
6401 Security Boulevard  
Baltimore, MD 21235-6401  
Phone: 410-695-4025  
Email: [Stephanie.Brock@ssa.gov](mailto:Stephanie.Brock@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](mailto:Jennifer.Rutz@ssa.gov)

**XVII. INTEGRATION CLAUSE**

This agreement, the Security Addendum, the appendices, the accompanying Form SSA-429, 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.

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.

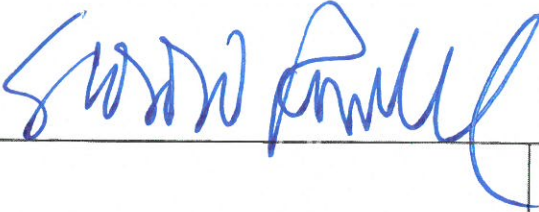
### A. U.S. Department of Health and Human Services

	
Scott M. Lekan Commissioner Office of Child Support Enforcement	Date 12/9/19

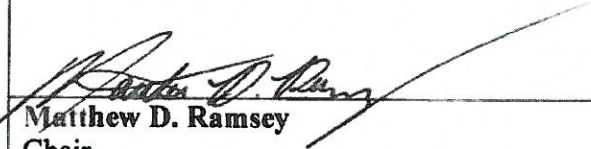
### B. Social Security Administration

	
Mary Ann Zimmerman Deputy Executive Director Office of Privacy and Disclosure Office of the General Counsel	Date 12/3/19

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

	
Scott W. Rowell Chairperson U.S. Department of Health and Human Services	Date 12.19.19

Social Security Administration Data Integrity Board

	
Matthew D. Ramsey Chair SSA Data Integrity Board Social Security Administration	Date 9 DEC. 2019



## **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 #1909**

#### **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) shall 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 shall 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, SSA, and entities specified in the agreement which are hereinafter “OCSE” and “SSA.”

### **III. SECURITY AND PRIVACY SAFEGUARDING REQUIREMENTS**

SSA shall comply with the *Office of Child Support Enforcement Division of Federal Systems Security Requirements for Federal Agencies Receiving Federal Parent Locator Service Data*. SSA received this document on May 14, 2019. The safeguarding requirements in this security addendum are drawn from this document and are also based on the federal laws and requirements governing the protection of information referenced in section 1 of this security addendum.

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 shall 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 Rev4, AC-3, & AC-6

2. SSA shall 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 4, *Security and Privacy Controls for Federal Information Systems and Organizations*, PL-4(1), PS-6, PS-8

3. SSA shall 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 Social Security 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 4, PL-4(1), PS-6, PS-8

4. SSA shall 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 shall 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 shall receive security and privacy awareness training before accessing NDNH information and at least annually thereafter. The training shall 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 shall 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 shall 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.

**Policy/Requirements Traceability:** OMB Circular A-130 – Appendix I, *Responsibilities for Protecting and Managing Federal Information Resources*; OMB M-17-12; NIST SP 800-53 Rev 4, PS-6



6. SSA shall maintain records of authorized personnel with access to NDNH information. The records shall 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 shall 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 4, AT-4

7. SSA shall 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 shall 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 4, IR-6

8. SSA shall 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 4, AC-20(1)(2)



9. SSA shall 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 shall 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 shall scan the SSA and non-SSA furnished equipment to ensure compliance with SSA standards. All remote connections shall be through a Network Access Control, and all data in transit between the remote location and SSA shall be encrypted using FIPS 140-2 encryption standards. Personally owned devices shall 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 4, AC-17, AC-20

10. SSA shall implement an effective continuous monitoring strategy and program that shall 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 shall 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 4, CA-7(1); NIST SP 800-137, *Information Security Continuous Monitoring for Federal Information Systems and Organizations*

11. SSA shall maintain an asset inventory of all software and hardware components within the boundary of the information system housing NDNH information. The inventory shall 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 4, CM-2(1)(3)(7), CM-7(1)(2)(4), CM-8(1)(3)(5), CM-11, IA-3, SA-4(1)(2)(9)(10), SC-17, SC-18, SI-4(2)(4)(5), PM-5

12. SSA shall 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 4, PL-2(3); NIST SP 800-18 Rev 1, *Guide for Developing Security Plans for Federal Information Systems*

13. SSA shall 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 shall 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 4, CA-5; NIST SP 800-18 Rev 1

14. SSA shall maintain a baseline configuration of the system housing NDNH information. The baseline configuration shall 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 shall 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 shall 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 4, AC-2, AC-3

16. SSA shall 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 shall 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 4, MP-4, SC-8

17. SSA shall 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 shall 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 4, AC-19(5), CM-8(3)

19. SSA shall prohibit remote access to NDNH information, except via a secure and encrypted (FIPS 140-2 compliant) transmission link and using two-factor authentication. SSA shall 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 4, AC-17, IA-2(11)(12), SC-8

20. SSA shall 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 shall 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 shall 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 4, AU-2, AU-3, AU-6(1)(3), AU-8, AU-9(4), AU-11

21. SSA shall 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 required use. If SSA requires the extract for longer than 90 days to accomplish a purpose authorized pursuant to this agreement, SSA shall request permission, in writing, to keep the extract for a defined period of time, subject to OCSE written approval. SSA shall 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 4, MP-4, MP-6, SI-12



22. SSA shall 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 4, AC-11, AC-12, AC-17, SC-10

23. SSA shall 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 4, MP-4, MP-6, SI-12

24. When 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 shall 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 shall 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 shall 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 shall disable functionality that allows automatic code execution. The solution shall 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 AC-20, IA-2(11)(12), IA-3



26. SSA shall 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 4, SA-9(2)

27. SSA shall 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 4, AC-2, PE-3

28. SSA shall maintain a list of personnel authorized to access facilities and systems processing sensitive data, including NDNH information. SSA shall control access to facilities and systems wherever NDNH information is processed. Designated officials shall 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 4, AC-2, PE-2

29. SSA shall label printed reports containing NDNH information to denote the level of sensitivity of the information and limitations on distribution. SSA shall maintain printed reports in a locked container when not in use and shall 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 shall 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 4, MP-3, MP-4, MP-5, MP-6**

- 30. SSA shall 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 4, 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 shall 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 4, 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 Revision 1.

### **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.

The SSA ATO was signed on 10/11/2018. OCSE considers the evidence that the SSA environment is in compliance with the security requirements in this security addendum. The effective period for an ATO is three years, which means OCSE maintains the right to request an updated ATO signature if the signature date on file expires during this agreement.

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-19-02, Fiscal Year 2018-2019 Guidance on Federal Information Security and Privacy Management Requirements, October 25, 2018; 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, 5th Floor  
Washington, DC 20201  
Phone: 202-260-4712  
Fax: 202-401-5558  
E-mail: [Venkata.kondapolu@acf.hhs.gov](mailto:Venkata.kondapolu@acf.hhs.gov)

The SSA security contact is:

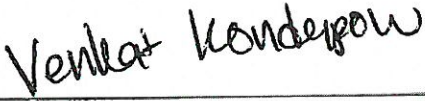
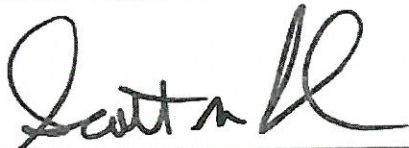
Jennifer Rutz, Director  
Division of Compliance and Oversight  
Office of Information Security  
Office of Systems  
Suite 3383 Perimeter East Building  
6201 Security Boulevard  
Baltimore, MD 21235  
Phone: 410-965-0266  
E-mail: [Jennifer.Rutz@ssa.gov](mailto:Jennifer.Rutz@ssa.gov)

## VIII. APPROVALS

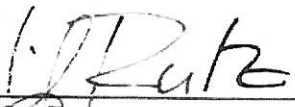
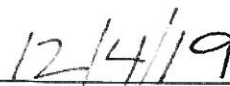
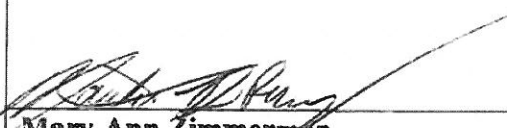

The authorized program officials, whose signature appear below, accept and expressly agree to the terms and conditions expressed herein, confirm that no verbal agreements of any kind shall be binding or recognized, and hereby commit their respective organizations to the terms of this agreement.

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 Acting Director Division of Federal Systems Office of Child Support Enforcement	Date 12/5/19
	
Scott M. Lekan Commissioner Office of Child Support Enforcement	Date 12/9/19

**B. Social Security Administration**

	
<b>Jennifer Rutz</b> Director Division of Compliance and Oversight Office of Information Security Office of Systems	<b>Date</b> 12/4/19
	
 <b>Mary Ann Zimmerman</b> Deputy Executive Director Office of Privacy and Disclosure Office of the General Counsel	<b>Date</b> 12/3/19



## **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 #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 #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 (HHS),  
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 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, 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, underreported, 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 2017.

#### 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 2017; 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 2017 Title XVI online queries, Title XVI program benefit savings modified by subsequent cost of living adjustments (COLA), and the use of FY 2017 cost data.

In order to estimate the SSI online query costs, Systems costs from the Office of Systems were used. The total Interagency Agreement costs were prorated based on the volume of the Quarterly Batch Matching Operation and the volumes of the three types of Online Queries. A unit time of 2-minutes was used for no-match found and 24-minutes for match found SSI online query.

- **DI Query:**

A conservative estimate of 40% (840,000/2.1 million) was used 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.

In order to estimate the DI online query costs, Systems costs from the Office of Systems were used. The total Interagency Agreement costs were prorated based on the volume of DI online queries. A unit time of 2-minutes was used 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 2017 was 99.76 minutes. Using 99.76 minutes per alert and a development cost per alert of \$130.86 the total estimated development cost for the 271,957 S2 alerts released in FY 2017 was \$35,588,293. Using 99.76 minutes per alert and a development cost per alert of \$130.86, the total estimated development cost for the 81,376 S7 alerts released in FY 2017 was \$10,648,863. Using 99.76 minutes per alert and a development cost per alert of \$130.83, the total estimated development cost for the 12,738 U5 alerts released in FY 2017 was \$1,666,513.

The estimated FY 2017 FO development cost for all three alerts totaled \$47,903,669.

##### ***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 the sample results, a projected 168,473 cases had overpayments in FY 2017. The cost per case, established by the Division of Cost Analysis in the Office of Financial Policy and Operations, is \$74.37. Using \$74.37 for each overpaid record, the total additional FY 2017 personnel cost for development and recovery was \$12,529,337.



**The total personnel cost incurred for the quarterly batch matching operation is \$60,433,006.**

**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, the projected total costs are \$4,197,602. The estimated time to obtain a query and develop a case when a match is found is 24 minutes. Using a 24-minute unit time for each of the estimated 7.1 million Title XVI queries with a match, the projected total costs are \$223,078,714.

The estimated average time to develop an overpayment is 22 minutes. The 168,473 Title XVI cases estimated to have an overpayment would cost \$4,862,238.

**DI Query:**

We estimate that the average time to obtain a DI online query is 2 minutes. Using the FY 2017 overhead factor of 1.67 and a 2-minute unit time for each of the 3.3 million DI queries, the total costs to do queries is \$8,657,921.

**The total costs incurred for the query access to OCSE's NDNH online database is \$240,796,475.**

- 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 2017 Systems costs for the SSA and OCSE matching operation totaled \$21,300 for direct services.**

Query Access to OCSE's NDNH Online Database

For this data exchange, based on data from the Office of Systems budget staff, the estimated combined systems cost for FY 2017 is \$57,300 (\$36,230 for SSI and \$21,070 for DI).

The total computer costs to SSA for FY 2017 is \$ 78,600.

- Justice Agencies: N/A

For Clients: N/A

For Third Parties: N/A

For the General Public: N/A

***FY 2017 Interagency Agency Agreement Costs***

Quarterly Batch Matching Operation

The FY 2017 interagency agreement cost of services for this matching operation is \$1,530,000.

Query Access to OCSE's NDNH Online Database

The FY 2017 interagency agreement cost of services for this online matching operation is \$540,000.

The total interagency agreement cost for this matching operation is \$2,070,000.

**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 2016 and September 2017, SSA Systems reported matching 512,854 NDNH records and sending 380,175 S2, 116,091 S7, and 16,588 U5 alerted cases to the FOs for additional development. The FOs worked 271,957 S2, 81,376 S7, and 12,738 U5 S2 cases.

Development of the match alerts resulted in a decrease in the recurring monthly payment in 62 percent of the S2 cases. The average monthly decrease was \$415 and the total decrease in monthly payments for all 168,613 cases was \$69,974,395. If the match had not occurred, the assumption is 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 \$209,923,185 when projected to the universe of alerts released in FY 2017.

Reviewing the S7 alert, retroactive underpayments were found in approximately 4.3 percent of the cases analyzed. The average underpayment per underpaid case is \$3,904.48 for the year. Projecting these results to the universe of S7 alerts released in FY 2017, the estimate is that 3,499 cases have retroactive underpayments detected from the match, which total approximately \$13,661,776 for FY 2017.

Approximately 4.4 percent (3,581) of the S7 cases analyzed had an increase in the monthly payment amount. The average monthly payment adjustment was about \$390.45 for a total underpayment of \$1,398,201.45. Based on the assumption that this incorrect payment would have continued for three additional months, the estimate of the potential underpayment would be \$4,194,604, when projected to the universe of alerts released in FY 2017.

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 are notes, but not included in the monetary savings.

The FO reduced the recurring monthly payments in 41.6 percent of the U5 cases. The average monthly decrease was \$311 and the total decrease in monthly payments for the 5,299 cases was \$1,647,989. If the match had not occurred, the assumption is that the 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 \$4,943,967, when projected to the universe of alerts released in FY 2017.

**The total benefit for avoidance of future improper payment is \$214,867,152.**

#### 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 the purpose of this CBA, the Title XVI program benefits were determined by updating the estimated average program savings of \$58.20 per query transaction reported in FY 2017. When applied to the estimated 6.7 million Title XVI online queries in FY 2017, the total estimated Title XVI program savings for FY 2017 are approximately \$389.9 million.

**b. DI Query:**

Online queries of quarterly wages are used in identifying and developing cases where substantial gainful activity (SGA) could be involved. Although the queries cannot be used as evidence of earnings in making an SGA determination, they are used to identify and develop cases where work activity is an issue. They are also used to identify cases where wage development can be curtailed 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, approximately 840,000 work CDRs were avoided in FY 2017 by accessing the 3.2 million DI queries. Using the FY 2017 program savings of \$659.28 per query, the total benefits of the work CDR cost avoidance is approximately \$553.8 million.

The combined program benefits realized from the use of the NDNH online query are approximately \$943.7 million.

- 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 2016 and September 2017, the FOs worked 271,957 S2 cases and 12,738 U5 cases.



Retroactive overpayments were found in 60 percent of the S2 cases. The average retroactive overpayment is approximately \$536. Projecting these results to the universe of S2 alerts released to the FO in FY 2017, it is estimated that 163,174 cases have retroactive overpayments, with a total estimated overpayment detected from the match of approximately \$87,461,264. Using the average historical recovery rate for Title XVI, it is expected that the recovery rate of 65 percent of the overpaid dollars will result in a total benefit of approximately \$56,849,822.

Retroactive overpayments were found in 41.6 percent of the U5 cases. The average retroactive overpayment is approximately \$311. Projecting these results to the universe of U5 alerts released to the FO in FY 2017, it is estimated that approximately 5,299 cases have retroactive overpayments, with a total estimated overpayment detected from the match of approximately \$4,943,967. Using the average historical recovery rate for Title XVI, the expected recovery rate is 65 percent of the overpaid dollars and will result in a total benefit of approximately \$3,213,579.

**The total benefit for recovery of improper payments and debt is \$60,063,401.**

• 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 \$1,218,630,553. The total costs are approximately \$303,378,081. These actual savings to the United States Treasury makes this matching operation cost effective with a benefit to cost ratio of 4.02:1; therefore, this match is cost effective. Accordingly, it is recommended that this match continue.

## **COSTS**

### **Key Element 1: Personnel Costs**

#### **Quarterly Batch Matching Operation**

#### ***Personnel Costs for Field Office Alert Development***

<b>Alert Development Cost</b>	<b>S2</b>	<b>S7</b>	<b>U5</b>
<b>Total number of alerts released FY 2017</b>	<b>271,957</b>	<b>81,376</b>	<b>12,738</b>
<b>Salary<sup>1</sup> + 20% benefits</b>	<b>\$98,029</b>	<b>\$98,029</b>	<b>\$98,029</b>
<b>Development Time per Alert<sup>2</sup></b>	<b>99.76 minutes</b>	<b>99.76 minutes</b>	<b>99.76 minutes</b>
<b>99.76 minutes x 1.67 overhead<sup>3</sup></b>	<b>166.60 minutes per Alert</b>	<b>166.60 minutes per Alert</b>	<b>166.60 minutes per Alert</b>
<b>(166.60 minutes x number of alerts) / 60 / 2080</b>	<b>363.05 WY</b>	<b>108.63 WY</b>	<b>17.00 WY</b>
<b>Total cost per alert type (Salary x WY)</b>	<b>\$35,589,428</b>	<b>\$10,648,890</b>	<b>\$1,666,493</b>
<b>Total cost / number of alerts = cost per alert</b>	<b>\$130.86</b>	<b>\$130.86</b>	<b>\$130.83</b>
<b>Number of alerts x cost per alert</b>	<b>\$35,588,293</b>	<b>\$10,648,863</b>	<b>\$1,666,513</b>
<b>Total cost</b>			<b>\$47,903,669</b>

#### ***Personnel Costs for Overpayment Development and Recovery Processing***

<b>Overpayment Development and Recovery Costs</b>			
	<b>S2</b>	<b>U5</b>	<b>Total</b>
<b>Cost per Alert (DCBFM/Division of Cost Analysis)</b>	<b>\$74.37</b>	<b>\$74.37</b>	<b>--</b>
<b>Number of Alerts with Improper Payments</b>	<b>163,174</b>	<b>5,299</b>	<b>168,473</b>
<b>163,174 (Wage alerts with overpayments) x \$74.37</b>	<b>\$12,135,250</b>	<b>--</b>	<b>--</b>
<b>5,299 (UC alerts with overpayments) x \$74.37</b>		<b>\$394,087</b>	
<b>Total</b>			<b>\$12,529,337</b>

<sup>1</sup> The salary is based on GS 11/9 from the FY 2017 General Schedule plus cumulative average locality pay and 20 percent benefits, as provided by the Office of Budget, Division of Cost Analysis.

<sup>2</sup> The development time of 99.76 minutes per alert is the average time to work an alert, as provided by OPSOS.

<sup>3</sup> The overhead rate for FY 2017 of 1.67 for the FOs was furnished by the Office of Budget



# Query Access to OCSE's NDNH Online Database

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

### SSI Query:

Total number of Queries in FY 2017	8,700,000
SSI No Match Found	1,600,000
SSI Match Found	7,100,000
Ticket to Work Overpayments	168,473
Salary <sup>4</sup> + 20% benefits	\$98,029
Development Time per Query <sup>5</sup>	
No Match Found	2 minutes
Match Found	24 minutes
Overpayment Development	22 minutes

### Cost to obtain OCSE online query when no match found

2 minutes x 1.67 <sup>6</sup>		3.34 minutes
3.34 minutes (rounded) x 1,600,000 queries = (5,344,000/60)/2080	=	42.82 WY
42.82 WY x \$98,029 (Salary)	=	\$4,197,602 (rounded)

### Cost to develop OCSE online query when match found

24 minutes x 1.67 overhead	=	40.08 minutes
40 (rounded) minutes x 7,100,000 queries = (284,000,000/60)/2080	=	2275.64 WY
2275.64 WY x \$98,029 (Salary)	=	\$223,078,714 (rounded)

### Cost to Develop an Overpayment

22 minutes x 1.67 overhead		36.74 minutes
36.74 minutes x 168,473 queries = (6,189,698/60)/2080	=	49.60 WY
49.60 WY x \$98,029 (Salary)	=	\$4,862,238 (rounded)

<sup>4</sup> The salary is based on GS 11/9 from the fiscal year 2017 General Schedule plus cumulative average locality pay and 20 percent benefits, as provided by the Division of Cost Analysis.

<sup>5</sup> The time to obtain an OCSE query is based on the time to develop the query when a match is found, and time to develop an overpayment on information furnished by the OPSOS.

<sup>6</sup> The overhead rate of 1.67 for the FOs was furnished by the Office of Budget.

**DI Query:**

Unit time obtain query	2 minutes
Overhead	1.67
3.34 (rounded) minutes x 3,300,000 queries = (11,022,000/60)/2080 =	88.32 WY
88.32 WY x \$98,029 (Salary)	= \$8,657,921 (rounded)

**Key Element 2: Agencies' Computer Costs**

Quarterly Batch Matching Operation

Systems Costs	Total \$21,300
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Query Access to OCSE's NDNH Online Database

Systems Costs	SSI \$36,230	DI/Ticket \$21,070	Total \$57,300
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**FY 2017 Interagency Agreement Costs**

Quarterly Batch Matching Operation

Interagency Agreement Cost (Prorated based on FY 2017)	Total \$1,530,000
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Query Access to OCSE's NDNH Online Database

Interagency Agreement Cost (Prorated based on FY 2017)	Total \$540,000
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## BENEFITS

### Key Element 3: Avoidance of Future Improper Payments

#### Quarterly Batch Matching Operation

No. of Alerts Completed by FO in FY 2017	S2- 271,957	S7 - 81,376	US - 12,738
Change in Monthly Payment Amount			
Percent of alerts with Change in Monthly Payment Amount	62%	4.3%	4.4%
Number of Alerts with Change in Monthly Payment Amount	168,613	3,499	3,581
Average Change in Monthly Payment Amount	\$415		\$390.45
Average underpayment for FY 2017		\$3904.48	
Total Change in Ongoing Monthly Payment	\$69,974,395		\$1,398,201.45
Total underpayment for FY 2017		\$13,666,776	
Projected for 3 months	\$209,923,185	N/A*	\$4,194,604
<b>Total Benefit</b>			<b>\$ 214,867,152</b>

\*A change in monthly payment occurs because an underpayment is not a monetary benefit to the Social Security Administration. Therefore, the change in monthly payment amount for S7 alerts is not applicable. The benefit change creates an increase in customer service benefit.

#### Quarterly Access to OCSE's NDNH Online Database

	SSI	Ticket to Work
Number of online queries in FY 2017	6,700,000	840,000
Estimated average program savings per query	\$58.20	659.28
Preventions and estimated overpayments recoveries of retroactive/Cost avoidance	\$389,900,000	\$553,800,000
<b>Total Benefit</b>	<b>943,700,000</b>	

Unit cost of work CDR <sup>7</sup>	\$659.28
Estimated <sup>8</sup> number of work CDRs avoided	840,000
Savings from not working CDRs	\$553,800,000
<b>Total Benefits</b>	<b>\$553,800,000</b>
Estimated average title XVI program savings per query	\$58.20
Number of XVI queries	6,700,000
Total SSI online query program savings	\$389,900,000
<b>Total Benefits</b>	<b>\$389,900,000</b>

### Key Element 4: Recovery of Improper Payments and Debts

<sup>7</sup> The unit cost per CDR was furnished by OPSOS.

<sup>8</sup> A conservative estimate of 40% was used to estimate the volume based on the 2009 percentage of avoided CDR's which was 48.8% (803,914/1,647,364).



**Quarterly Batch Matching Operation**

<b>No. of Alerts Completed by FO in FY 2017:</b>	<b>S2 -271,957</b>	<b>U5 -12,738</b>
<b>Benefits</b>	<b>S2 Wage Alert (O/P)</b>	<b>U5 UC Alert (O/P)</b>
<b>Retroactive Payments</b>		
<b>Percent of Records with Improper Payments</b>	<b>60.0%</b>	<b>41.6%</b>
<b>Number of Alerts with Improper Payments</b>	<b>163,174</b>	<b>5,299</b>
<b>Average Improper Payment Amount</b>	<b>\$536</b>	<b>\$311</b>
<b>Total Improper Payment (Projected)</b>	<b>\$87,461,264</b>	<b>\$4,943,967</b>
<b>Amount Expected to Recover (65%)</b>	<b>\$ 56,849,822</b>	<b>\$3,213,579</b>
<b>Total Benefits</b>		<b>\$ 60,063,401</b>

## CONCLUSION

Costs				
				Total
<b>Key Element 1: Personnel Costs</b>				
	Alert Development			\$47,903,669
	Overpayment Development			\$12,529,337
	SSI/DI Query Retrieval			\$240,796,475
<b>Key Element 2: Computer Costs</b>				\$78,600
	IAA Costs			\$2,070,000
<b>Total Cost</b>				<b>\$303,378,081</b>
Benefits				
<b>Key Element 3: Avoidance of Future Improper Payments</b>				
	FO Dev			\$214,867,152
	SSI			\$389,900,000
	DI			\$553,800,000
<b>Key Element 4: Recovery of Improper Payments and Debts</b>				\$60,063,401
<b>Total Benefit</b>				<b>\$1,218,630,553</b>
<b>Benefit to Cost Ratio = 1,218,630,553/303,378,081 = 4.02:1</b>				