

**COMPUTER MATCHING AGREEMENT  
BETWEEN THE SOCIAL SECURITY ADMINISTRATION  
AND  
THE DEPARTMENT OF VETERANS AFFAIRS  
VETERANS HEALTH ADMINISTRATION**

Effective: 10/9/15

Expiration: 4/8/17

Match #1052

**I. Purpose**

This computer matching agreement sets forth the terms, conditions, and safeguards under which the Social Security Administration (SSA) will disclose income tax return information to the Department of Veterans Affairs, Veterans Health Administration (VA/VHA). VA/VHA will use the SSA information to verify eligibility for its health benefit programs. VA/VHA's primary use of the SSA data is to verify earnings information.

**II. Legal Authority**

This agreement is executed under the Privacy Act of 1974, 5 United States Code (U.S.C.) § 552a, as amended by the Computer Matching and Privacy Protection Act of 1988, and the regulations and guidance promulgated thereunder.

Legal authority for the disclosures under this agreement is 38 U.S.C. §§ 5106 and 5317, 26 U.S.C. § 6103(l)(7)(D)(viii), 38 U.S.C. 5317, and 38 U.S.C. 5106. Under 38 U.S.C. § 1710, VA/VHA has a statutory obligation to collect income information from certain applicants for medical care and to use that income data to determine the appropriate eligibility category for the applicant's medical care. 26 U.S.C. § 6103(l)(7) authorizes the disclosure of tax return information with respect to net earnings from self-employment and wages, as defined by relevant sections of the Internal Revenue Code (IRC), to Federal, state, and local agencies administering certain benefit programs under title 38 of the U.S.C.

Section 7213 of the Intelligence Reform and Terrorism Prevention Act of 2004 provides SSA authority to add a death indicator to verification routines that the agency determines to be appropriate.

**III. Definitions**

- A. "HEC" means Health Eligibility Center, formerly the Income Verification Match Program. HEC verifies the self-reported income of certain veterans whose eligibility for medical care is based on income level. HEC is an entity within the VHA, Chief Business Office.
- B. "Tax return information" for purposes of this agreement means SSA's records obtained under the authority of 26 U.S.C. § 6103 concerning the amount of an

individual's earnings from wages or self-employment income, the period(s) involved, and the identities and addresses of employers.

- C. "Disclose" and "Disclosure" mean the release of information or data, with or without the consent of the individual or individuals to whom the data pertains, by either VA/VHA or SSA.
- D. "Breach" means a loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations in which unauthorized users have access or potential access to personally identifiable information (PII) for an unauthorized purpose.
- E. "Security incident" means an event that has, or could have, resulted in loss or damage to VA/VHA or SSA assets, or sensitive information, or an action that breaches VA/VHA or SSA security procedures.
- F. "Personally Identifiable Information" or "PII" means information (such as name, Social Security number (SSN), biometric records) that SSA and VA/VHA use to distinguish or trace an individual's identity either alone or when combined with an individual's other personal or identifying information (such as date and place of birth, mother's maiden name).

#### **IV. Responsibilities of Parties**

##### **A. VA/VHA Responsibilities**

- 1. VA/VHA will furnish SSA with electronic data exchange records for each individual for whom VA/VHA requests tax return information.
- 2. VA/VHA will match SSA information with VA/VHA records containing self-reported household income of veterans who are eligible for medical care based on income level.
- 3. VA/VHA will also use SSA's records of wage and self-employment income to verify the veterans' employment status.
- 4. The VA/VHA component responsible for this disclosure is the VHA Chief Business Office, HEC.
- 5. VA/VHA, as the recipient agency, will provide Congress and the Office of Management and Budget (OMB) with notice of this program and will publish the required matching notice in the Federal Register (FR).

##### **B. SSA Responsibilities**

- 1. SSA will initially verify the submitted SSNs through its Batch SSN Verification Application and will process only verified SSNs through the earnings search.

2. SSA will furnish VA/VHA with tax return information for each individual with a verified SSN for whom VA/VHA requests the information.

## **V. Justification and Anticipated Results**

### **A. Justification**

VA/VHA is statutorily required to verify income data reported by medical care applicants. 38 U.S.C. § 5106 requires SSA to provide this information to VA/VHA at no cost. Federal law authorizes SSA to disclose certain tax return information to VA/VHA (26 U.S.C. § 6103(l)(7)). Accordingly, SSA and VA/VHA determined that this matching program is the most efficient and comprehensive method of collecting and comparing this information. No other administrative activity can efficiently accomplish this purpose. The Benefit to Cost ratio for this agreement is 1.6 to 1.

### **B. Anticipated Results**

Based upon matching activities that SSA and VA/VHA conducted from April through October, VA/VHA expects a net benefit of \$11.2 million dollars by performing this matching program during the term of this agreement. SSA does not expect any savings for any SSA programs to result from this matching program. See Attachment for the Cost Benefit Analysis.

## **VI. Description of Matched Records**

### **A. System of Records**

SSA will initially access and verify submitted SSNs through the Master Files of Social Security Number Holders and SSN Applications, SSA/OEEAS, 60-0058, (Enumeration), last published on December 29, 2010 (75 FR 82121), and amended on July 5, 2013 (78 FR 40542), and February 13, 2014 (79 FR 8780) for verification purposes.

SSA will subsequently run those verified SSNs against systems records to extract and disclose the necessary tax return information from the Earnings Recording and Self-Employment Income System, SSA/OEEAS, 60-0059, last published on January 11, 2006 (71 FR 1819), and amended on July 5, 2013 (78 FR 40542).

VA/VHA will match SSA information with information extracted from its system of records (SOR) "Income Verification Records – VA" (89VA10NB). Routine use nineteen (19) permits VA/VHA to disclose identifying information, including SSNs, concerning veterans, their spouses, and dependents of veterans to Federal agencies for purposes of conducting computer matches to determine or verify eligibility of certain veterans who are receiving VA/VHA medical care under title 38 of the U.S.C.

The SORs involved in this computer matching program have routine uses permitting the disclosures needed to conduct this match.

## B. Specified Data Elements

1. VA/VHA will provide SSA with the following information for each individual for whom VA/VHA requests tax return information: name, SSN, and date of birth. VHA must also provide the requested tax report year for which data is being requested.
2. SSA will provide VA/VHA with the following tax return information for each individual for whom VA/VHA requests information: annual total, employer identification numbers (EIN), earnings report type, employer name and address, year of earnings, wage amounts from Form W-2, and earnings amounts from self-employment. SSA will also provide a verification code indicating verified SSN and death indicator.

## C. Number of Records

1. VA/VHA will submit approximately 3 million records per year in a format SSA defines for the duration of this agreement.
2. SSA will provide a response record for each individual VA/VHA identifies. The total number of records will be equal to or lesser than the number of records submitted by VA/VHA. In some instances, an individual may have more than one record on file.

## D. Frequency of Matching

SSA and VA/VHA will conduct this matching activity every two months.

## VI. Accuracy Assessments

Based on internal consistency checks and SSN/name verification procedures before a payment record is created, SSA estimates that its records are 99 percent accurate. The correctness of the tax return information is generally contingent upon the correctness of the information provided by the payer of the income.

Previous matches with the same files indicate that VA/VHA's records are at least 99 percent accurate and that SSA's records are approximately 99 percent accurate. The matching of the identification data with SSA's tax return information is estimated to be 99 percent accurate.

## VII. Notice Procedures

### A. Applicants

Both VA/VHA and SSA will notify all individuals who apply for benefits for their respective programs that they will conduct matching programs. VA/VHA's notice consists of appropriate language printed on its application form. VA/VHA also provides a separate pamphlet with appropriate language at each medical center.

SSA's notice consists of appropriate language printed on its application forms or a separate handout with appropriate language when necessary.

The Internal Revenue Service (IRS) also provides standard disclosure and Privacy Act notices, which advise taxpayers that IRS may share their tax return information with other Federal and state agencies to determine entitlement to benefits.

B. Beneficiaries/Annuitants

VA/VHA will provide periodic notice to patients on medical facility rolls. This notice consists of appropriate language contained in HEC informational pamphlets as well as language printed as notification on VA Form 10-10EZ, Application for Health Benefits, and VA Form 10-10EZR, Health Benefits Renewal Form, or a separate handout with appropriate language when necessary.

**VIII. Verification Procedures and Opportunity to Contest**

A. Verification Procedures

VA/VHA will take no adverse action regarding individuals identified through the matching process solely based on information that VA/VHA obtains from the match. In accordance with the requirements of the Privacy Act and applicable OMB guidelines, VA/VHA will independently verify and investigate all wage, pension, and self-employment income with the payer of the wages or pension or with the individual recipient, or both. This investigation and confirmation will include the amount of any income involved; whether the individual actually has or had access to such income for his or her own use; and the period or periods when the individual actually had such income.

B. Opportunity to Contest

Before taking any adverse action based on the verified income information received from the match, VA/VHA will provide all medical care recipients from whom VA/VHA decides such adverse action is necessary with the following information:

1. VA/VHA has received information from SSA indicating that an adverse action affecting the medical care recipient's payment is necessary. The medical care recipient has an opportunity to explain the circumstances prior to VA/VHA making a final eligibility determination and initiating billing action;
2. The effective date of any adjustment or overpayment that may result;
3. The medical care recipient has 60 days to contest any adverse decision; and
4. Unless the medical care recipient responds to contest the proposed adverse action in the required 60-day time period, VA/VHA will conclude that the information provided by SSA is correct, and will make the necessary adjustment to the recipient's payment.

**IX. Procedures for Retention and Timely Destruction of Identifiable Records**

VA/VHA and SSA will retain the electronic files received from the other agency only for the period required for any processing related to the matching program and then will destroy all such data by electronic purging, unless VA/VHA and SSA are required to retain the information in order to meet evidentiary requirements. In case of such retention for evidentiary purposes, VA/VHA and SSA will retire the retained data in accordance with the applicable Federal Records Retention Schedule (44 U.S.C. § 3303a). VA/VHA and SSA will not create permanent files or separate system comprised solely of the data provided by the other agency.

**X. Records Usage, Duplication, and Rediscovery Restrictions**

SSA and VA/VHA will adhere to the following limitations on the use, duplication, and redisclosure of the electronic files and data provided by the other agency under this agreement:

- A. SSA and VA/VHA will use and access the data only for the purposes described in this agreement.
- B. SSA and VA/VHA will not use the data to extract information concerning medical care recipients therein for any purpose not specified by this agreement.
- C. SSA and VA/VHA will not duplicate or disseminate the data, within or outside their respective agencies, without the written permission of the other agency, except as required by Federal law. SSA and VA/VHA will not give such permission unless the law requires disclosure or the disclosure is essential to the matching program. For such permission, the agency requesting permission must specify in writing what data it is requesting be duplicated or disseminated and to whom, and the reasons that justify such duplication or dissemination.

**XI. Security Procedures**

SSA and VA/VHA will comply with the requirements of the Federal Information Security Modernization Act of 2014 Pub. L. 113-283, codified at 44 U.S.C. 3551-3558; related OMB circulars and memoranda, such as Circular A-130, "Management of Federal Information Resources" (November 28, 2000), and Memorandum M-06-16, "Protection of Sensitive Agency Information" (June 23, 2006); 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 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 oversight and compliance of their contractors and agents.

#### A. Loss Reporting

If either SSA or VA/VHA experiences a loss of PII provided by the other agency under the terms of this agreement, they will follow OMB loss reporting guidelines (OMB M-06-19, "Reporting Incidents Involving Personally Identifiable Information and Incorporating the Cost for Security into IT Investments" (July 12, 2006)). In the event of an incident involving the loss or potential loss of 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). In addition, the agency experiencing the loss of PII will notify the other agency's Systems Security Contact named in this agreement. If VA/VHA 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), VA/VHA will call SSA's Network Customer Service Center toll free at 1-877-697-4889. If SSA is unable to speak with VA/VHA's Systems Security Contact within one hour, SSA will contact the VA/VHA Situation Room at (202) 418-0111.

#### B. Breach Notification

SSA and VA/VHA will follow PII breach notification policies and related procedures as required by OMB M-07-16 (May 22, 2007). If an agency 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 VA/VHA will restrict access to the data matched and to any data created by the match to only those authorized employees and officials who need it to perform their official duties in connection with the uses of the data authorized in this agreement. Further, SSA and VA/VHA 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 VA/VHA 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 persons at all times. Only authorized personnel will transport the data matched and those created by the match. SSA and VA/VHA will establish appropriate safeguards for such data, as determined by a risk-based assessment of the circumstances involved.

#### E. Technical Safeguards

SSA and VA/VHA 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 persons 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 VA/VHA will strictly limit authorization to those electronic data areas necessary for the authorized analyst to perform his or her duties.

#### F. Application of Policies and Procedures

SSA and VA/VHA 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 VA/VHA will comply with these policies and procedures and any subsequent revisions.

#### G. Onsite Inspection

SSA and VA/VHA have the right to monitor the other agency's compliance with FISMA and OMB M-06-16 requirements. Both agencies have the right to make onsite inspections for auditing compliance, if necessary, for the duration or any extension of this agreement.

#### H. Tax Information

1. VA/VHA will comply with all Federal Safeguards Requirements pursuant to IRC § 6103(p)(4) and as required by the IRS, including those described in [IRS Publication 1075, Tax Information Security Guidelines for Federal, State, and Local Agencies and Entities \(www.irs.gov\)](http://www.irs.gov).
2. If VA/VHA does not have a currently approved Safeguard Security Report (SSR), VA/VHA will submit a new SSR to the Internal Revenue Service's Office of Safeguards detailing how they process and protect all data received from SSA from unauthorized disclosure within 45 days of the execution of this agreement.

### **XII. Comptroller General Access**

The Government Accountability Office (Comptroller General) may have access to all VA/VHA and SSA data, as necessary, in order to verify compliance with this agreement.

### **XIII. Reimbursement**

38 U.S.C. § 5106 requires SSA to provide the information VA/VHA requests under this agreement at no cost to VA/VHA.

### **XIV. Duration, Modification, and Termination**

#### A. Effective Date

The effective date of this agreement is October 9, 2015, provided that the following notice periods have lapsed: 30 days from the date VA/VHA publishes a computer matching notice in the FR; 40 days from the date of the matching program notice that is sent to the Congressional committees of jurisdiction under 5 U.S.C. § 552a(o)(2)(A); and 40 days from the date of the matching program notice that is sent to OMB.

B. Duration

This agreement will be in effect for a period of 18 months.

C. Renewal

The Data Integrity Boards (DIB) of VA/VHA and SSA may, within three months prior to the expiration of this agreement, renew this agreement for a period not to exceed twelve months if VA/VHA and SSA can certify to their DIBs that:

1. The matching program will be conducted without change; and
2. VA/VHA and SSA have conducted the matching program in compliance with the original agreement.

If either party does not want to continue this program, it must notify the other party of its intention not to continue at least 90 days before the end of the period of the agreement.

D. Modification

The parties may modify this agreement at any time by a written modification, agreed to by both parties and approved by the DIB of each agency.

E. Termination

The parties may terminate this agreement at any time with the consent of both parties. Either party may unilaterally terminate this agreement upon written notice to the other party, in which case the termination shall be effective 90 days after the date of the notice, or at a later date specified in the notice.

SSA may immediately and unilaterally suspend the data flow under this agreement or terminate this agreement if SSA:

1. Determines that VA/VHA has used or disclosed the information in an unauthorized manner;
2. Determines that VA/VHA has violated or failed to follow the terms of this agreement; or

3. Has reason to believe that VA/VHA breached the terms for security of data. If SSA suspends the data flow in accordance with this subsection, SSA will suspend the data until SSA makes a final determination of a breach.

**XV. Disclaimer**

SSA is not liable for any damages or loss resulting from errors in information provided to VA/VHA under this agreement. SSA is not liable for damages or loss resulting from the destruction of any materials or data provided by VA/VHA. All information furnished to VA/VHA is subject to the limitations and qualifications, if any, transmitted with such information.

**XVI. Dispute Resolution**

Disputes related to this agreement shall be resolved in accordance with instructions provided in the Treasury Financial Manual Volume I, Part 2, Chapter 4700, Appendix 10, *Intragovernmental Transaction Guide*.

**XVII. Persons to Contact**

A. SSA Contacts:

**Computer Systems Issues**

Robert Foyles, Branch Chief  
Data Exchange Branch  
Division of Information Verification & Exchange Services  
Office of Earnings, Enumeration, and Administrative Systems  
6401 Security Boulevard  
3108 (3-C-3) Robert M. Ball Building  
Baltimore, MD 21235-6401  
Phone: (410) 966-0464  
Fax: (410) 966-3147  
Email: [Robert.Foyles@ssa.gov](mailto:Robert.Foyles@ssa.gov)

**Systems Security Issues**

Michael G. Johnson, Director  
Division of Compliance and Oversight  
Office of Information Security  
Office of Systems  
6401 Security Boulevard, 3105 Annex Building  
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**Matching Agreement Issues**

Gloria L. Watterson  
Government Information Specialist

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**Project Coordinator**

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Office of Data Exchange and Policy Publications  
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Baltimore, MD 21235  
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Email: [Jamillah.N.Jackson@ssa.gov](mailto:Jamillah.N.Jackson@ssa.gov)

B. VA/VHA Contacts:

**Program and Policy**

Benita K. Miller, Director  
Health Eligibility Center  
2957 Clairmont Road NE, Suite 200  
Atlanta, GA 30329  
Phone: (404) 828-5300  
Fax: (404) 828-5311  
Email: [Benita.Miller@va.gov](mailto:Benita.Miller@va.gov)

**Systems Operations**

Laura V. Prietula, Director  
Health Eligibility Center  
2957 Clairmont Road NE, Suite 200  
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Fax: (404) 828-5087  
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**Matching Agreement Issues, Safeguards and Recordkeeping**

LeRoy Garcia, Associate Director  
Health Eligibility Center  
2957 Clairmont Road NE, Suite 200  
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Phone: (404) 828-5395  
Fax: (404) 828-5087  
Email: [LeRoy.Garcia@va.gov](mailto:LeRoy.Garcia@va.gov)

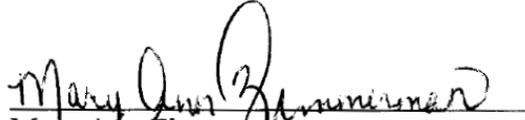
**XVIII. Integration Clause**

This agreement constitutes the entire agreement of the parties with respect to its subject matter and supersedes all other data exchange agreements between the parties that pertain to the disclosure of the specified income tax return data between SSA and VA/VHA for the purposes described in this agreement. SSA and VA/VHA have made no representations, warranties, or promises outside of this agreement. This agreement takes precedence over any other documents that may be in conflict with it.

**XIX. Authorized Signatures**

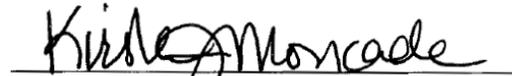
The signatories below warrant and represent that they have the competent authority on behalf of their respective agencies to enter into the obligations set forth in this agreement.

**SOCIAL SECURITY ADMINISTRATION**



Mary Ann Zimmerman  
Acting Deputy Executive Director  
Office of Privacy and Disclosure  
Office of the General Counsel

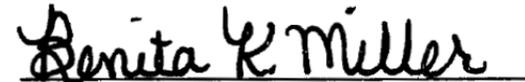
Date June 10, 2015



Kirsten J. Moncada  
Chair, Data Integrity Board  
Social Security Administration

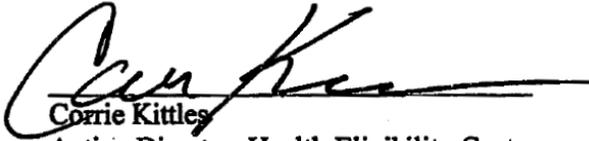
Date 8/11/15

**DEPARTMENT OF VETERANS AFFAIRS**



Benita K. Miller, MHA, FACHE  
Director, Health Eligibility Center  
Veterans Health Administration  
Department of Veterans Affairs

Date July 16, 2015



**Corrie Kittles**  
Acting Director, Health Eligibility Center  
Veterans Health Administration  
Department of Veterans Affairs

Date 09/24/2015

**Buck, John**

Digitally signed by Buck, John  
DN: dc=gov, dc=va, ou=Entities,  
ou=InternalStaff, cn=Buck, John  
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**LaVerne H. Council**  
Chairman, Data Integrity Board  
U.S. Department of Veterans Affairs

Date \_\_\_\_\_