

**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 #1404

I. PURPOSE

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), and Ticket-to-Work and Self-Sufficiency (Ticket) programs; and SSI Quarterly Wage batch match. 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). 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. SSA evaluates the cost-benefits, including programmatic and operational impact, which NDNH information has on SSA programs and operations.

The Privacy Act, as amended by the Computer Matching and Privacy Protection Act of 1988 (CMPPA), 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. 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.

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, contractors, or agents of OCSE and SSA.

This agreement includes a security addendum and four appendices.

II. RESPONSIBILITIES OF THE PARTIES

A. 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.
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.

B. SSA Responsibilities

1. On a quarterly basis, SSA will submit a finder file of DI and SSI beneficiaries for comparison by OCSE against the quarterly wage and unemployment files in the NDNH.
2. SSA will use the information provided by the comparison to administer the DI, SSI, and Ticket programs efficiently as set forth in this agreement.
3. SSA will use the NDNH 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 these online requests through their existing query which can be made through either SSA's Electronic Viewer (eView) or via SSA's PCOM Master File Query Menu (MFQM) programs. This query will submit the request through OCSE's web service. SSA's use of eView and MFQM to access the OCSE web service is understood by OCSE and SSA to apply throughout the agreement.

4. SSA will publish the *Federal Register* notice and the letters to Congress for this agreement.

III. 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 SSA with all information in 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 sections 453(j)(4), 1631(e)(1)(B) and (f), and 1148(d)(1) of the Act. 42 U.S.C. §§653(j)(4), 1320b-19(d)(1), and 1383(e)(1)(B) and (f). 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).

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.

Subsection 1631(f) of the Act 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."

Section 1148(d)(1) of the Act requires SSA to verify earnings of beneficiaries/recipients to ensure accurate payments to employer network providers under the Ticket-to-Work program.

IV. THE JUSTIFICATION FOR THE MATCHING PROGRAM AND ITS 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. The Justification for 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 use of NDNH information supports program accuracy and 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.

B. Anticipated Results of the Matching Program

The benefit to the United States Treasury of these combined matching operations 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 \$1.02 billion (more than \$80.04 million for the quarterly wage batch match and over \$940.04 million for the online query access). The total costs are projected to be approximately \$175.87 million (nearly \$26.83 million for the quarterly wage batch match and over \$149.03 million for the online query access). These actual savings to the United States Treasury make this matching program cost effective with a benefit to cost ratio of 5.8 to 1 (3.0 to 1 for the quarterly batch match and 6.31 to 1 for online query access).

V. DESCRIPTION OF THE RECORDS MATCHED

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. OCSE and SSA Systems of Records (SOR)

OCSE and SSA published notice of the relevant SORs in the *Federal Register*. SSA's SORs are the Supplemental Security Income Record and Special Veterans Benefits (SSR/SVB), SSA/OASSIS, 60-0103 last published January 11, 2006 at 71 FR 1830; and the Completed Determination Record-Continuing Disability Determination file (CDR-CDD), SSA/OD 60-0050 last published January 11, 2006 at 72 FR 1813.

OCSE will match SSA information in the SSR and CDR-CDD 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 January 5, 2011 at 76 FR 560. Routine use (9) of the system of records authorizes disclosure of NDNH information to SSA, 76 FR 560, 562 (January 5, 2011).

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 programs (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 MFQM or eView extracts information from SSA's SSR (for SSI recipients) or CDR-CDD (for ticket holders and disability beneficiaries) to facilitate query access.

B. Data Elements Used in the Matching Program

1. Quarterly Batch Match (SSI). The SSA finder file is matched against the quarterly wage and unemployment insurance information in NDNH.
 - a. SSA will provide electronically to OCSE the following data elements in the finder file:
 - Individual's SSN
 - Name
 - b. 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
 - c. 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
2. Online Query Access (SSI, DI, and Ticket programs). SSA will access OCSE's web service when making online requests for NDNH records:
- a. Data element to initiate a query in SSA's Permission Module:
 - Individual's SSN
 - b. 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) Wage amount
 - (4) Reporting period
 - For Employers:
 - (1) Name
 - (2) Employer identification number
 - (3) Employer FIPS code (if present)
 - (4) Address(es)
 - c. Data elements on the new hire screen:
 - New hire record identifier
 - Name/SSN verified
 - Date report processed
 - 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)
 - d. 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. Number of Records to Be Matched

The SSA finder file will contain approximately 8.6 million records of individuals. For online queries related to the Ticket programs, 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 1.40 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 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).

D. Period of the Matching Program

The starting and completion dates of the matching program are consistent with the effective and expiration dates of this agreement. The matching program will continue in effect until it expires unless terminated 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.

VI. NOTICE PROCEDURES

The Privacy Act requires, in pertinent part, that the agreement specify procedures for providing individualized notice at the time of application, and periodically thereafter as directed by the Data Integrity Board, to applicants and recipients of financial assistance or payments under federal benefit programs, that the information they provide may be verified through matching programs. 5 U.S.C. §552a(o)(1)(D).

This requirement is best accomplished by direct notice by a statement pursuant to the Privacy Act. 5 U.S.C. §552a(e)(3). SSA and OCSE provide the following additional notices, respectively, to persons whose records are disclosed from the system of records involved in the matching program established under this agreement.

A. Notice to the General Public

SSA will publish a notice describing SSA's matching activities in the *Federal Register* informing the general public of this specific matching program. Both SSA and OCSE have published notice of the relevant systems of records in the *Federal Register*.

B. 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 either on its application forms or on a separate handout when necessary.

C. 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 and 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.

VII. VERIFICATION AND OPPORTUNITY TO CONTEST

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 of Information Produced in the Matching Program

SSA verifies the name/SSN combinations in its systems of records. 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 disability 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.

VIII. ACCURACY ASSESSMENT

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).

The information contained in the NDNH is reported to the source agency by state and federal agencies and instrumentalities. OCSE verifies the accuracy of name and SSN combinations maintained by OCSE against SSA's NUMIDENT file, in accordance with section 453(j)(1)(A) and (B) of the Act. 42 U.S.C. §653(j)(1)(A) and (B). 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 and the unemployment insurance files against which finder files are compared have been verified against SSA's NUMIDENT. For quarterly wage, only 77 percent of the incoming data has a verified name and SSN combination, since some states and employers do not capture enough name information in their records to complete this process. However, information comparisons may be conducted and reliable results obtained.

Based on internal consistency checks and SSN/name verification process before the creation of a payment record, SSA estimates that at least 99 percent of the name and SSN information on the SSR is accurate.

IX. LIMITATIONS ON ACCESS AND USE

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. §552a(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).

A. Limitations on the Use of Information by OCSE

OCSE will adhere to the following limitations on the use of the information contained in the finder files disclosed to OCSE by SSA under the provisions of this agreement:

1. SSA finder files, and the information contained therein, will not be duplicated or disseminated within or outside OCSE without the written approval of SSA, except as necessary within OCSE for backup to 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 and are handled as provided in sections X and XI, once the matching activity authorized under this agreement is completed.
2. SSA finder files and information provided by SSA will be used and accessed only for the purposes specified in this agreement.
3. SSA finder files are not used to extract information concerning the individuals therein for any purpose not specified in the agreement.

B. Limitations on the Use, Duplication and Redisclosure of Information by SSA

SSA will adhere to the following limitations on the use of information provided by OCSE:

1. SSA will only use NDNH information for the purposes specified in this agreement.
2. SSA will not use NDNH information to extract information concerning the individuals therein for any purpose not specified in this agreement.
3. NDNH information will not be duplicated or disseminated within or outside SSA without the written permission of OCSE, except as necessary within SSA for backup to ongoing operations of the matching program and for the purpose of 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 X and XI.C. OCSE will not grant such authority unless the disclosure is required by law or is essential to the matching program.
4. Information provided by OCSE remains the property of OCSE and will be handled as provided in sections X and XI, once matching activity under this agreement is completed.

X. PROCEDURES FOR RETENTION AND TIMELY DESTRUCTION OF RECORDS

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).

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

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

SSA agrees 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 identifiable records received from the NDNH only for the period of time required for any processing related to the matching program and will then destroy the records.
4. SSA field office personnel will dispose of the case file printouts of the comparison results of specific individuals in accordance with the appropriate National Archives and Records Administration federal records retention schedule. 44 U.S.C. §3303a.

Neither SSA nor OCSE will create a separate file or system of records 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.

XI. PROCEDURES FOR SECURITY

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. §3541 *et seq.*; related Office of Management and Budget (OMB) circulars and memoranda, such as Circular A-130, Management of Federal Information Resources (Nov. 28, 2000), and Memorandum M-06-16, Protection of Sensitive Agency Information (June 23, 2006); National Institute of Standards and Technology (NIST) directives. 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. Laws, regulations, NIST standards, and Office of Management and Budget directives relating to the subject of this agreement and published subsequent to the effective date must be implemented by both agencies.

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.

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 a loss of PII provided by SSA or OCSE under the terms of this agreement, they will follow the Office of Management and Budget loss reporting guidelines (OMB M-06-19, "Reporting Incidents Involving Personally Identifiable Information and Incorporating the Cost for Security into IT Investments"). In the event of an incident involving the loss or potential loss of PII, the agency experiencing the event is responsible for following its established procedures, including notification to proper organizations, such as the United States Computer Emergency Readiness Team (US-CERT). In addition, the agency experiencing the loss of PII will notify the other agency's Systems Security Contact named in this agreement. SSA or OCSE, as appropriate, will also call SSA's Network Customer Service Center toll free at 1-877-697-4889.

B. Breach Notification

SSA follows PII breach notification policies and related procedures as required by OMB M-07-16 (May 22, 2007). Any breach or suspected breach will be reported immediately to US-CERT. SSA must report to US-CERT when: 1) an individual gains logical or physical access without permission to a federal agency network, system, application, data, or other resource; or 2) there is a suspected or confirmed breach of personally identifiable information regardless of the manner in which it might have occurred. If SSA determines that the risk of harm requires notification to affected individuals and/or other remedies, SSA will carry out these remedies without cost to OCSE.

C. Technical Safeguards (Online Query)

SSA and OCSE will process the data provided under this agreement and any data created from this information exchange 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 OCSE will strictly limit authorization to those electronic data areas necessary for the authorized analyst to perform his or her official duties.

SSA uses anti-browsing technology (permission module) and extensive access controls to comply with limitations on disclosure and to ensure the confidentiality of OCSE information. SSA cannot change, manipulate, modify, add to, or delete information in the NDNH. SSA uses a permission module to ensure that there is a business relationship between the SSN submitted for query processing and an existing SSI, DI, and/or Ticket payment record or an application for SSI, DI, or Ticket.

SSA uses the security software package, TOP SECRET, for its access controls. TOP SECRET uses a combination of personal identification numbers (PINS), passwords, profiles, data sets, and transaction identifiers to control access to SSA systems and OCSE's web service.

To gain access to TOP SECRET, employees must complete a request and submit it to their security officer. The applications are reviewed and approved users are assigned a unique PIN. The PIN authenticates the user.

There is an audit trail associated with requests to the OCSE web service. It provides for the collection and storage of audit trail data in the security Audit Trail System. The audit trail does not collect specific details contained in the query response.

D. Application of Policy and Procedures

SSA and OCSE will adopt policies and procedures to ensure that their respective agencies use 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.

XII. EFFECTIVE DATE, DURATION, MODIFICATION, AND TERMINATION OF AGREEMENT

A. Effective Date of the Agreement

The Privacy Act, as amended, provides that a copy of each matching agreement shall be transmitted to the Committee on Homeland Security and Governmental 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-130, Appendix I, 4.(d) requires agencies to provide a Report of Matching Program, including the agreement, to the Congressional committees and to Office of Management and Budget.

The Privacy Act also provides that no agreement shall be effective until 30 days after the date on which a copy of the agreement is transmitted to such congressional committees. 5 U.S.C. §552a(o)(2)(B). See also notice and reporting requirements in 5 U.S.C. §552a(e)(12); 5 U.S.C. §552a(r); and OMB Circular No. A-130, Appendix I, 4.(d).

This agreement shall be effective, and the comparison and disclosure of information under this agreement may commence, when the agencies comply with the Privacy Act notice and reporting requirements. Where applicable, agencies may agree upon a later effective date, such as one to coincide with the expiration of a renewal of a previous matching program between the agencies. SSA and OCSE intend that the effective date of this agreement shall be December 12, 2014, the day after the expiration date of the recertification agreement, HHS No. 1201.

Therefore, unless Office of Management and Budget or Congress disapprove the agreement within 40 days of the date of the transmittal letter for the report of the signed matching program, or Office of Management and Budget grants a waiver of 10 days of the 40-day review period, or public comments are received that result in cancellation or deferral of the implementation of the program, this agreement shall be effective no sooner than the later of the following dates:

- December 12, 2014 (the day after the expiration date of the recertification agreement) (SSA Match #1074/HHS #1201),
- 30 days after the date that SSA publishes the notice of matching program in the *Federal Register*, or
- 40 days after the date SSA transmits the report of matching program 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 Office of Management and Budget's Office of Information and Regulatory Affairs

B. Duration of the Agreement

The Privacy Act requires that an agreement shall remain in effect only for such period, not to exceed 18 months, as the Data Integrity Board of the agency determines is appropriate in light of the purposes, and length of time necessary for the conduct, of the matching program. 5 U.S.C. §552a(o)(2)(C). This agreement shall remain in effect for a period of 18 months, subject to renewal by the Data Integrity Board of both agencies for a period of up to one year. The renewal may occur if OCSE and SSA can certify in writing to their Data Integrity Boards that: 1) the matching program will be conducted without change, and 2) OCSE and SSA have conducted the matching program in compliance with the original agreement.

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 of this agreement and for each fiscal year in which this agreement is in effect.

C. Modification of the Agreement

This agreement may be modified at any time by a written modification, which is signed by both parties and is approved by the HHS Data Integrity Board and SSA Data Integrity Board.

D. Termination of the Agreement

Prior to the agreement's end in accord with section XII.B, 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 XV of this agreement and the fiscal agreements of both SSA and OCSE;
- 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 IX 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 Data Integrity Board a copy of any notification of termination.

XIII. PERIODIC REPORTING OF RESULTS OF THE MATCHING PROGRAM

The Office of Management and Budget requires OCSE to periodically report measures of the performance of the Federal Parent Locator Service (FPLS), including the NDNH, through various federal management devices, such as the Office of Management and Budget IT Dashboard, the Annual Report to Congress, and the Exhibit 300. OCSE is required to provide performance measures demonstrating how the FPLS supports OCSE's strategic mission, goals, and objectives and cross-agency collaboration. OCSE also requests such performance reporting to ensure matching partners use NDNH information for the authorized purpose.

To assist OCSE in its compliance with federal reporting requirements, and to provide assurance that SSA uses NDNH information for the authorized purpose, SSA must provide to OCSE a

written description of the performance outputs and outcomes attributable to its use of NDNH information for the purposes set forth in this agreement.

SSA must provide such reports, in a format determined by SSA and approved by OCSE, to OCSE on an annual basis, no later than two months after the end of each fiscal year of the matching program.

The performance reports may also assist SSA 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).

XIV. ACCESS TO RECORDS BY THE COMPTROLLER GENERAL

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.

XV. REIMBURSEMENT

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. An reimbursable agreement and Form SSA-429 will be entered into each fiscal year and will address costs and reimbursement terms. The Office of Data Exchange and Policy Publications at SSA is responsible for processing the reimbursement agreement and Form SSA-429.

OCSE will collect funds from SSA through the Intra-Governmental Payment and Collection (IPAC) system. OCSE will bill SSA twice during the fiscal year, in accordance with the amounts and terms outlined in the reimbursement agreement and Form SSA-429. SSA will remit payments no later than fifteen 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.

XVI. DISPUTE RESOLUTION

Disputes related to this agreement over financial or accounting treatment shall be resolved in accordance with instructions provided in the Treasury Financial Manual (TFM) Volume I, Bulletin No. 2013-04, Attachment I, *Procedures for Intergovernmental Transactions (ITGs)*, section II.D or a superseding directive, available on the [TFM website](http://www.fms.treas.gov/tfm/vol1/bull.html) (<http://www.fms.treas.gov/tfm/vol1/bull.html>).

XVII. PERSONS TO CONTACT FOR FURTHER INFORMATION

A. SSA Contacts:

Program Policy Issues

Yvette Woodson
Office of Supplemental Security Income and Program Integrity Policy
Office of Income Security Programs
Office of Retirement and Disability Policy
224 (2-Q-19) Robert M. Ball Building
6401 Security Boulevard
Baltimore, MD 21235-6401
Phone: 410-965-8624
E-mail: yvette.woodson@ssa.gov

Computer Systems Issues

Rick Hyde, Branch Chief
DIVES/Data Exchange Branch
Office of Earnings, Enumeration and Administrative Systems
Office of Systems

3108 (3-C-3) Robert M. Ball Building
6401 Security Boulevard
Baltimore, MD 21235-6401
Phone: 410-965-3490
Fax: 410-966-3147
E-mail: rick.hyde@ssa.gov

Matching Agreement Issues

Linda Frye, Government Information Specialist
Office of Privacy and Disclosure
Office of the General Counsel
617 Altmeyer Building
6401 Security Boulevard
Baltimore, MD 21235-6401
Phone: 410-966-9555
E-mail: linda.frye@ssa.gov

Data Exchange Issues

Stephanie Brock, HHS Data Exchange Liaison
Office of Data Exchange and Policy Publications
Office of Retirement and Disability Policy
3655 Annex Building
6401 Security Boulevard
Baltimore, MD 21235-6401
Phone: 410-965-7827
E-mail: stephanie.brock@ssa.gov

Systems Security Issues

Michael G. Johnson, Director
Division of Compliance and Oversight
Office of Information Security
Office of Systems
3105 Annex Building
6401 Security Boulevard
Baltimore, MD 21235-6401
Phone: 410-965-0266
Fax: 410-597-0845
E-mail: michael.g.johnson@ssa.gov

B. OCSE Contacts:

Linda Boyer, Data Access and Security Manager
Division of Federal Systems
Office of Child Support Enforcement
Administration for Children and Families
370 L'Enfant Promenade SW, 4th Floor
Washington, DC 20447
Phone: 202-401-5410
Fax: 202-401-5558
E-mail: linda.boyer@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
3-J-6C Robert M. Ball Building
6401 Security Boulevard
Baltimore, MD 21235-6401
Phone: 410-966-5181
Fax: 410-966-3147
E-mail: maureen.henriksen@acf.hhs.gov

XVIII. INTEGRATION CLAUSE

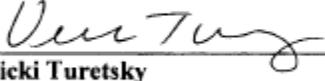
This agreement, the Form SSA-429, the OCSE reimbursement agreement, and the accompanying appendices prepared and authorized at the start of each fiscal year throughout the life of this agreement constitute the entire agreement of the agencies with respect to its subject matter and

supersede all other data exchange agreements between the agencies for the purposes described herein. The agencies 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 Office of Management and Budget directives.

XIX. SIGNATURES

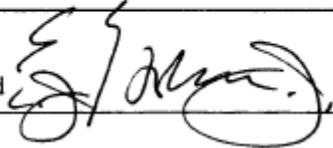
By their signatures below, the authorized officials approve this agreement.

OFFICE OF CHILD SUPPORT ENFORCEMENT (OCSE)


Vicki Turetsky
Commissioner

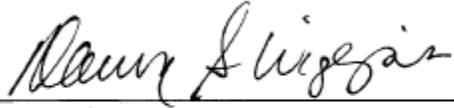
	Date 8/25/14
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E.J. Holland, Jr.
Chairperson
HHS Data Integrity Board



	Date 9/25/14
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SOCIAL SECURITY ADMINISTRATION (SSA)



Dawn S. Wiggins Deputy Executive Director Office of Privacy and Disclosure Office of the General Counsel	Date 8/18/14
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Kirsten J. Moncada Chair SSA Data Integrity Board Social Security Administration	Date 10.9.14
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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 #[TBD]

I. PURPOSE AND EFFECT OF THIS SECURITY ADDENDUM

The purpose of this security addendum is to specify the administrative, technical, and physical 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, the Privacy Act of 1974, the Federal Information Security Management Act of 2002 (FISMA), Office of Management and Budget (OMB) directives, and the National Institute of Standards and Technology (NIST) series of Special Publications (SP). 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 and physical records and other machine-readable information, and the information systems of OCSE and SSA and SSA specified entities (that is, contractors, agents, and other permitted persons) which are hereinafter referred to as “OCSE” and “SSA.”

III. SECURITY AND PRIVACY SAFEGUARDING REQUIREMENTS

This section outlines the safeguarding requirements for receiving NDNH information as well as the safeguards in place at OCSE for protecting the agency finder file. The requirements are drawn from the federal laws and requirements governing the protection of information referenced in Section I of this security addendum as well as the *Office of Child Support Enforcement Division of Federal Systems Security Requirements for Federal Agencies Receiving Federal Parent Locator Service Data*. SSA was provided a copy of the *HHS OCIO Policy for Information Systems Security and Privacy (IS2P)* and the *Office of Child Support Enforcement Division of Federal Systems Security Requirements for Federal Agencies Receiving Federal Parent Locator Service Data*, on May 19, 2014.

The security requirements to which OCSE and SSA shall ensure compliance and continuously monitor are presented in three categories: administrative, technical, and physical and three additional sections: Breach Reporting and Notification Responsibility, Security Authorization, and Audit Requirements.

A. ADMINISTRATIVE SECURITY REQUIREMENTS

1. SSA shall restrict access to and disclosure of the NDNH information to authorized personnel who need the 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 file to authorized personnel who need it to perform their official duties as authorized in this agreement.

Policy/Requirements Traceability: Privacy Act 5 U.S.C. §552a (b)(1)

2. SSA shall establish and/or maintain ongoing management oversight and quality assurance capabilities to ensure that only authorized personnel have access to NDNH information.

OCSE uses ongoing management oversight and quality assurance capabilities to ensure that only authorized personnel have access to the agency input file.

Policy/Requirements Traceability: Privacy Act 5 U.S.C. §552a; National Institute of Standards and Technology (NIST) Special Publication (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 the NDNH information, the safeguards required to protect the NDNH information, and the civil and criminal sanctions for non-compliance contained in the applicable federal laws.

OCSE advises all personnel who will access the agency input file 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: Privacy Act 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 authorized personnel. The training must include information about the responsibility of such personnel for proper use and protection of NDNH information, recognizing and reporting potential indicators of insider threat, and the possible sanctions for misuse. All personnel must receive security and privacy awareness training prior to accessing NDNH information and at least annually thereafter. Such training shall include instruction covering the other federal laws governing use and misuse of protected information.

OCSE delivers security and privacy awareness training to personnel. The training includes information about the responsibility of such personnel for proper use and protection of other agencies' finder files, recognizing and reporting potential indicators of insider threat, and the possible sanctions for misuse. All personnel receive security and privacy awareness training prior to accessing agency finder files and at least annually thereafter. Such training includes instruction covering the other federal laws governing use and misuse of protected information.

Policy/Requirements Traceability: *HHS OCIO Policy for IS2P Handbook*, AT; Federal Information Security Management Act; Federal Office of Management and Budget (OMB) Circular A-130; OMB M-07-16; NIST SP 800-53 Rev 4, AT-2(2), AT-3

5. SSA personnel with authorized access to the NDNH information shall sign non-disclosure agreements, rules of behavior, or equivalent documents prior to system access annually and if changes occur. The non-disclosure agreement, rules of behavior, or equivalent documents shall outline the authorized purposes for which the NDNH information may be used by SSA 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 input file sign non-disclosure agreements and rules of behavior.

Policy/Requirements Traceability: *HHS OCIO Policy for IS2P Handbook*, USE; OMB Circular A-130 - Appendix III; OMB M-07-16; NIST SP 800-53 Rev 4, PS-6

6. SSA shall maintain records of authorized personnel with access to the 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 participation in security and privacy awareness training.

OCSE maintains a record of personnel with access to the agency input file. The records will contain a copy of each individual's signed non-disclosure agreement, rules of behavior, or equivalent document and proof of participation in security and privacy awareness training.

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

7. 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 representative.

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

Policy/Requirements Traceability: *HHS OCIO Policy for IS2PHandbook*, POES

8. 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 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. Prior to electronic connection to SSA resources and at least twice yearly thereafter, SSA shall scan the non-agency furnished equipment to ensure compliance with a set of standards developed by SSA. All connections shall be through a Network Access Control and all data in transit between the remote location and SSA shall be encrypted using Federal Information Processing Standards (FIPS) 140-2 encryption standards. Equipment that may be authorized does not include mobile devices such as PDAs, smartphones, tablets, iPods, MP3 players, or flash drives. See sections II.A.7 and II.B.5 of this security addendum for additional information.

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

Policy/Requirements Traceability: *HHS OCIO Policy for IS2P Handbook*, POES; OMB M-06-16, *Protection of Sensitive Agency Information*; OMB-M-07-16; NIST SP 800-53 Rev 4, AC-17, AC-20

9. SSA shall establish an effective continuous monitoring strategy and implement a continuous monitoring 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 program shall include configuration management, patch management, vulnerability management, the security impact determination of changes to the system and environment, ongoing security control assessments, and reports to SSA officials as required.

OCSE has established a continuous monitoring 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 input file. The program includes configuration management, patch management, vulnerability management, the security impact determination of changes to the system and environment, ongoing security control assessments, and reports to HHS 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*

10. SSA shall have appropriate procedures in place to report security or privacy incidents, or suspected incidents 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 the Federal Parent Locator Service (FPLS) Information Systems Security Officer (ISSO) designated on 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) or other reporting agencies.

OCSE has appropriate procedures in place to report security or privacy incidents, or suspected incidents involving the agency input file. Immediately upon discovery but in no case later than one hour after discovery of the incident, OCSE will report confirmed and suspected incidents to the SSA security contact designated on 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: *HHS OCIO Policy for IS2P Handbook*, IR; OMB Circular A130 – Appendix III; OMB M-07-16; NIST SP 800-53 Rev 4, IR-6

B. TECHNICAL SECURITY REQUIREMENTS

1. SSA shall utilize and maintain technological (logical) access controls that limit access to NDNH information to only those personnel authorized for such access based on their official duties.

OCSE utilizes and maintains technological (logical) access controls that limit access to the agency input file to only those personnel authorized for such access based on their official duties.

Policy/Requirements Traceability: *HHS OCIO Policy for IS2P Handbook*, AC; NIST SP 800-53 Rev 4, AC-2

2. SSA shall prevent browsing with technical controls that limit access to NDNH information to assigned cases and areas of responsibility.

OCSE prevents browsing with technical controls that limit access to SSA finder file to authorized personnel.

Policy/Requirements Traceability: Privacy Act 5 U.S.C. §552a; NIST SP 800-53 Rev 4, AC-3

3. 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 SSA specified entities (such as, contractors, agents, and other permitted persons) shall be encrypted utilizing 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: *HHS OCIO Policy for IS2P Handbook*, MP, OMB M-06-16; OMB M-07-16; FIPS 140-2; NIST SP 800-53 Rev 4 MP-4, SC-8

4. SSA shall copy and store NDNH information (that must be copied to mobile media) only on federally owned 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 section II.B.5 of this security addendum for additional information.

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

Policy/Requirements Traceability: *HHS OCIO Policy for IS2P Handbook*, NCRTP; OMB M-07-16; FIPS 140-2, *Security Requirements for Cryptographic Modules*

5. SSA shall prohibit the use of digital media and computing and communications devices resident in commercial or public facilities (such as, hotels, convention centers, airports) from transmitting and/or storing NDNH information.

OCSE prohibits the use of digital media and computing and communications devices resident in commercial or public facilities (such as, hotels, convention centers, airports) from transmitting and/or storing the agency finder file.

Policy/Requirements Traceability: *HHS OCIO Policy for IS2P Handbook*, POES; NIST SP 800-53 Rev 4, AC-19(5), CM-8(3)

6. SSA shall prohibit remote access to NDNH information, except through the use of a secure and encrypted (FIPS 140-2 compliant) transmission link and using two-factor authentication as required by the OMB M-06-16. SSA shall control remote access through a limited number of managed access control points.

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

by OMB M-06-16.

Policy/Requirements Traceability: *HHS OCIO Policy for IS2P Handbook*, RMT, IA OMB M-06-16; OMB M-07-16; FIPS 140-2; NIST SP 800-53 Rev 4, AC-17, IA-2(11)(12), SC-8

7. SSA shall maintain a fully automated audit trail system with audit records that capture unsuccessful and successful login and logoff attempts; identification and authentication attempts; date and time of system event; type of system event; the user account, system account, and service or process responsible for initiating the system event. The audit trail system shall protect data and the audit tool from unauthorized access, modification, and deletion and is regularly reviewed/analyzed for indications of inappropriate or unusual activity.

OCSE maintains a fully automated audit trail system with audit records that capture unsuccessful and successful login and logoff attempts; identification and authentication attempts; date and time of system event; type of system event; the user account, system account, service or process responsible for initiating the system event. The audit trail system protects data and the audit tool from unauthorized access, modification, and deletion and is regularly reviewed/analyzed for indications of inappropriate or unusual activity.

Policy/Requirements Traceability: *HHS OCIO Policy for IS2P Handbook*, AU; NIST SP 800-53 Rev 4, AU-2, AU-3, AU-6(1)(3), AU-8, AU-9(4), AU-11

8. SSA shall log each computer-readable data extract from any databases holding NDNH information and verify each extract has been erased within 90 days after completing required use. If use of the extract is still required to accomplish a purpose authorized pursuant to this agreement and complies with the retention and disposition requirements in the agreement, SSA shall request permission, in writing, to keep the extract for a defined period of time, subject to OCSE written approval.

OCSE does not extract information from the agency input file.

Policy/Requirements Traceability: OMB M-06-16; OMB M-07-16

9. 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 II.A.7, II.A.8, and II.B.5 of this security addendum 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: *HHS OCIO Policy for IS2P Handbook*, RMT; OMB M-06-16; OMB M-07-16

10. 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: Privacy Act 5 U.S.C. §552a

11. 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 devices that attempt to gain access to, or use, NDNH information. SSA shall use a NAC solution to authenticate, authorize, evaluate, and remediate wired, wireless, and remote users before they can access the network. The NAC solution chosen or employed shall be capable of evaluating 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. In addition, functionality that allows automatic execution of code shall be disabled. 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/report on users' access and presence on the SSA network. See sections

II.A.7 and II.B.5 of this security addendum for additional information.

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

Policy/Requirements Traceability: *HHS OCIO Policy for IS2P Handbook*, S-RMT.1; NIST SP 800-53 Rev 4, AC-17, AC-20, IA-2(11)(12), IA-3

C. PHYSICAL SECURITY REQUIREMENTS

1. SSA shall store all NDNH information provided pursuant to this agreement in an area that is physically safe from access by unauthorized persons at all times.

OCSE stores the agency finder file provided pursuant to this agreement in an area that is physically safe from access by unauthorized persons at all times.

Policy/Requirements Traceability: *HHS OCIO Policy for IS2P Handbook*, PE; NIST SP 800-53 Rev 4, PE-2, PE-3

2. 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 sensitive information is processed. Designated officials shall review and approve the access list and authorization credentials initially and periodically thereafter, but no less often than annually.

OCSE maintains lists of personnel authorized to access facilities and systems processing sensitive information. OCSE controls access to facilities and systems wherever sensitive information is 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: *HHS OCIO Policy for IS2P Handbook*, PE; NIST SP 800-53 Rev 4, AC-2, PE-2

3. SSA shall label printed reports containing NDNH information that 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 never transport NDNH information off SSA 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 file information.

Policy/Requirements Traceability: *HHS OCIO Policy for Information Systems Security and Privacy (IS2P) Handbook*, MP, MS; NIST SP 800-53 Rev 4, MP-3, MP-4, MP-5, MP-6

4. 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: *HHS OCIO Policy for IS2P Handbook*, PE; NIST SP 800-53 Rev 4, PE-3

IV. BREACH REPORTING AND NOTIFICATION RESPONSIBILITY

SSA must have appropriate procedures in place to report security or privacy incidents, or suspected incidents, involving NDNH information. Confirmed and suspected incidents in either electronic or physical form must be reported following SSA procedures immediately upon discovery but in no case later than one hour after discovery. The incident or suspected incident must also be reported to the FPLS Information Systems Security Officer (ISSO) designated on this security addendum. The requirement for SSA to report suspected incidents of NDNH information to OCSE exists in addition to, not in lieu of, any SSA requirements to report to US-CERT or other agency.

V. 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.

Prior to receipt of NDNH information, entities shall have implemented the minimum security controls required for a system categorized as “moderate” in accordance with FIPS 199, *Standards for Security Categorization of Federal Information and Information Systems*.

In addition, if applicable, federal agencies that share NDNH information with specified contractors (such as, agents, private collection agencies, federal creditor agencies, statistical agencies, and other permitted persons) shall ensure that the specified contractors meet the same safeguarding requirements. The authorizing official of the agency that re-discloses NDNH information to the permitted entities may grant them the authorization.

The authorization process should be done according to the NIST SP 800-37 Revision 1, as appropriate.

Federal agencies shall comply with NIST SP 800 37 Revision 1, including a continuous monitoring program for permitted entities. Agencies shall conduct the authorization process at least every three years or when there are major changes to a system. Agencies must verify privacy protection periodically through audits and reviews of the systems and procedures.

By signing the security addendum, SSA signatories confirm that SSA has reviewed the SSA specified entities’ (such as, contractors, agents) security controls in place to safeguard information and information systems and has determined that the risk to federal data is at an acceptable level. The security controls in place at all SSA specified entities (such as, contractors, agents) are commensurate with those of a federal system categorized as “moderate” according to FIPS 199 (OMB M-08-21).

VI. AUDIT REQUIREMENTS

The Social Security Act, section 453(m)(2) requires that the Secretary of Health and Human Services establish and implement safeguards with respect to the entities established under section 453 designed to restrict access to confidential information to authorized persons, and restrict use of such information to authorized purposes. 42 U.S.C. §653(m)(2). The Office of Management and Budget 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. M-01-05, *Guidance on Inter-Agency Sharing of Personal Data - Protecting Personal Privacy*, December 20, 2000. Also see section 453(l)(2) of the Social Security Act. (42 U.S.C. §653(l)(2)) and 5 U.S.C. §552a(e)(10).

VII. PERSONS TO CONTACT

The HHS/ACF/OCSE security contact is:

Linda Boyer, FPLS Information System Security Officer
Division of Federal Systems
Office of Child Support Enforcement
Administration for Children and Families
370 L’Enfant Promenade, SW, 4th Floor
Washington, DC 20447
Phone: 202-401-5410
Fax: 202-401-5558
E-mail: linda.boyer@acf.hhs.gov

The SSA security contact is:

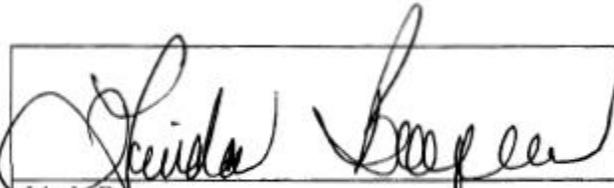
Michael G. Johnson, Director
Division of Compliance and Oversight
Office of Information Security
Office of Systems
3105 Annex Building

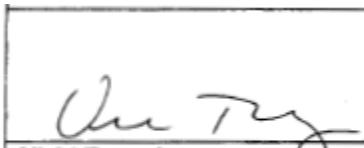
6401 Security Boulevard
Baltimore, MD 21235-6401
Phone: 410-965-0266
Fax: 410-966-0527
E-mail: michael.g.johnson@ssa.gov

VIII. APPROVALS

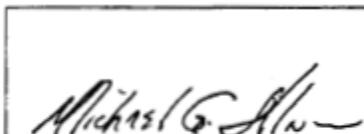
By their signatures below, the authorized officials approve this security addendum.

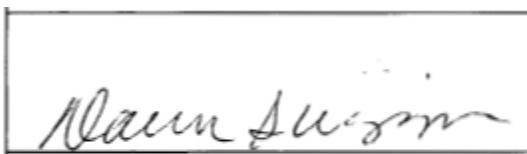
A. Office of Child Support Enforcement

	
Linda Boyer FPLS Information Systems Security Officer	Date 8-21-14

	
Vicki Turetsky Commissioner	Date 8/25/14

B. Social Security Administration

	
Michael G. Johnson Director Division of Compliance and Oversight Office of Information Security Office of Systems	Date 8-13-2014

	
Dawn S. Wiggins Deputy Executive Director Office of Privacy and Disclosure Office of the General Counsel	Date 9/3/2014

Appendix A

Background: Current 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 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 CMA Agreements Between The Parties Related To The Quarterly Batch Match Are:

- Computer Matching Agreement between Social Security Administration (SSA) and the Office of Child Support Enforcement (OCSE), Administration for Children and Families, Department of Health and Human Services (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 Computer Matching Agreement effective December 12, 2013 through December 11, 2014.
- Computer Matching Agreement between Social Security Administration (SSA) and the Office of Child Support Enforcement (OCSE), Administration for Children and Families, Department of Health and Human Services (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 Computer Matching Agreement effective April 20, 2011 through April 19, 2012.
- Computer Matching Agreement between Social Security Administration (SSA) and the Office of Child Support Enforcement (OCSE), Administration for Children and Families, Department of Health and Human Services (HHS #0804 “SSI-OCSE Quarterly Match Agreement”), effective February 16, 2009 through August 15, 2010;
- Computer Matching Agreement between SSA (#1074) and OCSE, Administration for Children and Families, Department of Health and Human Services (HHS #0605 “SSI-OCSE Quarterly Match Agreement”), effective September 13, 2006 through March 12, 2008; Recertification of Computer Matching Agreement effective March 13, 2008 through March 12, 2009.
- Computer Matching Agreement between SSA (#1074) and OCSE, Administration for Children and Families, Department of Health and Human Services (HHS #0306 “Quarterly Match Agreement”), effective December 18, 2003 through June 18, 2005; Recertification of Computer Matching Agreement effective June 18, 2005 through June 17, 2006.
- Computer Matching Agreement between SSA (#1074) and OCSE, Administration for Children and Families, Department of Health and Human Services (HHS #2000-02), effective April 16, 2001 through October 17, 2002; Recertification of Computer Matching Agreement effective December 2, 2002 through December 3, 2003.
- Computer Matching Agreement between SSA (#1074) and OCSE, Administration for Children and Families, Department of Health and Human Services (HHS #98-02), effective September 28, 1998 through March 27, 2000; Recertification of Computer Matching Agreement effective April 16, 2000 through April 15, 2001.

Prior agreements between the parties related to Online Query are:

- Computer Matching Agreement between Social Security Administration (SSA) and the Office of Child Support Enforcement (OCSE), Administration for Children and Families, Department of Health and Human Services (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 Computer Matching Agreement effective December 12, 2013 through December 11, 2014.
- Computer Matching Agreement between Social Security Administration (SSA) and the Office of Child Support Enforcement (OCSE), Administration for Children and Families, Department of Health and Human Services (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 Computer Matching Agreement effective April 20, 2011 through April 19, 2012.

- Interagency Exchange Agreement between SSA and OCSE, Administration for Children and Families, Department of Health and Human Services (Match 316), effective February 26, 2004 through February 25, 2009.
- Interagency Exchange Agreement between SSA and OCSE, Administration for Children and Families, Department of Health and Human Services (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 SSDI and 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., these 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.

“S2Diaries” relate to alerts that result from a comparison between the NDNH quarterly wage file and SSR. An alert gets generated each time a wage record is detected for an SSI recipient, deemor, or essential person and 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, the territories, the possessions, and the Commonwealths of Puerto Rico and the Commonwealth of the Northern Mariana Islands.

“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 the Quarterly Batch Computer Match Number 1074 Between the Office of Child Support Enforcement (OCSE) and the Social Security Administration

Objective

The purpose of this report is to determine the combined cost-effectiveness of the quarterly batch matching operation between the Supplemental Security Record (SSR) and OCSE's National Directory of New Hires (NDNH) data base, as well as SSA's query access to OCSE's NDNH online database.

Background

Quarterly Batch Matching Operation

SSA has performed a quarterly automated data matching operation between the Quarterly Wage file and Unemployment Compensation (UC) file in OCSE's NDNH data base and the SSR since September 1998. The purpose of this matching operation is to identify unreported or underreported wage income and unemployment compensation for Supplemental Security Income recipients and deemors.

The outputs from this matching operation are "S2" alerts which are released to SSA field offices (FO) for development in fiscal year (FY) 2012. In order to limit the number of S2 alerts released to the field to those considered most productive, SSA uses established criteria, such as tolerances and exclusion of certain types of income, to eliminate cases less likely to be overpaid and identify "above tolerance" cases. SSA then further reduces the S2 alert workload by applying a profiling module developed by the Office of Quality Performance (OQP)¹.

The match also generates a "U5" alert released to the FOs in FY 2012 when a UC record is detected for a recipient, deemor, or essential person, and the UC benefit amount on the State record exceeds the type of employment compensation income amount on the SSR for a quarter.

This CBA focuses on the effectiveness of the quarterly matching operation in FY 2012 using the current tolerances and the OQP profile.

Query Access to OCSE's NDNH Online Data Base

In 2001, SSA and OCSE entered into a formal agreement that allows authorized SSA employees query-only access to OCSE's NDNH data base. 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 Supplemental Security Income (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's interagency agreement with OCSE was expanded to permit authorized SSA employees to use the NDNH online query to develop work activity when processing Title II Disability Insurance (DI) Continuing Disability Reviews (CDRs), Ticket-to-Work initiative cases, and to resolve earnings discrepancies.

Methodology

Quarterly Batch Matching Operation

In FY 2012, a total of 160,662 wage alerts and 19,268 UC alerts were completed by the FOs. OQP staff selected a random sample of 499 wage alerts and 450 UC alerts. The Office of Data Exchange and Policy Publications, Office of Data Exchange (ODEPP/ODX) staff analyzed the SSRs of those sampled records to determine the amount of change in the recurring monthly payment and/or the amount of retroactive overpayment or underpayment attributable to the detection of unreported and underreported wage and unemployment compensation. The results from this SSR analysis were recorded onto a data base. The findings from this analysis reflect the results from the FO development of 499 wage alerts

¹ The Office of Quality Performance (OQP) no longer exists. In September 2013, SSA reorganized OQP, creating a new Office of Quality Review and Improvement, and moving the CBA workload to the Office of Data Exchange and Policy Publications (ODEPP/ODX). OQP staff initiated work on this CBA, which ODEPP/ODX staff completed after the reorganization.

projected to the 160,662 wage alerts and 450 UC alerts projected to the 19,268 UC alerts released in FY 2012.

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.

Query Access to OCSE’s NDNH Online Data Base

According to a file obtained from the Office of Systems, there were over 8.8 million NDNH online queries generated in FY 2012. OQP estimates that 6,592,679 were for SSI and 2,286,932 were for DI.

a. SSI Query:

A CBA evaluating the use of the online query for processing Title XVI cases was conducted in 2000. This is an update of that CBA, based on a projection of the findings from the 2000 CBA to the more current volume of FY 2012 Title XVI online queries, Title XVI program benefit savings modified by subsequent cost of living adjustments (COLA), and the use of FY 2012 cost data.

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

b. DI Query:

We used a conservative estimate of 40% (914,773) to determine the volume of CDR’s avoided based on 2009 percentage of avoided CDR's which was 48.8% (803,914/1,647,364). Therefore, the benefit from the DI OCSE online query was the cost of not having to conduct a work CDR on these cases.

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

Benefits

1. Quarterly Batch Matching Operation

Wage Alerts	UC Alerts
<ul style="list-style-type: none"> • Retroactive overpayments were found in about 34.3 percent of sample cases. • The average retroactive overpayment was about \$1,675. • Projecting these results to all FY 2012 wage alerts, total overpayments detected from the match are about \$92.3 million. • Using the average historical recovery rate for Title XVI recipients (60 percent), we would expect to recover about \$55.4 million in overpaid benefits. 	<ul style="list-style-type: none"> • Retroactive overpayments were found in about 38.4 percent of sample cases. • The average retroactive overpayment was about \$1,661. • Projecting these results to all FY 2012 UC alerts, total overpayments detected from the match are about \$12.2 million. • Using the average historical recovery rate for Title XVI recipients (60 percent), we would expect to recover about \$7.4 million overpaid in benefits.
<ul style="list-style-type: none"> • Development of alerts resulted in a decrease in recurring monthly payments in about 10.0 percent of sample cases. • The average monthly decrease was \$315. • If the match had not occurred, we assume this incorrect payment would have continued for 3 additional months. • Projecting these results to all FY 2012 wage alerts, total estimated savings in future monthly payments would be about \$15.1 million. 	<ul style="list-style-type: none"> • Development of alerts resulted in a decrease in recurring monthly payments in about 12.0 percent of sample cases. • The average monthly decrease was \$304. • If the match had not occurred, we assume this incorrect payment would have continued for 3 additional months. • Projecting these results to all FY 2012 UC alerts, total estimated savings in future monthly payments would be about \$2.1 million.
<p>Combining projected overpayment recoveries and preventions, total benefits realized from wage alerts in FY 2012 are about \$70.5 million.</p>	<p>Combining the projected overpayment recoveries and preventions, total benefits realized from UC alerts in FY 2012 are about \$9.5 million.</p>

Wage Alerts	UC Alerts
<ul style="list-style-type: none"> No retroactive underpayments were found in the cases analyzed. No analyzed cases had an increase in the monthly payment amount. 	<ul style="list-style-type: none"> Retroactive underpayments were found in 0.2 percent of the cases analyzed. No analyzed cases had an increase in the monthly payment amount.
Combining the overpayments and underpayments, the estimated benefits detected from wage alerts are about \$70.5 million.	Combining the overpayments and underpayments detected from the UC alerts, the estimated benefits are about \$9.5 million.

Combined Wage/UC Alerts

Combining the retroactive overpayment recoveries and the future overpayment preventions, the total benefits realized from the wage and UC alerts in this matching operation are estimated to be about \$80.0 million.

2. Query Access to OCSE's NDNH Online Data Base

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 as a result 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 \$40.73 per query transaction reported in the 2000 CBA with the COLA increases that occurred thru FY 2012. This resulted in an estimated average program savings of approximately \$55.45 for each Title XVI online query. When applied to the estimated 6.5 million Title XVI online queries in FY 2012, the total estimated Title XVI program savings for FY 2012 are approximately \$365.5 million.

b. DI Query:

On-line queries of quarterly wages are used in identifying and developing cases where 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 development can be curtailed because the earnings are not high enough to be trial work period and/or SGA months. This produces savings by avoiding the costs of extensive development.

Using the conservative estimate of 40%, based on the FY 2009 percentage of cases with overpayments due to work activity, we approximate that of 2,286,932 DI queries, there were approximately 914,773 total CDRs avoided for FY 2012. Using the FY 2012 program savings of \$628 per query, the total benefits of the work CDR cost avoidance is \$574,477,318.

Combining the Title XVI program benefits realized from the use of the NDNH online query and the program savings resulting from the estimated work CDR's avoided of DI queries, the total benefits realized from this matching operation are estimated to be over \$940 million.

Costs

Quarterly Batch Matching Operation

Matching Agreement and Operation

The FY 2012 interagency agreement estimated cost of services for Match 1074 is **\$2,419,160**. For this data exchange, based on data from the Office of Systems budget staff we estimate the combined systems cost for FY 2012 to be **\$154,600**.

FO Development

The average time to develop an S2 or UC alert based on the match conducted in FY 2012 was 82.6 minutes. Using 82.6 minutes per alert, the total development costs for the 160,662 S2 alerts released in FY 2012 were \$18,428,207. The total development costs for the 19,268 UC alerts released in FY 2012 were \$2,209,810. The total development costs for S2 and UC alerts were **\$20,638,017**.

In addition, the FO incurs costs in incorrect payment development and recovery processing for cases identified with an overpayment. The FY 2012 cost per case, established by the Division of Cost Analysis in the Office of Financial Policy and Operations is \$57.98. Using \$57.98 for each overpaid recipient, the total additional development and recovery costs in FY 2012 were **\$3,624,098** (\$3,195,104 for 55,107 wage alerts and \$428,994 for 7,399 UC alerts).

The total costs incurred for the batch matching operation is **\$26,835,875**.

Query Access to OCSE's NDNH Online Data Base

Matching Agreement and Operation

The FY 2012 interagency agreement cost of services for the OCSE Online Data Base is estimated to be **\$1,579,000** (\$1,172,331 for SSI and \$406,669 for DI). For this data exchange, based on data from the Office of Systems budget staff we estimate the combined systems cost for FY 2012 to be **\$52,500** (\$33,400 for SSI and \$19,100 for DI).

FO Development

a. SSI Query:

Based on the 2000 CBA, the average time to obtain an online query when no match is found was 2 minutes. Using a 2 minute unit time for each of the estimated 2,900,779 title XVI queries with no match, the total costs are projected to be **\$8,317,654**. The estimated time to obtain a query and develop a case when a match is found was 24 minutes. Using a 24 minute unit time for each of the estimated 3,691,900 queries with a match, the total costs are projected to be **\$124,391,737**.

The time to develop an overpayment is estimated to be 22 minutes. The 270,230 title XVI cases estimated to have an overpayment would cost **\$8,330,179**.

b. DI Query:

The average time to obtain a DI online query is estimated to be 2 minutes based on the CBA conducted in 2000. Using the FY 2012 overhead factor of 1.94 and a 2 minute unit time for each of the 2,286,932 title DI queries, the total costs to do queries is **\$6,361,044**.

The total costs incurred for the query access to OCSE's NDNH online data base is **\$149,032,114**.

The total costs incurred for the batch matching operation and online query access are estimated to be **\$169,098,543**.

Conclusion

These matching operations result in an overall savings of about \$1 billion (approximately \$80 million for the quarterly wage batch match and about \$940 million for the online query access). The total costs are approximately \$175.8 million (nearly \$26.8 million for the quarterly wage batch match and over \$149 million for the online query access). These actual savings to the United States Treasury make this matching operation cost effective with a benefit to cost ratio of 5.8 to 1 (3.0 to 1 for the quarterly batch match and 6.31 to 1 for online query access); therefore, this match is cost effective. Accordingly, we recommend the continuance of this match.

**Consolidated CBA Quarterly Batch Computer Match (Number 1074)
Between OCSE and SSA and for the Query Access to OCSE's NDNH Online
Data Base**

Benefits	Batch	Online	Total
Retroactive Overpayments and Cost Avoidance	\$62,756,378	\$940,041,369	\$1,002,797,747
Decrease in Monthly Payment Amount	\$17,290,914	\$0	\$17,290,914
Total Benefits	\$80,047,292	\$940,041,369	\$1,020,088,661
Total Costs	\$26,835,875	\$149,032,114	\$175,867,989
Benefit to Cost Ratio	3.0	6.31	5.80

**CBA for the Quarterly Batch Matching Operation
Between the SSR and OCSE's NDNH**

Number of Alerts Completed in FY 2012: Wage -160,662 UC – 19,268 Total-179,930

Benefits

Retroactive Overpayments

Benefits	WAGE	UC	TOTAL
Percent of Records with Retroactive Overpayments	34.3%	38.4%	34.7%
Number of Alerts with Overpayments	55,107	7399	62,506
Average Overpayment	\$1,675	\$1,661	\$1,673
Total Overpayment (Projected)	\$92,304,225	\$12,289,739	\$104,593,964
Amount Expected to Recover (60%)	\$55,382,535	\$7,373,843	\$62,756,378

Decrease in Monthly Payment Amount

Benefits	WAGE	UC	TOTAL
Percent of alerts with Decrease in Monthly Payment	10.0%	12.0%	10.2%
Average Change in Monthly Payment Amount	\$315	\$304	\$313.61
Total Change in Ongoing Monthly Payment	\$ 5,060,790	\$702,848	\$ 5,763,638
Projected for 3 months	\$15,182,370	\$2,108,544	\$17,290,914
 Total Benefits	 \$ 70,564,905	 \$9,482,387	 \$ 80,047,292

Costs

Wage Costs

Systems Costs (Office of Systems, Budget staff)	\$154,600
Interagency Agreement (FY 2012 Prorated)	\$2,419,160
Field Office Alert Development Costs	\$20,638,017
Overpayment Development/Recovery Processing	\$3,624,098
Total Costs	\$26,835,875
Benefit to Cost Ratio	3.0 : 1

Benefits in Detection and Prevention of Overpayments

Retroactive Overpayments

	WAGE	UC
Benefits in Detection and Prevention of Overpayments		
Total number of alerts	160,662	19,268
Total number of cases with retroactive overpayments	55,107	7,399
Average overpayment	\$1,675	\$1,661

Computation

	WAGE	UC
\$1,675 (average overpayment) x 55,107 (number of overpayments)	= \$92,304,225	
\$92,304,225 x 60% (expected recovery rate)	= \$55,382,535	
\$1,661 (average overpayment) x 7,399 (number of overpayments)		=\$12,289,739
\$12,289,739 x 60% (expected recovery rate)		=\$7,373,843

Change in Monthly Payment Amount

	WAGE	UC
Total number of alerts	160,662	19,268
Total number of cases with decrease in monthly payment amount	16,066	2,312
Average monthly decrease	\$315	\$304
Total number of cases with increase in monthly payment amount	0	\$0
Average monthly increase	\$0	\$0

Computation

	WAGE	UC
\$315 (average monthly decrease) x 16,066 (number of benefit decreases)	= \$5,060,790	
Projected for 3 months	= \$15,182,370	
\$304 (average monthly decrease) x 2,312 (number of benefit decreases)		=\$702,848
Projected for 3 months		=\$2,108,544
Total Benefits	70,564,905	\$9,482,387

Field Office Alert/Overpayment Development Costs

Alert Development Cost	WAGE	UC
Total number of alerts released FY 2012	160,662	19,268
Salary ² \$74,555+ 20% benefits	\$89,466	\$89,466
Development Time per Alert ³	82.6 minutes	82.6 minutes

Wage Alerts

82.6 minutes x 1.94 overhead ⁴	= 160 minutes per Alert
160 minutes x 160,662 alerts = (25,705,920/60)/2080	= 205.98 WY
205.98 WY x \$89,466 (Salary)	= \$18,428,207

UC Alerts

82.6 minutes x 1.94 overhead	= 160 minutes per alert
160 minutes x 19,268 alerts = (3,082,880/60)/2080	= 24.7 WY
24.7 WY x \$89,466 (Salary)	= \$2,209,810
\$2,209,810/19,268 (number of alerts)	= \$114.68 (average cost to develop a SSR/OCSE UC alert)
Total	\$20,638,017

Overpayment Development and Recovery Costs

Cost per Alert (DCBFM/Division of Cost Analysis)	\$57.98
--	---------

Number of Alerts with Overpayments

55,107 (Wage alerts with overpayments) x \$57.98	\$3,195,104
7,399 (UC alerts with overpayments) x \$57.98	\$428,994
Total	\$3,624,098

² The salary is based on GS 11/9 from the FY 2012 General Schedule plus cumulative average locality pay of 17.05 percent and 20 percent benefits.

³ The development time of 82.6 minutes per alert is the average time to work an alert based on the match conducted in FY 2012. Data were furnished by the Office of Public Service and Operations Support.

⁴ The overhead rate of 1.94 for the FOs was furnished by the Office of Budget

Query Access to OCSE's NDNH Online Data Base: SSI, Ticket-to-Work, and DI

	SSI	DI	Total
Number of online queries in FY 2012	6,592,679	2,286,932	8,879,611
Number of DI and Ticket-to-Work online queries with work CDR avoided	--	914,773	914,773

Benefits

	SSI	DI	Total
Estimated average program savings per query	\$55.45	\$628.00	\$105.87
Preventions and estimated overpayments recoveries of retroactive/Cost avoidance	\$365,564,051	\$574,477,318	\$940,041,369
Total Benefits	\$365,564,051	\$574,477,318	\$940,041,369

Costs

	SSI	DI	Total
Systems Costs (Office of Systems, Budget staff)	\$33,400	\$19,100	\$52,500
Interagency Agreement Cost (Prorated based on FY 2012)	\$1,172,331	\$406,669	\$1,579,000
Cost to obtain the Online queries for Ticket To Work and DI		\$6,361,044	\$6,361,044
Cost to obtain OCSE online query when no match is found	\$8,317,654	--	\$8,317,654
Cost to obtain OCSE online query when match is found	\$124,391,737	--	\$124,391,737
Cost to develop an overpayment	\$8,330,179	--	\$8,330,179
Total Costs	\$142,245,301	\$6,786,814	\$149,032,114
Benefit to Cost Ratio	2.57	84.65	6.31

SSI Online Query

Cost/Benefit Evaluation of the Use of the Office of Child Support Enforcement's (OCSE) National Directory of New Hires (NDNH) Online Data Base

Number of title XVI-related online queries in FY 2012 6,592,679

Benefits⁵

Estimated average title XVI program savings per query \$55.45
Total SSI online query program savings \$365,564,051
Total Benefits \$365,564,051

Costs

System Cost \$33,400
Interagency Agreement Cost \$1,172,331
Cost to obtain OCSE online query when no match is found \$8,317,654
Cost to obtain OCSE online query and develop if matched \$124,391,737
Cost to develop an overpayment \$8,330,179
Total Costs \$142,245,301
Benefit to Cost Ratio 2.57 : 1

⁵ Benefits are defined as both preventions and estimated recoveries of retroactive overpayments.

SSI Online Query-Field Office Development Costs

Field Office Development Costs

Total number of Queries in FY 2012	6,592,679
No Match Found	2,900,779
Match Found	3,691,900
Overpayments	270,230
Salary ⁶ \$74,555+ 20% benefits	\$89,466

Development Time per Query⁷

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 1.94 ⁸	4 minutes
4 minutes x 2,900,779 queries = (11,603,116/60)/2080	92.97 WY
92.97 WY x \$89,466 (Salary)	\$8,317,654

Cost to develop OCSE online query when match found

24 minutes x 1.94	47 minutes
47 minutes x 3,691,900 queries = (173,519,300/60)/2080	1,390.38 WY
1,390.38 WY x \$89,466 (Salary)	\$ 124,391,737

Cost to Develop an Overpayment

22 minutes x 1.94	43 minutes
43 minutes x 270,230 queries = (11,619,890/60)/2080	93.11 WY
93.11 WY x \$89,466 (Salary)	\$ 8,330,179

DI OCSE Online Query

Total queries	8,879,611
DI online queries in FY 2009	2,286,932

Benefits

Unit cost of work CDR ⁹	\$628.00
Estimated ¹⁰ number of work CDRs avoided	914,773
Savings from Not working CDRs	\$574,477,318

⁶ The salary is based on GS 11/9 from the fiscal year 2009 General Schedule plus cumulative average locality pay of 16.55 percent and 20 percent benefits.

⁷ Time to obtain an OCSE query, time to develop query when match found and time to develop an overpayment are based on CBA conducted in 2000.

⁸ The overhead rate of 1.94 for the FOs was furnished by the Office of Budget.

⁹ The unit cost per CDR was furnished by OPSOS.

¹⁰ Conservative estimate of 40% used to estimate volume based on 2009 percentage of avoided CDR's which was 48.8% (803,914/1,647,364).

Unit cost of work CDR ⁹	\$628.00
Total Benefits	\$574,477,318
Costs	
Unit time to do query	2 minutes
Overhead	1.94
Cost to do queries	\$6,361,044
Systems Cost	\$19,100
Interagency Agreement Costs for DI	\$406,669
Total Costs	\$6,786,814
B/C Ratio	84.65:1

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

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

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