COMPUTER MATCHING AGREEMENT BETWEEN THE SOCIAL SECURITY ADMINISTRATION AND THE OFFICE OF PERSONNEL MANAGEMENT Match #1307

I. <u>Purpose</u>

This computer matching agreement sets forth the terms, conditions, and safeguards under which the Office of Personnel Management (OPM) will provide the Social Security Administration (SSA) with civil service benefit and payment data. This disclosure will provide SSA with information necessary to verify an individual's self-certification of eligibility for the Extra Help with Medicare Prescription Drug Plan Costs program (Extra Help). It will also enable SSA to identify individuals who may qualify for Extra Help as part of the agency's Medicare outreach efforts.

II. Legal Authority

This agreement is executed in compliance with the Privacy Act of 1974 (5 U.S.C. § 552a), as amended by the Computer Matching and Privacy Protection Act of 1988 (Pub. L. 100-503, 102 Stat. 2507), and the regulations and guidance promulgated thereunder.

The legal authority for OPM to disclose information under this agreement is section 1631 of the Social Security Act (Act) (42 U.S.C. § 1383(f)).

The legal authorities for SSA to conduct this computer matching are sections 1144(a)(1) and (b)(1) and 1860D-14(a)(3) of the Act (42 U.S.C. §§ 1320b-14(a)(1) and (b)(1) and 1395w-114(a)(3)).

III. <u>Definitions</u>

- A. "Civil service benefit and payment data" means an individual's identifying benefit data (name, Social Security number (SSN), and OPM claim number) and that individual's benefit payment amounts issued by OPM based on the individual's Federal Government employment. Benefit payments currently include Civil Service Retirement System payments.
- B. "Medicare Outreach Efforts" means SSA activities designed to identify and notify Medicare beneficiaries under section 1144 of the Act who may be eligible for:
 (1) medical assistance for payment of the cost of Medicare cost-sharing under the Medicaid program, and (2) Medicare prescription drug subsidies. SSA provides lists of those who received information about assistance for payment of the costs of Medicare cost-sharing to the state agencies that administer Medicare Savings Programs (MSP).

C. "Extra Help" means the low-income subsidy assistance that Medicare beneficiaries receive under the Medicare prescription drug program if they have limited income and resources. SSA certifies to the Department of Health and Human Services that a beneficiary can receive Extra Help to pay for Medicare prescription drug plan costs such as monthly premiums, annual deductibles, and prescription co-payments.

IV. <u>Responsibilities of the Parties</u>

- A. OPM Responsibilities
 - 1. On a monthly basis, OPM will disclose civil service benefit and payment data to SSA from the OPM system of records (SOR) published as OPM/Central-1 (Civil Service and Insurance Records).
 - 2. The component responsible for this disclosure on behalf of OPM is Retirement Services.
- B. SSA Responsibilities
 - 1. SSA will match OPM's data with data in SSA's Medicare Database (MDB), SOR 60-0321, to verify an individual's self-certification of eligibility for Extra Help.
 - 2. SSA will use OPM's data to screen Medicare-eligible individuals for potential Extra Help eligibility.
 - 3. SSA will use OPM's data to determine individuals' eligibility for Extra Help and to identify such individuals to the state agencies that administer MSP. For individuals who opt out, SSA will not share their information with the state agencies. For individuals who consent, SSA will share their information with the state agencies.
 - 4. SSA will use OPM's data to identify potential MSP-eligible individuals. SSA will share lists of those individuals with the state agencies that administer MSP, unless those individuals opt out, in which case SSA will not share such opt-out individuals' information with the state agencies.
 - 5. SSA will provide Congress and the Office of Management and Budget (OMB) with notice of this program and will publish the required matching notice in the Federal Register.

V. Justification and Anticipated Results

A. Justification

Under section 1860D-14 of the Act, SSA is required to determine the eligibility of applicants who self-certify their income, resources, and family size for Extra Help. SSA is responsible for verifying, on a pre-enrollment basis, an applicant's statements regarding the applicant's income and resources. Thereafter, SSA periodically redetermines the eligibility and subsidy amounts for these individuals. Also, section 1144 of the Act requires SSA to conduct outreach efforts for MSP and Extra Help.

SSA and OPM have determined that a computer matching program is the most efficient, expeditious, and effective means for SSA to obtain and process the income and resource information from OPM to verify self-certified income and resource information submitted for initial applications and redeterminations. This matching program will result in cost savings for SSA, reduce the enrollment burden on Medicare beneficiaries, and expedite the enrollment process. Additionally, this matching program ensures a correct Extra Help determination while reducing the level of effort SSA field offices expend to manually verify all income and resource allegations on the initial Extra Help application and during subsequent eligibility re-determinations. Field offices perform fewer manual verifications when data exchanges verify alleged income. No other administrative activity can efficiently accomplish this purpose.

B. Anticipated Results

SSA reviewed fiscal year (FY) 2022 data through initial and redetermination subsidy application reports, which included data for those beneficiaries for whom SSA and OPM had income or resource data. SSA estimates that it avoided performing 24,350 manual verifications for initial applications for Extra Help and 1,107 redetermination applications of existing subsidies. This resulted in an estimated savings of \$892,355. SSA estimates that the cost of operating this computer match with OPM is \$7,443, for a benefit-to-cost ratio of 119.9:1. OPM does not expect any savings because of this matching program. The specifics of the estimated savings are contained in the cost-benefit analysis. See Attachment 1 for the cost-benefit analysis.

VI. Description of Matched Records

A. Systems of Records

OPM will provide SSA with electronic files containing civil service benefit and payment data from its SOR titled OPM/Central - 1, Civil Service Retirement and Insurance Records, published at 73 Fed. Reg. 15013 (March 20, 2008) and 87 Fed. Reg. 5874 (February 2, 2022).

SSA will match OPM data with data from SSA SOR 60-0321, Medicare Database (MDB) File, last fully published at 71 Fed. Reg. 42159 (July 25, 2006), and amended at 72 Fed. Reg. 69723 (December 10, 2007) and 83 Fed. Reg. 54969 (November 1, 2018).

The SORs involved in this computer matching program have routine uses permitting the disclosures needed to conduct this match. The information in these SORs may be updated during the effective period of this agreement as required by the Privacy Act.

B. Number of Records

OPM's data file will consist of approximately 125,000 records of updated payment information for new civil service annuitants and annuitants whose civil service annuity has changed. The SSA comparison file consists of approximately 111 million records from the MDB. The number of people who apply for Extra Help determines in part the number of records matched.

C. Specified Data Elements

OPM will electronically transmit the following information: name, SSN, date of birth (DOB), civil service claim number, and amount of current gross civil service benefits. SSA will conduct the match using the individual's SSN, name, and DOB on both the OPM file and the MDB.

D. Frequency of Matching

On a monthly basis, OPM will provide SSA with an electronic file containing civil service benefit and payment data. The actual matching will take place approximately during the first week of every month.

VII. <u>Accuracy Assessments</u>

Based on a sample review by OPM, OPM estimates its civil service benefit and payment data records are 95 percent accurate.

SSA does not have an accuracy assessment specific to the data elements listed in this agreement. However, SSA conducts assessments of the data in its SORs as part of its ongoing financial integrity and internal control reviews in accordance with the guidelines established in OMB Management Procedures Memorandum No. 2016-03 – Additional Guidance for DATA Act Implementation: Implementing Data-Centric Approach for Reporting Federal Spending Information (May 3, 2016); OMB M-17-04 – Additional Guidance for DATA Act Implementation: Further Requirements for Reporting and Assuring Data Reliability (November 4, 2016); and OMB M-18-16 – Appendix A to OMB Circular No. A-123, Management of Reporting and Data Integrity Risk (June 6, 2018). Based on these reviews which are certified by the agency's Senior Accountable Official (agency Chief

Financial Officer) and by the unqualified audit opinion rendered by the agency's financial statement auditor, the agency has a reasonable assurance as to the accuracy and reliability of these data.

VIII. <u>Procedures for Individualized Notice</u>

SSA will provide direct notice, in writing, to all applicants or representative payees, at the time of application for Medicare benefits that SSA will match applicant records against those of other agencies to verify their eligibility. SSA will periodically provide similar notices to all recipients at least once during the life of the match. SSA will also publish notice of this matching program in the Federal Register, in accordance with the requirements of the Privacy Act and OMB guidelines.

OPM will provide notice on its application forms or in a separate handout when necessary. OPM will provide subsequent notices, via yearly mailings, to its respective retirees, annuitants, beneficiaries, recipients, and their representatives as required, describing OPM's matching activities.

IX. <u>Verification Procedure and Opportunity to Contest</u>

Before making an unfavorable decision on an Extra Help application or redetermination based on the information received from OPM, SSA will provide a written Pre-Decisional Notice (for initial Extra Help applications) to each applicant or Notice of Planned Action (for redeterminations) to each beneficiary when SSA decides such adverse action is necessary. The notice will inform the individual of the match findings and provide the following information:

- 1. SSA received information from OPM pertaining to receipt of civil service benefits and payment data, which indicates that an adverse action affecting the individual's eligibility for subsidy assistance is necessary.
- 2. The individual has a specified number of days (at least 30 days) from the date of the notice to contact SSA to contest the Pre-Decisional Notice or the Notice of Planned Action and submit evidence, if required, to support a decision that SSA should award a full or partial subsidy.
- 3. Unless the individual notifies SSA within the specified timeframe, SSA will conclude that the data OPM provides is correct and will make the necessary adjustment to the individual's Extra Help application. SSA will consider failure to respond to the notice sufficient justification for taking the adverse action. SSA will permit further appeals of adverse action as described in applicable instructions and regulations if the appeal is requested within 60 days after the date of the notice of adverse action.

X. <u>Procedures for Retention and Timely Destruction of Identifiable Records</u>

SSA will retain the electronic files received from OPM only for the period required for any processing related to the matching program and then will destroy all such data by electronic purging, unless SSA is required to retain the information to meet evidentiary requirements. If such retention is warranted, SSA will retire the retained records in accordance with applicable Federal Records Retention Schedules (44 U.S.C. § 3303a). SSA will not create permanent files or a separate system comprised solely of the data OPM provides to SSA.

XI. <u>Security Procedures</u>

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

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

A. Loss Reporting

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

Within one hour of becoming aware of a possible incident involving OPM provided PII, SSA will contact OPM IT Security Operations: <u>cybersolutions@opm.gov</u>; 844-377-6109.

B. Breach Notification

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

C. Administrative Safeguards

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

D. Physical Safeguards

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

E. Technical Safeguards

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

F. Application of Policy and Procedures

SSA and OPM will adopt policies and procedures to ensure that each agency uses the information contained in their respective records or obtained from each other solely as

provided in this agreement. SSA and OPM will comply with these policies and procedures and any subsequent revisions.

G. Security Assessments

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

XII. <u>Records Usage, Duplication, and Redisclosure Restrictions</u>

SSA will adhere to the following limitations on the use, duplication, and disclosure of the electronic files and data that OPM provides to SSA:

- 1. SSA will use and access the files OPM provides only for the purposes described in this agreement.
- 2. SSA will not use the data to extract information concerning individuals therein for any purpose not specified in this agreement.
- 3. SSA will not duplicate or disseminate the files OPM provides within or outside SSA without the written permission of OPM, except as necessary for backup to ongoing operations of the matching program and for the purpose of disaster recovery. OPM will not give such permission unless the law requires disclosure or the disclosure is essential to the conduct of the matching program (5 U.S.C. § 552a(o)(1)(H)). For such permission, SSA must specify in writing: (1) what data SSA is requesting be duplicated or disseminated; (2) to whom the data is being duplicated or disseminated; and (3) the reasons that justify such duplication or dissemination.

XIII. <u>Comptroller General Access</u>

The Government Accountability Office (Comptroller General) may have access to all OPM and SSA data it deems necessary to verify compliance with this agreement.

XIV. <u>Reimbursement</u>

SSA and OPM currently engage in several different computer matches. The programmatic savings to each agency for these matches far outweigh the costs. SSA and OPM agree that the data exchanges are mutually beneficial; therefore, the expenses involved in this match will be reciprocal and not involve any reimbursable arrangements between the two agencies.

Attachment 2, SSA/OPM Cost Chart, provides the cost comparison analysis for reciprocal services that SSA and OPM provide to each other. However, in the event of material changes to the matching programs between SSA and OPM, SSA and OPM agree to make cost adjustments so that neither agency bears a disproportionate share of the costs. SSA and OPM will make such adjustments by means of a reimbursable agreement.

SSA's ability to perform work for each fiscal year is subject to the availability of funds.

XV. Duration, Modification, and Termination

A. Effective Date

The effective date of this agreement is March 14, 2024, provided that SSA reported the proposal to re-establish this matching program to the Congressional committees of jurisdiction and OMB in accordance with 5 U.S.C. § 552a(o)(2)(A) and OMB Circular A-108 (December 23, 2016), and SSA published notice of the matching program in the Federal Register in accordance with 5 U.S.C. § 552a(e)(12).

B. Duration

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

C. Renewal

The Data Integrity Boards (DIB) of OPM and SSA may, within 3 months prior to the expiration of this agreement, renew this agreement for a period not to exceed 12 months if OPM and SSA can certify to their DIBs that:

- 1. the matching program will be conducted without change; and
- 2. OPM and SSA have conducted the matching program in compliance with the original agreement.

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

D. Modification

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

E. Termination

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

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

- 1. determines that SSA has used or disclosed the information in an unauthorized manner;
- 2. determines that SSA has violated or failed to follow the terms of this agreement; or
- 3. has reason to believe that SSA breached the terms for security of data. If OPM suspends the data flow in accordance with this subsection, OPM will suspend the data until OPM makes a final determination of a breach.

XVI. Dispute Resolution

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

XVII. Persons to Contact

A. SSA Contacts:

Computer Systems

Colleen Carpenter, Director Division of Title II Computations, Eligibility, and Medicare Office of Benefit Information Systems 6401 Security Boulevard 4506 Robert M. Ball Building Baltimore, MD 21235-6401 Telephone: (410) 965-5178 Email: <u>Colleen.Carpenter@ssa.gov</u>

Systems Security

Jennifer Rutz, Director Division of Compliance and Assessments Office of Information Security Office of Systems Suite 3383 Perimeter East Building 6201 Security Boulevard Baltimore, MD 21235-6401 Telephone: (410) 966-8253 Email: Jennifer.Rutz@ssa.gov

Matching Agreement

Donald Scott, Government Information Specialist Office of Privacy and Disclosure Office of the General Counsel 6401 Security Boulevard, G-401 West High Rise Baltimore, MD 21235-6401 Telephone: (410) 965-8850 Email: <u>Donald.Scott@ssa.gov</u>

Project Coordinator

Rona Demb Office of Data Exchange and International Agreements Office of Data Exchange, Policy Publications, and International Negotiations 6401 Security Boulevard, 4-B-9-F Annex Building Baltimore, MD 21235-6401 Telephone: (410) 965-7567 Email: Rona.Demb@ssa.gov

B. OPM Contacts:

Computer Systems Security

Olu Faokunla CIO/FITB/RSITPMO Office of Personnel Management 1900 E Street, NW, Room 4H31-S Washington, DC 20415 Telephone: (202) 606-1776 Email: <u>Olu.Faokunla@opm.gov</u>

Information Security Issues

James Saunders Chief Information Security Officer, Cybersecurity Division U.S. Office of Personnel Management 1900 E Street, NW, Room 5454 Washington, DC 20415 Telephone: (o) (202) 936-1715 (c) (202) 803-1560 Email: James.Saunders@opm.gov

Privacy Issues

Kirsten J. Moncada Chief Privacy Officer U.S. Office of Personnel Management 1900 E Street, NW, Room 5H27E Washington, DC 20415 Telephone: (771) 216-6267 Email: <u>Kirsten.Moncada@opm.gov</u>

Program Issues

Yevette G. Overton Chief, Retirement Eligibility and Services Retirement Services U.S. Office of Personnel Management 1900 E Street, NW, Room 2416-BI Washington, DC 20415 Telephone: (202) 936-0916 Email: Yevette.Overton@opm.gov

Matching Agreement Issues

Lisa Morgan Program Analyst Office of Personnel Management 1900 E Street, NW, Room 3316-S Washington, DC 20415 Telephone: (202) 936-0866 Fax: (202) 606-1163 Email: Lisa.Morgan@opm.gov

XVIII. Integration Clause

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

XIX. <u>Signatures</u>

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

Electronic Signature Acknowledgement: The signatories may sign this document electronically by using an approved electronic signature process. By signing this document electronically, the signatory agrees that the signature they provide has the same meaning and legal validity and effect as a handwritten signature.

SOCIAL SECURITY ADMINISTRATION

Michelle Christ	Digitally signed by Michelle Christ Date: 2023.12.18 09:49:25 -05'00'
Michelle L. Christ	
Deputy Executive Dire	ctor
Office of Privacy and E	Disclosure

Office of the General Counsel

Date	
Matthew Ramsey Matthew D. Ramsey Chair Data Integrity Board	Digitally signed by Matthew Ramsey Date: 2024.01.03 11:20:08-05'00'

Date

Signatures (continued)

OFFICE OF PERSONNEL MANAGEMENT

Digitally signed by MARGARET MARGARET PEARSON Date: 2024.01.08 14:11:55 -05'00'

Margaret Pearson Associate Director Retirement Services

Date

KIRSTEN MONCADA Digitally signed by KIRSTEN MONCADA Date: 2024.01.05 15:17:47 -05'00'

Kirsten J. Moncada Chair, Data Integrity Board

Date_____

Attachment 1 – Cost Benefit Analysis Attachment 2 – SSA/OPM Cost Chart Attachment 1 – Cost Benefit Analysis

Cost Benefit Analysis for Medicare Part D Matching Operation between Social Security Administration (SSA) and the Office of Personnel Management (OPM) (Match #1307)

Objective of the matching operation

The purpose of the matching operation is to verify attestations regarding income and resources made by claimants for Medicare Part D prescription drug subsidy assistance under the Medicare Modernization Act (MMA) of 2003.

Background

The MMA provides deductible and co-payment subsidies for certain low-income individuals to receive Part D premium. The MMA requires that we take applications and determine eligibility for this subsidy program, since lawmakers designed the program to assist individuals with limited financial means in paying for the prescription drug coverage. We automatically deem eligible individuals who have Medicare and receive Supplemental Security Income (SSI) or Medicaid, or who participate in the Medicare Savings Program. SSA determines eligibility for full or partial subsidy by comparing income and resource information provided by applicants with income and resource data available in our systems, as well as data obtained through matching agreements with other agencies.

Methodology

The Office of Data Exchange and International Agreements (ODXIA) reviewed initial and redetermination subsidy application data for beneficiaries who have matching income or resource data from SSA and OPM.

Specifically, ODXIA reviewed data from the monthly Medicare Subsidy Screening Report and monthly Medicare Subsidy Determination Report. Using these reports, we identified the number of applications excluded from the verification process to calculate the cost-savings for avoiding verification of income and resource data for beneficiaries who applied for and are receiving Medicare Part D subsidies. Applications identified as "denied" during the screening out process were eliminated from the counts, although they still go through the matching process, manual intervention is required. We concentrated on capturing data for cases awarded or denied, due to the computer matching process, without manual intervention.

Benefits

The benefit of conducting this matching operation is the increased accuracy of our subsidy determinations, and the cost-savings gained by reducing the need for manual verifications by

field offices (FO) of all income and resource allegations on Medicare Part D subsidy initial and redetermination applications.

The Office of Public Service and Operations Support reported an average development time of 21.27 minutes for initial applications and 14.98 minutes for redetermination applications. Through this matching operation, the FOs avoided manual verification of 24,350 initial applications and 1,107 redetermination applications for a total cost-savings of approximately **\$892,355**.

<u>Costs</u>

For this data exchange in FY 2022, the Office of Systems reported estimated systems costs of **\$7,443**. Due to the nominal costs of services associated with providing data to SSA under this agreement, OPM waives recovery of their costs pursuant to the Economy Act (31 U.S.C. § 1535).

Conclusion

Section 1144 of the Act requires SSA to conduct outreach efforts for the Medicare Savings Programs and subsidized Medicare prescription drug coverage. In addition, SSA does benefit from administrative savings by avoiding the cost of manual development of income and resources reported on initial and redetermination applications. We estimate that the benefit to cost ratio for this matching operation is **119.9:1**. Therefore, we recommend the continuation of this matching operation.

Cost Benefit Analy	vsis For The Com	outer Matching O	peration #1307 SSA and	I OPM

Number of Initial Application Verifications Avoided ¹	24,350	
Number of Redetermination Verifications Avoided	1,107	
Total Number of Verifications Avoided	25,457	
Salary	\$135,744 ²	
Overhead	1.54^{3}	
Cost Summary		
Systems Costs (Office of Systems, Budget Staff)	\$7,443	
Total Costs	\$7,443	
Benefit Details		
Benefits Summary (Verification Costs Avoided due to Match)		
Number of Initial Application Verifications Avoided24,350		
Unit Cost for Initial Application Verification	\$35.51	

¹ SSA avoids verifications when we confirm alleged income/resources through data exchanges. These are the estimated number of verifications avoided by this computer match for initial applications for subsidy and redeterminations of existing subsidies for the period Oct. 2021-Sep. 2022. ² FY 2022 Average FO Cost per Work Year (CPWY) (includes 20% Fringe Benefits) was provided by the Office of Budget.

³ The overhead rate of 1.54 for the FOs was furnished by the Office of Budget.

Total Initial Application Verification Costs Avoided due to	
Match	\$864,669

Number of Redetermination Verifications Avoided	1,107
Unit Cost for Redetermination Verification	25.01
Total Redetermination Verification Costs Avoided due to	\$27,686
Match	
Total Number of Verifications Avoided	25,457
Total Benefit	\$892,355
Benefit-to-Cost Ratio	119.9:1

Attachment 2 – SSA/OPM Cost Chart

SSA Source

Matching Program	SSA Costs	OPM Costs*	OPM Gross Savings	OPM Net Savings
219	\$13,428	\$18,433	\$774,658,015	\$774,626,154
1045	\$24,238	\$408,458	\$6,508,802	\$6,076,107
1071	\$5,474	\$78,402	\$1,379,238	\$1,295,362
Totals	\$43,140	\$505,293	\$782,546,055	\$781,997,623

SSA Recipient

Matching Program	SSA Costs	OPM Costs*	SSA Gross Savings	SSA Net Savings
1005	\$30,717	\$4,608	\$542,505	\$507,180
1019	\$69,113	\$4,608	\$179,514	\$105,793
1020	\$406,058	\$4,608	\$1,127,341	\$716,675
1021	\$624,671	\$4,608	\$4,457,551	\$3,828,272
1307	\$7,443	\$4,608	\$892,355	\$880,304
Totals	\$1,138,002	\$23,040	\$7,199,266	\$6,038,224

The OPM costs may not reflect the current year's cost of the affected matching activity.

The Gross Savings minus the SSA and OPM costs equal the Net Savings.

10/24/2023