

**COMPUTER MATCHING AGREEMENT
BETWEEN
THE DEFENSE MANPOWER DATA CENTER
DEPARTMENT OF DEFENSE
AND
THE CENTERS FOR MEDICARE & MEDICAID SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES
FOR
DISCLOSURE OF ENROLLMENT AND ELIGIBILITY INFORMATION FOR
MILITARY HEALTH SYSTEM BENEFICIARIES WHO ARE MEDICARE ELIGIBLE**

**DoD Computer Matching Agreement No. 12
HHS Computer Matching Agreement No. 2110
CMS Computer Matching Agreement No. 2021-03**

I. PURPOSE, LEGAL AUTHORITIES, AND DEFINITIONS:

A. Purpose

This computer matching agreement (CMA), hereafter referred to as the “Agreement,” establishes the conditions, safeguards and procedures under which the Centers for Medicare & Medicaid Services (CMS), within the Department of Health and Human Services (HHS), will disclose Medicare enrollment information for use by the Defense Manpower Data Center (DMDC) and the Defense Health Agency (DHA) within the Department of Defense (DoD).

The purpose of this Agreement is to verify the eligibility of Military Health System (MHS) beneficiaries who are Medicare eligible to receive TRICARE benefits. The Agreement fulfills the requirements of Title 10 United States Code (U.S.C.) § 1086(d) for DoD to discontinue military health care benefits to certain MHS beneficiaries when they become eligible for Medicare Part A unless they are enrolled in Medicare Part B. This includes certain MHS beneficiaries under age 65 who are entitled to Medicare Part A unless subject to retroactive Medicare determination. The law also requires DoD to promptly notify persons of their ineligibility for continued TRICARE coverage who do not enroll in Medicare Part B. Medicare eligibility/enrollment information can only be obtained from CMS. A determination of continued MHS eligibility cannot be easily made without the information disclosed by CMS. For DoD to meet the requirements of current law, CMS agrees to provide certain Medicare Part A and Part B entitlement and enrollment data on this dual eligible population which will be used to determine eligibility for coverage under TRICARE. DoD will receive the results of the match for the purposes stated above.

For each entity signatory to this Agreement, CMS and DoD are each a “Party” and collectively “the Parties.” By entering into this Agreement, the Parties agree to comply with the terms and conditions set forth herein, as well as applicable law and regulations.

The terms and conditions of this Agreement will be carried out by authorized officers, employees, and contractors of CMS and DoD.

CMS will serve as the Source agency for this Agreement. DoD shall be the Recipient agency under this Agreement with respect to information that DoD will receive from CMS. The responsible component for DoD is the Defense Manpower Data Center.

B. Legal Authorities

The following statutes and regulations govern the conduct of this matching activity and uses of data, including disclosures, under this Agreement.

1. This Agreement is executed to comply with the Privacy Act of 1974 (5 U.S.C. § 552a), as amended by the Computer Matching and Privacy Protection Act (CMPPA) of 1988; and regulations and guidance promulgated thereunder, including Office of Management and Budget (OMB) Circular No. A-108, “Federal Agency Responsibilities for Review, Reporting, and Publication under the Privacy Act,” published at 81 FR 94424 (Dec. 23, 2016), OMB Circular No. A-130, “Managing Information as a Strategic Resource,” published at 61 FR 49689 (July 15, 2016), and OMB guidance pertaining to computer matching, including: “Privacy Act of 1974: Final Guidance Interpreting the Provisions of Public Law 100-503, the Computer Matching and Privacy Protection Act of 1988,” published at 54 FR 25818 (June 19, 1989).
2. 10 U.S.C. § 1086(d) requires DoD to discontinue military health care benefits for MHS beneficiaries when they become eligible for Medicare Part A unless they enroll in Medicare Part A and Medicare Part B. This also applies to MHS beneficiaries under the age of 65 who are eligible for Medicare Part A.

C. Definitions

1. “Breach,” as defined by OMB Memorandum M-17-12, “Preparing for and Responding to a Breach of Personally Identifiable Information,” January 3, 2017, means the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, or any similar occurrence where (1) a person other than an authorized user accesses or potentially accesses personally identifiable information (PII); or (2) an authorized user accesses or potentially accesses PII for an other than authorized purpose.
2. “DEERS” means Defense Enrollment Eligibility Reporting System. The authoritative data repository is used to verify an individual’s identity, affiliation with DoD, and eligibility for benefits, privileges, and entitlements.
3. “Medicare” means the health insurance program established under Title XVIII of the Social Security Act.

4. “Medicare Part A and Part B” cover certain medical services and supplies in hospitals, doctors’ offices, and other health care settings.

Medicare Part A (Hospital Insurance)

Part A helps cover inpatient care in a hospital, inpatient care in a skilled nursing facility (not custodial or long-term care), hospice care, home health care, inpatient care in a religious non-medical health care institution.

Medicare Part B (Medical Insurance)

Part B helps cover medically necessary doctor’s services, outpatient care, home health services, durable medical equipment, mental health services, and other medical services. Part B also covers many preventive services.

More information on Medicare Part A and Part B is available on Medicare.gov. and in the “Medicare & You” handbook available at

<https://www.medicare.gov/forms-help-resources/medicare-you-handbook/download-medicare-you-in-different-formats>

5. “Military Health System” is the enterprise within the United States Department of Defense that provides health care to active duty, Reserve component and retired U.S. Military personnel and their dependents. The MHS is one of America’s largest and most complex health care institutions, and the world’s preeminent military health care delivery operation.
6. “MBI” means the Medicare Beneficiary Identifier (MBI), which replaced the Social Security Number (SSN)-based Health Insurance Claim Number (HICN).
7. “PII” or “Personally Identifiable Information,” as defined by OMB Circular A-130, “Managing Information as a Strategic Resource,” and OMB Memorandum M-17-12, “Preparing for and Responding to a Breach of Personally Identifiable Information,” January 3, 2017, means information that can be used to distinguish or trace an individual’s identity, either alone or when combined with other information that is linked or linkable to a specific individual.
8. “Recipient Agency,” as defined by the Privacy Act at 5 U.S.C. § 552a(a)(9), means the agency receiving the records contained in a system of records from a source agency for use in a matching program. DoD is the recipient agency.
9. “Security Incident” or “Incident,” as defined by 44 U.S.C. § 3552(2) and OMB Memorandum M-17-12, “Preparing for and Responding to a Breach of Personally Identifiable Information,” January 3, 2017, means an occurrence that (1) actually or imminently jeopardizes, without lawful authority, the integrity, confidentiality, or availability of information or an information system; or (2) constitutes a violation or imminent threat of violation of law, security policies, security procedures, or acceptable use policies.

10. "Source Agency," as defined by the Privacy Act at 5 U.S.C. § 552a(a)(11), means the agency which discloses records contained in a system of records to be used in a matching program. CMS is the source agency.
11. "System of Records," as defined by the Privacy Act at 5 U.S.C. § 552a(a)(5), means a group of any records under the control of any agency from which information is retrieved by the name of the individual or by some identifying number, symbol, or other identifying particular assigned to the individual.
12. "TRICARE" as defined at 10 U.S.C. § 1072(7), means the various programs carried out by the Secretary of Defense under 10 U.S.C. Chapter 55 and any other provision of law providing for the furnishing of medical and dental care and health benefits to members and former members of the uniformed services and their dependents.

II. DESCRIPTION OF THE MATCH AND RECORDS

Under the terms of this Agreement, DMDC will provide CMS a list of data elements as specified in paragraph IV.D. for all DoD eligible beneficiaries both over and under the age of 65. After receipt of the response file from CMS, DMDC will update DEERS with appropriate Medicare information provided in the response file. The verified identification of eligible beneficiaries and their current Medicare enrollment status is maintained in DEERS for use by DHA in the management of its programs.

CMS will: 1) match the SSNs of beneficiaries provided by DMDC against the information found in CMS's "Enrollment Database (EDB)" system of records (SOR); 2) validate the identification of the beneficiary and provide the Health Insurance Claim Number (MBI/HICN) to match against the SSN and date of birth provided by DMDC; 3) also provide the Medicare enrollment status and address of the beneficiary in the response file to DMDC.

III. JUSTIFICATION AND EXPECTED RESULTS

A. Justification

DoD and CMS have determined that a computer matching program is the most efficient, expeditious, and effective means of obtaining and processing the information needed by DoD to determine if MHS beneficiaries who are entitled to Medicare Part A are eligible to receive continued military health care benefits. Title 10, U.S.C., section 1086 requires DoD/DHA to discontinue military health care benefits to certain individuals when they become entitled to Medicare Part A unless they also have Medicare Part B coverage. The same law also requires the administering Secretaries of DoD and HHS to develop a mechanism to promptly notify these "dual eligible" individuals of their change in status and the requirement to have Medicare Part B coverage.

This Agreement will allow DoD/DHA to accomplish their statutory mandates under 10 U.S.C. § 1086 using the data available through CMS data files. There are no other data sources from which DHA can efficiently derive this information. The beneficiary cannot fulfill this responsibility through the presentation of their Medicare card because many Medicare beneficiaries are initially issued Medicare cards reflecting Part B coverage; only after the beneficiary rejects Medicare Part B are they issued a Medicare card reflecting Part A only. Because of this system, DoD's responsibility to ensure eligibility prior to extension of benefits cannot be satisfied solely by beneficiaries presenting the Medicare card. Absent the matching agreement, beneficiaries would need to provide additional documentation from Medicare, attesting to the fact that the beneficiary is enrolled in Medicare Part B. This would be a burdensome process for beneficiaries and a significant expense for both CMS and DoD. The use of computer technology to transfer data between CMS and DMDC is faster and more efficient than the use of any manual process.

B. Expected Results/Benefits

The data provided by CMS will be used in conjunction with DEERS data maintained by DMDC to: (1) extend benefits and expand coverage to eligible beneficiaries entitled to Medicare Part A and who have Medicare Part B; and (2) identify beneficiaries who are entitled to Medicare Part A but do not have Part B and to notify them of the discontinuance of their private sector care TRICARE health benefits. While this matching program may result in some individuals losing private sector TRICARE health benefits, it will also result in DHA notifying dual-eligible individuals that they may maintain their TRICARE eligibility by enrolling in Medicare Part B. Once Medicare Part B is effective, TRICARE will pay the actual out-of-pocket costs of their medical care that is a benefit under both Medicare and TRICARE.

Section 552a(u)(4) of the Privacy Act generally requires the completion and submission of a cost-benefit analysis demonstrating the proposed computer matching program is likely to be cost effective before the Data Integrity Board may approve this agreement. A cost-benefit analysis in accordance with this requirement is included as Attachment 1, and estimates that the cost of running the computer matching program is approximately \$139,000, but the total cost of conducting the match manually is estimated to be \$31.0 million. Thus, the net savings benefit of \$30.9 million by performing this match on an automated basis as opposed to a manual basis strongly supports this computer matching agreement. Moreover, the matching program is essential for DHA to fulfill its statutory functions to provide benefits and services to TRICARE beneficiaries who are entitled to Medicare Part A and who have Medicare Part B.

IV. DESCRIPTION OF THE RECORDS

A. DoD Systems of Records

The DoD will incorporate the results of the match in the DMDC 02 DoD, "Defense Enrollment Eligibility Reporting System (DEERS)," published in full at 84 FR 55293 (October 16, 2019), updated at 84 FR 65975 (December 2, 2019) and available at: <https://dpcl.d.defense.gov/Portals/49/Documents/Privacy/SORNs/OSDJS/DMDC-02-DoD.pdf?ver=2019-12-09-111827-743>. Routine use g.5. supports DoD's disclosure to CMS.

The DoD will also incorporate the results of the match in the EDHA 07 system of records, "Military Health Information System (MHIS)," published at 85 FR 36190 (June 15, 2020) and available at: <https://dpcl.d.defense.gov/Portals/49/Documents/Privacy/SORNs/DHA/EDHA-07.pdf>.

B. CMS Systems of Records

CMS will match the DoD's finder file against the "Enrollment Database (EDB)" 09-70-0502, published in full at 73 FR 10249 (February 26, 2008), updated at 78 FR 23938 (April 23, 2013), 81 FR 8204 (February 18, 2016), and 83 FR 6591 (February 14, 2018) and available at: <https://www.hhs.gov/foia/privacy/sorns/09700502/index.html>. Routine use 2b supports CMS disclosure to DoD.

C. Number of Records

DMDC will provide to CMS data for approximately 10 million beneficiaries from DEERS for matching against EDB on a weekly basis. CMS will provide a reply file containing all appropriate matched and failed responses.

D. Specified Data Elements

The DoD will provide CMS with a finder file for the Under and Over 65 Populations to match against an assigned CMS HICN or Medicare Beneficiary Identifier (MBI) which are contained within EDB.

1. Finder file for the Under and Over 65 Populations

Finder file sent from DoD will contain: SSN, date of birth, sex code, first and last name. The finder file will be used for social security number matching against an assigned HICN or MBI number.

2. Reply file for the Under and Over 65 Population

CMS will provide DoD with a reply file which will contain: SSN, date of birth, sex code, first name, last name, and Medicare data.

E. Frequency of Data Exchanges

DMDC will forward the initial finder file of beneficiaries to CMS. CMS will provide a reply file no later than 48 hours after receipt of the initial finder file. Subsequent finder files, submitted on a weekly basis, will receive a response within approximately 15 business days of receipt.

F. Projected Starting and Completion Dates of the Matching Program

1. Projected Effective Date: August 15, 2021
2. Projected Expiration Date: February 14, 2023 (February 14, 2024, if renewed for a year)

V. NOTICE PROCEDURES

To comply with the Privacy Act notice requirements of 5 U.S.C. § 552a(o)(1)(D), the agencies will provide direct notice of the matching program to the individuals whose records will be matched, as follows:

CMS will inform all Medicare beneficiaries of matching activities at the time of enrollment by means of the on-line enrollment application on the Medicare Initial Enrollment Questionnaire.

In order to provide direct notice, DHA first requires Medicare entitlement information from CMS to extend eligibility or terminate eligibility depending on the information received. DHA notifies individuals who are entitled to Medicare Part A, but have declined Medicare Part B, of the requirement to have Medicare Part B to remain eligible for TRICARE.

DHA also provides notice to eligible beneficiaries through beneficiary handbooks, pamphlets, educational materials, press releases, briefings, and via the TRICARE.mil web site.

CMS 1500, "Health Insurance Claim Form" includes a Privacy Act statement that notifies patients "that the CMPPA permits the government to verify information by way of computer matches." In addition, CMS notifies beneficiaries annually of matching activities by way of the Social Security Benefits Statement (SSA-1099 form).

In addition, indirect or constructive notice of this matching program is provided to affected individuals by agency publication in the Federal Register of both the (1) applicable routine use in each relevant system of records notice, as required by subsection (e)(11) of the Privacy Act, permitting the disclosure of Federal personnel information to identify DoD eligible beneficiaries who are Medicare eligible and (2) the proposed match notice, as required by subsection (e)(12) of the Privacy Act, announcing the agency's intent to conduct computer matching for TRICARE/Medicare dual-eligibility verification purposes.

VI. VERIFICATION AND OPPORTUNITY TO CONTEST FINDINGS

A. Verification

DMDC, in support of DHA, is responsible for verifying and determining if the data in the CMS reply file are consistent with the data in DEERS and for resolving any discrepancy or inconsistencies as to positive identification on an individual basis.

Any discrepancies or inconsistencies furnished by CMS, or developed as a result of the match, will be independently investigated and verified by DMDC, in support of DHA, prior to any adverse action being taken against the individual.

CMS agrees to correct information contained in the EDB response file that is within its authority to correct.

B. Opportunity to Contest Findings

DHA agrees to provide written notice to each individual whom DoD believes is no longer eligible for military health benefits in accordance with the following procedures:

1. DHA will inform the individual in writing that DoD has received information from CMS indicating that there is a deficiency in the individual's enrollment in Medicare which affects their TRICARE eligibility. A brief description of the identified deficiency will be furnished to the individual.
2. The notice will also inform the individual they have 30 days from the date of the correspondence which identified the specific deficiency to correct their Medicare Part A and/or Part B enrollment information, or to contest the accuracy of the information received from CMS.
3. If the individual contests the accuracy of the data provided by CMS concerning their Medicare Part A and/or Part B enrollment, beneficiaries will be advised to call the Social Security Administration or the Railroad Retirement Board who will instruct beneficiaries how to resolve discrepancies regarding enrollment into Part A and/or Part B of the Medicare program. Information regarding entitlement to Part A and enrollment in Part B benefits may be found under sections 226, 1836, and 1837 of the Social Security Act.

VII. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

- A. DoD will retain CMS reply files for a period not to exceed 90 days, consistent with applicable records retention schedules, or as necessary for evidentiary purposes or other legal requirement. If an individual's record information in the CMS reply file pertains to a match and warrants retention by the DoD, the DoD may copy such record information and maintain it in the beneficiary's file in the appropriate DoD Privacy Act system of

records associated with the DoD activity supported by this matching agreement. Those records shall be retained in accordance with the Federal Records Act and applicable records schedules (44 U.S.C. 3303A).

- B. CMS will retain DoD finder files only for the period required for any processing related to the matching program, but no longer than 90 days, and then will destroy them by means of electronic purging unless CMS is required to retain certain files for a longer period to meet evidentiary or legal requirements.

VIII. SECURITY PROCEDURES

A. General:

The Parties will comply with the requirements of the E-Government Act of 2002, Title III, also known as the Federal Information Security Management Act (FISMA), as amended by the Federal Information Security Modernization Act of 2014 (Pub. L. 113-283), 44 U.S.C., Chapter 35, Subchapter II; related Office of Management and Budget (OMB) circulars and memoranda, including Circular A-130, Managing Information as a Strategic Resource (July 28, 2016); National Institute of Science and Technology (NIST) directives; and the Federal Acquisition Regulations, including any applicable amendments published after the effective date of this agreement. These laws, directives, and regulations include requirements for safeguarding Federal information systems and PII used in Federal agency business processes, as well as related reporting requirements.

Information systems used to store, access, process, or transmit data matched and data produced by this match will employ security controls consistent with those recommended by the U.S. Department of Commerce, NIST, or equivalent or better risk management program. Current NIST recommended security controls are described in NIST Special Publication 800-53 (Revision 5) "Security and Privacy Controls for Information Systems and Organizations" and 800-53A (Rev. 4) "Assessing Security and Privacy Controls in Federal Information Systems and Organizations: Building Effective Assessment Plans."

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.

B. Legal Compliance:

The Parties shall comply with the limitations on use, storage, transport, and safeguarding of data under all applicable Federal laws and regulations. These laws and regulations include the Privacy Act of 1974, the E-Government Act of 2002, Title III, also known as the Federal Information Security Management Act, as amended by the Federal Information Security Modernization Act of 2014 (FISMA), the Computer Fraud and Abuse Act of 1986, the Health Insurance Portability and Accountability Act of 1996

(HIPAA), the Clinger-Cohen Act of 1996, and the corresponding implementation regulations for each statute

C. Loss, Potential Loss, or Breach Reporting:

The Parties shall comply with OMB reporting guidelines in the event of a loss, potential loss, security incident, or breach of PII. The agency that experienced the loss, potential loss, security incident, or breach will be responsible for following its established procedures, consistent with, the breach reporting guidance in OMB Memorandum M-17-12, "Preparing for and Responding to a Breach of Personally Identifiable Information," and notify National Cybersecurity and Communications Integration Center/United States Computer Emergency Readiness Team within one hour of being identified by the agency's top-level Computer Security Incident Response Team (CSIRT), Security Operations Center (SOC), or information technology department. In addition, the agency will conduct a breach and risk analysis, and make a determination of the need for notice and/or remediation to individuals affected by the loss. If the agency's analysis indicates that a notice to impacted individuals is appropriate, the agency that experienced the loss, potential loss, security incident, or breach will be responsible for providing such notice. In addition, the agency experiencing the incident will notify the other agency within one (1) hour of discovering the loss, potential loss, security incident, or breach. The agency experiencing the loss, potential loss, security incident, or breach shall use the following contact information to provide the notification:

DMDC Privacy Office: dodhra.dodc-mb.dmdc.list.privacy-office@mail.mil

CMS IT Service Desk: 1 (800) 562-1963 or CMS_IT_Service_Desk@cms.hhs.gov

D. Administrative Safeguards:

Access to the records matched and to any records created by the match will be restricted to only those authorized employees and officials who need them to perform their official duties in connection with the uses of the information authorized in this agreement. All personnel with access to the records used for or created by the match will be advised of the confidential nature of the information, the safeguards required to protect the records and the civil and criminal sanctions for non-compliance contained in applicable Federal laws. Access to and usage of records in DEERS and MHIS that are updated as a result of this matching program will be in accordance with the relevant system of records notice.

E. Physical Safeguards:

CMS and DoD 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. Physical safeguards may include, but are not limited to, door locks, card keys, biometric identifiers, etc. If physical transport is required, the records matched and records created by match will be transported under appropriate safeguards (e.g., data

encryption, two-factor authentication). Only authorized personnel will transport the data matched and any data created by the match.

F. Technical Safeguards:

The Parties will process the data matched and any data created by the match under the immediate supervision and control of authorized personnel to protect the confidentiality of the data in such a way that unauthorized persons cannot retrieve any such data by means of computer, remote terminal, or other means. Systems personnel must enter personal identification numbers when accessing data on a party's systems. The Parties will strictly limit authorization to those electronic data areas necessary for the authorized analyst to perform his or her official duties. The Parties will establish appropriate safeguards for such data, as determined by a risk-based assessment of the circumstances involved.

DoD will transmit all electronic data to CMS' EDB in accordance with encryption requirements and other applicable Federal requirements to assure the security and integrity of the data. CMS will ensure that the data received from DoD remains encrypted in accordance with encryption requirements and other applicable Federal requirements to assure the security and integrity of the data. DoD will coordinate with CMS to determine a suitable electronic interface to use to securely transmit the data.

G. On-Site Inspection

NIST Special Publication 800-37 (Rev. 2), 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 800-37 (Rev. 2) 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 decision 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, upon request, system security evidence for the purpose of making risk-based decisions. Requests for this information may be made at any time throughout the duration of this Agreement. The Parties may request onsite inspections for purposes of auditing compliance, if necessary, for the duration or any extension of this Agreement.

IX. RECORDS USAGE, DUPLICATION AND REDISCLOSURE RESTRICTIONS

- A. The matching files exchanged under this Agreement remain the property of the providing agency and will be destroyed after match activity involving the files has been completed under this program as provided above in Section VII.

- B. The data exchanged under this Agreement will be used and accessed only for the purpose of determining eligibility for care under the authorities outlined in Section I. B. of this Agreement unless otherwise required by law.
- C. Neither DoD nor CMS will extract information from the electronic data files concerning the individuals that are described therein for any purpose not stated in this Agreement.
- D. Except as provided in this Agreement, neither DoD nor CMS will duplicate or disseminate the data produced without the disclosing agency's permission. Neither agency shall give such permission unless the re-disclosure is required by law or essential to the conduct of the matching program. In such cases, DoD and CMS will specify in writing what records are being disclosed and to whom and the reasons that justify such re-disclosure. Access to and usage of records in DEERS and MHIS that are updated as a result of this matching program will be in accordance with the relevant system of records notice.

X. RECORDS ACCURACY ASSESSMENTS

DMDC estimates that at least 99% of the information in the DoD Finder file is accurate based on their operational experience. CMS estimates that at least 99% of the information in EDB is accurate based on their operational experience.

XI. COMPTROLLER GENERAL ACCESS

The Comptroller General of the United States (U.S. Government Accountability Office) may have access to any records, as necessary, in order to monitor and verify compliance with this Agreement.

XII. REIMBURSEMENT/FUNDING

Expenses incurred by this data exchange will not involve any payments or reimbursements between the Parties.

XIII. APPROVAL AND DURATION OF AGREEMENT

- A. This Agreement, as signed by representatives of both agencies and approved by the respective agency's Data Integrity Board (DIB), shall be valid for a period of 18 months from the effective date of the agreement.
- B. When this Agreement is approved and signed by the Chairpersons of the respective DIBs, the DoD, as the recipient agency, will submit the agreement and the proposed public notice of the match as attachments via a transmittal letter to OMB and the appropriate

Congressional committees of jurisdiction for review. The time period for review begins as of the date of the transmittal letter. OMB expedited review may be requested, in accordance with OMB Circular A-108.

- C. Upon completion of the OMB review period in paragraph B, DoD will forward the public notice of the proposed matching program for publication in the Federal Register, in accordance with 5 U.S.C. § 552a(e)(12). The matching notice will clearly identify the systems of records and categories of records used in the matching program. A copy of the published notice shall be provided to CMS.
- D. The effective date of this agreement shall be 30 days after DoD publishes the notice of the matching program in the Federal Register, in accordance with 5 U.S.C. § 552a(e)(12), provided no changes are necessitated by public comment.
- E. The parties may, within three (3) months prior to the expiration of this agreement, renew this agreement for a period not to exceed one additional year if they certify to the respective DIBs that:
 - 1. The matching program will be conducted without change; and
 - 2. The parties have conducted the matching program in compliance with this agreement.
- F. Modification: The parties may modify this agreement at any time by a written modification, mutually agreed to by the parties. The proposed modified agreement must be reviewed by the parties to determine if the change is significant so as to require transmittal of a revised matching notice to OMB and the Congressional committees of jurisdiction, and publication of a revised matching notice in the Federal Register in accordance with OMB Circular A-108.
- G. Termination: This agreement may be terminated at any time upon the mutual written consent of the parties. In addition, if either party seeks not to continue this program, it shall notify the other party in writing of its intention not to continue at least 90 days before the end of the then-current period of the agreement; such a termination shall be effective ninety (90) days after the date of the notice or at a later date specified in the notice, provided this date does not exceed the final date of the applicable matching period. A copy of this notification shall be submitted to the Secretary, DoDDIB.

XIV. PERSONS TO CONTACT

A. DoD Contacts:

DoD Contact for DoD Data Integrity Board Issues:

Cheryl D. Jenkins
Management Analyst, Defense Privacy, Civil Liberties, and Transparency Division
Directorate of Administration and Management
Department of Defense
4800 Mark Center Drive
Alexandria, VA 22350
(703) 571-0070
E-mail: cheryl.jenkins8.civ@mail.mil

DHA Contact for Privacy Issues:

Rahwa Keleta
Chief, Defense Health Agency
Privacy and Civil Liberties Office
7700 Arlington Boulevard
Falls Church, VA 22042-5101
(703) 275-6050
E-mail: rahwa.a.keleta.civ@mail.mil

DHA Contact for Program and Policy Issues:

Anne E. Breslin
TFL Program Manager
TRICARE Health Plan, Health Care Operations Directorate
Defense Health Agency
7700 Arlington Boulevard
Falls Church, VA 22042
(703) 275-6235
E-mail: anne.e.breslin.civ@mail.mil

DMDC Contact for Program and Policy Issues:

Tori Rodrigues
Program Manager
Defense Manpower Data Center
400 Gigling Road
Seaside, CA 93955-6771
(831) 220-7281
E-mail: victoria.w.rodrigues.civ@mail.mil

DMDC Contact for Privacy and Agreement Issues:

Kimberly Pearman
Privacy Analyst
Defense Manpower Data Center
400 Gigling Road
Seaside, CA 93955-6771
(831) 583-2400 x4668
E-mail: kimberly.v.pearman.civ@mail.mil

B. CMS Contacts:

CMS Contact for Privacy and Agreement Issues:

Barbara Demopulos
CMS Privacy Act Officer
Division of Security, Privacy Policy and Governance
Information Security and Privacy Group
Office of Information Technology
Centers for Medicare & Medicaid Services
7500 Security Boulevard
Mail Stop: N3-15-25
Baltimore, MD 21244-1849
(410) 786-6340
E-mail: barbara.demopulos@cms.hhs.gov

XV. APPROVALS

A. DoD Program Officials

Subject to the approval of the Data Integrity Boards of the parties to this agreement and the required notifications, the authorized program official, whose signature appears below, accepts and expressly agrees to the terms and conditions expressed herein, confirms that no verbal agreements of any kind shall be binding or recognized, and hereby commits their respective organization to the terms of this agreement.

SORRENTO.MICH
AEL.V.1399639162

Digitally signed by
SORRENTO.MICHAEL.V.139963
9162
Date: 2021.05.07 09:09:34-04'00'

Michael V. Sorrento
Director
Defense ManpowerData Center

Date: 05/07/2021

A. DoD Program Officials (Continued)

Subject to the approval of the Data Integrity Boards of the parties to this agreement and the required notifications, the authorized program official, whose signature appears below, accepts and expressly agrees to the terms and conditions expressed herein, confirms that no verbal agreements of any kind shall be binding or recognized, and hereby commits their respective organization to the terms of this agreement.

KIYOKAWA.GUY.TOS
HIMITSU.1179491830

Digitally signed by
KIYOKAWA.GUY.TOSHIMITSU.1
179491830
Date: 2021.05.14 17:06:39 -04'00'

Guy Kiyokawa
Deputy Director
Defense Health Agency

Date: 05/14/2021

B. Defense Data Integrity Board

The Defense Data Integrity Board has reviewed this computer matching agreement and has found it to comply with the Privacy Act of 1974, as amended (5 U.S.C. § 552a), and approves it.

Joo Y. Chung
Chairperson
Defense Data Integrity Board

Date: _____

C. CMS Program Officials

Subject to the approval of the Data Integrity Boards of the parties to this agreement and the required notifications, the authorized program official, whose signature appears below, accepts and expressly agrees to the terms and conditions expressed herein, confirms that no verbal agreements of any kind shall be binding or recognized, and hereby commits their respective organization to the terms of this agreement.

5/11/2021

X Ilina Chaudhuri

Signed by: PIV

Date: _____

Ilina Chaudhuri
Director
Division of Medicare Enrollment Coordination
Medicare Enrollment and Appeals Group
Center for Medicare
Centers for Medicare & Medicaid Services

C. CMS Approving Officials (Continued)

Subject to the approval of the Data Integrity Boards of the parties to this agreement and the required notifications, the authorized program official, whose signature appears below, accepts and expressly agrees to the terms and conditions expressed herein, confirms that no verbal agreements of any kind shall be binding or recognized, and hereby commits their respective organizations to the terms of this agreement.

**Michael E.
Pagels -S**  Digitally signed by
Michael E. Pagels-S
Date: 2021.05.11
13:18:08 -04'00'

Date: _____

Michael Pagels
Director
Division of Security, Privacy Policy and Governance, and
Senior Official for Privacy
Information Security and Privacy Group
Office of Information Technology

D. HHS Data Integrity Board

The HHS Data Integrity Board has reviewed this computer matching agreement and has found it to comply with the Privacy Act of 1974, as amended (5 U.S.C. § 552a), and approves it.

**Cheryl R.
Campbell -S**

 Digitally signed by Cheryl R.
Campbell -S
Date: 2021.06.14 15:21:05-04'00'

Date: _____

Cheryl Campbell
Chairperson
HHS Data Integrity Board
U. S. Department of Health and Human Services

**COST BENEFIT ANALYSIS
FOR
COMPUTER MATCHING AGREEMENT BETWEEN
THE DEFENSE MANPOWER DATA CENTER
DEPARTMENT OF DEFENSE
AND
THE CENTERS FOR MEDICARE & MEDICAID SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES**

CMS Computer Match No. 2021-03
HHS Computer Match No.2110
DoD Computer Match No. 12

COST-BENEFIT ANALYSIS FOR THE RE-ESTABLISHMENT OF THE MATCHING PROGRAM

This cost benefit analysis (CBA) includes a review of four key elements and other supporting justifications in an effort to determine whether the matching program is likely to be cost effective. A comparison of the estimated costs of computer matching versus manual matching results in an estimated net savings benefit of approximately \$30.9 million dollars.

I. MATCHING OBJECTIVE

The objective of the matching program is for the Centers for Medicare and Medicaid (CMS) and DoD to identify TRICARE beneficiaries who are entitled to Medicare Part A and/or Medicare Part B. TRICARE coverage is continued after the age of 65 for military retirees and their Medicare entitled dependents who have Medicare Part A and Part B. Retirees or retiree family members under age 65 and entitled to Medicare Part A are also required to have Medicare Part A and Part B to remain eligible for TRICARE. If it is determined that a TRICARE beneficiary has Medicare Part A only, they will no longer be eligible for healthcare coverage under TRICARE. If a beneficiary who is 65 or older does not have Medicare Part A and Part B, they must provide documentation showing they are not entitled to Medicare, in order to have continued TRICARE coverage.

II. BACKGROUND

The matching program is being reinstated to determine the correct eligibility status for TRICARE beneficiaries. When the data match is utilized, the CMS provides Medicare entitlement status of TRICARE beneficiaries. In the absence of the data match, the DoD cannot practically comply with the requirements of 10 U.S.C. 1086(d). DoD would be unable to determine continued TRICARE eligibility for retirees and their family members.

III. METHODOLOGY

The costs for this matching program will be primarily labor costs to review and adjudicate the match results, and the cost of central processing unit (CPU) processing time. DoD and CMS estimated the number of hours for its staff to complete the matching program. The findings from these activities serve as the basis for the cost estimates for this new matching program. To estimate the government staff personnel costs, DoD and CMS used the 2020 salary table with locality of pay for San Francisco-San Jose, CA, Washington, DC, Baltimore, MD, and Northern Virginia area from the Office of Personnel Management.

DoD used the following assumptions in development of the cost benefit analysis:

- The matching program will use processes currently in place at DoD and CMS that facilitate the transfer of finder files, the matching process, and transfer of response files. This process has been used since the inception of the TRICARE For Life program in 2001, with some technical adjustments over the time period. DoD and CMS will obtain, exchange and store data using existing tools and resources with no new financial impact.
- Any systems change refinements following the initial implementation of this matching program are not considered in projections.
- All personnel costs and savings are rounded to the nearest dollar.

IV. COST

A. Key Element 1: Personnel Cost

Source Agency (CMS): Staff performing the work will include employees predominantly located in the Washington-Baltimore-Arlington, DC-MD-VA-WV- PA geographic locality. CMS used estimates based on 2020 OPM payment schedules. The Washington- Baltimore-Arlington, DC-MD-VA-WV-PA geographic locality, hourly rates used in CMS' estimation for a GS-13, Step 5 is \$55.75.

CMS staff will spend an estimated 2009 hours for a GS-13, Step 5 to prepare and extract the data to be sent to DoD for the 18-month period covered under the Agreement. **CMS estimates that total personnel costs for data matching will amount to \$112,002 (2009 hours x \$55.75 = \$112,002).**

Recipient Agency (DoD): DoD will incur personnel costs prior to each match and ongoing personnel costs associated with reviewing and adjudicating match results. Staff performing the work include employees predominantly located in Monterey, CA. Some employees performing the work will be geographically dispersed; however, the San Francisco-San Jose, CA locality rate of \$71.41 per hour was used for all estimations because it represents the location where a majority of the work will be performed. DoD used estimates based on 2020 OPM payment schedules. The San Francisco-San Jose, CA geographic locality, hourly rates used in DoD's estimations are as follows: Defense Manpower Data Center (DMDC) Staff GS-14/5: \$71.41/hour x 2 hours/iteration x 78 iterations = \$11,140

DoD will also incur personnel costs associated with the preparation of the matching agreement which includes any preparations, negotiations, reviews, and concurrences handled by various levels within DoD. Staff performing the work include employees located in the Washington- Baltimore-Arlington, DC-MD-VA-WV-PA geographic locality.

Defense Privacy, Civil Liberties, and Transparency (DPCLTD) Staff Action Officer (GS-13/5): 55.75/hour x 48 hours = \$2676
Office of General Counsel (GS-15/5): \$77.49/hour x 5 hours = \$387
Data Integrity Board Executive Secretary (GS-15/5): \$77.49/hour x 5 hours = \$387
Data Integrity Board Members (8) (GS-15/5): \$77.49/hour x .5 hours x 8 members = \$310

The total estimated recipient agency (DoD) personnel labor costs include DMDC staff (\$11, 140) and DPCLTD staff (\$3760) costs totaling \$14,900.

B. Key Element 2: Computer Cost

Source Agency (CMS): \$7,562; This is based on the cost per CPU hour (\$22.58) multiplied by 334.9 processing hours.

Recipient Agency (DoD): \$4,697; This is based on the cost per CPU hour (\$22.58) multiplied by 208 processing hours.

The total computer costs include the costs incurred by the source agency, CMS (\$7,562) and the costs incurred by the recipient agency, DoD (\$4,697) totaling \$12,259.

The data match will provide Medicare entitlement data for TRICARE beneficiaries. The Medicare entitlement data will be used to determine continued TRICARE eligibility or termination of TRICARE benefits. This will ensure TRICARE pays claims for eligible beneficiaries (Key Element 3) and recoups erroneous payments made for ineligible individuals (Key Element 4). The data match will help to ensure TRICARE eligibility records remain accurate and will decrease erroneous claims payments for individuals with periods of ineligibility based on Medicare status (Key Element 3).

C. Key Element 3: Avoidance of Future Improper Payments

Not quantified.

While it is anticipated that the matching program is likely to result in the avoidance of future improper payments to individuals not eligible for TRICARE benefits, such savings have not been quantified.

D. Key Element 4: Recovery of Improper Payments and Debts

Not quantified.

While it is anticipated that the matching program may result in the recovery of some improper payments and debts for payments to individuals who were ineligible for TRICARE benefits, such recoveries have not been quantified.

E. Other Supporting Justifications

Another basis for evaluating the matching program is to compare the cost of conducting the matches manually with the costs of conducting computerized matching.

TRICARE has approximately 9,900,000 beneficiaries eligible for Medicare Parts A & B, who are matched electronically on a weekly basis to validate continued Medicare Part A and B coverage. As shown in Key Elements 1 and 2 above, the costs of matching such records in automated fashion are estimated to be \$139,161.

Alternatively, if a manual match were to be conducted, we would estimate at least \$31,004,015 per year in manual labor.

Assuming an individual can manually search and provide response on Medicare A/B coverage for 2 records a minute, they could search:

- 960 records per day (8 hour day)
- 4,800 records per week (5 days)
- 19,200 records per month (4 weeks)

Assuming the frequency of the match decreases from weekly matching to monthly matching, 9.9M records to be searched at an average of 19200 records per month by 1 individual, 515.6 FTEs would be required to manually search the 9.9M records every month.

Assuming staff performing the work include employees located in the Washington-Baltimore-Arlington, DC-MD-VA-WV-PA geographic locality at a GS-9/1, \$60,129/year.

$$515.6 \text{ FTE} \times \$60,129/\text{year} = \$31,004,015$$

Cost Category	Amount
CMS Personnel Costs	\$112,002
DoD Personnel Costs	\$11,140
CMS Computer Cost	\$7,562
DoD Computer Cost	\$4,697
DoD Administrative Cost	\$3,760
TOTAL COST	\$139,161

V. BENEFIT/COST RATIO

The ratio of total benefit to total cost is the total benefit divided by the total cost:

A. Total Benefit/Cost Avoidance	\$31,004,015
B. Total Cost:	\$139,161
C. Net Benefit:	\$30,864,854
D. Benefit-Cost Ratio:	222.79