

**COMPUTER MATCHING AGREEMENT**

**BETWEEN**

**U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES  
ADMINISTRATION FOR CHILDREN AND FAMILIES  
OFFICE OF CHILD SUPPORT ENFORCEMENT**

**AND**

**STATE AGENCY ADMINISTERING**

**THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM**

*Information Comparisons and Disclosures to Assist in Administering the  
Supplemental Nutrition Assistance Program*

U.S Department of Health and Human Services Data Integrity Board # 2111

**I. PURPOSE, LEGAL AUTHORITY, AND DEFINITIONS**

This computer matching agreement, hereinafter “agreement,” governs a matching program between the U.S Department of Health and Human Services, Administration for Children and Families, Office of Child Support Enforcement (OCSE) and the state agency administering the Supplemental Nutrition Assistance Program (SNAP) hereinafter “state agency.” This is a standard agreement between OCSE and all state agencies participating in the matching program. The state agency is the “non-federal agency,” and OCSE is the “source agency” as defined by the Privacy Act. 5 U.S.C. § 552a(a)(10) and (11). OCSE and participating state SNAP agencies have entered into matching agreements and renewals for this matching program since 2009, the latest of which expires February 15, 2022, (*see* Appendix A of this agreement). This agreement includes a security addendum and a cost-benefit analysis (*see* Appendix B).

**A. Purpose of the Matching Program**

The Privacy Act of 1974, as amended by the Computer Matching and Privacy Protection Act of 1988, hereinafter “Privacy Act,” requires that each matching agreement specify the purpose and legal authority for conducting the matching program. 5 U.S.C. § 552a (o)(1)(A).

The purpose of the matching program is to assist the state agency in establishing or verifying individuals’ eligibility for SNAP benefits to reduce payment errors and maintain program integrity, including determining whether duplicate participation exists. OCSE will provide the state agency with new hire, quarterly wage, and unemployment insurance information from the National Directory of New Hires (NDNH) pertaining to

individuals identified by the state agency who are adult applicants for, or recipients of, SNAP assistance.

The state agency may also use the NDNH information for updating applicants' and recipients' reported participation in work activities and updating contact information maintained by the state agency about applicants and recipients and their employers.

A computerized comparison of a system of records with non-federal records for the purpose of establishing or verifying the eligibility for benefits, or continuing compliance with statutory and regulatory requirements, by applicants for or recipients or beneficiaries of cash or in-kind assistance or payments under a federal benefit program constitutes a "matching program," as defined by the Privacy Act at 5 U.S.C. § 552a(a)(8)(i)(II). Records may not be disclosed from a system of records to a recipient agency or non-federal agency for use in a matching program except pursuant to a written agreement containing the provisions specified in the Privacy Act at 5 U.S.C. § 552a(o).

## **B. Legal Authority**

Subsection 453(j)(10) of the Social Security Act provides the legal authority for conducting the matching program, as follows:

Information comparisons and disclosure to assist in administration of supplemental nutrition assistance programs.—

(A) In general.— If, for purposes of administering a supplemental nutrition assistance program under the Food and Nutrition Act of 2008, a State Agency responsible for the administration of the program transmits to the Secretary the names and social security account numbers of individuals, the Secretary shall disclose to the State Agency information on the individuals and their employers maintained in the National Directory of New Hires, subject to this paragraph.

(B) Condition on disclosure by the Secretary.—The Secretary shall make a disclosure under subparagraph (A) only to the extent that the Secretary determines that the disclosure would not interfere with the effective operation of the program under this part.

(C) Use and disclosure of information by State Agencies.—

(i) In general.—A State Agency may not use or disclose information provided under this paragraph except for purposes of administering a program referred to in subparagraph (A).

(ii) Information security.—The State Agency shall have in effect data security and control policies that the Secretary finds adequate to ensure the security of information obtained under this paragraph and to ensure that access to such

information is restricted to authorized persons for purposes of authorized uses and disclosures.

(iii) Penalty for misuse of information.—An officer or employee of the State Agency who fails to comply with this subparagraph shall be subject to the sanctions under subsection (l)(2) to the same extent as if the officer or employee were an officer or employee of the United States.

(D) Procedural requirements.—State Agencies requesting information under this paragraph shall adhere to uniform procedures established by the Secretary governing information requests and data matching under this paragraph.

(E) Reimbursement of costs.—The State Agency shall reimburse the Secretary, in accordance with subsection (k)(3), for the costs incurred by the Secretary in furnishing the information requested under this paragraph.

In addition, the Agriculture Act of 2014, Pub. L. 113-079, amended section 11(e) of the Food and Nutrition Act of 2008, by adding a requirement that the state agency “shall request wage data directly from the National Directory of New Hires established under section 453(i) of the Social Security Act (42 U.S.C. § 653(i)) relevant to determining eligibility to receive supplemental nutrition assistance program benefits and determining the correct amount of such benefits.” 7 U.S.C. § 2020(e)(24).

### **C. Definitions**

The following terms contained in this agreement shall have the meaning given such terms in subsection (a) of the Privacy Act. 5 U.S.C. § 552a(a):

- (1) “Federal benefit program” means any program administered or funded by the federal government, or by any agent or state on behalf of the federal government, providing cash or in-kind assistance in the form of payments, grants, loans, or loan guarantees to individuals.
- (2) “Individual” means a citizen of the United States or an alien lawfully admitted for permanent residence.
- (3) “Maintain” means to maintain, collect, use or disseminate.
- (4) “Matching program” means any computerized comparison of two or more automated systems of records or a system of records with non-federal records for the purpose of – establishing or verifying the eligibility of or continuing compliance with statutory and regulatory requirements by, applicants for, recipients or beneficiaries of, participants in, or providers of services with respect to,
  - A. cash or in-kind assistance or payments under federal benefit programs, or
  - B. recouping payments or delinquent debts under such federal benefit programs. . .
- (5) “Non-federal agency” means any state or local government, or agency thereof, which receives records contained in a system of records from a source agency for use in a matching program.

- (6) "Recipient agency" means any agency, or contractor thereof, receiving records contained in a system of records from a source agency for use in a matching program.
- (7) "Record" means any item, collection, or grouping of information about an individual that is maintained by an agency, including, but not limited to, the individual's education, financial transactions, medical history, and criminal or employment history, and that contains the individual's name, or the identifying number, symbol, or other identifying particular assigned to the individual, such as a finger or voice print or a photograph.
- (8) "Routine use" means, with respect to the disclosure of a record, the use of such record for a purpose which is compatible with the purpose for which it was collected.
- (9) "Source agency" means any agency which discloses records contained in a system of records to be used in a matching program, or any state or local government, or agency thereof, which discloses records to be used in a matching program.
- (10) "System of records" means a group of any records under the control of any agency from which information is retrieved by an individual's name or by an identifying number, symbol, or other identifying particular assigned to the individual.

Additional terms used in this agreement are defined as follows:

- (11) "Federal Parent Locator Service" means a service, which includes the NDNH, conducted under the direction of OCSE pursuant to section 453 of the Social Security Act for purposes specified in sections 453 and 463. 42 U.S.C. §§ 653 and 663.
- (12) "National Directory of New Hires (NDNH)" means an automated directory maintained in the Federal Parent Locator Service, established by subsection 453(i)(1) of the Social Security Act, containing new hire, unemployment insurance, and quarterly wage information supplied by state and federal agencies pursuant to subsections 453A(b)(1)(C) and (g)(2) of the Social Security Act. 42 U.S.C. §§ 653(i)(1), 653a(b)(1)(C), and (g)(2).
- (13) "New hire information" means employer information pertaining to newly hired employees reported to the NDNH by state and federal agencies pursuant to subsections 453A(b)(1)(C) and (g)(2)(A), and 453(i)(1) of the Social Security Act. 42 U.S.C. §§ 653a(b)(1)(C) and (g)(2)(A), and 653(i)(1).
- (14) "Quarterly wage information" means wage information reported to the NDNH by state and federal agencies pursuant to subsections 453A(g)(2)(B) and 453(i)(1) and (n) of the Social Security Act. 42 U.S.C. §§ 653a(g)(2)(B), 653(i)(1) and (n);
- (15) "Unemployment insurance information" means information pertaining to benefits paid under state unemployment compensation programs and reported to the NDNH pursuant to subsections 453A(g)(2)(B) and 453(e)(3) and (i)(1) of the Social Security Act. 42 U.S.C. §§ 653a(g)(2)(B) and 653(e)(3) and (i)(1).
- (16) "Secretary" means the Secretary of the U.S. Department of Health and Human Services, unless otherwise provided specifically in the agreement.
- (17) "Adult" means an individual who is not a minor child, 42 U.S.C. § 619.

## II. JUSTIFICATION AND ANTICIPATED RESULTS

The Privacy Act requires that each matching agreement specify the justification for the program and the anticipated results, including a specific estimate of any savings. 5 U.S.C. § 552a(o)(1)(B).

### A. Cost Benefit Analysis

Unless statutorily excepted or waived by the HHS Data Integrity Board (DIB), a cost benefit analysis must be completed and submitted to the DIB to consider in determining whether to approve the matching program. If the analysis does not demonstrate that the matching program is likely to be cost effective, the DIB may approve the matching agreement based on other supporting justifications. *See* 5 U.S.C. § 552a(u)(4)(A-C) and OMB guidance in *Privacy Act of 1974: Final Guidance Interpreting the Provisions of Public Law 100-503, the Computer Matching and Privacy Protection Act of 1998*, 54 FR 25818 (June 19, 1989), at pages 25821 and 25828-25829.

Forty-nine state agencies participated in the federal fiscal year 2019 matching program and fifty-two state agencies participated in the federal fiscal year 2020 matching program. Twenty-four state agencies submitted performance outcomes for federal fiscal year 2019 and seventeen state agencies submitted performance outcomes reports for federal fiscal year 2020. The current Cost-Benefit Analysis (Appendix B) is derived from the fees paid by, and cost savings calculations from, the states that submitted performance outcomes. The combined cost of the state agencies to access the NDNH in federal fiscal years 2019 and 2020 is less than the combined savings they identified from the first month in which applicants' and recipients' information was compared to information in the NDNH for the respective federal fiscal years.

### B. Other Supporting Justifications

This matching program is further justified because it supports compliance with Executive Order 13520, *Reducing Improper Payments*, 74 FR 62201 (Nov. 25, 2009), which policies state that federal programs should continue to serve their intended beneficiaries, but provide for public scrutiny of significant payment errors and eliminate the highest improper payments; establish accountability for reducing improper payments; and coordinate federal, state, and local government action in identifying and eliminating improper payments, and implementing guidelines in OMB Memorandum M-18-20, *Transmittal of Appendix C to Circular A-123, Requirements for Payment Integrity Improvement* (June 26, 2018). The matching program facilitates compliance with the applicable requirements of 31 U.S.C. §§ 3351-3358.

States are statutorily required to verify wage data of adult household members through the NDNH, to determine eligibility and the correct amount of SNAP benefits at the time of certification as a result of the reauthorization of the Supplemental Nutrition Assistance Program (SNAP) on February 7, 2014, as part of the Agricultural Act of 2014, P.L. 113-79. *See* 7 U.S.C. § 2020(e)(24). State agencies are authorized under 453(j)(10) of the Social

Security Act to conduct an information comparison with the NDNH. 42 U.S.C. § 653(j)(10).

NDNH is a centralized database of wage and employment information and, as such, provides an effective and efficient means to obtain income information, preferable to other means of obtaining the same information. The matching program will assist the state agency in detecting fraud, waste, and abuse and will enhance program integrity by strengthening the state agency's oversight and management of the SNAP. It will serve as a deterrent to some individuals who otherwise may fraudulently apply for and receive SNAP benefits, and it will provide information to reduce erroneous payments. The program will also provide useful information on the employment and earnings of SNAP applicants and recipients, specifically: 1) those who are employed with the federal government; 2) those who are employed in another state, including those who have been rehired by a previous employer after having been separated from such prior employment for at least 60 consecutive days (Pub. L. 112-40, effective April 21, 2012, amending subsection 453A(a)(2) of the Social Security Act, 42 U.S.C. § 653a(a)(2)); and 3) those whose information is not readily available through the State Directory of New Hires, state workforce agencies, or other data reporting systems.

The positive results of the previous matching programs between the state agency and OCSE further justify the proposed matching program. *See* section II.A and the cost benefit analysis at Appendix B to this agreement.

### **C. Specific Estimate of Any Savings**

As shown in the cost benefit analysis (Appendix B), for federal fiscal years 2019 and 2020 reporting, only twenty-four of forty-nine and seventeen of fifty-two state agencies submitted performance outcomes, respectively, but they demonstrated an avoidance of improper payments of approximately \$16 million in federal fiscal year 2019 and \$13.8 million in federal fiscal year 2020. With implementation of the matching program complete, states continue to develop efficient processes for reporting cost savings. The parties to this agreement anticipate that savings and operation benefits derived from the NDNH matching program will continue. Further, as additional state agencies provide performance outcomes, it is likely the cost savings will continue to outweigh the cost to access the NDNH.

## **III. RECORDS DESCRIPTION**

The Privacy Act requires that each matching agreement specify a description of the records that will be matched, including each data element that will be used, the approximate number of records that will be matched, and the projected starting and completion dates of the matching program. 5 U.S.C. § 552a(o)(1)(C).

## **A. Sources of the Records Used in This Matching Program**

### **1. OCSE System of Records**

OCSE will disclose match results to the state agency from the following system of records: *OCSE National Directory of New Hires*, System No. 09-80-0381; 80 FR 17906 (April 2, 2015), 83 FR 6591 (Feb. 14, 2018). The disclosure of NDNH records by OCSE to the state agency is authorized by routine use (15) published in the NDNH SORN. 80 FR 17906, 17907 (April 2, 2015).

### **2. State Agency Records**

The state agency records used in the information comparison contain information collected by the state agency in its administration of SNAP. States are authorized to collect such information pursuant to subsections 1137(a) and (b)(4) of the Social Security Act (42 U.S.C. § 1320b-7(a)(1) and (b)(4)) and 31 U.S.C. § 7701(c), which require an applicant for, or recipient of, SNAP benefits to furnish a Social Security number as a condition of eligibility.

## **B. Number of Records Involved**

The combined caseload of all state SNAP benefit programs is approximately 42 million SNAP applicants and recipients. The input file provided to OCSE by the state agency will contain records representing a portion of that state's caseload. Each state agency's agreement signature page provides the estimated number of records to be submitted to OCSE by the state agency.

The approximate number of records in the output file provided to the state agency by OCSE will depend upon the number of individuals whose information is maintained in the NDNH and the amount of NDNH information, if any, associated with those individuals.

## **C. Specified Data Elements Used in the Match**

### **1. Data Elements in the State Agency Input File**

The state agency input file provided to OCSE contains records pertaining to individuals who are adult SNAP applicants for, or recipients of, SNAP benefits. Each individual record contains the following data elements, where available:

- Submitting state code (two-digit FIPS code)
- Date stamp (input file transmission date)
- Adult SNAP caseload month and year of adult SNAP applicants and recipients
- Adult SNAP applicant/recipient's Social Security number
- Adult SNAP applicant/recipient's first, middle, and last name

OPTIONAL:

- Passback data (state agency information used to identify individuals within the input file to be returned on the output file)
- Same state data indicator (indicates whether the state agency requests NDNH new hire, quarterly wage, or unemployment insurance even if the information was provided by that same state)

As provided in the SNAP-NDNH Record Specifications, OCSE will verify the name and social security number combinations in the state agency's input file using Social Security Administration processes. States may change the default setting from "Y" to "N" to indicate to OCSE that the state verified their records before submitting them for comparison.

## **2. NDNH Data Elements**

To accomplish the purposes of this matching program, the state agency will request the following data elements from the NDNH new hire, quarterly wage, and unemployment insurance files. The file provided to the state agency by OCSE will contain the requested new hire, quarterly wage, and unemployment insurance information, if any, pertaining to the individuals whose Social Security numbers are contained in the state agency input file. The file will also contain a code indicating whether the state requested OCSE to verify the name and Social Security number combination of each individual and a code indicating why a record was rejected.

### **a. New Hire File**

- New hire processed date
- Employee name
- Employee address
- Employee date of hire
- Employee state of hire
- Federal Employer Identification Number
- State Employer Identification Number
- Department of Defense code
- Employer name
- Employer address
- Transmitter agency code
- Transmitter state code
- Transmitter state or agency name



**b. Quarterly Wage File**

- Quarterly wage processed date
- Employee name
- Federal Employer Identification Number
- State Employer Identification Number
- Department of Defense code
- Employer name
- Employer address
- Employee wage amount
- Quarterly wage reporting period
- Transmitter agency code
- Transmitter state code
- Transmitter state or agency name

**c. Unemployment Insurance File**

- Unemployment insurance processed date
- Claimant name
- Claimant address
- Claimant benefit amount
- Unemployment insurance reporting period
- Transmitter state code
- Transmitter state or agency name

**D. Frequency of Data Exchanges**

Subsection 453(j)(10) of the Social Security Act (42 U.S.C. § 653(j)(10)) requires comparison and disclosure to assist states to carry out their responsibilities under SNAP to the extent and with the frequency that the Secretary determines to be effective.

The Secretary has determined that comparisons and disclosures at a frequency established by the state agency are effective in assisting states to carry out responsibilities under SNAP. The state agency requests comparisons and disclosures at the following frequencies: on a monthly basis for comparison against the new hire file, and on a quarterly basis for comparison with the quarterly wage and unemployment insurance files.

**E. Projected Start and Completion Dates**

The projected start date of this agreement is February 16, 2022 and the projected expiration date is August 15, 2023 (18 months from the start date), or August 15, 2024, if the agreement is renewed for one year. Any renewal will be signed in advance by OCSE and the HHS DIB Chairperson, and must be signed by the state between May 16 and August 15, 2023 and include OCSE's and the state's certification that the requirements stated in section XII have been met.

## **IV. NOTICE PROCEDURES**

### **A. Individualized Notice that Information May Be Subject to Verification through Matching Programs**

The Privacy Act requires that the matching agreement specify procedures for providing individualized notice at the time of application, and periodically thereafter, subject to guidance provided by the Director of the Office of Management and Budget, to applicants for and recipients of financial assistance or payments under federal benefit programs, that any information provided by such applicants and recipients may be subject to verification through matching programs. 5 U.S.C. § 552a(o)(1)(D)(i).

Pursuant to this requirement, the state agency has implemented procedures and developed forms for providing individualized notice, at the time of application, and periodically thereafter. The notice informs the applicants or recipients that the information they provide may be verified through matching programs. The notification methods include, but are not limited to, a statement on the initial application for SNAP benefits (hard copy and electronic); an explanation in the benefit program handbook provided at the time of application; a banner on the state agency website for SNAP applicants and SNAP renewal; and, a statement in letters to applicants and recipients of SNAP benefits.

### **B. Constructive Notice of Matching Program**

The Privacy Act requires federal agencies to publish notice of the establishment or revision of a matching program with a non-federal agency in the Federal Register for public notice and comment, at least 30 days prior to conducting such program. 5 U.S.C. § 552a(e)(12).

OCSE will publish the required public notice of the matching program in the *Federal Register* at least 30 days before conducting the program and will make the notice and this agreement available on the HHS computer matching agreement (CMA) internet site as required by OMB Memorandum M-17-06 *Policies for Federal Agency Public Websites and Digital Services*. These publications will provide constructive notice of the matching program to affected individuals. OCSE will not publish the *Federal Register* notice until OCSE has reported the matching program to the Office of Management and Budget (OMB) and Congress for advance review and OMB has completed its review as required by 5 U.S.C. § 552a(o)(2)(A) and (r) and OMB Circular A-108, *Federal Agency Responsibilities for Review, Reporting, and Publication under the Privacy Act*, 81 FR 94424 (Dec. 23, 2016), at pages 17-23.

## **V. VERIFICATION PROCEDURES AND OPPORTUNITY TO CONTEST FINDINGS**

The Privacy Act at 5 U.S.C. § 552a(o)(1)(E) requires that each matching agreement specify procedures for verifying information produced in the matching program and for providing affected individuals an opportunity to contest findings before an adverse action is taken against them, which procedures must comply with 5 U.S.C. § 552a(p).

## A. Verification Procedures

Subsection (p) of the Privacy Act provides as follows:

(1) In order to protect any individual whose records are used in a matching program, no recipient agency, non-Federal agency, or source agency may suspend, terminate, reduce, or make a final denial of any financial assistance or payment under a Federal benefit program to such individual, or take other adverse action against such individual, as a result of information produced by such matching program, until

(A)(i) the agency has independently verified the information;

(B) the individual receives a notice from the agency containing a statement of its findings and informing the individual of the opportunity to contest such findings; and

(C)(i) the expiration of any time period established for the program by statute or regulation for the individual to respond to that notice; or

(ii) in the case of a program for which no such period is established, the end of the 30-day period beginning on the date on which notice under subparagraph (B) is mailed or otherwise provided to the individual.

(2) Independent verification referred to in paragraph (1) requires investigation and confirmation of specific information relating to an individual that is used as a basis for an adverse action against the individual, including where applicable investigation and confirmation of –

(A) the amount of any asset or income involved;

(B) whether such individual actually has or had access to such asset or income for such individual's own use; and

(C) the period or periods when the individual actually had such asset or income.

(3) Notwithstanding paragraph (1), an agency may take any appropriate action otherwise prohibited by such paragraph if the agency determines that the public health or public safety may be adversely affected or significantly threatened during any notice period required by such paragraph.

5 U.S.C. § 552a(p).

Thus, pursuant to the Privacy Act, the state agency understands that information obtained from the NDNH is not conclusive evidence of the address and employment information of an identified individual and must, in accordance with 5 U.S.C. § 552a(p)(2), independently verify the NDNH information before taking adverse action to deny, reduce, or terminate benefits. State agencies have procedures to verify the current employment and income status of the applicant or recipient before taking action, which include but are not limited to, notification of third parties, such as named employers or other state agencies, and calling the applicant or recipient. These verification procedures and methods vary from state to state, as

do the methods for notification of such findings, which include letters to applicants and recipients of SNAP benefits advising them of possible pending action.

Further, subsection (q)(1) of the Privacy Act provides that notwithstanding any other provision of law, no source agency may disclose any record which is contained in a system of records to a recipient agency or non-federal agency for a matching program if such source agency 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 by such recipient agency. 5 U.S.C. § 552a(q)(1). *See also* the Office of Management and Budget guidelines *Privacy Act of 1974: Final Guidance Interpreting the Provisions of Public Law 100-503, the Computer Matching and Privacy Protection Act of 1998*, 54 FR 25818 (June 19, 1989), at pages 25827, 25829.

Information in the NDNH is also verified to ensure accuracy of records (See section IX). Records in an NDNH output file from OCSE to a state agency will indicate whether each name and Social Security number combination in the match results obtained from the NDNH has been verified for accuracy. OCSE verification procedures and output file indicators increase the likelihood that the NDNH information OCSE provides to the state agency will pertain to the appropriate individuals.

## **B. Opportunity to Contest Findings**

The state agency has established and implemented procedures which require that, prior to taking adverse action against an individual, the state agency must notify the individual of the findings and of the opportunity to contest the findings, and the date by which the individual must respond to the notice, in accordance with 5 U.S.C. § 552a(p)(1).

## **VI. DISPOSITION OF MATCHED ITEMS**

The Privacy Act requires that each matching agreement specify procedures for the retention and timely destruction of identifiable records created by a recipient agency or non-federal agency in such matching program. 5 U.S.C. § 552a(o)(1)(F). The Privacy Act also requires that each matching agreement specify procedures governing the use by the 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. § 552a(o)(1)(I).

The following provisions specify the retention periods for the records contained in the input file provided by the state agency and for the NDNH records in the output file provided by OCSE, which includes the information contained in those records, even NDNH records that are not labeled as such. Electronic files and information and any paper printouts shall be disposed of as provided in the Security Addendum at III. 23. and 28.

### **A. State Agency Records in the Input File**

OCSE may retain the records contained in the input file provided to OCSE by the state agency only for the period of time required for any processing related to the matching program, but no longer than 60 days after the transmission of the file to OCSE.

### **B. NDNH Records in the Output File**

#### **1. Copy of NDNH Records in the Output File**

OCSE may retain copies of the records contained in the NDNH output file that OCSE provided to the state agency only for the period of time required to ensure the successful transmission of the output file to the state agency, but no longer than 60 days after the transmission of the output file to the state agency.

#### **2. NDNH Records in Output File Provided to State Agency**

The state agency may retain NDNH records contained in the output file OCSE provided to the state agency only for the period of time required to achieve the authorized purpose of the matching program, but no longer than two years from the date of disclosure of the files to the state agency.

## **VII. SECURITY PROCEDURES**

The Privacy Act requires that each matching agreement specify procedures for ensuring the administrative, technical, and physical security of the records matched and the results of such programs. 5 U.S.C. § 552a(o)(1)(G). Federal agencies must ensure that state agencies afford the appropriate equivalent level of security controls as maintained by the federal agency. The Office of Management and Budget Memorandum 01-05, Guidance on Inter-Agency Sharing of Personal Data - Protecting Personal Privacy, Security Controls. (December 20, 2000).

The procedures and controls to ensure the appropriate equivalent level of security for records matched and the results of such programs are specified in the security addendum to this agreement.

## **VIII. RECORDS USAGE, DUPLICATION, AND REDISCLOSURE RESTRICTIONS**

The Privacy Act requires that each matching agreement specify prohibitions on duplication and redisclosure of records provided by the source agency within or outside the recipient agency or 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. § 552a(o)(1)(I).

Restrictions on duplication, redisclosure and use of records are also found in the Social Security Act. Subsection 453(l)(1) requires that NDNH information and the results of comparisons using NDNH information shall not be used or disclosed except as *expressly* provided in section 453, subject to section 6103 of the Internal Revenue Code of 1986. 42 U.S.C. § 653(l)(1). Subsection 453(l)(2) provides that an administrative penalty (up to and including dismissal from employment), and a fine of \$1,000 shall be imposed for each act of unauthorized access to, disclosure of, or use of, information in the NDNH by any officer or employee of the United States or any other person who knowingly and willfully violates the requirement. 42 U.S.C. § 653(l)(2). Subsection 453(m) requires the Secretary of the U.S. Department of Health and Human Services to establish and implement safeguards with respect to the entities established under this section designed to restrict access to confidential NDNH information to authorized persons, and restrict use of such information to authorized purposes. 42 U.S.C. § 653(m).

Subsection 453(j)(10)(C) of the Social Security Act, under which this matching program is authorized, further restricts the redisclosure and use of records. Subsections 453(j)(10)(B) of the Social Security Act provide that OCSE shall disclose to the state agency information in the NDNH only to the extent that OCSE determines that the disclosure would not interfere with the effective operation of the child support program. 42 U.S.C. § 653(j)(10)(B) and (C). OCSE may not commence, or may discontinue, disclosure of NDNH information upon a determination that such disclosure interferes with the effective operation of the child support program. OCSE will provide the state agency with ten days' advance written notice prior to discontinuation of the disclosure of NDNH information.

In accordance with such requirements, OCSE shall use state agency records solely as provided in this agreement and shall not duplicate or redisclose those records within or outside of OCSE. The state agency shall use the results of the information comparison solely for the purposes authorized pursuant to this agreement and in accordance with the terms and conditions specified in this agreement, including the security addendum. The state agency may not redisclose or duplicate the results of the information comparison.

If a state agency determines that redisclosure to a specified entity is essential to accomplishing the matching program's purposes (as specified in section I. of this agreement), the state agency must obtain OCSE's written approval prior to any redisclosure. The state agency shall submit a written request to OCSE describing the purpose, manner, and frequency of the proposed redisclosure and the entities to which such redisclosure is to be made. The state agency shall certify that it will ensure the appropriate equivalent level of security controls on the entity's use of NDNH information. OCSE shall review any such request and advise the state agency whether the request is approved or denied.

## **IX. RECORDS ACCURACY ASSESSMENTS**

The Privacy Act requires that each matching agreement specify information on assessments that

have been made on the accuracy of the records that will be used in the matching program.  
5 U.S.C. § 552a(o)(1)(J).

#### **A. NDNH Records**

The information maintained within the NDNH is reported to OCSE by state and federal agencies. OCSE verifies the accuracy of name and Social Security number combinations maintained by OCSE against Social Security Administration databases in accordance with 42 U.S.C. § 653(j)(1). A record reported to the NDNH is considered “verified” if the name and Social Security number combination has a corresponding name and Social Security number combination within Social Security Administration databases.

One hundred percent of the employee name and Social Security number combinations contained in the new hire file and the unemployment insurance file against which input files are compared have been verified against Social Security Administration databases. For quarterly wage, 77 percent of name and Social Security number combinations have been verified because some states do not collect enough name data. However, information comparisons may be conducted and reliable results obtained.

#### **B. State Agency Records**

The state agency name and Social Security number combinations have a high degree of accuracy.

### **X. COMPTROLLER GENERAL ACCESS**

The Privacy Act requires that each matching agreement specify that the Comptroller General of the United States may have access to all records of a recipient agency or a non-federal agency that the Comptroller General deems necessary in order to monitor or verify compliance with this agreement. 5 U.S.C. § 552a(o)(1)(K). OCSE and the state agency agree that the Comptroller General may have access to such records for the authorized purpose of monitoring or verifying compliance with this agreement.

### **XI. REIMBURSEMENT/FUNDING**

Subsection 453(k)(3) of the Social Security Act requires a state or federal agency that receives information from the Secretary to reimburse the Secretary for costs incurred by the Secretary in furnishing the information. The reimbursement shall be at rates which the Secretary determines to be reasonable and will include the costs of obtaining, verifying, maintaining and comparing the information. 42 U.S.C. § 653(k)(3).

OCSE has established a full-cost reimbursement methodology for calculating user fees for each state or federal agency receiving information from the NDNH. A reimbursement agreement shall be executed each federal fiscal year in which this computer matching agreement is in effect and if

the state agency participates in the match. The state agency shall reimburse OCSE in accordance with the terms of such reimbursement agreement.

## **XII. DURATION OF AGREEMENT**

### **A. Effective Date of the Agreement**

As stated in III.E., the State Agency and OCSE intend that the effective date of this agreement will be February 16, 2022, the day after the expiration date of the renewal of the prior matching agreement, No. 1901.

OCSE and the state agency may commence comparisons and disclosures under this agreement upon completion of all of the following requirements:

- OCSE and the authorized state agency officials sign the agreement.
- The HHS DIB approves this matching agreement, and the HHS DIB Chairperson signs the agreement.
- The state agency submits the documentation required by OCSE to assess the security posture of the state agency.
- OCSE reports the matching program to OMB and Congress for their advance review and, upon completion of OMB's advance review, OCSE publishes the matching notice in the *Federal Register* for 30 calendar days, as required by 5 U.S.C. § 552a(e)(12), (o)(2)(A) and (r) and OMB Circular A-108, *Federal Agency Responsibilities for Review, Reporting, and Publication under the Privacy Act*, 81 FR 94424 (Dec. 23, 2016), at pages 17-23.

This agreement shall remain in effect for 18 months as permitted by 5 U.S.C. § 552a(o)(2)(C). The parties may, within three months prior to the expiration date of this agreement, renew the agreement for a period of up to one year if OCSE and the state agency certify to the HHS DIB in writing that the matching program has been conducted in compliance with the agreement and will be conducted without any significant change. *See* 5 U.S.C. § 552a(o)(2)(D) and OMB Circular A-108, *Federal Agency Responsibilities for Review, Reporting, and Publication under the Privacy Act*, 81 FR 94424 (Dec. 23, 2016), at pages 17-20.

The Privacy Act at subsection (q) provides that no source agency may renew a matching agreement unless the recipient agency or non-federal agency has certified that it has complied with the provisions of that agreement; and the source agency has no reason to believe that the certification is inaccurate. 5 U.S.C. § 552a(q)(2)(A) and (B).

### **B. Modification of the Agreement**

This agreement may be modified at any time by a written amendment which is approved by the state agency, OCSE, and by the HHS DIB. If any significant changes are requested, a new agreement will be required.



### **C. Termination of the Agreement**

This agreement may be terminated at any time with the consent of both agencies.

Either agency may unilaterally terminate this agreement upon written notice to the other agency, in which case the termination date shall be effective 90 days after the date of the notice or at a later date specified in the notice provided this date does not exceed the approved duration of the agreement.

If OCSE has reason to believe that the verification and opportunity to contest requirements of subsection (p) of the Privacy Act (as amended) or any other requirement of this agreement is not being met, OCSE shall terminate disclosures of records contained in the NDNH under the agreement, in accordance with subsection 552a(q)(1) of the Privacy Act (as amended). 5 U.S.C. § 552a(q)(1).

If OCSE determines that any authorized entity to which NDNH information is redisclosed is not complying with any of the terms and provisions in this agreement, OCSE may terminate this agreement.

If OCSE determines that the privacy or security of NDNH information is at risk, OCSE may terminate the agreement and any further disclosures without prior notice to the state agency.

### **XIII. NECESSITY OF INFORMATION FOR AUTHORIZED PURPOSE**

Subsection 453(j)(10)(C) of the Social Security Act requires the state agency to seek minimum information only to the extent necessary to administer the program described in subsection 453(j)(10)(A). 42 U.S.C. § 653(j)(10)(A).

The state agency will comply with such requirement by ensuring that information pertaining to individuals and each data element requested, the frequency of transmission and the retention and disposition periods of NDNH information are necessary to accomplish the authorized purpose for obtaining NDNH information – determining eligibility and detecting fraud. (*See* sections III.B, III.D, and VI. of this agreement).

The state agency may provide to authorized users, as provided in section VIII of this agreement, only the specific NDNH information necessary to perform their official duties for accomplishing the purpose for obtaining NDNH information – determining eligibility and detecting fraud.

### **XIV. PERIODIC REPORTING OF PERFORMANCE OUTCOMES**

The Office of Management and Budget requires OCSE to periodically report measures of the performance of the Federal Parent Locator Service, including the NDNH, through various federal management devices, such as the Office of Management and Budget Information Technology Dashboard, the Annual Report to Congress, and the Major IT Business Case. OCSE is required

to provide performance measures demonstrating how the Federal Parent Locator Service supports OCSE's strategic mission, goals and objectives, and cross-agency collaboration. OCSE also requests such performance reporting to ensure matching partners use NDNH information for the authorized purpose.

To assist OCSE in its compliance with federal reporting requirements, and to provide assurance that the state agency uses NDNH information for the authorized purpose, the state agency shall provide the OCSE with performance outputs and outcomes attributable to its use of NDNH information for the purposes set forth in this agreement.

The state agency shall provide such reports, in a format determined by OCSE and approved by OMB in accordance with the Paperwork Reduction Act, to OCSE on an annual basis, no later than three months after the end of each federal fiscal year of the matching program.

The performance reports may also assist in the development of a cost-benefit analysis of the matching program required for any subsequent matching agreements in accordance with 5 U.S.C. § 552a(o)(1)(B). *See* section II.B of this agreement.

**XV. PERSONS TO CONTACT**

- A.** The U.S. Department of Health and Human Services, Administration for Children and Families, Office of Child Support Enforcement contact for programs and security is:

Veronica Ragland, Director  
Division of Federal Systems  
Office of Child Support Enforcement  
Administration for Children and Families  
Mary E. Switzer Building  
330 C Street SW  
Washington, DC 20201  
Phone: 202-697-2727  
Email: veronica.ragland@acf.hhs.gov

- B.** The contacts on behalf of the state agency are:

[NAME]  
[TITLE]  
[AGENCY]  
[MAILING ADDRESS]  
[CITY, STATE, ZIP CODE]  
Phone: [XXX-XXX-XXXX]  
Email: [EMAIL ADDRESS]

[NAME]  
[TITLE]  
[AGENCY]  
[MAILING ADDRESS]  
[CITY, STATE, ZIP CODE]  
Phone: [XXX-XXX-XXXX]  
Email: [EMAIL ADDRESS]

**XVI. APPROVALS**

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

**A. U. S. Department of Health and Human Services Program Official**

<b>Linda A. Boyer -S</b> Date: 2021.08.16 12:26:23 -04'00' Digitally signed by Linda A. Boyer -S	
<b>Linda Boyer</b> Acting Commissioner Office of Child Support Enforcement	<b>Date</b>

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

<b>Cheryl R. Campbell -S</b> Digitally signed by Cheryl R. Campbell -S Date: 2021.09.21 15:24:34 -04'00'	
<b>Cheryl Campbell</b> Chairperson	<b>Date</b>

**C. State Agency Official**

The state of \_\_\_\_\_ will submit approximately \_\_\_\_\_ records in each input file, which represent approximately \_\_\_\_\_ individuals, at the frequency specified in section III.D of this agreement. This number is an estimate of the number of records provided to OCSE by the state agency and may fluctuate within the effective period of the agreement.

<b>[Name of State Agency Authorized Official]</b> [Title of State Agency Authorized Official]	<b>Date</b>

## **SECURITY ADDENDUM**

**U.S. Department of Health and Human Services  
Administration of Children and Families  
Office of Child Support Enforcement**

**and**

**STATE AGENCY ADMINISTERING**

**THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM**

*Information Comparisons and Disclosures to Assist in Administering the  
Supplemental Nutrition Assistance Program*

### **I. PURPOSE AND EFFECT OF THIS SECURITY ADDENDUM**

The purpose of this security addendum is to specify the security controls that the Office of Child Support Enforcement (OCSE) and the state agency administering the Supplemental Nutrition Assistance Program (state agency) must 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 the state agency agree to comply with the security requirements established by the U.S. Department of Health and Human Services and OCSE. OCSE and the state agency agree to use the information for authorized purposes in accordance with the terms of the computer matching agreement (agreement) between the state agency and OCSE.

OCSE may update this security addendum to address process or technology changes, as well as new or revised federal security requirements and guidelines. In such instances, OCSE must provide the state agency with written notification of such changes and require written assurance by the state agency that it must comply with new or revised security requirements.

### **II. APPLICABILITY OF THIS SECURITY ADDENDUM**

This security addendum is applicable to the agency, personnel, facilities, documentation, information, electronic and physical records, other machine-readable information, and the information systems of OCSE and the state agency, and entities specified in the agreement which are hereinafter “OCSE” and “state agency.”

### III. SECURITY AND PRIVACY SAFEGUARDING REQUIREMENTS

The safeguarding requirements in this security addendum are drawn from the *Office of Child Support Enforcement Division of Federal Systems Security Requirements for State Agencies Receiving National Directory of New Hires Data*. This document is available upon request from [ocsesecurity@acf.hhs.gov](mailto:ocsesecurity@acf.hhs.gov).

This section provides the safeguarding requirements with which OCSE and the state agency must comply and continuously monitor. The state agency must also comply with three additional requirements: Breach Reporting and Notification Responsibility; Security Certification; and Audit Requirements.

The safeguarding requirements for receiving NDNH information as well as the safeguards in place at OCSE for protecting the agency input files are as follows:

1. The state agency must restrict access to, and disclosure of, NDNH information to authorized personnel who need NDNH information to perform their official duties in connection with the authorized purposes specified in the agreement.

OCSE restricts access to and disclosure of the agency input files to authorized personnel who need them to perform their official duties as authorized in this agreement.

**Policy/Requirements Traceability:** 5 U.S.C. § 552a(b)(1), NIST SP 800-53 Rev 5, *Security and Privacy Controls for Information Systems and Organizations*, AC-3, AC-6

2. The state agency must establish and maintain an ongoing management oversight and quality assurance program to ensure that only authorized personnel have access to NDNH information.

OCSE management oversees the use of the agency input files to ensure that only authorized personnel have access.

**Policy/Requirements Traceability:** 5 U.S.C. § 552a; NIST SP 800-53 Rev 5, PL-4(1), PS-6, PS-8

3. The state agency must advise all authorized personnel who will access NDNH information of the confidentiality of NDNH information, the safeguards required to protect NDNH information, and the civil and criminal sanctions for non-compliance contained in the applicable state and federal laws, including section 453(1)(2) of the Social Security Act. 42 U.S.C. § 653(1)(2).

OCSE advises all personnel who will access the agency input files of the confidentiality of the information, the safeguards required to protect the information,

and the civil and criminal sanctions for non-compliance contained in the applicable federal laws.

**Policy/Requirements Traceability:** 5 U.S.C. § 552a; NIST SP 800-53 Rev 5, PL-4(1), PS-6, PS-8

4. The state agency must deliver security and privacy awareness training to personnel with authorized access to NDNH information and the system that houses, processes, or transmits NDNH information. The training must describe each user's responsibility for proper use and protection of NDNH information, how to recognize and report potential indicators of insider threat, and the possible sanctions for misuse. All personnel must receive security and privacy awareness training before accessing NDNH information and at least annually thereafter. Training must cover the matching provisions of the federal Privacy Act, the Computer Matching and Privacy Protection Act, and other state and federal laws governing use and misuse of NDNH information.

OCSE delivers security and privacy awareness training to personnel. The training describes each user's responsibility for proper use and protection of other agencies' input files, how to recognize and report potential indicators of insider threat, and the possible sanctions for misuse. All personnel receive security and privacy awareness training before accessing agency input files and at least annually thereafter. The training covers the other federal laws governing use and misuse of protected information.

**Policy/Requirements Traceability:** 5 U.S.C. § 552a; 44 U.S.C. § 3551 et seq; OMB Circular A-130, *Managing Information as a Strategic Resource*; OMB M-17-12, *Preparing for and Responding to a Breach of Personally Identifiable Information*; NIST SP 800-53 Rev 5, AT-2(2), AT-3

5. The state agency personnel with authorized access to NDNH information must sign non-disclosure agreements, rules of behavior, or equivalent documents before system access, annually, and if changes in assignment occur. The non-disclosure agreement, rules of behavior, or equivalent documents must outline the authorized purposes for which the state agency may use NDNH information, the privacy and security safeguards contained in this agreement and security addendum, and the civil and criminal penalties for unauthorized use. The state agency 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 files sign non-disclosure agreements and rules of behavior.

**Policy/Requirements Traceability:** OMB Circular A-130 - Appendix I, *Responsibilities for Protecting and Managing Federal Information Resources*; OMB M-17-12; NIST SP 800-53 Rev 5, PS-6



6. The state agency must maintain records of authorized personnel with access to NDNH information. The records must contain a copy of each individual's signed non-disclosure agreement, rules of behavior, or equivalent document and proof of the individual's participation in security and privacy awareness training. The state agency must make such records available to OCSE upon request.

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

**Policy/Requirements Traceability:** NIST SP 800-53 Rev 5, AT-4

7. The state agency must have appropriate procedures in place to report confirmed and suspected security or privacy incidents (unauthorized use or disclosure involving personally identifiable information), involving NDNH information. Immediately upon discovery, but in no case later than one hour after discovery of the incident, the state agency must report confirmed and suspected incidents, in either electronic or physical form, to OCSE, as designated in this security addendum. The requirement for the state agency to report confirmed or suspected incidents involving NDNH information to OCSE exists in addition to, not in lieu of, any state agency requirements to report to the United States Computer Emergency Readiness Team (US-CERT).

OCSE has appropriate procedures in place to report security or privacy incidents, or suspected incidents involving the agency input files. 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 state agency security contact designated in this security addendum. The requirement for OCSE to report confirmed or suspected incidents to the state agency exists in addition to, not in lieu of, requirements to report to US-CERT or other reporting agencies.

**Policy/Requirements Traceability:** OMB Circular A-130 – Appendix I; OMB M-17-12; NIST SP 800-53 Rev 5, IR-6

8. The state agency must prohibit the use of non-state agency furnished equipment to access NDNH information without specific written authorization from the appropriate state agency representatives.

OCSE does not permit personnel to access the agency input files remotely using non-agency furnished equipment.

**Policy/Requirements Traceability:** NIST SP 800-53 Rev 5, AC-20(1)(2)

9. The state agency must require that personnel accessing NDNH information remotely (for example, telecommuting) adhere to all the security and privacy safeguarding requirements provided in this security addendum. State agency and non-state agency furnished equipment must have appropriate software with the latest updates to protect against attacks, including, at a minimum, current antivirus software and up-to-date system patches and other software patches. Before electronic connection to state agency resources, the state agency must scan the state agency and non-state agency furnished equipment to ensure compliance with the state agency standards. All remote connections must be through a Network Access Control, and all data in transit between the remote location and the agency must be encrypted using Federal Information Processing Standards (FIPS) 140-2 encryption standards. Personally owned devices must not be authorized. See numbers 8 and 19 of this section for additional information.

OCSE does not permit personnel to access the agency input files remotely using non-agency furnished equipment.

**Policy/Requirements Traceability:** OMB-M-17-12; NIST SP 800-53 Rev 5, AC-17, AC-20

10. The state agency must implement an effective continuous monitoring strategy and program that must ensure the continued effectiveness of security controls by maintaining ongoing awareness of information security, vulnerabilities, and threats to the information system housing NDNH information. The continuous monitoring program must include configuration management, patch management, vulnerability management, risk assessments before making changes to the system and environment, ongoing security control assessments, and reports to state agency officials as required.

OCSE has implemented a continuous monitoring strategy and program that ensures the continued effectiveness of security controls by maintaining ongoing awareness of information security, vulnerabilities, and threats to the information system housing the input files. The continuous monitoring program includes configuration management, patch management, vulnerability management, risk assessments before making changes to the system and environment, ongoing security control assessments, and reports to the U.S. Department of Health and Human Services officials as required.

**Policy/Requirements Traceability:** NIST SP 800-53 Rev 5, CA-7(1)(4); NIST SP 800-137, *Information Security Continuous Monitoring for Federal Information Systems and Organizations*

11. The state agency must maintain an asset inventory of all software and hardware components within the boundary of the information system housing NDNH information. The inventory must be detailed enough for the state agency to track and report.

OCSE maintains an inventory of all software and hardware components within the boundary of the information system housing the agency input files.

**Policy/Requirements Traceability:** NIST SP 800-53 Rev 5, CM-2(3)(7), CM-7(1)(2)(4), CM-8(1)(3), CM-11, IA-3, PM-5, SA-4(1)(2)(9)(10), SC-17, SC-18, SI-4(2)(4)(5)

12. The state agency must maintain a system security plan describing the security requirements for the system housing NDNH information and the security controls in place or planned for meeting those requirements. The system security plan must describe the responsibilities and expected behavior of all individuals who access the system.

OCSE maintains a system security plan that describes the security requirements for the information system housing the agency input files and the security controls in place or planned for meeting those requirements. The system security plan includes responsibilities and expected behavior of all individuals who access the system.

**Policy/Requirements Traceability:** NIST SP 800-53 Rev 5, PL-2; NIST SP 800-18 Rev 1, *Guide for Developing Security Plans for Federal Information Systems*

13. The state agency must maintain a plan of action and milestones (corrective action plan) for the information system housing NDNH information to document plans to correct weaknesses identified during security control assessments and to reduce or eliminate known vulnerabilities in the system. The state agency must update the corrective action plan as necessary based on the findings from security control assessments, security impact analyses, and continuous monitoring activities.

OCSE maintains a plan of action and milestones for the information system housing the agency input files to document plans to correct weaknesses identified during security control assessments and to reduce or eliminate known vulnerabilities in the system. OCSE updates the plan of action and milestones as necessary based on the findings from security control assessments, security impact analyses, and continuous monitoring activities.

**Policy/Requirements Traceability:** NIST SP 800-53 Rev 5, CA-5; NIST SP 800-18 Rev 1

14. The state agency must maintain a baseline configuration of the system housing NDNH information. The baseline configuration must include information on system components (for example, standard software packages installed on workstations, notebook computers, servers, network components, or mobile devices; current version numbers and patch information on operating systems and applications; and configuration settings/parameters), network topology, and the logical placement of those components within the system architecture.

OCSE maintains a baseline configuration of the information system housing the agency input files.

**Policy/Requirements Traceability:** NIST SP 800-53 Rev 5, CA-7, CA-9, CM-2(3)(7), CM-3(2), CM-5, CM-6, CM-7(1)(2)(4), CM-8(1)(3), CM-11, SI-4(2)(4)(5)

15. The state agency must limit and control logical and physical access to NDNH information to only those personnel authorized for such access based on their official duties, and identified in the records maintained by the state agency pursuant to numbers 6 and 27 of this section. The state agency must prevent personnel from browsing by using technical controls or other compensating controls.

OCSE limits and controls logical and physical access to the agency input files to only those personnel authorized for such access based on their official duties. OCSE prevents browsing using technical controls that limit and monitor access to the agency input files.

**Policy/Requirements Traceability:** 5 U.S.C. § 552a; NIST SP 800-53 Rev 5, AC-2, AC-3

16. The state agency must transmit and store all NDNH information provided pursuant to this agreement in a manner that safeguards the information and prohibits unauthorized access. All electronic state agency transmissions of information must be encrypted utilizing a FIPS 140-2 compliant product.

OCSE and state agency exchange data via a mutually approved and secured data transfer method that utilizes a FIPS 140-2 compliant product.

**Policy/Requirements Traceability:** OMB M-17-12; FIPS 140-2, *Security Requirements for Cryptographic Modules*; NIST SP 800-53 Rev 5, MP-4, SC-8

17. The state agency must transfer and store NDNH information only on state agency owned portable digital media and mobile computing and communications devices that are encrypted at the disk or device level, using a FIPS 140-2 compliant product. See numbers 8 and 18 of this section for additional information.

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

**Policy/Requirements Traceability:** OMB M-17-12; FIPS 140-2

18. The state agency must prohibit the use of computing resources resident in commercial or public facilities (for example, hotels, convention centers, airports) from accessing, transmitting, or storing NDNH information.

OCSE prohibits the use of computing resources resident in commercial or public facilities (for example, hotels, convention centers, airports) from accessing, transmitting, or storing the agency input files.

**Policy/Requirements Traceability:** NIST SP 800-53 Rev 5, AC-19(5), CM-8(3)

19. The state agency must prohibit remote access to NDNH information, except via a secure and encrypted (FIPS 140-2 compliant) transmission link and using two-factor authentication. The state agency must control remote access through a limited number of managed access control points.

OCSE prohibits remote access to the agency input files except via a secure and encrypted (FIPS 140-2 compliant) transmission link and using two-factor authentication.

**Policy/Requirements Traceability:** OMB M-17-12; FIPS 140-2; NIST SP 800-53 Rev 5, AC-17, IA-2(6)(12), SC-8

20. The state agency must maintain a fully automated audit trail system with audit records that, at a minimum, collect data associated with each query transaction to its initiator, capture date and time of system events and types of events. The audit trail system must protect data and the audit tool from addition, modification or deletion and should be regularly reviewed and analyzed for indications of inappropriate or unusual activity.

OCSE maintains a fully automated audit trail system with audit records that, at a minimum, collect data associated with each query transaction with its initiator, capture date and time of system events and types of events. The audit trail system must protect data and the audit tool from addition, modification or deletion and should be regularly reviewed and analyzed for indications of inappropriate or unusual activity.

**Policy/Requirements Traceability:** NIST SP 800-53 Rev 5, AU-2, AU-3, AU-6(1)(3), AU-8, AU-9(4), AU-11

21. The state agency must log each computer-readable data extract (secondary store or files with duplicate NDNH information) from any database holding NDNH information and verify that each extract has been erased within 60 days after completing authorized use. If the state agency requires the extract for longer than 60 days to accomplish a purpose authorized pursuant to this agreement, the state agency must request permission, in writing, to keep the extract for a defined period of time, subject to OCSE written approval. The state agency must comply with the retention and disposition requirements in the agreement.

OCSE does not extract information from the agency input files.

**Policy/Requirements Traceability:** OMB M-17-12, NIST SP 800-53 Rev 5, MP-4, MP-6, SI-12

22. The state agency must 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 numbers 8, 9, and 19 of this section for additional information.

OCSE utilizes a time-out function for remote access and mobile devices that requires a user to re-authenticate after no more than 30 minutes of inactivity.

**Policy/Requirements Traceability:** OMB M-17-12, NIST SP 800-53 Rev 5, AC-11, AC-12, AC-17, SC-10

23. The state agency must erase electronic records after completing authorized use in accordance with the retention and disposition requirements in the agreement. (*See* Disposition of Matched Items in section VI of the computer matching agreement). When storage media are disposed of, the media will be destroyed or sanitized so that the erased records are not recoverable.

OCSE erases the electronic records after completing authorized use in accordance with the retention and disposition requirements in the agreement.

**Policy/Requirements Traceability:** 5 U.S.C. § 552a, NIST SP 800-53 Rev 5, MP-4, MP-6, SI-12

24. The state agency must 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 state agency and non-state agency remote devices that attempt to gain access to, or use, NDNH information. The state agency must use a NAC solution to authenticate, authorize, evaluate, and remediate remote wired and wireless users before they can access the network. The implemented NAC solution must evaluate whether remote machines are compliant with security policies through host(s) integrity tests against predefined templates, such as patch level, service packs, antivirus, and personal firewall status, as well as custom created checks tailored for the state agency enterprise environment. The state agency must disable functionality that allows automatic code execution. The solution must enforce security policies by blocking, isolating, or quarantining non-compliant devices from accessing the state network and resources while maintaining an audit record on users' access and presence on the state network. See numbers 8 and 19 of this section for additional information.

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

**Policy/Requirements Traceability:** NIST SP 800-53 Rev 5, AC-17, AC-20, IA-2(6)(12), IA-3

25. The state agency must ensure that the organization responsible for the data processing facility storing, transmitting, or processing NDNH information complies with the security requirements established in this security addendum. The “data processing facility” includes the personnel, facilities, documentation, data, electronic and physical records and other machine-readable information, and the information systems of the state agency including, but not limited to, employees and contractors working with the data processing facility, statewide centralized data centers, contractor data centers, and any other individual or entity collecting, storing, transmitting, or processing NDNH information.

OCSE ensures that the data processing facility complies with the security requirements established in this security addendum.

**Policy/Requirements Traceability:** NIST SP 800-53 Rev 5, SA-9(2)

26. The state agency must store all NDNH information provided pursuant to this agreement in an area that is physically safe from access by unauthorized persons during duty hours as well as non-duty hours or when not in use.

OCSE stores the agency input files provided pursuant to this agreement in an area that is physically safe from access by unauthorized persons during duty hours as well as non-duty hours or when not in use.

**Policy/Requirements Traceability:** NIST SP 800-53 Rev 5, PE-2, PE-3

27. The state agency must maintain a list of personnel authorized to access facilities and systems processing sensitive data, including NDNH information. The state agency must control access to facilities and systems wherever NDNH information is processed. Designated officials must 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 the agency input files. OCSE controls access to facilities and systems wherever the agency input files are processed. Designated officials review and approve the access list and authorization credentials initially and periodically thereafter, but no less often than annually.

**Policy/Requirements Traceability:** NIST SP 800-53 Rev 5, AC-2, PE-2

28. The state agency must label printed reports containing NDNH information to denote the level of sensitivity of the information and limitations on distribution. The state agency must maintain printed reports in a locked container when not in use and must not transport NDNH information off state agency premises. In accordance with the

retention and disposition requirements in the agreement, the state agency must destroy these printed reports by burning or shredding.

OCSE does not generate printed reports containing the agency input files.

**Policy/Requirements Traceability:** NIST SP 800-53 Rev 5, MP-3, MP-4, MP-5, MP-6

29. The state agency must use locks and other protective measures at all physical access points (including designated entry and 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 and exit points) to prevent unauthorized access to computer and support areas.

**Policy/Requirements Traceability:** NIST SP 800-53 Rev 5, PE-3

#### **IV. CLOUD SOLUTION (OPTIONAL)**

The state agency may choose to use cloud computing to distribute services over broader architectures. The cloud service provider must be Federal Risk and Authorization Management Program (FedRAMP) certified in order to meet federal security requirements for cloud-based computing or data storage solutions. Cloud implementations are defined by the service model and deployment model used. Software as a Service, Platform as a Service, and Infrastructure as a Service are examples of cloud service models for cloud implementation. The deployment models may include private cloud, community cloud, public cloud, and hybrid cloud. Data security requirements as defined below still must be met regardless of the type of cloud implementation chosen.

1. The cloud-based solution must reside on a FedRAMP compliant system. FedRAMP is a government-wide program that provides a standardized approach to security assessment, authorization, and continuous monitoring for cloud products and services.
2. Use of a cloud solution must be approved in advance by OCSE before connectivity to NDNH information can be established.
3. The state agency and the cloud service provider must comply with all requirements in this agreement, including the security addendum, in accordance with section VIII of the agreement, including the data retention policies agreed upon by the state agency and OCSE to ensure that all required statutory requirements are met. The state agency must ensure such compliance by the cloud service provider.
4. The data stored by the cloud service provider should ONLY be used for the authorized purpose of the matching program.



5. It is the obligation of the matching partner to ensure that the cloud housing NDNH information is stored domestically and is specified in the contract or Service Level Agreement between the matching partner and the cloud service provider.

## **V. BREACH REPORTING AND NOTIFICATION RESPONSIBILITY**

Upon disclosure of NDNH information from OCSE to the state agency, the state agency is the responsible party in the event of a confirmed or suspected breach of the information, including responsibility for any costs associated with breach mitigation and remediation. Immediately upon discovery, but in no case later than one hour after discovery of the incident, the state agency must report confirmed and suspected incidents, in either electronic or physical form, to OCSE, as designated in this security addendum. The state agency is responsible for all reporting and notification activities, including but not limited to: investigating the incident; communicating with required state government breach response officials; notifying individuals whose information is breached; notifying any third parties, including the media; notifying any other public and private sector agencies involved; responding to inquiries about the breach; resolving all issues surrounding the information breach; performing any follow-up activities; correcting the vulnerability that allowed the breach; and any other activity, as required by OMB M-17-12, *Preparing for and Responding to a Breach of Personally Identifiable Information*, and other federal law and guidance.

**Policy/Requirements Traceability:** *US-CERT Federal Incident Notification Guidelines* (April 1, 2017); OMB Circular A-130 – Appendix I; OMB M-17-12; NIST SP 800-53 Rev 5, IR-6

## **VI. SECURITY REQUIREMENTS**

### **1. Security Posture**

The state agency has submitted to OCSE the required documentation and OCSE has reviewed and approved the state agency's security posture.

### **2. Independent Security Assessment**

The state agency must submit to OCSE a copy of a recent independent security assessment every four years. Refer to the *Office of Child Support Enforcement Division of Federal Systems Security Requirements for State Agencies Receiving National Directory of New Hires Data*, section VI, for additional guidance.

If major organizational or system framework changes are required after OCSE approves the state's independent security assessment, it is vital for the state to notify OCSE of the changes before implementing them. The state will also need to provide an independent security assessment of the major system changes to OCSE before the system can be approved to access the NDNH.

## VII. AUDIT REQUIREMENTS

OCSE has the right to audit the state agency or make other provisions to ensure that the state agency is maintaining adequate safeguards to protect NDNH information. Audits ensure that the security policies, practices and procedures, and controls required by OCSE are in place within the state agency.

**Policy/Requirements Traceability:** OMB Memorandum M-21-02, *Fiscal Year 2020-2021 Guidance on Federal Information Security and Privacy Management Requirements*, November 9, 2020; OMB Circular No. A-130, Appendix I

## VIII. PERSONS TO CONTACT

- A.** The U.S. Department of Health and Human Services, Administration for Children and Families, Office of Child Support Enforcement contact is:

Veronica Ragland, Director  
Division of Federal Systems  
Office of Child Support Enforcement  
Administration for Children and Families  
Mary E. Switzer Building  
330 C Street SW  
Washington, DC 20201  
Phone: 202-697-2727  
Email: [veronica.ragland@acf.hhs.gov](mailto:veronica.ragland@acf.hhs.gov)

- B.** The state agency contact is:

[NAME]  
[TITLE]  
[DIVISION]  
[AGENCY]  
[MAILING ADDRESS]  
[CITY, STATE, ZIP CODE]  
Phone: [XXX-XXX-XXXX]  
E-mail: [EMAIL ADDRESS]

**IX. APPROVALS**

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

**A. U.S. Department of Health and Human Services Officials**

<b>Veronica M. Ragland -S</b> Digitally signed by Veronica M. Ragland -S Date: 2021.08.12 13:28:01 -07'00'	
<b>Veronica Ragland</b> Director, Division of Federal Systems Office of Child Support Enforcement	<b>Date</b>
<b>Linda A. Boyer -S</b> Digitally signed by Linda A. Boyer -S Date: 2021.08.16 12:27:25 -04'00'	
<b>Linda Boyer</b> Acting Commissioner Office of Child Support Enforcement	<b>Date</b>

**B. State Agency Official[s]**

**NAME OF STATE AGENCY**

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[Name of State Agency Authorized Official] [Title of State Agency Authorized Official]		<b>Date</b>
[Name of State Agency Authorized Official (if two signatures are required)] [Title of State Agency Authorized Official]		<b>Date</b>

## APPENDIX A

### **Previous Computer Matching Agreements between OCSE and State SNAP Agencies**

Previous matching agreements and renewals between the Office of Child Support Enforcement (OCSE) and the state agencies administering the Supplemental Nutrition Assistance Program (SNAP) are as follows:

1. Computer Matching Agreement, HHS No. 1901, Effective August 16, 2019 through February 15, 2021. Renewal, effective February 16, 2021 through February 15, 2022.
2. Computer Matching Agreement, HHS No. 1612, effective February 16, 2017 through August 15, 2018; Renewal, effective August 16, 2018 through August 15, 2019.
3. Computer Matching Agreement, HHS No. 1403, effective August 16, 2014 through February 15, 2016; Renewal, effective February 16, 2016 through February 15, 2017.
4. Computer Matching Agreement, HHS No. 1102, effective February 16, 2012 through August 15, 2013; Renewal, effective August 16, 2013 through August 15, 2014.
5. Computer Matching Agreement, HHS No. 0901, effective July 29, 2009 through January 28, 2011; Renewal, effective January 29, 2011 through January 28, 2012.

## **APPENDIX B**

### **Supplemental Nutrition Assistance Program - National Directory of New Hires Computer Matching Program**

#### **Cost-Benefit Analysis**

#### **BACKGROUND**

The Agriculture Act of 2014 requires state agencies administering the Supplemental Nutrition Assistance Program (SNAP) to participate in a computer matching program to access wage and employment information in the National Directory of New Hires (NDNH), which is maintained by the federal Office of Child Support Enforcement (OCSE). The purpose of the computer matching program is to help state SNAP agencies with establishing or verifying an individual's eligibility for SNAP assistance, to reduce agency payment errors and maintain program integrity, including determining whether duplicate participation exists.

In federal fiscal year 2019, forty-nine state SNAP agencies implemented the SNAP-NDNH computer matching program to compare SNAP applicant and recipient information to employment and wage information maintained in the NDNH. Of the forty-nine participating SNAP agencies, twenty-four state SNAP agencies matched to the NDNH at least one time and provided performance outcomes showing cost savings that are attributable to NDNH information resulting from the SNAP-NDNH computer matching program.

In federal fiscal year 2020, fifty-two state SNAP agencies implemented the SNAP-NDNH computer matching program to compare SNAP applicant and recipient information to employment and wage information maintained in the NDNH. Of the fifty-two participating SNAP agencies, seventeen state SNAP agencies matched to the NDNH at least one time and provided performance outcomes showing cost savings that are attributable to NDNH information resulting from the SNAP-NDNH computer matching program.

#### **COSTS**

##### **Key Elements 1 and 2: Personnel and Computer Costs**

##### **For Agencies – Federal Fiscal Years 2019 and 2020**

- **Source Agency:** The cost for OCSE to operate and maintain the NDNH is estimated to be \$12.8 million annually in federal fiscal year 2019 and federal fiscal year 2020. This cost includes the system operations, maintenance and development, contract costs related to production operations, technical assistance, and managing the computer matching program, costs to main telecommunications, security, data quality, and software and hardware costs incurred by OCSE in association with the NDNH.

- **Non-Federal Agencies:** State SNAP agencies are not required to provide OCSE with their personnel and computer processing costs associated with the SNAP-NDNH match. However, as provided by section 453(k)(3) of the Social Security Act, the state SNAP agencies are required to reimburse OCSE for the costs to provide the NDNH information. OCSE calculates fees for each state agency receiving NDNH information based on the state SNAP agency's caseload, the frequency of matching for the dataset (new hire, quarterly wage, and unemployment insurance) a state agency selects to match their file, and the central processing unit (CPU) run time required to execute matching the state's SNAP file. The combined cost for forty-nine states to participate in the SNAP-NDNH computer matching program for federal fiscal year 2019 was \$490,818 and \$536,602 for fifty-two states in federal fiscal year 2020.

### **Individual State Agency Costs Federal Fiscal Year 2019:**

**Alabama** – Alabama paid \$25,868 to match approximately 4,666,630 applicants for or recipients of SNAP benefits during federal fiscal year 2019.

**Arizona** – Arkansas paid \$8,210 to match approximately 746,068 applicants for or recipients of SNAP benefits during federal fiscal year 2019.

**Hawaii** – Hawaii paid \$1,616 to match approximately 1,209,417 applicants for or recipients of SNAP benefits during federal fiscal year 2019.

**Idaho** – Idaho paid \$1,566 to match approximately 211,513 applicants for or recipients of SNAP benefits during federal fiscal year 2019.

**Iowa** – Iowa paid \$3,399 to match approximately 4,162,354 applicants for or recipients of SNAP benefits during federal fiscal year 2019.

**Kansas** – Kansas paid \$2,127 to match approximately 272,152 applicants for or recipients of SNAP benefits during federal fiscal year 2019.

**Louisiana** – Louisiana paid \$8,584 to match approximately 9,438,238 applicants for or recipients of SNAP benefits during federal fiscal year 2019.

**Maine** – Maine paid \$1,654 to match approximately 2,507,799 applicants for or recipients of SNAP benefits during federal fiscal year 2019.

**Michigan** – Michigan paid \$12,651 to match approximately 1,644,164 applicants for or recipients of SNAP benefits during federal fiscal year 2019.

**Minnesota** – Minnesota paid \$4,191 to match approximately 2,980,620 applicants for or recipients of SNAP benefits during federal fiscal year 2019.

**Mississippi** – Mississippi paid \$17,037 to match approximately 3,154,904 applicants for or recipients of SNAP benefits during federal fiscal year 2019.

**Montana** – Montana paid \$1,143 to match approximately 227,575 applicants for or recipients of SNAP benefits during federal fiscal year 2019.

**New Hampshire** – New Hampshire paid \$859 to match approximately 47,962 applicants for or recipients of SNAP benefits during federal fiscal year 2019.

**New York** – New York paid \$27,812 to match approximately 2,061,888 applicants for or recipients of SNAP benefits during federal fiscal year 2019.

**North Carolina** – North Carolina paid \$10,888 to match approximately 2,606,740 applicants for or recipients of SNAP benefits during federal fiscal year 2019.

**North Dakota** – North Dakota paid \$526 to match approximately 68,304 applicants for or recipients of SNAP benefits during federal fiscal year 2019.

**Ohio** – Ohio paid \$14,147 to match approximately 743,828 applicants for or recipients of SNAP benefits during federal fiscal year 2019.

**Pennsylvania** - Pennsylvania paid \$18,108 to match approximately 1,788,976 applicants for or recipients of SNAP benefits during federal fiscal year 2019.

**Tennessee** - Tennessee paid \$9,417 to match approximately 906,626 applicants for or recipients of SNAP benefits during federal fiscal year 2019.

**Utah** - Utah paid \$1,865 to match approximately 843,399 applicants for or recipients of SNAP benefits during federal fiscal year 2019.

**Vermont** – Vermont paid \$719 to match approximately 43,316 applicants for or recipients of SNAP benefits during federal fiscal year 2019.

**Washington** – Washington paid \$9,603 to match approximately 1,179,077 applicants for or recipients of SNAP benefits during federal fiscal year 2019.

**West Virginia** – West Virginia paid \$3,171 to match approximately 258,119 applicants for or recipients of SNAP benefits during federal fiscal year 2019.

**Wisconsin** – Wisconsin paid \$6,401 to match approximately 446,663 applicants for or recipients of SNAP benefits during federal fiscal year 2019.

**Wyoming** – Wyoming paid \$290 to match approximately 73,762 applicants for or recipients of SNAP benefits during federal fiscal year 2019.

#### **Individual State Agency Costs Federal Fiscal Year 2020:**

**Arizona** – Arizona paid \$7,792 to match approximately 488,248 applicants for or recipients of SNAP benefits during federal fiscal year 2020

**Idaho** – Idaho paid \$1,487 to match approximately 213,020 applicants for or recipients of SNAP benefits during federal fiscal year 2020.

**Iowa** – Iowa paid \$3,217 to match approximately 4,188,145 applicants for or recipients of SNAP benefits during federal fiscal year 2020.

**Louisiana** – Louisiana paid \$8,038 to match approximately 7,275,118 applicants for or recipients of SNAP benefits during federal fiscal year 2020.

**Michigan** – Michigan paid \$11,897 to match approximately 2,538,341 applicants for or recipients of SNAP benefits during federal fiscal year 2020.

**Minnesota** – Minnesota paid \$015 to match approximately 2,977,320 applicants for or recipients of SNAP benefits during federal fiscal year 2020.

**Mississippi** – Mississippi paid \$17,118 to match approximately 2,809,606 applicants for or recipients of SNAP benefits during federal fiscal year 2020.

**Montana** – Montana paid \$1,143 to match approximately 227,575 applicants for or recipients of SNAP benefits during federal fiscal year 2020.

**New Hampshire** – New Hampshire paid \$770 to match approximately 63,095 applicants for or recipients of SNAP benefits during federal fiscal year 2020.

**New York** – New York paid \$26,949 to match approximately 2,173,534 applicants for or recipients of SNAP benefits during federal fiscal year 2020.

**North Carolina** – North Carolina paid \$11,045 to match approximately 1,814,219 applicants for or recipients of SNAP benefits during federal fiscal year 2020.

**North Dakota**– North Dakota paid \$487 to match approximately 124,937 applicants for or recipients of SNAP benefits during federal fiscal year 2020.

**Tennessee** - Tennessee paid \$9,005 to match approximately 759,537 applicants for or recipients of SNAP benefits during federal fiscal year 2020.



**Texas** – Texas paid \$33,626 to match approximately 2,250,434 applicants for or recipients of SNAP Benefits during federal fiscal year 2020.

**Utah** - Utah paid \$1,731 to match approximately 823,669 applicants for or recipients of SNAP benefits during federal fiscal year 2020.

**Wisconsin** – Wisconsin paid \$6,205 to match approximately 696,271 applicants for or recipients of SNAP benefits during federal fiscal year 2020.

**Wyoming** – Wyoming paid \$263 to match approximately 91,839 applicants for or recipients of SNAP benefits during federal fiscal year 2020.

- **Justice Agencies:** N/A

**For clients:** N/A

**For Third Parties:** N/A

**For the General Public:** N/A

## **BENEFITS**

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

#### **To Agencies – Federal Fiscal Years 2019 and 2020**

- **Source Agency:** N/A.
- **Non-Federal Agencies:** After verification of previously unknown earnings state SNAP agencies collectively reported for federal fiscal year 2019 87,866 cases in which benefits were reduced or the case was closed and 62,291 for federal fiscal year 2020. State SNAP agencies are not required to report recovered improper payments or debts; however, state SNAP agencies reported that they collectively avoided approximately \$16, 024,613 million in improper payments to SNAP recipients with previously unknown earnings for federal fiscal year 2019 and \$13,823,798 for federal fiscal year 2020. The avoided costs resulting from case closures and benefit reductions are attributed to employment and wage information derived from the SNAP-NDNH computer matching program.

Based on the current performance outcome reports, the cost to state SNAP agencies to participate in the SNAP-NDNH computer matching program is outweighed by the benefit of avoiding improper payments. Because the performance outcome report captures first-month avoided costs, the total of avoided future improper payments is likely to be much greater than what is reported. This is because the SNAP recipients, whose employment and earnings were discovered as a result of the SNAP-NDNH match, likely received an incorrect benefit amount prior to the first-month that the match identified the recipients' previously unknown employment.

State SNAP agencies are likely to continue to close cases or reduce benefit payments using information resulting from the SNAP-NDNH computer match, and the first-month cost avoidance is also likely to increase as state SNAP agencies continue to implement access to the NDNH.

## **Individual State Agency Benefits Federal Fiscal Year 2019:**

**Alabama** – matched 11 times and reported 86,904 individuals as employed, 66 cases closed due to earnings, and 104 cases with benefits reduced. Alabama reported \$109 in unduplicated first-month avoided SNAP costs.

**Arizona** – matched 12 times and reported 10,578 individuals as employed, 137 cases closed due to earnings, and 1,564 cases with benefits reduced. Arizona reported \$370,155 in unduplicated first-month avoided SNAP costs.

**Hawaii** – matched 12 times and reported 6 individuals as employed, 6 cases closed due to earnings, and 0 cases with benefits reduced. Hawaii reported \$2,136 in unduplicated first-month avoided SNAP costs.

**Idaho** – Indiana matched 10 times and reported 22,267 individuals as employed, 46 cases closed due to earnings, and 0 cases with benefits reduced. Idaho reported \$24,789 in unduplicated first-month avoided SNAP costs.

**Iowa** – matched 10 times and reported 5,110 individuals as employed, 993 cases closed due to earnings, and 4,030 cases with benefits reduced. Iowa reported \$1,025,748 in unduplicated first-month avoided SNAP costs.

**Kansas** – Kansas matched 12 times reported 100 individuals as employed, 47 cases closed due to earnings, and 53 cases with benefits reduced. Kansas reported \$26,413 in unduplicated first-month avoided SNAP costs.

**Louisiana** – Louisiana matched 12 times reported 4,621 individuals as employed, 783 cases closed due to earnings, and 979 cases with benefits reduced. Louisiana reported \$415,133 in unduplicated first-month avoided SNAP costs.

**Maine** – Maine matched 12 times and reported 12,810 individuals as employed, 682 cases closed due to earnings, and 0 cases with benefits reduced. Maine reported \$122,243 in unduplicated first-month avoided SNAP costs.

**Michigan** – Michigan matched 9 times and reported 5,683 individuals as employed, 174 cases closed due to earnings, and 367 cases with benefits reduced. Michigan reported \$106,667 in unduplicated first-month avoided SNAP costs.

**Minnesota** – Minnesota matched 12 times reported 49,918 individuals as employed, 24,910 cases closed due to earnings, and 1,729 cases with benefits reduced. Minnesota reported \$5,773,534 in unduplicated first-month avoided SNAP costs.

**Mississippi** – Mississippi matched 7 times reported 20,039 individuals as employed, 247 cases closed due to earnings, and 3,213 cases with benefits reduced. Mississippi reported \$846,946 in unduplicated first-month avoided SNAP costs.

**Montana** - Montana matched 11 times reported 7,729 individuals as employed, 4,152 cases closed due to earnings, and 205 cases with benefits reduced. Montana reported \$38,809 in unduplicated first-month avoided SNAP costs.

**New Hampshire** – New Hampshire matched 8 times reported 28 individuals as employed, 7 cases closed due to earnings, and 14 cases with benefits reduced. New Hampshire reported \$10,180 in unduplicated first-month avoided SNAP costs.

**New York** – New York matched 12 times reported 6,140 individuals as employed, 993 cases closed due to earnings, and 822 cases with benefits reduced. New York reported \$371,820 in unduplicated first-month avoided SNAP costs.

**North Carolina** – North Carolina matched 12 times reported 165,921 individuals as employed, 2,191 cases closed due to earnings, and 512 cases with benefits reduced. North Carolina reported \$540,850 in unduplicated first-month avoided SNAP costs.

**North Dakota** – North Dakota matched 12 times reported 294 individuals as employed, 43 cases closed due to earnings, and 25 cases with benefits reduced. North Dakota reported \$11,776 in unduplicated first-month avoided SNAP costs.

**Pennsylvania** – Pennsylvania matched 10 times reported 2,881 individuals as employed, 1,733 cases closed due to earnings, and 1,148 cases with benefits reduced. Pennsylvania reported \$101,549 in unduplicated first-month avoided SNAP costs.

**Tennessee** – Tennessee matched 12 times reported 2,102 individuals as employed, 471 cases closed due to earnings, and 713 cases with benefits reduced. Tennessee reported \$296,203 in unduplicated first-month avoided SNAP costs.

**Utah** – Utah matched 12 times reported 13,400 individuals as employed, 3,900 cases closed due to earnings, and 9,757 cases with benefits reduced. Utah reported \$1,772,281 in unduplicated first-month avoided SNAP costs.

**Vermont** – Vermont matched 12 times reported 291 individuals as employed, 48 cases closed due to earnings, and 67 cases with benefits reduced. Vermont reported \$13,923 in unduplicated first-month avoided SNAP costs.

**Washington** – Washington matched 12 times reported 121,977 individuals as employed, 13678 cases closed due to earnings, and 5,855 cases with benefits reduced. Washington reported \$3,888,588 in unduplicated first-month avoided SNAP costs.

**West Virginia** – West Virginia matched 12 times reported 3,797 individuals as employed, 34 cases closed due to earnings, and 205 cases with benefits reduced. West Virginia reported \$47,597 in unduplicated first-month avoided SNAP costs.

**Wisconsin** – Wisconsin matched 12 times reported 2,967 individuals as employed, 24 cases closed due to earnings, and 62 cases with benefits reduced. Wisconsin reported \$16,804 in unduplicated first-month avoided SNAP costs.

**Wyoming** – Wyoming matched 12 times reported 309 individuals as employed, 228 cases closed due to earnings, and 67 cases with benefits reduced. Wyoming reported \$85,781 in unduplicated first-month avoided SNAP costs.

#### **Individual State Agency Benefits Federal Fiscal Year 2020:**

**Arizona** – Arizona matched 12 times and reported 693 individuals as employed, 557 cases closed due to earnings, and 29 cases with benefits reduced. Arizona reported \$121,892 in unduplicated first-month avoided SNAP costs.

**Colorado** – Colorado matched 12 times and reported 105,426 individuals as employed, 636 cases closed due to earnings, and 10,060 cases with benefits reduced. Colorado reported \$2,709,572 in unduplicated first-month avoided SNAP costs.

**Idaho** – Idaho matched 12 times and reported 17,398 individuals as employed, 15 cases closed due to earnings, and 0 cases with benefits reduced. Idaho reported \$5,217 in unduplicated first-month avoided SNAP costs.

**Iowa** – Iowa matched 9 times and reported 4,075 individuals as employed, 667 cases closed due to earnings, and 3,336 cases with benefits reduced. Iowa reported \$1,061,664 in unduplicated first-month avoided SNAP costs.

**Louisiana** – Louisiana matched 12 times reported 2,061 individuals as employed, 283 cases closed due to earnings, and 340 cases with benefits reduced. Louisiana reported \$148,500 in unduplicated first-month avoided SNAP costs.

**Michigan** – Michigan matched 12 times and reported 8,005 individuals as employed, 1,010 cases closed due to earnings, and 407 cases with benefits reduced. Michigan reported \$369,585 in unduplicated first-month avoided SNAP costs.

**Minnesota** – Minnesota matched 12 times reported 41,843 individuals as employed, 16,292 cases closed due to earnings, and 919 cases with benefits reduced. Minnesota reported \$4,151,521 in unduplicated first-month avoided SNAP costs.

**Mississippi** – Mississippi matched 12 times reported 22,686 individuals as employed, 2,015 cases closed due to earnings, and 3,044 cases with benefits reduced. Mississippi reported \$1,027,217 in unduplicated first-month avoided SNAP costs.

**New Hampshire** - New Hampshire matched 12 times and reported 43 individuals as employed, 11 cases closed due to earnings, and 24 cases with benefits reduced. New Hampshire reported \$18,694 in unduplicated first-month avoided SNAP costs.

**New York** – New York matched 12 times and reported 5,281 individuals as employed, 928 cases closed due to earnings, and 612 cases with benefits reduced. New York reported \$284,380 in unduplicated first-month avoided SNAP costs.

**North Carolina** – North Carolina matched 12 times and reported 100,472 individuals as employed, 1,836 cases closed due to earnings, and 685 cases with benefits reduced. North Carolina reported \$561,673 in unduplicated first-month avoided SNAP costs.

**North Dakota** – North Dakota matched 12 times and reported 394 individuals as employed, 21 cases closed due to earnings, and 25 cases with benefits reduced. North Dakota reported \$1,236 in unduplicated first-month avoided SNAP costs.

**Tennessee** - Tennessee matched 12 times and reported 1,630 individuals as employed, 549 cases closed due to earnings, and 620 cases with benefits reduced. Tennessee reported \$282,003 in unduplicated first-month avoided SNAP costs.

**Utah** - Utah matched 12 times and reported 12,730 individuals as employed, 3,268 cases closed due to earnings, and 9,730 cases with benefits reduced. Utah reported \$1,809,574 in unduplicated first-month avoided SNAP costs.

**Wisconsin** - Wisconsin matched 12 times and reported 2,744 individuals as employed, 73 cases closed due to earnings, and 116 cases with benefits reduced. Wisconsin reported \$46,163 in unduplicated first-month avoided SNAP costs.

**Wyoming**- Wyoming matched 11 times and reported 289 individuals as employed, 139 cases closed due to earnings, and 70 cases with benefits reduced. Wyoming reported \$66,359 in unduplicated first-month avoided SNAP costs.

- **Justice Agencies:** N/A

**To Clients:** N/A

**To Third Parties:** N/A

**To the General Public:** Improper payments and overpayments avoided through this computer matching program will contribute to improving public confidence in the program and use of federal taxes.

#### **Key Element 4: Recovery of Improper Payments**

- **Source Agency:** N/A.
- **Non-Federal Agencies:** States are not required to report recovered funds to OCSE; however, using the NDNH will help state SNAP agencies identify and recover improper payments.
- **Justice Agencies:** N/A

**For clients:** N/A

**For Third Parties:** N/A

**For the General Public:** Recovering improper payments as a result of computer matching program will benefit taxpayers.