

**COMPUTER MATCHING AGREEMENT
BETWEEN
THE CENTERS FOR MEDICARE AND MEDICAID SERVICES
AND
THE DEPARTMENT OF HOMELAND SECURITY
UNITED STATES
CITIZENSHIP AND IMMIGRATION SERVICES
FOR THE
VERIFICATION OF UNITED STATES CITIZENSHIP AND IMMIGRATION STATUS
DATA FOR ELIGIBILITY DETERMINATIONS**

**Computer Matching Agreement No. 2016-10
The Department of Health and Human Services No. 1607
Effective Date: April 2, 2016
Expiration Date: October 2, 2017**

I. PURPOSE

This Computer Matching and Privacy Protection Act (CMPPA) Agreement (Agreement) by and between the Centers For Medicare & Medicaid Services (CMS) and the Department of Homeland Security / United States Citizenship and Immigration Services (USCIS) (collectively the Parties), establishes the terms, conditions, safeguards, and procedures under which USCIS will provide records, information, or data (“data”) to CMS under the Patient Protection and Affordable Care Act of 2010 (Pub. L. No. 111-148), as amended by the Health Care and Education Reconciliation Act of 2010 (Pub. L. No. 111-152) (collectively, the ACA).

USCIS acknowledges that USCIS will assist CMS with accessing specific USCIS data through the DHS/USCIS Systematic Alien Verification for Entitlements (SAVE) Program, which provides immigration status and naturalized or derived citizenship data to authorized federal, state, and local agencies that agree to the program’s terms of use. SAVE does not verify native born citizenship. These agencies use the information SAVE provides to help ensure that only those applicants or enrollees who are eligible receive benefits. Data SAVE provides to CMS under this Agreement will be used only for the purpose of determining eligibility for enrollment in a Qualified Health Plan through an Exchange or Insurance Affordability Programs and to make Eligibility Determinations for Exemptions. Specifically, USCIS will provide CMS with electronic access to immigrant, nonimmigrant, and naturalized or derived citizenship (in certain circumstances) information contained within or accessed by the USCIS Verification Information System (VIS) (which is described in DHS/USCIS–004 Systematic Alien Verification for Entitlements Program System of Records Notice, 77 Fed. Reg. 47415, August 8, 2012), through the SAVE Program. Access to this information will assist CMS and Administering Entities in determining whether an applicant is lawfully present, a qualified non-citizen, a naturalized or derived citizen, and

whether the 5-year waiting period for many non-citizens applies and has been met in order to determine whether the individual is eligible for enrollment or for one or more exemptions.

USCIS further acknowledges that Administering Entities as defined below, will receive USCIS data accessed by CMS via the SAVE Program, through the CMS Data Services Hub (Hub) or other access method approved by CMS per regulations at 45 CFR §155.315, 45 CFR §155.320, 42 CFR §435.945(k) or 42 CFR §457.380(i) . CMS acknowledges that it will enter into separate agreements with State-based Administering Entities governing the access, use, safeguarding, and disclosure of data that are consistent with the terms and conditions set forth in this Agreement and with USCIS’s requirements in administering its verification programs before providing citizenship or immigration status data obtained through the SAVE Program to Administering Entities. CMS further acknowledges that CMS will consult with and provide DHS with the opportunity to review and comment upon such separate Agreements.

The CMPPA requires the Parties participating in a Matching Program to execute a written agreement specifying the terms and conditions under which the matching will be conducted. CMS has determined that immigration status verification to be conducted through the Hub using the SAVE Program constitutes a “computer matching program” as defined in the CMPPA.

This Agreement, under which DHS is the Source Agency and CMS is the Recipient Agency, describes the respective responsibilities of USCIS and CMS for verifying citizenship and immigration status, preserving the confidentiality of and safeguarding information received from each party pursuant to the verification procedures, and ensuring that Applicants and Enrollees undergo a verification process that is legally authorized and non-discriminatory. The terms and conditions of this Agreement will be carried out by authorized employees and agents of the Parties.

II. LEGAL AUTHORITIES

This Agreement is executed in compliance with the Privacy Act of 1974 (5 U.S.C. § 552a), as amended by the CMPPA, and the regulations and guidance promulgated thereunder.

The following statutes provide legal authority for the disclosures under this Agreement:

1. Section 1312(f)(3) of the ACA specifies that in order to be eligible to enroll in a Qualified Health Plan (“QHP”) through the Exchange, an individual must be a United States Citizen or a national, or be a non-citizen who is lawfully present. In order to be eligible for advance payments of the premium tax credit and cost-sharing reductions, an individual must be a United States Citizen or a national or be a non-

citizen who is lawfully present. 26 U.S.C. § 36B(c)(1) and (e); 42 U.S.C. § 18071(e). *See also* 45 C.F.R. § 155.305(f) and (g).

2. Section 1331(e) of the ACA further states that an individual may not be eligible for the BHP who is not a qualified individual under section 1312 of the ACA who is eligible to be covered by a qualified health plan offered through the Exchange.
3. Sections 1137(d), 1902(a)(46)(B), and 1903(x) of the Social Security Act (the Act) specify that in order to be eligible for Medicaid under Title XIX of the Act, an individual must declare and be verified as being a citizen or national, or in a satisfactory immigration status, the latter of which must be verified by DHS.
4. Section 2105(c) of the Act specifies that in order to be eligible for CHIP under Title XXI of the Act, an individual must declare to be a citizen or national.
5. Sections 401, 402, 403, 421, and 431 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) set forth restrictions in payment of federal financial assistance to non-citizens of certain immigration statuses for the Medicaid and CHIP programs. Section 214 of the Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA) permits a State Medicaid and/or CHIP program to elect to cover lawfully residing children and/or pregnant women.
6. Section 1943(b) of the Act (as added by section 2201 of the ACA) requires that Medicaid and CHIP agencies utilize the same streamlined enrollment system and secure electronic interface established under section 1413 of the ACA to verify eligibility.
7. Section 1411(a) of the ACA, codified at 42 U.S.C. § 18081(a), requires the Secretary of the Department of Health and Human Services (HHS) to establish a program meeting the requirements of the ACA to determine eligibility to enroll in coverage in a Qualified Health Plan offered through an Exchange, for certain Insurance Affordability Programs and for certifications of Exemption. Pursuant to section 1311(d)(4)(H) of the ACA, an Exchange, subject to section 1411 of the ACA, must grant a certification attesting that an individual is exempt from the individual responsibility requirement or penalty imposed by section 5000A of the Internal Revenue Code. Under section 1411(c)(2)(B) of the ACA, the Secretary of HHS shall submit name, date of birth, and identifying information with respect to the individual's immigration status to the Secretary of DHS for a determination as to whether the information provided is consistent with the information in the records of DHS. Under section 1411(d) of the ACA, the Secretary of HHS is directed to establish a system for the verification of other information necessary to make an Eligibility Determination. Section 1411(e)(1) of the ACA directs recipients of the information transmitted by the Secretary of HHS to respond to the request(s) for verification in connection with that information. The Secretary of HHS has

developed and implemented portions of this program through regulations at 45 C.F.R. Part 155.

8. Section 1411(b)(2)(B) of the ACA requires that every Applicant or Enrollee for enrollment in a QHP through an Exchange whose application is based, in part, on an attestation to immigration status, must provide identifying information with respect to the Applicant's or Enrollee's immigration status as the Secretary of HHS, after consultation with the Secretary of DHS, determines appropriate.
9. Section 1411(c)(2)(B) of the ACA requires that in the case of an individual who attests that he or she is an alien lawfully present in the United States, or an individual who attests that he or she is a United States Citizen, but whose citizenship cannot be substantiated by the Commissioner of Social Security, the Secretary of HHS shall submit the individual's identifying information to the Secretary of DHS to determine whether such information is consistent with the records of the Secretary of DHS.
10. Section 1411(c)(2)(B)(ii) of the ACA provides that the Secretary of HHS will transmit the following identifying information to the Secretary of DHS for a determination as to whether the information is consistent with information in the records of DHS: name, date of birth, and any identifying information with respect to an individual's immigration status provided under subsection 1411(b)(2), for the purposes of verifying citizenship and immigration status. Section 1411(c)(4) of the ACA provides for use of an electronic or on-line system for this exchange of information unless another method is approved under certain conditions identified in the statute and by regulation. *See* 45 CFR 155.315 and 155.320; 42 C.F.R. §§ 435.945(k) and 457.380(i).
11. Section 1413 of the ACA establishes a system under which individuals may apply for enrollment in, and receive an Eligibility Determination for enrollment in a qualified health plan through an Exchange or participation in Insurance Affordability Programs. The system established by the Secretary under Section 1413 must be compatible with the method established for data verification established under section 1411(c)(4) of the ACA.
12. The Immigration Reform and Control Act of 1986, Pub. L. No. 99-603, 100 Stat. 3359, as amended (IRCA) requires the former Immigration and Naturalization Service (currently USCIS, under DHS, effective March 1, 2003) to establish a system for verifying the immigration status of non-citizen Applicants for, and recipients of, certain types of federally funded benefits, and to make the system available to federal, State and local benefit-issuing agencies and institutions that administer such benefits.
13. The Illegal Immigration Reform and Immigrant Responsibility Act of 1996, Pub. L. No. 104-208, 110 Stat. 3009, as amended (IIRIRA) requires that the former Immigration and Naturalization Service (currently USCIS, under DHS, effective March 1, 2003) respond to inquiries from federal, State, and local agencies seeking to

verify or determine the citizenship or immigration status of any individual within the jurisdiction of the agency for any purposes authorized by law.

III. DEFINITIONS

1. “ACA” means Patient Protection and Affordable Care Act of 2010 (Pub. L. No. 111-148), as amended by the Health Care and Education Reconciliation Act of 2010 (Pub. L. No. 111-152);
2. “Administering Entity” means a state Medicaid agency, state Children’s Health Insurance Program (CHIP), a state Basic Health Program (BHP), or an Exchange administering an Insurance Affordability Program;
3. “Agent” or “Broker” means a person or entity licensed by the State as an agent, broker or producer for issuance of health insurance;
4. “Applicant” means an individual seeking an Eligibility Determination for enrollment in a Qualified Health Plan through an Exchange, an Insurance Affordability Program or a certification of Exemption; this term includes individuals whose eligibility is determined at the time of a renewal or redetermination;
5. “APTC” or advance payment of the premium tax credit means payment of the tax credits specified in section 36B of the Internal Revenue Code of 1986 (as added by section 1401 of the ACA), which are provided on an advance basis to an eligible individual enrolled in a QHP through an Exchange in accordance with sections 1411 and 1412 of the ACA;
6. “Authorized Representative” means an individual who acts on behalf of the Applicant or Enrollee and meets the requirements of 42 C.F.R. § 435.923 for Medicaid, 42 C.F.R. § 457.340 for CHIP, and 45 C.F.R. § 155.227 for an Exchange. With respect to communications with USCIS, an “authorized representative” must meet the requirements set forth in USCIS rules and regulations, including 8 C.F.R. part 292;
7. “Basic Health Program” (BHP) means an optional state program established under Section 1331 of the ACA;
8. “Breach” is defined by OMB Memorandum M-07-16, Safeguarding and Responding to the Breach of Personally Identifiable Information (May 22, 2007), as the compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, loss of control, or any similar term or phrase that refers to situations where persons

- other than authorized users and for an other than authorized purpose have access or potential access to personally identifiable information, whether physical or electronic;
9. “CHIP” or the Children’s Health Insurance Program means the state program established under Title XXI of the Social Security Act;
 10. “CMS” means the Centers for Medicare & Medicaid Services;
 11. “CSR” or Cost Sharing Reductions means cost sharing reductions for an eligible individual enrolled in a silver level plan in the Exchange or for an individual who is an Indian enrolled in a QHP in the Exchange;
 12. “DHS” means the Department of Homeland Security;
 13. “Disclose” or “disclosure” means access to or the release of information in a Privacy Act system of records to any third party;
 14. “Eligibility Determination” means the determination of eligibility by an Administering Entity for enrollment in a QHP through an Exchange, an Insurance Affordability Program or for certifications of Exemption. This refers to initial determinations, redeterminations based on a change in the individual’s status, and appeals;
 15. “Enrollee” means a qualified individual enrolled in a QHP through an Exchange or an individual enrolled in Medicaid/CHIP, or BHP;
 16. “Exchange” means an American Health Benefit Exchange established under Sections 1311(b), 1311(d)(1), or 1321(c)(1) of the ACA, including both state-based Exchanges and Federally Facilitated Exchanges (FFE);
 17. “Exemption” means an exemption from the requirement or penalty imposed by section 5000A of the Internal Revenue Code; pursuant to section 1311(d)(4)(H) of the ACA, an Exchange, subject to section 1411 of the ACA, must grant a certification attesting that an individual is exempt from the individual responsibility requirement or penalty imposed by section 5000A of the Internal Revenue Code;
 18. “FFE” means Federally Facilitated Exchange, which is an Exchange established by HHS and operated by CMS under Section 1321(c)(1) of the ACA;
 19. “HHS” means the Department of Health and Human Services;
 20. “Hub” or Data Services Hub is the CMS-managed electronic service to interface among connecting entities and refers to both the web services connection to various agencies providing verification services and a system that will apply system logic to interpret the data it receives with respect to eligibility;
 21. “Insurance Affordability Programs” means a program that is one of the following: (1) a Medicaid program under title XIX of the Social Security Act; (2) a CHIP program under title XXI of such Act; (3) a Basic Health Program established under section 1331 of the ACA; (4) a program that makes coverage in a Qualified Health Plan through the Exchange with advance payments of the premium tax credit; or (5) a program that makes available coverage in a Qualified Health Plan through the Exchange with cost-sharing reductions;
 22. “Matching Program” as defined by the Privacy Act (5 U.S.C. § 552a(a)(8)) 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: (1) 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, cash or in-kind assistance or payments under

- federal public benefit programs, or (2) recouping payments or delinquent debts under such federal public benefit programs;
23. “Medicaid” means the state program established under title XIX of the Social Security Act;
 24. “PII” means personally identifiable information as defined by OMB Memorandum M-07-16 (May 22, 2007) (“information which can be used to distinguish or trace an individual’s identity, such as name, social security number, biometric records, etc., alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother’s maiden name, etc.”);
 25. “Primary Verification User Codes” means codes necessary to access the SAVE Program’s electronic and manual immigration status verification system, including system to system access and individual user access;
 26. “QHP” or Qualified Health Plan means a health plan that has in effect a certification that it meets the standards described in subpart C of part 156 in title 45 of the C.F.R. issued or recognized by each Exchange through which such plan is offered in accordance with the process described in 45 C.F.R. part 155, subpart K;
 27. “Recipient Agency” as defined by the Privacy Act (5 U.S.C. § 552a(a)(9)) means any agency, or contractor thereof, receiving records contained in a system of records from a source agency for use in a matching program. As the Recipient Agency, CMS is responsible for publishing the Federal Register notice required by 5 U.S.C. § 552a(e)(12);
 28. “Record” as defined by the Privacy Act (5 U.S.C. § 552a(a)(4)) means any item, collection, or grouping of information about an individual that is maintained by an agency, including, but not limited to, his education, financial transactions, medical history, and criminal or employment history and that contains his name, or the identifying number, symbol, or other identifying particular assigned to the individual, such as a finger or voice print or a photograph;
 29. “Security Incident” means the act of violating an explicit or implied security policy, which includes attempts (either failed or successful) to gain unauthorized access to a system or its data, unwanted disruption or denial of service, the unauthorized use of a system for the processing or storage of data; and changes to system hardware, firmware, or software characteristics without the owner's knowledge, instruction, or consent (NIST SP 800-61);
 30. “Source Agency” as defined by the Privacy Act (5 U.S.C. § 552a(a)(11)) means any agency that discloses records contained in a system of records to be used in a matching program. DHS is the Source Agency in this agreement;
 31. “System of Records” as defined by the Privacy Act (5 U.S.C. § 552a(a)(5)) means a group of any records under the control of any agency from which information is

- retrieved by the name of the individual or by some identifying number, symbol, or other identifying particular assigned to the individual;
32. "SORN" means a "System of Records Notice", a notice published in the Federal Register of each system of records being maintained by a federal agency. The publication of the systems notice is required by the Privacy Act of 1974;
 33. "USCIS" means United States Citizenship and Immigration Services, a component of DHS;
 34. "VIS" means "Verification Information System", a composite information system incorporating immigration data, as well as naturalized and derived citizenship data, from DHS data repositories and other federal databases. For more information please see, DHS/USCIS-004 Systematic Alien Verification for Entitlements Program System of Records Notice, 77 Fed. Reg. 47415, August 8, 2012.

IV. RESPONSIBILITIES OF THE PARTIES

A. CMS Responsibilities

1. CMS agrees to provide USCIS with the following information for the purpose of immigration status or naturalized/derived citizenship verification: Alien Registration Number, I-94 number, or other identifier as defined in the Records Description in Section 6 of this Agreement, as applicable, of the Applicant or Enrollee seeking an Eligibility Determination.
2. If USCIS cannot verify immigration status on initial electronic verification (i.e., first step verification), Administering Entities will be prompted to institute additional verification, at which time the Administering Entity may submit the case for second step verification or may upload an electronic copy of the applicant's immigration document if in accordance with the rules applicable to the Administering Entity for which the request is being made. If USCIS cannot verify immigration status on additional verification, Administering Entities will be prompted to submit the verification request for third level verification. If third level verification is required, Administering Entities will facilitate the transfer of the Applicant's or Enrollee's immigration documentation and the DHS form G-845 to USCIS. The SAVE Program requires copies of immigration documentation in order to conduct third-level verification. Administering Entities may submit such documentation via mail as an attachment to form G-845. See also Section IV(A)(4) regarding denying applications based on failure to verify immigration status.
3. If an Administering Entity is unable to comply with the prompts through the Hub, as described in Section IV(A)(2), the Administering Entity may implement an approved alternative verification method which may require an Administering Entity to review documents that demonstrate the applicants' immigration status. Alternative verification methods should use the Administering Entities' independent SAVE access methods to verify immigration and naturalized or derived citizenship status. Alternative access methods that do not use SAVE as an access method to verify

immigration and naturalized or derived citizenship status cannot be considered to have received a determination from DHS as to whether the applicant's information is consistent with information in DHS records. CMS agrees to provide USCIS with written descriptions of any alternative verification procedures, as appropriate, used by Administering Entities.

4. Administering Entities agree not to deny an application covered under this Agreement based upon the failure to verify applicant information with DHS records unless an Administering Entity completes all SAVE prompts returned to the Hub, including submitting the verification request for additional verification or resubmitting the case when prompted by SAVE, or completes an alternate verification procedure as described in IV(A)(3).
5. CMS, through the Hub, may disclose to Administering Entities the data received from USCIS under this Agreement for the purpose of determining eligibility for enrollment in a QHP through an Exchange, one of the Insurance Affordability Programs or an Exemption.
6. CMS, through the Hub may request verification for individuals currently enrolled whose immigration status has an expiration date or condition. Administering Entities do not expect to re-verify all Enrollees on an annual basis; any Enrollee selected for re-verification shall be selected for a non-discriminatory reason.
7. CMS shall allow USCIS to monitor and review all records and documents under CMS possession and control, or to which CMS has access or review rights, related to the use, abuse, misuse, discriminatory use, fraudulent use or improper use of USCIS verification data by Administering Entities or their agents, including, but not limited to notice documents required by the Privacy Act, 5 U.S.C. § 552a or other applicable authority.
8. CMS shall provide USCIS with data and information regarding operation of the data services Hub for USCIS monitoring and compliance purposes, including data and information identifying the number and category of benefits (Medicaid, CHIP, QHP or BHP) by state or Administering Entity. CMS shall also provide USCIS with the opportunity to submit questions as necessary for appropriate monitoring and compliance purposes. CMS shall provide this data and information to USCIS, and an opportunity to submit questions, on an annual basis and otherwise as frequently as agreed upon between the Parties, but not later than 30 days after USCIS makes a written request for the information.
9. CMS shall cooperate and collaborate with USCIS and consider their input and recommendations when CMS monitors and oversees access through the CMS Data Services Hhub by CMS, Administering Entities and their respective agents to the SAVE system. CMS will support USCIS direct assistance to verification system users (i.e., CMS, Administering Entities and their respective agents) when necessary

to ensure compliance with the terms of this Agreement. This includes facilitating direct communications with these system users; CMS will encourage Administering Entities and their agents to accept offers from USCIS to assist verification system users when necessary to ensure compliance with the terms of this Agreement and any Agreement between CMS and the Administering Entities regarding use of USCIS verification data. CMS shall take corrective measures in a timely manner to address all lawful requirements and recommendations within the scope of CMS' authority on every written USCIS finding including but not limited to misuse of the system, discriminatory use of the system, non-compliance with the terms, conditions and safeguards of this Agreement, USCIS program procedures or other applicable law, regulation or policy.

10. CMS shall allow DHS and its components to monitor CMS and CMS sub-user system access and usage of SAVE and to assist verification system users and sub-users, Agents or designees as necessary to ensure compliance with the terms of this Agreement by CMS, Administering Entities, and their respective agents. SAVE Monitoring and Compliance shall be allowed to conduct compliance assistance activities, in coordination with CMS' primary oversight and monitoring processes, to review Administering Entities' and their respective agents' compliance with this agreement. CMS shall take corrective measures within a timeframe agreed to by CMS and USCIS, to address all lawful requirements and recommendations within the scope of CMS' authority under 45 CFR 155.1200 on every written USCIS finding including but not limited to those regarding waste, fraud, and abuse, discrimination or any misuse of the system, non-compliance with the terms, conditions and safeguards of this Agreement, USCIS program policies and procedures or other applicable law or regulation.

11. CMS will enter into, and will provide USCIS with copies of, agreements with State-based Exchanges that bind the State-based Exchanges, including their employees and contractors, to comply with the privacy and security requirements set forth in this Agreement, Section IV(A)(3) of this agreement, and with USCIS's privacy and security requirements in administering its verification programs, and with all other requirements set forth in this Agreement. Additionally, when collection, use, or disclosure of data is otherwise required by law, an Exchange must, pursuant to 45 C.F.R. § 155.260, require the same or more stringent privacy and security standards as a condition of contract or agreement with individuals or entities that:
 - a. Gain access to PII submitted to an Exchange; or
 - b. Collect, use or disclose PII gathered directly from Applicants or Enrollees while performing the functions outlined in the agreement with the Exchange.

CMS will enter into, and will provide USCIS with copies of, agreements prior to providing data to State Medicaid agencies, under which such agencies agree to comply with the requirements of section 1902(a)(7), 1137 and 1942 of the Act and

those contained in regulations at 42 C.F.R. Part 431 Subpart F which relate to the safeguarding of information about Applicants and Enrollees, including ensuring that any eligibility or income information is properly collected, used and stored so that it is protected from disclosure. In addition, State Medicaid agencies must comply with the requirements of 42 C.F.R. § 435.945, when releasing data to the agencies identified in 42 C.F.R. § 435.945(c). These requirements include, but are not limited to, executing written agreements with such other agencies before releasing data to those agencies, ensuring that such agreements provide for appropriate safeguards limiting the use and disclosure of information as required by Federal or State law or regulations, and ensuring that information exchanged electronically with such other agencies must be sent via secure electronic interface as defined in 42 C.F.R. § 435.4. CMS will enter into agreements prior to providing data to State CHIPs, under which the agencies agree to comply with section 1942 of the Act (per section 2107(e)(1)(N), and 42 C.F.R. 457.1110).

ii. USCIS Responsibilities

1. USCIS agrees to make available the Systematic Alien Verification for Entitlements (SAVE) program to CMS as an electronic method for determining whether Applicant information submitted by the Secretary of HHS to the Secretary of DHS pursuant to ACA sections 1411(c)(2)(B) and 1413 is consistent with information available through the USCIS VIS. USCIS agrees to provide the Hub with a response on each inquiry, as appropriate, to enable Administering Entities to confirm whether the biographic, citizenship and immigration status information submitted by the Hub to SAVE is consistent with information available through the USCIS VIS.
2. USCIS agrees to provide CMS with instructional materials required for the use of the SAVE Program.
3. USCIS agrees to provide a sufficient number of primary verification user codes to assure the effective implementation of the verification procedures and instructions for obtaining necessary system access codes.
4. USCIS agrees to provide assistance to CMS and other Administering Entities on policies and procedures for participating in the SAVE Program, including technical instructions for accessing the system, requirements for safeguarding information contained in the system, proper and nondiscriminatory use of the system, and restrictions on retention and disclosure of system information. USCIS also agrees to provide CMS with the name, address and telephone number of an appropriate point of contact (POC) within USCIS, or its contractor organization, who can be contacted

regarding any billing questions, as appropriate, or problems which arise in connection with CMS' participation in the verification program.

5. USCIS will conduct an additional verification search of available databases, when a request for additional verification is submitted. .
6. USCIS will advise the Administering Entity through the Hub or the Administering Entities' direct SAVE access method, as appropriate, if USCIS is unable to verify the applicant's immigration status, at which time the Administering Entity may submit an electronic copy of the applicant's immigration document or follow second, and if necessary, third step verification prompts.

V. JUSTIFICATION AND ANTICIPATED RESULTS

A. Justification

The ACA requires the use of a single, streamlined application that may be used by Applicants to apply for eligibility for enrollment in a QHP through an Exchange or an Insurance Affordability Program. An Applicant or Enrollee must be able to file this application online, by telephone, in person or by mail with any of the entities administering these programs. The ability for an Applicant or Enrollee to access the appropriate coverage across multiple programs through a single streamlined application and coordinated eligibility process means that no matter how an application is submitted or which program receives the application data, an Applicant or Enrollee will experience a consistent process and receive a consistent Eligibility Determination, without the need to submit information to multiple programs. An Exchange will also issue certifications of Exemption and an Applicant will file a separate application to determine eligibility for an Exemption.

It has been determined by the Parties that a computer Matching Program is the most efficient and expeditious means of obtaining and processing the information needed by CMS to support the verification of citizenship and immigration status for non-citizen and certain U.S. citizen Applicants and Enrollees by Administering Entities. It is expected that this Matching Program will enable Administering Entities via online electronic submission through the Hub (per section 1411(c)(4) of the ACA) to confirm the eligibility of Applicants' and Enrollees' for enrollment in QHPs through Exchanges, Insurance Affordability Programs and certifications of Exemption, identify those Applicants and Enrollees who require further checks to confirm eligibility for enrollment in QHPs through Exchanges, Insurance Affordability Programs and certifications of Exemption, and to identify and prevent improper enrollment of certain Applicants and

Enrollees whose citizenship or immigration status does not permit enrollment in a QHP through the Exchange, or in a Medicaid, CHIP or BHP program.

B. Anticipated Results

CMS anticipates that the computer matching activities described in this Agreement will produce expedited Eligibility Determinations and will minimize administrative burdens on CMS in making such determinations. The benefit of the data matching with respect to the Exchange program is the increased assurance that CMS achieves efficiencies and administrative cost savings for the programs administered by Administering Entities, and confirmation from DHS that its data matches the data provided by the Applicant with respect to immigration or citizenship status. This collaborative model, which offers service-based access to DHS data regarding status, will lessen financial and administrative burdens by eliminating the need for each State to execute several agreements with multiple federal agencies.

C. Cost Benefit Analysis

Section 552a(u)(4) of the Privacy Act provides that a cost-benefit analysis must be completed prior to the approval of this Agreement. In addition to the computer matching program subject to this Agreement, CMS has computer matching agreements with other federal agencies and Administering Entities under which CMS receives data matches through the Hub from multiple source agencies, and CMS and Administering Entities access data matches for the purpose of making Eligibility Determinations related to enrollment in a Qualified Health Plan or Insurance Affordability Program. CMS has conducted one cost-benefit analysis covering these computer matching agreements. This cost-benefit analysis is attached as Attachment A.

VI. DESCRIPTION OF THE DATA TO BE EXCHANGED

The Privacy Act requires that each Computer Matching Agreement for protected data specify a description of the records that will be matched and exchanged, including a sample of data elements that will be used, the approximate number of records that will be matched, and the projected starting and completion dates of the program.

A. Systems of Records

1. The CMS Privacy Act System of Records Notice (SORN) that supports this data Matching Program is the CMS Health Insurance Exchanges (HIX) Program, CMS system of records number 09-70-0560 as amended, published at 78 Fed. Reg. 8538 (Feb. 6, 2013) and 78 Fed. Reg. 32256 (May 29, 2013), located at the Terremark data center in Culpeper, Virginia. Routine Use 3 supports CMS's disclosure to DHS.
2. USCIS will extract records from VIS and several immigration databases as described in Systematic Alien Verification for Entitlements (SAVE) System of Records Notice

(SAVE SORN): DHS/USCIS–004 Systematic Alien Verification for Entitlements Program System of Records Notice, 77 Fed. Reg. 47415, August 8, 2012, which contains information related to the immigrant, nonimmigrant and naturalized or derived citizen status of persons for whom USCIS has a record.

B. Number of Records

The following table provides the base estimates for the total number of transactions to be conducted under this Agreement in FY 2016 and FY 2017, as well as the number of transactions in the estimated highest month within each of those years. The transactions include DHS Step 1 and Step 2 requests. These estimates use current business assumptions. . These estimates are subject to change as business assumptions or estimates are updated and/or refined.

ESTIMATED TOTAL SAVE QUERIES

	FY 2016 Total	FY 2016 Highest Month	FY 2017 Total	FY 2017 Highest Month
Base Estimates	11,547,169	2,164,539	11,368,814	1,918,714

C. Records Description

1. From the Hub to USCIS. The Hub will submit data elements pertaining to Applicants or Enrollees through SAVE to the USCIS Verification Information System (VIS). These data elements may include the following:
 - a. Immigration Number (e.g., Foreign Passport Number, I-94 Number Visa Number, Alien Registration Number)
 - b. Immigration Document Type
 - c. Last Name
 - d. Middle Initial
 - e. First Name
 - f. Date of Birth
 - g. Document Expiration Date (if applicable)
 - h. Information contained in the comment field, such as USCIS benefit application receipt numbers, maiden names, nicknames, and additional immigration document numbers.

2. From USCIS to the Hub. USCIS through SAVE will send the Hub responses that contain data from records provided to VIS and databases VIS accesses. These responses will contain information related to the status of immigrants, nonimmigrants

and naturalized or derived citizens for whom USCIS has a Record. See the SAVE SORN. These responses may include the following data elements:

- a. Alien Registration Number
- b. I-94 Number
- c. Last Name
- d. First Name
- e. Date of Birth
- f. Date of Entry
- g. Status Grant Date, if available
- h. Immigration Status Data

VII. PROCEDURES FOR INDIVIDUAL NOTICE

- A. CMS will publish notice of the Matching Program in the Federal Register as required by the Privacy Act (5 U.S.C. § 552a (e)(12)).
- B. Individual Applicants or Enrollees will be notified that the information used to determine the eligibility of each Applicant or Enrollee may be verified by matching against the records of various federal agencies, including DHS. This notice will be provided at the time of application on the OMB-approved HHS-developed single streamlined application or on an HHS-approved alternate application used by an Administering Entity. The same application will be used for initial applications seeking Eligibility Determinations and to report changes in circumstances after enrollment. Administering Entities may notify benefit applicants that they can determine the status of their SAVE verification by visiting SAVE Case Check, which can be accessed through the SAVE public website located at uscis.gov/SAVE.

VIII. VERIFICATION AND OPPORTUNITY TO CONTEST

The Privacy Act requires that each matching agreement specify procedures for verifying information produced in the Matching Program and an opportunity to contest findings, as required by 5 U.S.C. § 552a(p).

- A. Verification and Opportunity to Contest Procedures.
 1. The VIS database shall not be used in a manner that will allow for discrimination based on race, color, national origin, religion, age, sex, disability, genetic information, sexual orientation, or gender identity. CMS and Administering Entities will take reasonable steps to ensure that they communicate effectively with limited English proficient persons in the language in which they are proficient, and persons with disabilities in

an appropriate format, in all communications relating to verification by the SAVE program.

2. CMS and Administering Entities may not suspend, terminate, reduce, or make a final denial regarding the Federal benefit program eligibility of an Applicant/recipient under the ACA based upon a SAVE verification response status, or a response received through an approved alternative method, or take other adverse action against such individual as a result of information produced by the Matching Program, without first providing the Applicant or Enrollee the opportunity to provide additional information to verify their citizenship or immigration status in accordance with 45 CFR §155.315(f) or 42 CFR §§435.952 and 457.380.. Please see DHS-USCIS' "additional verification procedures" as described in its SAVE Program Guide, which is incorporated into this Agreement by reference, including any subsequent amendments or revisions provided that such additional verification procedures are consistent with applicable law.
3. Furthermore, CMS may not suspend, terminate, reduce, or make a final denial regarding the Federal benefit program eligibility of any individual described in the preceding paragraph, or take other adverse action against such individual as a result of information produced by this Matching Program unless: (A) such individual has received notice from CMS containing a statement of the findings of the immigration status check; and (B) until the subsequent expiration of any notice period provided by such program's law or regulations. Such opportunity to contest may be satisfied by the notice, hearing, and appeal rights governing the Federal benefit program if the applicant has been provided the opportunity to refute any adverse status information as a result of the verification query.
4. Information created by CMS regarding any individual which becomes part of the System of Records can be contested by contacting CMS.
5. Because CMS is not the owner of the record, any information provided to CMS by DHS cannot be contested by contacting CMS. An individual seeking to contest the content of information DHS provided for matching purposes should contact the relevant Party. CMS, in its role as the Federally-facilitated Exchange, will provide guidance to the individual concerning how to contest the content of information provided by DHS.

B. Enrollment in a QHP through an Exchange, APTCs and CSRs

1. An Exchange will verify citizenship and immigration status in accordance with 45 C.F.R. §§ 155.315(c). Pursuant to the verification process in 45 C.F.R. § 155.315(f), the Exchange will provide notice to and an opportunity to resolve the inconsistency for the Applicant or Enrollee if there is an inconsistency between

the Applicant/Enrollee's attestation and the information provided by DHS/USCIS under this Agreement through the Hub in connection with Eligibility Determinations and Redeterminations for APTCs and CSRs. See also section 1411(e)(3)-(4) of the ACA. The Applicant/Enrollee will have 90 days from the date of notice of the inconsistency to resolve the inconsistency or to present satisfactory documentary evidence to the agency. 45 C.F.R. § 155.315(f).

2. In addition, an Exchange will provide notice of appeals procedures with a notice of Eligibility Determination and Redetermination pursuant to 45 C.F.R. §§ 155.230 and 155.355. An Applicant or Enrollee will be provided the opportunity to appeal denials of eligibility for APTCs and CSRs based upon contested determinations of citizenship or immigration status pursuant to § 1411(f)(1) of the ACA.

C. Exemptions

The Exchange will verify certain citizenship and immigration status information provided by an Applicant for a certain type of Exemption with information provided by DHS pursuant to this Agreement in accordance with 45 C.F.R. §§ 155.615(f) and (g) and 155.620(c). Pursuant to the verification process in 45 C.F.R. §§ 155.615(f) and (g) and 155.620(c), the Exchange will provide notice and an opportunity to resolve the inconsistency with SAVE and the Exchange for the Applicant if there is an inconsistency between the Applicant's attestation and the information obtained from DHS through the Hub in connection with Eligibility Determinations and Redeterminations for Exemptions. See also § 1411(e)(3)-(4) of the ACA. In addition, the Exchange will provide notice of appeals procedures with a notice of Eligibility Determination and Redetermination pursuant to 45 C.F.R. §§ 155.230 and 155.635. An Applicant will be provided the opportunity to appeal denials of eligibility for an Exemption pursuant to § 1411(f)(1) of the ACA.

D. Medicaid and CHIP

A State Medicaid or CHIP agency must determine or renew eligibility in accordance with 42 CFR §§ 435.911, 435.916 and 457.340 and 457.343. Medicaid and CHIP agencies will verify certain citizenship and immigration status information provided by an Applicant or beneficiary in accordance with 42 CFR parts 435 or 457. A Medicaid/CHIP Applicant Beneficiary seeking to contest any information used for verification of citizenship or immigration status of an application or Renewal determination that results in an

adverse Eligibility Determination may file an appeal with the agency that issued the Eligibility Determination.

E. Basic Health Plan

A BHP will verify the eligibility of an applicant or beneficiary for BHP consistent either with the Exchange standards and procedures set forth at 45 CFR 155.315 and 155.320 or Medicaid standards and procedures set forth at 45 CFR 435.945 through 435.956.

IX. ACCURACY ASSESSMENTS

USCIS currently estimates that information within its VIS database is 90-95% accurate, but continues to undertake various actions to further improve the quality of the VIS database. In addition, in cases where status is not confirmed through VIS, additional verification procedures are used, which if used by the Administering Entity allows USCIS to check all necessary indices and files before providing the immigration and citizenship information. This process includes procedures for USCIS to alert the relevant immigration record owner of errors it detects so the record owner may take appropriate corrective action.

X. PROCEDURES FOR RETENTION AND TIMELY DESTRUCTION OF IDENTIFIABLE RECORDS

- A. USCIS records are stored and retained in the VIS Master Data File in accordance with retention schedule N1-566-08-7, which was approved by NARA as of June 5, 2008 ten (10) years from the date of completion of the verification unless the records are part of an ongoing investigation in which case they may be retained until completion of the investigation.
- B. CMS FFE will retain electronic records that contain verified Applicant, Beneficiary, or Enrollee information for a period of ten (10) years to the extent that a match results in an inconsistency. The retained electronic records will reflect the results of the match in

order to meet legal evidentiary requirements. Retained records will not contain raw DHS data received via the Hub.

- C. DHS and CMS will retain data in accordance with the applicable Federal Records Retention Schedule (44 U.S.C. 3303a). DHS and CMS will not create permanent files or a separate system comprised solely of the data provided by the other Party.

XI. SECURITY PROCEDURES

- A. General. Both Parties shall maintain a level of security that is commensurate with the risk and magnitude of harm that could result from the loss, misuse, modification, or inappropriate disclosure of the information contained on the system with the highest appropriate sensitivity level.
- B. Legal Compliance. Both Parties shall comply with the limitations on use, storage, transport, retention, and safeguarding of data under all applicable Federal laws and regulations. These laws and regulations include the Privacy Act of 1974 (Privacy Act), the Federal Information Security Management Act of 2002 (FISMA), the Computer Fraud and Abuse Act of 1986, the E-Government Act of 2002, the Clinger-Cohen Act of 1996, and the corresponding implementation regulations for each statute. Additionally, CMS shall follow Federal, HHS, and CMS policies including:
1. The Office of Management and Budget (OMB) Circular No. A 130, revised. "Management of Federal Information Resources"; Appendix III, " Security of Federal Information Systems" (<http://www.whitehouse.gov/omb/circulars>)
 2. The National Institute of Standards and Technology (NIST) Special Publications (SP) (<http://csrc.nist.gov/publications>)
 3. The HHS Information Systems Security and Privacy Policy (IS2P) (HHS FISMA Working Group Collaboration Page) or mailto: FISMA@hhs.gov
 4. CMS Information Security Acceptable Risk Safeguards (ARS), CMS Minimum Security Requirements (CMSR) as amended CMS Information Security Acceptable Risk Safeguards CMS Minimum Security Requirements (CMSR)
 5. Other policies, standards, procedures and templates located on the Information Security and Privacy Library.

USCIS will follow DHS Sensitive Systems Policy 4300A

(http://www.dhs.gov/xlibrary/assets/foia/mgmt_directive_4300a_policy_v8.pdf).

- C. FISMA Compliance. Both Parties shall comply with the requirements of FISMA as it applies to the electronic storage, processing, use, and transport of data by and between the Parties under this Agreement. The Parties will comply with Section 3544(a)(1) of FISMA, which requires agencies and their contractors to ensure that computer systems are FISMA compliant. Furthermore, the Parties agree to use all applicable National

Institute of Standards and Technology (NIST) standards when certifying and auditing systems.

- D. Loss, Potential Loss, or Breach Reporting. Both Parties shall comply with OMB reporting guidelines in the event of a loss, potential loss, or Breach of PII (see OMB M-06-19 (July 12, 2006) and OMB M-07-16 (May 22, 2007)). The Party that experienced the incident will be responsible for following its established procedures, including notifying the proper organizations (e.g., United States Computer Emergency Readiness Team (US-CERT)), conducting a breach and risk analysis, and making a determination of the need for notice and/or remediation to individuals affected by the loss. If the Party's analysis indicates that an individual notice is appropriate, the Party that experienced the incident will be responsible for providing such notice. In addition, the Party experiencing the incident will notify the other Party's System Security Contact named in this Agreement within twenty-four (24) hours of discovering the loss, potential loss, or Breach. If the Party experiencing the incident is unable to speak with the other Party's System Security Contact within one (1) hour or if for some reason contacting the System Security Contact is not practicable (e.g. outside of normal business hours), then the following contact information shall be used:
- USCIS Service Desk: 1-888-220-5228;
 - CMS IT Service Desk: 410-786-2580 or e-mail [CMS IT Service Desk@cms.hhs.gov](mailto:CMS_IT_Service_Desk@cms.hhs.gov).
- E. Administrative Safeguards. Both Parties will restrict access to the matched data and to any data created by the match to only those authorized users of the CMS Hub who need it to perform their official duties in connection with the uses of data authorized in this Agreement. Further, both Parties will advise all personnel who will have access to the data matched and to any data created by the match of the confidential nature of the data, the safeguards required to protect the data, regulations applicable to retention of the data, and the civil and criminal sanctions for noncompliance contained in the applicable Federal laws.
- F. Physical Security / Storage. Both Parties shall store data under this Agreement in an area that is physically safe from access by unauthorized persons at all times. Only authorized personnel will transport the data matched and any data created by the match. Both Parties will establish appropriate safeguards for such data, as determined by a risk-based assessment of the circumstances involved. USCIS and CMS will comply with physical security and storage requirement under DHS Sensitive Systems Policy 4300A.
- G. Technical Safeguards. Both Parties agree that the data exchanged under this Agreement will be processed under the immediate supervision and control of authorized personnel to protect the confidentiality of the data in such a way that unauthorized persons cannot retrieve any such data by means of computer, remote terminal, or other means. Systems personnel must enter personal identification numbers when accessing data on the Party's

systems. Both Parties will strictly limit authorization to those electronic data areas necessary for the authorized analyst to perform his or her official duties.

- H. Application of Policies and Procedures. Both Parties will adopt policies and procedures to ensure that each Party uses the information obtained under this Agreement and retained in their respective records or obtained from each other is used solely as provided in this Agreement. Both Parties will comply with these policies and procedures and any subsequent revisions.
- I. On-Site Inspections. Both Parties may make on-site inspections and requests for information of the other Party to ensure that the safeguards for the data subject to this Agreement are adequate, and to ensure compliance with this Agreement. Each Party shall provide the other Party with any reports and/or documentation relating to such on-site inspections at the Party's request.
- J. Monitoring and Compliance.
1. CMS will notify the USCIS Safeguards and Recordkeeping Procedures Contact immediately whenever there is reason to believe a violation of this Agreement has occurred;
 2. CMS will notify the USCIS Safeguards and Recordkeeping Procedures Contact immediately whenever there is reason to believe an information Breach has occurred as a result of CMS action or inaction, pursuant to Office of Management and Budget (OMB) Memorandum M-07-16, "Safeguarding Against and Responding to the Breach of Personally Identifiable Information."
 3. Administering Entities will submit a Security Incident report template describing the Security Incident to their designated CCIIO State Officer (CSO). Agents of the Administering Entities will submit Security Incident reports through their respective Administering Entity to CMS. If the Administering Entity's report is about USCIS data, CMS will inform USCIS of the incident by sending the Security Incident report to USCIS. Based on the Security Incident, CMS will determine whether further discussion between the CSO and USCIS is necessary. The investigation of the Security Incident is the responsibility of the Administering Entities. If the Administering Entities determine that notification is necessary, the Administering Entities will conduct the Breach notification at their cost.
 4. CMS will contact the Administering Entity and discuss corrective action to investigate the source of suspected fraudulent, noncompliant, or discriminatory activity within twenty-four (24) hours of the time that USCIS provides notice to CMS that USCIS has observed suspicious activity regarding Hub submissions to the USCIS verification system.
 5. CMS will share with USCIS security status assessments at times when federal agencies that supply information in support of ACA activities conduct security

assessments regarding the operational status of CMS, Administering Entities, and their authorized respective agents in connection with verification data and services under this Agreement.

- K. CMS must ensure information systems are compliant with CMS guidance *Minimum Acceptable Risk Standards for Exchanges (MARS-E) Exchange Reference Architecture Supplement*, Version 1.0, dated August 1, 2012.

XII. RECORDS USAGE, DUPLICATION, AND DISCLOSURE RESTRICTIONS

The Parties will comply with the following limitations on use, duplication, and disclosure of the electronic files, and data provided by the other Party under this Agreement:

- A. The Parties will use and disclose the data only for the purposes described in this Agreement or authorized by applicable law, unless the other Party consents to the use or disclosure. The Party requesting permission must specify the following in writing; (1) what data will be used or disclosed, (2) to whom the data will be disclosed, (3) the reasons justifying such use or disclosure, and (4) the intended use of the data.
- B. The Parties will not use the data to extract information concerning individuals therein for any purpose not specified by this Agreement or applicable law.
- C. The matching data provided by USCIS under this Agreement will remain the property of USCIS and will be retained by CMS and Administering Entities to be used for internal audits to verify the accuracy of matches and to adjudicate appeals. USCIS matching data will only be destroyed after the matching activity, appeals and audits involving the data have been completed as described under this Matching Program.
- D. CMS FFE will restrict access to the results of the data match to Applicants or Enrollees, application filers, and Authorized Representatives of such persons; as well as to Agents and Brokers who have been authorized by the Applicant and are under agreement with the FFE. The FFE shall require the same or more stringent privacy and security standards as a condition of contract or agreement with individuals or entities, such as Agents or Brokers that; (1) gain access from the Exchange to PII submitted to an Exchange or (2) collect, use, or disclose PII gathered directly from Applicants or Enrollees while that individual or entity is performing the functions outlined in the agreement with the Exchange. (see 45 C.F.R. § 155.260, 42 C.F.R. §431, subpart F, including §§431.301, 431.302, 431.303, 431.305, and 435.945, and 42 C.F.R. § 457.1110).
- E. Any individual who knowingly and willfully uses or discloses information obtained pursuant to this Agreement in a manner or for a purpose not authorized by Section 1411(g) of the ACA are potentially subject to the civil penalty provisions of Section

1411(h)(2) of the ACA, which carries a fine of up to \$25,000 per person or entity per use or disclosure.

- F. CMS will not duplicate or re-disclose data provided by USCIS within or outside of CMS, except where described in this Agreement or authorized by applicable law.

XIII. COMPTROLLER GENERAL ACCESS

Pursuant to 5 U.S.C. § 552(o)(1)(K), the Government Accountability Office (Comptroller General) may have access to all CMS and USCIS records, as necessary, in order to verify compliance with this Agreement.

XIV. REPORT TO CONGRESS AND OMB

When both the CMS DIB and the DHS DIB have approved this Agreement, CMS will submit a report of the Matching Program to OMB and to the appropriate Committees of Congress for review, and will provide a copy of such notification to USCIS.

XV. REIMBURSEMENT

Reimbursement for immigration status verifications USCIS performs under this Agreement is addressed under a separate billing agreement.

XVI. PERSONS TO CONTACT

A. The USCIS contacts are:

- 1. Project Coordinator

Alissar K. Rahi, Chief

Systematic Alien Verification for Entitlements (SAVE) Program
Verification Division MS 2620
United States Citizenship and Immigration Services
131 M Street, NE, Suite 200
Washington, DC 20529-2620
Phone: (202) 443-0174
Fax: (202) 443-0175
E-Mail: Alissar.K.Rahi@uscis.dhs.gov

Paul M. Johnson, Policy Chief

Systematic Alien Verification for Entitlements (SAVE) Program
Verification Division MS 2620

United States Citizenship and Immigration Services
131 M Street, NE, Suite 200
Washington, DC 20529-2620
Phone: (202) 443-0136
Fax: (202) 443-0175
E-Mail: Paul.M.Johnson@uscis.dhs.gov

2. Safeguards and Recordkeeping Procedures

Paul M. Johnson, Policy Chief

Systematic Alien Verification for Entitlements (SAVE) Program
Verification Division MS 2620
United States Citizenship and Immigration Services
131 M Street, NE, Suite 200
Washington, DC 20529-2620
Phone: (202) 443-0136
Fax: (202) 443-0175
E-Mail: Paul.M.Johnson@uscis.dhs.gov

William Ward, Management & Program Analyst

Systematic Alien Verification for Entitlements (SAVE) Program
Verification Division MS 2620
United States Citizenship and Immigration Services
131 M Street, NE, Suite 200
Washington, DC 20529-2620
Phone: (202) 443-0143
E-Mail: william.ward2@uscis.dhs.gov

B. The CMS contacts are:

1. Program Issues:

Elizabeth Kane

Acting Director, Verifications Policy & Operations Division
Eligibility and Enrollment Policy and Operations Group
Center for Consumer Information and Insurance Oversight
Centers for Medicare & Medicaid Services
7501 Wisconsin Avenue
Bethesda, MD 20814
Telephone: (301) 492-4418 / Fax: (443) 380-5531
Email: Elizabeth.Kane@cms.hhs.gov

2. Medicaid/CHIP Issues:

Jessica Kahn

Director, Data Systems Group
Center for Medicaid and CHIP Services
Centers for Medicaid & Medicare Services
7500 Security Boulevard
Baltimore, MD 21244
Phone: (410) 786-9361
Fax: (443) 380-7185
E-mail: Jessica.kahn@cms.hhs.gov

Rebecca Bruno

Technical Director
Division of Eligibility, Enrollment and Outreach
Center for Medicaid and CHIP Services
Centers for Medicaid & Medicare Services
7500 Security Boulevard
Baltimore, MD 21244
Phone: (410) 786-1055
Fax: (443) 380-7185
E-mail: Rebecca.Bruno@cms.hhs.gov

3. Systems Operations:

Darrin V. Lyles

Information Security Officer, CIISG
CMS\OIS\CIISG
Consumer Information and Insurance Systems Group
7500 Security Boulevard
Baltimore, MD 21244
Phone: 410-786-4744
Phone: 443-979-3169 (Mobile)
E-mail: Darrin.Lyles@cms.hhs.gov

4. Privacy and Agreement Issues:

Celeste Dade-Vinson

Division of Security, Privacy Policy & Governance
Information Security & Privacy Group
Office of Enterprise Information
Centers for Medicare & Medicaid Services
7500 Security Boulevard
Mail Stop: N1-24-08
Location: N1-24-07
Baltimore, MD 21244-1849
Telephone: 410-786-0854
Fax: 410-786-5636
E-mail: Celeste.Dade-Vinson@cms.hhs.gov

5. Privacy Incident Reporting:

LaTasha Grier

Division of Cyber Threat and Security Operations
Information Security & Privacy Group
Office of Enterprise Information
Centers for Medicare & Medicaid Services
7500 Security Boulevard
Mail Stop: S2-26-17
Location: N1-25-24
Baltimore, MD 21244-1849
Telephone: 410-786-3328
Fax: 410-786-5636
E-mail: Latasha.Grier@cms.hhs.gov

6. Security Issues:

Tae H. Rim

Information Technology Specialist
Enterprise Infrastructure & Operations Group
Office of Technology Solutions
7500 Security Boulevard
Baltimore, MD 21244-1859
Phone: (410) 786-3911
Phone: (443) 847-0342 (Mobile)
E-mail: Tae.Rim@cms.hhs.gov

XVII. DURATION, MODIFICATION, AND TERMINATION

- A. Effective Date: The Effective Date of this Agreement is April 2, 2016, provided that the following notice periods have lapsed: thirty (30) days from the date CMS publishes a Computer Matching Notice in the Federal Register; forty (40) days from the date of the Matching Program notice that is sent to the Congressional committees of jurisdiction under 5 U.S.C. § 552a(o)(2)(A); and forty (40) days from the date of the Matching Program notice that is sent to OMB.
- B. Duration: This Agreement will be in effect for a period of eighteen (18) months.
- C. Renewal: The DIBs of the Parties may, within three (3) months prior to the expiration of this Agreement, renew this Agreement for a period not to exceed twelve (12) months if the Parties can certify the following:
1. The Matching Program will be conducted without change; and
 2. The Parties have conducted the Matching Program in compliance with the original Agreement.
- If either Party does not want to extend this Agreement, it should notify the other at least ninety (90) days prior to the expiration of this Agreement.
- D. Modification: The Parties may modify this Agreement at any time by a written modification, mutually agreed to by both Parties and approved by the DIBs of the Parties.
- E. Termination: This Agreement may be terminated at any time upon the mutual written consent of the Parties. Either party may terminate this Agreement at any time by providing 30 days written notice of intent. DHS will consult with CMS and attempt to reconcile any alleged failure by CMS or an Administrating Entity to comply with established procedures or legal requirements, including but not limited to failure to pay, before terminating this Agreement. Notwithstanding any other provision in the Agreement, DHS may suspend or terminate this Agreement without prior notice upon a determination by DHS that there has been a breach of system

integrity or security by CMS or an Administrating Entity that cannot be remedied. This Agreement is subject to the availability of funds.

XVIII. LIABILITY

- A. Each Party to this Agreement shall be liable for acts and omissions of its own employees.
- B. Neither Party shall be liable for any injury to another Party's personnel or damage to another Party's property, unless such injury or damage is compensable under the Federal Tort Claims Act (28 U.S.C. § 1346(b)), or pursuant to other Federal statutory authority.
- C. Neither Party shall be responsible for any financial loss incurred by the other, whether directly or indirectly, through the use of any data furnished pursuant to this Agreement.

XIX. DISPUTE RESOLUTION

Disagreements on the interpretation of the provisions of this CMA that cannot be resolved between the USCIS and CMS points of contact should be provided in writing to the authorized officials at both agencies for resolution. If settlement cannot be reached at this level, the disagreement will be elevated to the next level in accordance with agency and Government-wide procedures for final resolution.

XX. CONTINGENCY CLAUSE

This Agreement is contingent on CMS meeting the Federal safeguard requirements specified in Section XI of this Agreement. Matches with CMS under this Agreement will be suspended or discontinued immediately if, at any time, USCIS determines that CMS has failed to meet the Federal Safeguard requirements or any other Privacy Act requirements.

XXI. APPROVALS

A. Centers for Medicare & Medicaid Services Program Officials

The authorized program official, whose signature appears below, accepts and expressly agrees to the terms and conditions expressed herein, confirms that no verbal agreements of any kind shall be binding or recognized, and hereby commits the organization to the terms of this Agreement.

Approved by (Signature of Authorized CMS Program Official)	
Karen Shields Deputy Center and Operations Director Center for Consumer Information and Insurance Oversight Centers for Medicare & Medicaid Services	Date:

Approved by (Signature of Authorized CMS Program Official)	
Timothy Hill Deputy Director Centers for Medicaid and CHIP Services Centers for Medicare & Medicaid Services	Date:

Approved by (Signature of Authorized CMS Approving Official)

**Emery Csulak
Senior Official for Privacy
Information Security and Privacy Group
Office of Enterprise Information
Centers for Medicare & Medicaid Services**

Date:

B. DIB: Department of Health and Human Services

XXII.

The authorized DIB official, whose signature appears below, accepts and expressly agrees to the terms and conditions expressed herein, confirm that no verbal agreements of any kind shall be binding or recognized, and hereby commits their respective organization to the terms of this Agreement.

Approved by (Signature of Authorized HHS DIB Official)	
Colleen Barros Acting Chairperson Data Integrity Board United States Department of Health and Human Services	Date:

C. U.S. Citizenship and Immigration Service Approving Official

The authorized approving official, whose signature appears below, accepts and expressly agrees to the terms and conditions expressed herein, confirms that no verbal agreements of any kind shall be binding or recognized, and hereby commits the organization to the terms of this Agreement.

Approved By (Signature of Authorized USCIS Approving Official)	
Howard W. McMillan Chief Verification Division Enterprise Services Directorate U.S. Citizenship and Immigration Services Department of Homeland Security	Date:

D. DIB: Department Of Homeland Security Data Integrity Board Official

The authorized program official, whose signature appears below, accepts and expressly agrees to the terms and conditions expressed herein, confirms that no verbal agreements of any kind shall be binding or recognized, and hereby commits the organization to the terms of this Agreement.

Approved By (Signature of Authorized DHS DIB Official)	
Karen Neuman Chief Privacy Officer and Chairperson of the Data Integrity Board U.S. Department of Homeland Security	Date:

Attachment A

Cost-Benefit Analysis: Eligibility Verifications with Federal Agencies

I. BACKGROUND

Statutory Requirements

This cost-benefit analysis covers computer matching programs used by CMS to provide “eligibility verification” hub services required to implement provisions of the Patient Protection and Affordable Care Act (ACA) related to verifying individuals’ eligibility for enrollment in qualified health plans (QHPs) with or without advance payments of the premium tax credit or cost-sharing reductions; in Medicaid; in CHIP; or in Basic Health Plans. Section 1411(a) of ACA requires the Secretary of the Department of Health and Human Services (HHS) to establish a program to determine eligibility for enrollment in coverage under a qualified health plan through an Exchange or certain state health subsidy programs¹, and for certifications of exemption from the individual responsibility requirement or the penalty imposed by section 5000A of the Internal Revenue Code. Section 1411(c) requires the verification of certain identifying information against the records maintained the Social Security Administration, the Department of Homeland Security, and the U.S. Department of the Treasury. Section 1411(d) directs HHS to establish a system for the verification of other information necessary to make an eligibility determination. Section 1413 requires HHS to establish a streamlined enrollment system and secure electronic interface to verify data and determine eligibility for state health subsidy programs. Section 2201 requires that Medicaid and CHIP agencies utilize this streamlined enrollment system.

Design of Computer Matching Program

To implement these provisions regarding verifying consumer information related to eligibility determinations, CMS selected a computer matching program design that minimizes burdens for all parties and better ensures the integrity and security of the data. Specifically, CMS enters into separate CMAs with each of the following federal agencies: Social Security Administration (SSA), Department of Homeland Security (DHS), Internal Revenue Service (IRS), Veteran’s Health Administration (VHA), the Department of Defense (DoD), the Office of Personnel Management (OPM) and the Peace Corps (each a trusted data source or TDS). These CMAs address with specificity the data provided by each federal agency to CMS for use by CMS and state-based entities administering state health subsidy programs (Administering Entities) in performing eligibility determinations. CMS receives data covered under these CMAs through the CMS Data Services Hub (Hub), which provides a single data exchange for Federal and State-based agencies administering state health subsidy programs to interface with Federal agency partners. Administering Entities can request data matches through this Hub pursuant to a separate CMA entered into between each state and the District of Columbia and CMS. CMS uses the same CMA

¹ State health subsidy programs means the program for the enrollment in qualified health plans offered through an Exchange, including the premium tax credits and cost-sharing reductions; a state Medicaid program; a state children’s health insurance program (CHIP); and a state program under section 1331 establishing qualified basic health plans.

for each state, with the CMA specifying the allowed uses of data elements shared through the Hub, depending on which state health subsidy program the state administers (e.g., the CMA only authorizes a state to use certain data to perform verifications related to Basic Health Programs if the state administers a basic health program). This CMA also provides for Medicaid and CHIP programs to provide data to CMS for use in eligibility determinations.

This design achieves efficiencies by allowing Administering Entities to access data matches from federal Trusted Data Sources without each Administering Entity having to execute separate CMAs with each Trusted Data Source. Furthermore, the use of the Hub to perform data matches under the program ensures adherence to Federal and industry standards for security, data transport, and data safeguards as well as CMS policy for Exchanges, and makes it unnecessary for each state to develop and support separate verification processes through which they can receive, store, and secure the data provided by the source federal agencies. Additionally, this design ensures that all parties are using the same data to perform eligibility determinations, which better ensures data integrity.

Methodology of Cost-Benefit Analysis

Although the cost-benefit analysis of this computer matching program design is based on limited data and includes estimates that have not been confirmed by studies, it addresses all four key elements identified in GAO/PEMD-87-2 (i.e., Personnel Costs; Computer Costs; Avoidance of Future Improper Payments; and Recovery of Improper Payments and Debts). The analysis includes estimates of CMS's labor and system costs as both the recipient agency in relation to the aforementioned trusted data sources and recipient and source agency in relation to state-based administering entities; costs incurred by TDSs; and costs to Administering Entities (Medicaid/CHIP agencies, Marketplaces and agencies administering the Basic Health Program) to support the hub services. It also includes qualitative benefits to the parties, including clients and the public at large. Where data are unavailable to produce informed estimates, the analysis also describes types of costs and benefits that are not quantifiable at this time. At this time, the only quantified benefits are cost savings achieved by using the existing matching program instead of a manual process for eligibility verifications.

The timeframe for the analysis is fiscal year 2015 – which programmatically aligns with eligibility and enrollment activities during Open Enrollment 2015 through just before 2016 Open Enrollment. CMS anticipates that operational experience beyond 2015 will provide additional data from which other quantifiable benefits could be estimated for future cost-benefit analyses of this computer matching program.

The methodology used compares the costs and benefits of performing eligibility verifications manually, without computer matching (i.e., without the single, streamlined computer system mandated by the ACA, which depends on use of computer matching), versus electronically, with computer matching. The hypothetical manual process is one in which no electronic data would be used for verification and consumers would be required to submit paper documentation to verify data as specified in the ACA. Because CMS has no choice but to use computer matching to comply with the ACA mandate to provide a single, streamlined computerized eligibility verification process, this cost-benefit analysis also describes savings realized by the choice of design used to

effect the computer matching programs. However, we do not have data to quantify these savings at this time.

The methodology for specific estimates is described in the following section.

II. COSTS

Key Element 1: Personnel Costs

For Agencies –

Note: CMS serves as both a recipient agency (with respect to TDS and certain Medicaid/CHIP programs) and a source agency (with respect to Administering Entities). Many of CMS's costs cannot be cleanly attributed to its role as either a source or a recipient agency. Therefore we have listed all of CMS's personnel costs together in a separate category. In addition, certain Medicaid and CHIP agencies play a dual role, as a source and recipient agency. We have grouped their costs in the recipient agency category.

- *Source Agency:* We estimate that personnel costs for source agencies total approximately \$21.7 million. CMS does not collect information from each source agency about their personnel costs, therefore this estimate is built off personnel cost assumptions based on hub service context, TDS partnership history and known ongoing work. We believe a decentralized computer matching program would require source agencies to designate additional personnel to accommodate the burden of supporting separate computer matching programs with each state.
- *Recipient Agencies:* We estimate that the personnel costs associated with the computer matching program to recipient agencies (including State-based Marketplaces, Medicaid/CHIP agencies and Basic Health Programs) is \$215 million. We do not require recipient agencies to submit personnel costs to CMS. This estimate is based on assumptions from CMS operational engagement with these agencies. In contrast, a manual process would require additional personnel to manually review and verify consumer information. We estimate that a manual process would require just over one billion dollars in personnel costs to recipient agencies. This estimate is based off the cost of the current cost of manually verifying consumer information today for Marketplaces and the Basic Health Program. The Medicaid/CHIP cost is mitigated by the assumption that without the current Hub Medicaid/CHIP would use the decentralized data connections they had pre-ACA with TDSs. Overall however, a decentralized computer matching program would likely require recipient agencies to spend more on personnel costs than the existing matching program, but less than a manual process. We have not quantified the associated costs.
- *CMS:* We quantified two categories of personnel costs for CMS: (1) personnel costs associated with verification services generally and providing support to the TDSs; and (2) personnel costs associated with providing state-based Administering Entities with technical assistance. Note, that these estimates focus on the operational, technical and policy support to the eligibility verification services; they do not include all personnel costs associated with the computer matching program. For example, we have not included an estimate of costs associated with preparing the computer matching agreements. We estimate that the computer matching program includes personnel costs

for category (1) of approximately \$1.5 million, and for category (2) of approximately \$400,000. This estimate is based on current staffing from policy, operational and technical support teams and their contractors directly supporting the eligibility verification services, the source agencies and the recipient agencies. We believe a manual system would increase the personnel costs in category (1), but decrease the personnel costs devoted to state technical assistance, for a net increase in personnel costs of approximately \$200,000. We believe a decentralized computer matching program would similarly decrease the personnel costs related to state technical assistance to CMS (while significantly increasing these costs for source and recipient agencies), but would not result in significant savings in category (1), as CMS would continue to require roughly the same personnel to support the verifications services for the FFM, and would continue to provide similar support to TDSs.

Additionally, certain personnel costs incurred by source agencies are transferred to CMS. We estimate these computer costs at \$2.1 million. These costs were not included in the personnel costs estimated for source agencies above.

- *Justice Agencies:* Because, as described in section III, data from this computer matching program is not used to recover improper payments, we are aware of no personnel costs to justice agencies associated with this computer matching program.

For Clients: When a data match through the eligibility hub services identifies a data inconsistency, clients (consumers) are given an opportunity to produce documentation showing they are eligible for the applicable program. We believe that the centralized, electronic/real-time computer matching program produces more accurate verifications than either a manual system or a decentralized computer matching program, minimizing the amount of time clients must spend responding to inaccurate verifications. We have quantified that cost at \$408 million, using the estimated time to gather and mail documents and the standard hourly wage to quantify an average client's time. In addition to saving clients time, we believe the more efficient centralized computer matching program design will reduce the frustration experienced by clients in trying to verify their data.

For Third Parties: No data was developed regarding costs to third parties however we would expect that overall the increased accuracy of data matches that is achieved through this computer matching agreement results in lower personnel costs to third parties, for example Navigators that assist consumers with an applicant, than either a manual process or a decentralized computer matching program.

For the General Public: We are not aware of personnel costs to the general public associated with the matching program.

Key Element 2: Agencies' Computer Costs

Note: CMS serves as both a recipient agency (with respect to each TDS and certain Medicaid/CHIP programs) and a source agency (with respect to Administering Entities). Many of CMS's costs cannot be cleanly attributed to its role as either a source or a recipient agency. Therefore we have listed all of CMS's computer costs separately. In addition, certain Medicaid and CHIP agencies play a dual role, as a source and recipient agency. We have grouped their costs in the recipient agency category.

- *Source Agencies (with exception of CMS and Medicaid/CHIP agencies):* We estimate the computer costs associated with the computer matching program to be \$7.0 million for

source agencies. We did not quantify the computer costs to source agencies if the computer matching program relied on a decentralized design through which each Administering Entity established separate connections with the source agency or used existing connections. However, we anticipate that the centralized design of the computer matching program achieves economies of scale that result in significant savings to the source agencies.

- *Recipient Agencies (with exception of CMS):* We estimate that the computer (system) associated with the computer matching program to recipient agencies (including State-based Marketplaces, Medicaid/CHIP agencies and Basic Health Programs) is \$647 million, versus \$431 million with a manual verification process. We do not require recipient agencies to submit system costs to CMS. This estimate is based on assumptions from CMS operational engagement with these agencies. While a manual process to review and verify consumer information has most of its cost from personnel, systems would likely still exist to maintain consumer information such as a consumer account system in addition to system connections that would triggered manually, for example accessing the DHS/SAVE system through the manual user interface.
- *CMS:* We estimate the computer (system) costs of maintaining the Data Services Hub that facilitates the computer matching program is \$136.8 million. In contrast, we estimate the computer costs associated with a manual verification process would be \$1.8 billion. This estimate is based on the average cost to process a paper or manual verification today (\$17 per verification) multiplied by the number of eligibility verifications performed on an application times the number of applicants. The number of eligibility verifications depends upon applicants who were not seeking financial assistance (9%) verses those applicants who were seeking financial assistance. We also added an assumption that there would be a 10% reduction of applicants seeking financial assistance with the added burden of a manual verification process.

We note that under this manual process many of the costs would be transferred from CMS to states. If instead of the current streamlined and centralized computer matching program, CMS required each Administering Entity to establish its own secure connection with TDSs to receive data (or use an existing connection), CMS would still need to establish a secure connection with each TDS for its own use in performing eligibility determinations for the FFM. While the costs of maintaining the Hub would likely be lessened due to the absence of data match requests for Administering Entities, there are economies of scale achieved by allowing the Administering Entities to use the Hub.

Additionally, certain computer costs incurred by the source agencies are transferred to CMS. We estimate these computer costs at \$6.8 million. These costs were not included in the computer costs estimated for source agencies above.

- *Justice Agencies:* We are not aware of any computer costs incurred by justice agencies in connection with this matching program.

III. BENEFITS

Key Element 3: Avoidance of Future Improper Payments

To Agencies –

- *Source agencies:* Source agencies do not receive benefits related to the avoidance of future improper payments, with the exception of CMS, which receives these benefits in its role as a recipient agency (i.e., as the operator of the FFM). These benefits to CMS are described in the recipient agencies section below.
- *Recipient agencies:* We believe that our electronic verification sources are a more accurate and efficient means of verifying a consumer's information compared to both the manual review of consumer-provided documentation and the use of multiple decentralized computer matching programs between each Administering Entity and each TDS. The real-time data matches allowed by the computer matching program increase the efficiency with which we verify a consumer's information, allowing for increased avoidance of improper payments for the FFM, state-based Marketplaces, Medicaid, CHIP, and Basic Health Programs. For example, real-time capabilities mean the front-end application can be dynamic to the consumer responses as well as the data received real-time to correct data and/or reduce the need for manual follow-up. Specific examples of this efficiency could include a prompt to an applicant to check their social security number if it doesn't match the first time, allowing a consumer to correct 'fat finger' mistakes in seconds rather than go through a lengthy manual process, or requesting specific documentation number follow up information about a consumer who has attested to being a lawful immigrant in a specific category. By increasing the accuracy of our verifications, we (1) avoid improper payments being made to individuals who are ineligible; and (2) reduce the additional time spent by staff at the aforementioned agencies in addressing incorrectly identified data inconsistencies. Finally, we believe this computer matching program deters fraud and abuse on applications for state health subsidy programs, future avoiding future improper payments. We do not currently have reliable data to quantify these avoided improper payments. As the program matures, we anticipate having data that likely could be used to calculate an approximate calculation of the increased accuracy of online verifications. The Office of Financial Management-led improper payment rate methodology for the Marketplace may be one source of this valuable information.

We are exploring the possibility of leveraging the computer matching program for use in eligibility determinations for other public benefit programs. If we were to expand the program, we anticipate even more benefits for consumers and the agencies that support such consumer programs.

- *Justice Agencies:* We assume that by enabling the FFM and Administering Entities to identify individuals who are ineligible for enrollment in Medicaid, CHIP and Basic Health Programs, or receipt of APTC or CSRs earlier than if a paper-based system was used, the matching program reduces the number and amount of cases referred to the Departments of Justice. At this time we do not have enough information to quantify these benefits.
- *To the General Public:* We believe that the use of a centralized, streamlined, electronic computer matching program increases the general public's confidence in state health subsidy programs, given a manual process would be laughable given present-day electronic capabilities and the pervasiveness of electronic, real-time processes.

To Clients: Data from the computer matching program are used to determine the amount of APTC for which an individual is eligible. Consumers who receive APTC must file an income tax return to reconcile the amount of APTC (based on projected household income) with the final premium

tax credit for which the individual is eligible (based on actual household income). Some consumers, particularly those with liquidity constraints, may have trouble repaying improperly paid APTC. The benefit of avoiding improper payments of APTC to these consumers is not quantifiable.

Additional benefits from the matching program to clients are also not quantifiable. By building public confidence in the state health subsidy programs, the computer matching program decreases the stigma of participating in a state health subsidy program.

Key Element 4: Recovery of Improper Payments and Debts

Data from the matching program is not currently used to identify and recover improper payments. Annual reconciliation and recovery of improper payments is ultimately performed by the IRS through a process that is also independent from CMS's eligibility activities, including this computer matching agreement. Because data matches under this computer matching program are not used for recovery of improper payments, there are no benefits to estimate in this category. While annual and monthly reporting by Marketplaces to the IRS and consumers is a way of Marketplaces providing data to support IRS's reconciliation, annual and monthly reporting is not an activity covered in the IRS-CMS CMA and therefore is outside the scope of this study. As these uses are not allowed under the CMAs being entered into at this time, there are currently no benefits to quantify in this category for agencies, clients or the general public.