

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

DoD Computer Matching Agreement No. 12
HHS Computer Matching Agreement No. 2311
CMS Computer Matching Agreement No. 2023-03

I. PURPOSE, LEGAL AUTHORITIES, AND DEFINITIONS:

A. Purpose

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

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

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

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

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

B. Legal Authorities

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

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

C. Definitions

1. “Breach” is defined in OMB Memorandum M-17-12, “Preparing for and Responding to a Breach of Personally Identifiable Information,” January 3, 2017, to mean “the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, or any similar occurrence where (1) a person other than an authorized user accesses or potentially accesses personally identifiable information [PII]; or (2) an authorized user accesses or potentially accesses [PII] for an other than authorized purpose;”
2. “DEERS” means “Defense Enrollment Eligibility Reporting System.” The authoritative data repository is used to verify an individual’s identity, affiliation with DoD, and eligibility for benefits, privileges, and entitlements;
3. “Medicare” means the health insurance program established under Title XVIII of the Social Security Act of 1935 (as amended);

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

Medicare Part A (Hospital Insurance)

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

Medicare Part B (Medical Insurance)

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

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

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

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

acceptable use policies.” The term “security incident” has the same meaning in this agreement.

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

II. RESPONSIBILITIES OF THE PARTIES

A. DoD Responsibilities

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

B. CMS Responsibilities

CMS will: 1) match the individuals provided by DMDC against the information found in CMS's “Enrollment Database (EDB)” system of records (SOR); 2) validate the identification of the individual against CMS beneficiary records based on SSN and date of birth; 3) provide the individual’s Medicare Beneficiary ID (MBI), Medicare enrollment status and address in the response file to DMDC.

III. JUSTIFICATION AND ANTICIPATED RESULTS

A. Justification

Under 10 U.S.C. § 1086, DoD/DHA is required to discontinue military health care benefits to MHS beneficiaries when they become entitled to Medicare Part A without fee unless they also have Medicare Part B coverage. DoD and HHS/CMS have determined

that a computer matching program is the most efficient, expeditious, and effective means of obtaining and processing the information needed by DoD to determine if MHS beneficiaries who are entitled to Medicare Part A are eligible to receive continued military health care benefits. The same law also requires the administering Secretaries of DoD and HHS to develop a mechanism to promptly notify these “dual eligible” individuals of their change in status and the requirement to have Medicare Part B coverage.

This Agreement will allow DoD/DHA to accomplish their statutory mandates under 10 U.S.C. § 1086 using the data available through CMS data files. There are no other data sources from which DHA can efficiently derive authoritative information about an MHS beneficiary eligibility for Medicare A without fee and the purchase of Medicare B, which are the prerequisites for continued eligibility for DoD health care benefits. Presentation of Medicare cards by the beneficiary has proven ineffective in providing this information in several ways. First, Medicare beneficiaries are initially issued Medicare cards reflecting both Part A and Part B coverage. There is no indication that the Medicare Part A was awarded without fee, as required in 10 U.S.C. § 1086. Further, the initial card assumes that the beneficiary will choose to enroll in and pay for Medicare Part B, but many Medicare beneficiaries actually reject Medicare Part B. Finally, an individual’s eligibility for DoD health care benefits can change monthly if individual Medicare Part B fees are not paid, as DoD eligibility depends upon current enrollment in Medicare B. As a result, DoD cannot rely on the information available from Medicare cards to be fully accurate or timely prior to an extension of health care benefits. Absent the matching program, CMS would need to develop a means to allow confirmation of Medicare Part B coverage at the start of any episode of care or develop additional documentation to be maintained and presented by individual beneficiaries. This would be a burdensome process for beneficiaries and a significant expense for both CMS and DoD. The use of computer technology to transfer data between CMS and DMDC is faster and more efficient than the use of any manual process.

B. Anticipated Results/Benefits

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

Section 552a(u)(4)(A) of the Privacy Act generally requires the completion and submission of a cost-benefit analysis demonstrating the proposed computer matching program is likely to be cost effective before the Data Integrity Board may approve this

agreement. A cost-benefit analysis in accordance with this requirement is included as Attachment 1, and estimates that the cost of running the computer matching program is approximately \$139,000, but the total cost of conducting the match manually is estimated to be \$31.0 million. Thus, the automated data match results in a net savings of \$30.9 million over a manual process. The matching program is essential for DHA to fulfill its statutory obligation to provide benefits and services to TRICARE beneficiaries who are entitled to Medicare Part A and who have Medicare Part B.

IV. DESCRIPTION OF THE DATA TO BE MATCHED

The Privacy Act at 5 U.S.C. § 552a(o)(1)(C) requires that each CMA specify a description of the records that will be matched, including each 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. DoD Systems of Records

The DoD will incorporate the results of the match in the DMDC 02 DoD, "Defense Enrollment Eligibility Reporting System (DEERS)," published at 87 FR 32384 (May 31, 2022) and available at:

<https://www.federalregister.gov/documents/2022/05/31/2022-11610/privacy-act-of-1974-system-of-records>. Routine use g.5. supports DoD's disclosure to CMS.

The DoD will also incorporate the results of the match in the EDHA 07 system of records, "Military Health Information System (MHIS)," published at 85 FR 36190 (June 15, 2020) and available at: <https://www.federalregister.gov/documents/2020/06/15/2020-12839/privacy-act-of-1974-system-of-records>. Records from EDHA 07 are not disclosed pursuant to this matching program; routine use disclosures of records from that system are documented in the EDHA 07 system of records notice.

B. CMS Systems of Records

CMS will match the DoD's finder file against the "Enrollment Database (EDB)" 09-70-0502, published in full at 73 Federal Register (FR) 10249 (February 26, 2008), updated at 78 FR 23938 (April 23, 2013), 81 FR 8204 (February 18, 2016), and 83 FR 6591 (February 14, 2018) and available at:

<https://www.hhs.gov/foia/privacy/sorns/09700502/index.html>. Routine use 2b supports CMS disclosure to DoD.

C. Number of Records

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

D. Specified Data Elements

The DoD will provide CMS with a finder file for the Under 65 and Over 65 Populations to match against Medicare beneficiaries who have been assigned a CMS Medicare Beneficiary Identifier (MBI) within the EDB.

1. Finder file for the Under 65 and Over 65 Populations

The Finder files sent from DoD will contain: SSN, date of birth, sex code, first name, and last name.

2. Response file for the Under 65 and Over 65 Populations

CMS will provide DoD with a response file which will contain: SSN, date of birth, sex code, first name, last name, and Medicare data, including the assigned MBI for all records that match those found within the EDB, Medicare enrollment status, and address. Unmatched records are not returned.

E. Frequency of Data Exchanges

DMDC will forward the initial finder file of beneficiaries to CMS. CMS will provide a response file no later than 48 hours after receipt of the initial finder file. DMDC will continue to submit subsequent finder files on a weekly basis, and CMS will provide a response file within 48 hours.

V. NOTICE PROCEDURES

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

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

The provisions in 10 U.S.C. § 1086(d) are not necessarily operative at the time an individual applies or becomes eligible for TRICARE benefits, but rather when the individual becomes eligible for both TRICARE and Medicare. In order to provide the most effective and relevant notice, DoD provides direct notice of this matching activities to DoD medical beneficiaries who are aging into Medicare by letter sent five months prior to the individual's 65th birthday. The letter includes a reminder that TRICARE coverage will be terminated at that time and that, in order for TRICARE benefits to continue, the DoD beneficiary must have Medicare A and be enrolled in Medicare B. It also includes information on how to have TRICARE coverage restored if there is an error concerning Medicare A benefits. Those awarded Medicare A for reasons other than age receive a similar notice of matching activities prior to their commencement.

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

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

In addition, indirect or constructive notice of this matching program is provided to affected individuals by agency publication in the Federal Register of both the (1) applicable routine use in each relevant system of records notice, as required by subsections (e)(4) and (e)(11) of the Privacy Act, permitting the disclosure of Federal personnel information to identify DoD eligible beneficiaries who are Medicare eligible and (2) the proposed match notice, as required by subsection (e)(12) of the Privacy Act, announcing the agency's intent to conduct computer matching for TRICARE/Medicare dual-eligibility verification purposes.

VI. VERIFICATION PROCEDURES AND OPPORTUNITY TO CONTEST FINDINGS

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

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

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

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

B. Opportunity to Contest Findings

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

1. DHA will inform the individual in writing that DoD has received information from CMS indicating that there is a deficiency in the individual's enrollment in Medicare which affects their TRICARE eligibility. A brief description of the identified deficiency will be furnished to the individual.

2. The notice will also inform the individual they have 30 days from the date of the correspondence which identified the specific deficiency to correct their Medicare Part A and/or Part B enrollment information, or to contest the accuracy of the information received from CMS.
3. If the individual contests the accuracy of the data provided by CMS concerning their Medicare Part A and/or Part B enrollment, beneficiaries will be advised to call the Social Security Administration or the Railroad Retirement Board who will instruct beneficiaries how to resolve discrepancies regarding enrollment into Part A and/or Part B of the Medicare program. If discrepancies have not been resolved prior to the expiration of the notice period, the individual's benefits may be suspended until the issue is resolved. However, upon correction, claims can be reprocessed. Information regarding entitlement to Part A and enrollment in Part B benefits may be found under sections 226, 1836, and 1837 of the Social Security Act.

VII. DISPOSITION OF MATCHED ITEMS

- A. DoD will retain CMS response files for a period not to exceed 90 days, consistent with applicable records retention schedules, or as necessary for evidentiary purposes or other legal requirement. If an individual's record information in the CMS response file pertains to a match and warrants retention by the DoD, the DoD may copy such record information and maintain it in the beneficiary's file in the appropriate DoD Privacy Act system of records associated with the DoD activity supported by this matching agreement. Those records shall be retained in accordance with the Federal Records Act and applicable records schedules, as described in the applicable system of records notice.
- B. CMS will retain DoD finder files only for the period required for any processing related to the matching program, but no longer than 90 days, and then will destroy them by means of electronic purging unless CMS is required to retain certain files for a longer period to meet evidentiary or legal requirements.

VIII. SECURITY PROCEDURES

A. General

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

Information systems used to collect, process, maintain, use, share, disseminate, or dispose of data matched and data produced by this match will employ security controls consistent with NIST standards and guidelines. Current NIST security controls are described in NIST Special Publication (SP) 800-53 (Revision 5), “Security and Privacy Controls for Information Systems and Organizations” and SP 800-53B “Control Baselines for Information Systems and Organizations,” as well as with FIPS 200, “Minimum Security Requirements for Federal Information and Information Systems.”

B. Legal Compliance

The Parties shall comply with the limitations on use, storage, transport, and safeguarding of data under all applicable Federal laws and regulations. These laws and regulations include the Privacy Act of 1974; the provisions in 44 U.S.C., Chapter 35, Subchapter II, “Information Security” (commonly referred to as the Federal Information Security Modernization Act or FISMA); the Computer Fraud and Abuse Act of 1986; the Health Insurance Portability and Accountability Act of 1996 (HIPAA); and corresponding implementation regulations for each statute.

C. Contractual Requirements for FISMA Compliance

1. Each Party shall ensure that terms and conditions in contracts and other agreements involving the creation, collection, use, processing, storage, maintenance, dissemination, disclosure, and disposal of Federal information, incorporate security and privacy requirements and are sufficient to enable it to meet Federal and agency-specific requirements pertaining to the protection of Federal information.
2. Both DoD and CMS are responsible for oversight and compliance of their contractors and agents.

D. Incident and Breach Response Procedures

Upon detection of an actual or suspected security incident or breach related to this CMA, the agency detecting the actual or suspected incident or breach will notify the other agency's System Security Contact(s) named in this CMA within one hour. If the agency that detects the actual or suspected incident or breach is unable to speak with the other agency's System Security Contact for some reason then the following contact information shall be used:

CMS will contact DoD DMDC Privacy Office at dodhra.dodc-mb.dmdc.list.privacy-office@mail.mil.

DoD will contact CMS IT Service Desk at 1-800-562-1963 or via email at CMS_IT_Service_Desk@cms.hhs.gov.

If either DoD or CMS experiences an incident or breach, the agency experiencing the incident or breach will follow its established procedures, consistent with the guidance in OMB Memorandum M-17-12, "Preparing for and Responding to a Breach of Personally Identifiable Information," (January 3, 2017), and OMB Memorandum M-23-03, "Fiscal Year 2023 Guidance on Federal Information Security and Privacy Management Requirements" (Dec. 2, 2022), or its successor. Accordingly, in the event of an incident or breach, the agency experiencing the incident or breach is responsible for following its established procedures, including notification to the Cybersecurity and Infrastructure Security Agency United States Computer Emergency Readiness Team (CISA/US-CERT) in accordance with the US-CERT Federal Incident Notification Guidelines, as well as notifying all other contacts as provided in this document. In addition, the agency experiencing a breach will conduct a breach and risk analysis to determine if notice and/or remediation is required for individuals affected by the breach. If the agency's analysis indicates that an individual notice and/or remediation is appropriate, the agency that experienced the breach will be responsible for providing such notice and/or remediation without cost to the other agency.

E. Administrative Safeguards

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

F. Physical Safeguards

CMS and DoD will store the data matched and any data created by the match in an area that is physically and technologically secure from access by unauthorized persons at all times. Physical safeguards may include, but are not limited to door locks, card keys, biometric identifiers, and other safeguards to the areas where these files are stored.

G. Technical Safeguards

The Parties will establish appropriate safeguards for all data submitted, matched or created under this Agreement based on a risk-based assessment of the circumstances involved. The Parties will process the data submitted, matched or created by the match under the immediate supervision and control of authorized personnel. The Parties will protect the data in such a way that unauthorized persons cannot retrieve or alter data by means of computer, remote terminal, or other means. Each Party's systems must log personal identification information for all personnel accessing the data submitted, matched, or created under this Agreement. The Parties will strictly limit authorization for each analyst to the minimum data areas necessary to perform his or her official duties.

DoD will transmit all electronic data to CMS in accordance with encryption requirements and other applicable Federal requirements to assure the security of the data. CMS will ensure that the data received from DoD remains encrypted in accordance with encryption requirements and other applicable Federal requirements to assure the security of the data.

DoD will coordinate with CMS to determine a suitable electronic interface for the two Parties to securely transmit the data. If physical transport between locations is required, the records matched and records created by match will be transported with appropriate technical safeguards in place (e.g., data encryption, two-factor authentication). All transport will be performed by appropriately cleared and authorized personnel.

H. Security Assessment

NIST Special Publication 800-37 (Rev. 2), encourages agencies to accept each other's security assessments in order to reuse information system resources and/or to accept each other's assessed security posture in order to share information. NIST 800-37 further encourages that this type of reciprocity is best achieved when agencies are transparent and make available sufficient evidence regarding the security state of an information system so that an authorizing official from another organization can use that evidence to make credible, risk-based decision regarding the operation and use of that system or the information it processes, stores, or transmits. Consistent with that guidance, the Parties agree to make available, upon request, system security evidence for the purpose of making risk-based decisions. Requests for this information may be made by either Party at any time during the initial period or any renewal of this Agreement

IX. RECORDS USAGE, DUPLICATION, AND REDISCLOSURE RESTRICTIONS

- A. The matching files exchanged under this Agreement remain the property of the providing agency and will be destroyed after match activity involving the files has been completed, as provided above in Section VII.
- B. Except as provided in this Agreement, the data exchanged under this Agreement will be used and accessed only for the purposes of determining eligibility for TRICARE benefits under the authorities outlined in Section I. B. of this Agreement. When appropriate, either Party may disclose records in accordance with the Privacy Act, including through routine uses published in the relevant system of records notices. In such cases, the Party disclosing the information will notify the other Party in writing as to the records that are being disclosed, to whom they are being disclosed, and the reasons that justified the disclosure.

X. RECORDS ACCURACY ASSESSMENTS

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

XI. COMPTROLLER GENERAL ACCESS

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

XII. REIMBURSEMENT/FUNDING

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

XIII. DURATION OF AGREEMENT

- A. This Agreement, as signed by representatives of both agencies and approved by the respective agency's Data Integrity Board (DIB), shall be valid for a period of 18 months from the effective date of the agreement.
- B. When this Agreement is approved and signed by the Chairpersons of the respective DIBs, the DoD, as the recipient agency, will submit the agreement and the proposed public notice of the match to OMB and the appropriate Congressional committees of jurisdiction for review, in accordance with 5 U.S.C. § 552a(o)(2) and (r) and OMB Circular A-108. The time period for review begins as of the date of the transmittal letter. OMB expedited review may be requested, in accordance with OMB Circular A-108.
- C. Upon completion of the OMB review period in paragraph B, DoD will forward the public notice of the proposed matching program for publication in the Federal Register. A copy of the published notice shall be provided to CMS.
- D. The effective date of this agreement shall be 30 days after DoD publishes the notice of the matching program in the Federal Register, in accordance with 5 U.S.C. § 552a(e)(12), provided no changes are necessitated by public comment.
- E. This agreement will be in effect for a period of eighteen (18) months.
- F. The expected Starting and Completion Dates of the Matching Program are:
 - Effective Date: February 10, 2024
 - Expiration Date: August 9, 2025 (August 9, 2026, if renewed for one year)
- G. The parties may, within three (3) months prior to the expiration of this agreement, renew this agreement for a period not to exceed one additional year if they certify to the respective DIBs that:
 - 1. The matching program will be conducted without change; and
 - 2. The parties have conducted the matching program in compliance with this agreement.

If either Party does not want to renew this agreement, it must notify the other Party of its intention not to continue at least ninety (90) days before the expiration of the agreement.

H. Modification

The Parties may modify this agreement at any time by a written modification, mutually agreed to by both Parties. The proposed modified agreement must be reviewed by the Parties to determine if the change is so significant as to require transmittal of a revised matching notice to OMB and the Congressional committees of jurisdiction, and publication of a revised matching notice in the Federal Register in accordance with OMB Circular A-108.

I. Termination

This agreement may be terminated at any time upon the mutual written consent of the Parties. If either Party seeks to terminate the program, it shall notify the other Party in writing of its intention at least ninety (90) days before the requested termination date. Termination will be effective ninety (90) days after the date the other Party received the notice or at a later date specified in the notice, provided this date does not exceed the final date of the applicable matching period. A copy of any termination notice shall also be submitted to the Secretary, DoD DIB.

Either Party may make an immediate, unilateral suspension of this matching program if they have reason to believe that there has been an unauthorized use or disclosure of information or a violation of the terms of this Agreement. In the event of such a belief, the Parties agree that they will immediately notify the other Party as to the basis of the belief and the intent to unilaterally suspend the matching program. Upon such notice, the Parties agree promptly to discuss and resolve the suspected violation, in order to minimize any interruption to TRICARE benefits determinations. A suspension under this section shall remain in effect until the parties resolve the suspected violation

XIV. LIABILITY

- A. Each Party to this Agreement shall be liable for acts and omissions of its own employees, contractors, and agents related to this matching program.

XV. INTEGRATION CLAUSE

This Agreement constitutes the entire agreement of the Parties with respect to its subject matter and supersedes all other computer matching agreements between the Parties that pertain to the disclosure of data between DoD and CMS for the purposes described in this Agreement. CMS and DoD have made no representations, warranties, or promises outside of this Agreement. This Agreement takes precedence over any other documents that may be in conflict with it.

XVI. PERSONS TO CONTACT

A. DoD Contacts

DoD Contact for DoD Data Integrity Board Issues

Rahwa A. Keleta
Chief, Privacy and Civil Liberties Division
Privacy, Civil Liberties, and Freedom of Information Directorate
Office of the Assistant to the Secretary of Defense
for Privacy, Civil Liberties, and Transparency
Department of Defense
4800 Mark Center Drive
Alexandria, VA 22350

DHA Contact for Privacy Issues

Dr. Anmarie Widener
Chief, Defense Health Agency
Privacy and Civil Liberties Office
7700 Arlington Boulevard
Falls Church, VA 22042-5101

DHA Contact for Program and Policy Issues

Anne E. Breslin
TFL Program Manager
TRICARE Health Plan, Health Care Operations Directorate
Defense Health Agency
7700 Arlington Boulevard
Falls Church, VA 22042

DMDC Contact for Program and Policy Issues

Tori Rodrigues
Program Manager
Defense Manpower Data Center
400 Gigling Road
Seaside, CA 93955-6771

DMDC Contact for Privacy and Agreement Issues

Sam Peterson

Branch Chief, Privacy and Freedom of Information Act
Defense Manpower Data Center
400 Gigling Road
Seaside, CA 93955-6771

DMDC Systems Security Issues

James A. Loving, CISSP, CRISC, CISM
Risk Management Branch Chief/ISSM
Defense Manpower Data Center
4800 Mark Center Drive Suite 04E25-01
Alexandria, VA 22350

B. CMS Contacts

Program Issues

John W. Campbell
Division of Medicare Enrollment Coordination Medicare Enrollment and Appeals Group
Centers for Medicare & Medicaid Services
7500 Security Boulevard
Location: C4-14-23
Baltimore, MD 21244-1849
Telephone: (410) 786-0542
E-mail: John.Campbell2@cms.hhs.gov

Systems and Security

Nancy MacBride
Division of Data Operations and Maintenance Enterprise Architecture and Data Group
Centers for Medicare & Medicaid Services
7500 Security Boulevard
Baltimore, MD 21244-1849
E-mail: Nancy.MacBride@cms.hhs.gov

Privacy and Agreement Issues

Barbara Demopoulos
CMS Privacy Act Officer
Division of Security, Privacy Policy and Governance
Information Security and Privacy Group
Office of Information Technology
Centers for Medicare & Medicaid Services
7500 Security Boulevard
Mail Stop: N3-15-25
Baltimore, MD 21244-1849
Telephone: (443) 608-2200

E-mail: Barbara.demopulos@cms.hhs.gov

XVII. APPROVALS

A. DoD Program Officials

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

YOUSEFZADEH. Digitally signed by
YOUSEFZADEH.SAM.
Date: 2023.12.04 13:04:52 -05'00'
SAM.

Date: _____

Sam Yousefzadeh
Director
Defense Manpower Data Center
Department of Defense

B. DoD Program Officials (Continued)

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

MALANOSKI.MICHAEL.PETER. Digitally signed by
MALANOSKI.MICHAEL.PETER.
L.PETER. Date: 2023.12.05 15:58:30 -05'00'

Date: _____

Michael P. Malanoski, M.D.
Deputy Director
Defense Health Agency
Department of Defense

C. Defense Data Integrity Board

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

CHUNG.JOO.Y.

Digitally signed by
CHUNG.JOO.Y.
Date: 2023.12.14 15:46:52 -05'00'

Date: _____

Joo Y. Chung
Chairperson
Defense Data Integrity Board
Department of Defense

D. CMS Program Officials

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

Nicole E. Gordon  Digitally signed by Nicole E. Gordon -S
Date: 2023.12.06 10:16:22 -05'00'

Date: _____

Nicole E. Gordon
Division Director
Division of Medicare Enrollment Coordination
Medicare Enrollment and Appeals Group
Centers for Medicare & Medicaid Services

E. CMS Approving Officials (Continued)

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

Leslie Nettles -S Digitally signed by Leslie Nettles -S
Date: 2023.12.06 10:44:23 -05'00'


Date: _____

Leslie Nettles, Director
Division of Security, Privacy Policy and Governance, and
Senior Official for Privacy
Information Security and Privacy Group
Office of Information Technology
Centers for Medicare & Medicaid Services

F. HHS Data Integrity Board

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

**Cheryl R.
Campbell -S**

 Digitally signed by Cheryl R.
Campbell -S
Date: 2023.12.21 13:53:02 -05'00'

Date: _____

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

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

CMS Computer Match No. 2023-03
HHS Computer Match No.2311
DoD Computer Match No. 12

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

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

I. MATCHING OBJECTIVE

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

II. BACKGROUND

The matching program is being reestablished to determine the correct eligibility status for TRICARE beneficiaries. When the data match is utilized, the CMS provides Medicare entitlement and enrollment status of TRICARE beneficiaries. In the absence of the data match, the DoD cannot practically comply with the requirements of 10 U.S.C. 1086(d).

III. METHODOLOGY

The costs for this matching program will be primarily labor costs to review and adjudicate the match results, and the cost of central processing unit (CPU) processing time. DoD and CMS estimated the number of hours for its staff to complete the matching program. The findings from these activities serve as the basis for the cost estimates for this matching program. To estimate the government staff personnel costs, DoD and CMS used the 2023 OPM General Schedule pay tables. Locality pay for San Jose-San Francisco-Oakland, CA was used to DMDC personnel; locality pay for Washington-Baltimore-Arlington, DC-MD-VA-WV-PA area was used for CMS and other DoD personnel.

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

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

IV. COST

A. **Key Element 1: Personnel Cost**

Source Agency (CMS): Staff performing the work will include employees predominantly located in the Washington-Baltimore-Arlington, DC-MD-VA-WV- PA geographic locality. CMS estimated that the work will require staff at a GS-13, Step 5 to spend an estimated 2009 hours to prepare and extract the data to be sent to DoD for the 18-month period covered under the Agreement.

Recipient Agency (DoD): DoD will incur personnel costs prior to each match and ongoing personnel costs associated with reviewing and adjudicating match results. Staff performing the work are predominantly located in Monterey, CA, although some will be geographically dispersed. The locality rate for San Jose-San Francisco-Oakland, CA was used for all estimations because it represents the location where a majority of the work will be performed.

Both DoD and CMS will also incur personnel costs associated with the preparation, review and coordination of the matching agreement. These actions will be handled by various levels within each agency. CMS staff include employees located in the Washington-Baltimore-Arlington, DC-MD-VA-WV-PA geographic locality, while DoD personnel will be split between that locality and the San Jose-San Francisco-Oakland, CA locality.

Specific costs are detailed below:

	Hourly Rate	Required Hours	Cost	Total Cost
CMS (Washington-Baltimore-Arlington, DC-MD-VA-WV- PA 2023 geographic locality rates)				
Technical GS13, Step 5 (13/5)	60.83	2009	122,207	
Agreements/Privacy 13/5	60.83	25	1,521	
OGC GS 15/5	84.55	10	846	
			124,574	\$ 124,574
DoD (San Francisco-San Jose, CA 2023 geographic locality rates)				
Technical GS14, Step 5 (14/5)	78.21	351	27,452	
DMDC PM 14/5	78.21	48	3,754	
DMDC Agreements/Privacy 12/5	55.66	25	1,392	
DMDC OGC 15/5	87.93	10	879	
			33,477	\$ 33,477
DoD (Washington-Baltimore-Arlington, DC-MD-VA-WV- PA 2023 geographic locality rates)				
PCLD 13/5	60.83	48	2,920	
OGC 15/5	84.55	20	1,691	
DIB sec 15/5	84.55	5	423	
DIB bd 15/5	84.55	4	338	
			5,372	\$ 5,372
				\$ 163,422

The total estimated source agency (CMS) personnel labor costs total \$124,574.

The total estimated recipient agency (DoD) personnel labor costs include DMDC staff (\$33,477) and PCLD/DIB and DoD Office of General Counsel staff (\$5,372), with costs totaling \$38,848.

The personnel costs for the source agency (CMS) and the recipient agency (DoD) total \$163,422.

B. Key Element 2: Computer Cost

Source Agency (CMS): \$8,449; This is based on the cost per CPU hour, adjusted for inflation since 2020 (\$25.23 multiplied by 334.9 processing hours).

Recipient Agency (DoD): \$5,248; This is based on the cost per CPU hour, adjusted for inflation since 2020 (\$25.23 multiplied by 208 processing hours).

The computer costs for the source agency (CMS) and the recipient agency (DoD) total \$13,697.

C. Key Element 3: Avoidance of Future Improper Payments

Not quantified.

The data match will allow TRICARE to avoid making improper payments in the TRICARE for Life program, as changes to Medicare coverage will be available on weekly basis, rather than depending upon manual reporting. While these results are demonstrable at an anecdotal level, there is no systematic capture of that information.

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

Not quantified.

The data match will allow TRICARE to more effectively and efficiently determine continued TRICARE eligibility, allowing the identification and recoupment of improper payments for individuals with periods of ineligibility based on Medicare status. While these results are demonstrable at an anecdotal level, there is no systematic capture of that information.

E. Other Supporting Justifications

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

TRICARE has approximately 9,900,000 beneficiaries eligible for Medicare Parts A & B, who are matched electronically on a weekly basis to validate continued Medicare Part A and B coverage. As shown in Key Elements 1 and 2 above, the costs of matching such records in automated fashion are estimated to be \$163,422.

If the match is not performed, the alternative would be to perform the matching manually. We estimate the cost for that activity to exceed \$41M for the initial 18-month period of this CMA.

- Assume an individual can manually search and provide response on Medicare A/B coverage for 2 records a minute. That individual would be able to process 19,200 records per month, working non-stop.
 - 960 records per 8-hour day
 - 4,800 records per 5-day week
 - 19,200 records per 4-week month
- Assume that the frequency of the match decreases from weekly to monthly. Checking 9.9M records at an average of 19,200 records per month per individual would require 515.6 full time equivalent (FTE) staff members to check the entire 9.9M records every month.

- Assume that manual matching will be conducted by lower-level staff and that the activity is staffed in the Washington-Baltimore-Arlington, DC-MD-VA-WV-PA geographic locality at a GS-7/1 rate of \$53,105/year (based on 2023 pay tables).
- 515.6 FTE x \$53,105/year for 18 months = \$41,206,421.

Cost Category	Amount
CMS Personnel Costs	\$124,574
DoD Personnel Costs	\$41,073,398
CMS Computer Cost	\$8,449
DoD Computer Cost	\$0
	\$41,206,421

V. BENEFIT/COST RATIO

The cost/benefit ratio is calculated by dividing the net benefit by the total cost:

A. Quantified Cost Avoidance	\$41,206,421
B. Total Cost	\$177,119
C. Net Benefit	\$41,029,301
D. Benefit-Cost Ratio	231.6