

**COMPUTER MATCHING AGREEMENT
BETWEEN
THE SOCIAL SECURITY ADMINISTRATION
AND
THE OFFICE OF PERSONNEL MANAGEMENT**

Match #1045

I. Purpose

This computer matching agreement (agreement) sets forth the terms, conditions, and safeguards under which the Social Security Administration (SSA) will disclose wage and self-employment income data available from tax return information governed by the Internal Revenue Code (IRC), (26 U.S.C. § 6103(l)(11)), to the Office of Personnel Management (OPM). OPM will use the wage and self-employment data obtained from SSA to match against OPM's records of disability retirees under age 60, disabled adult-child survivors, certain retirees in receipt of a supplemental benefit under the Federal Employees' Retirement System (FERS), and certain annuitants receiving a discontinued service retirement benefit under the Civil Service Retirement System (CSRS). The law limits the amount that these retirees, survivors, and annuitants can earn while retaining benefits paid to them. Retirement benefits cease upon re-employment in Federal service for discontinued service annuitants. Therefore, OPM will use the wage and self-employment data from SSA to determine continued eligibility for benefits under its program.

II. Legal Authority

This agreement is executed under the Privacy Act of 1974, 5 U.S.C. § 552a, as amended by the Computer Matching and Privacy Protection Act (CMPPA) of 1988 (Pub. L. 100-503, 102 Stat. 2507), and the regulations and guidance promulgated thereunder, and relevant provisions of the IRC, 26 U.S.C. § 6103.

Legal authorities for the disclosures under this agreement are 5 U.S.C. §§ 8337(d), 8341(a)(4)(B), 8344(a)(4)(B), and 8468, which establish earnings limitations for certain CSRS and FERS annuitants. The authority to terminate retirement benefits is governed by 5 U.S.C. §§ 8341(e)(3)(B) and 8443(b)(3)(B). 26 U.S.C. § 6103(l)(11) requires SSA to disclose tax return information to OPM upon request for purposes of the administration of chapters 83 and 84 of title 5, United States Code. SSA is authorized to verify the Social Security Numbers (SSN) submitted by OPM under the Privacy Act (5 U.S.C. § 552a(b)(3)); the Social Security Act (42 U.S.C. § 1306); and SSA's privacy regulations (20 C.F.R. part 401). Section 7213 of the Intelligence Reform and Terrorism Prevention Act of 2004 provides SSA authority to add a death indicator to verification routines that SSA determines to be appropriate.

III. Responsibilities of the Parties

A. OPM

1. On an annual basis, OPM will disclose to SSA an electronic finder file for the retirees, survivors, and annuitants for whom wage and self-employment data is being requested. See section V.B.1. for the data elements included in the electronic finder file.
2. Pursuant to the Privacy Act and the Office of Management and Budget (OMB) Circular A-108, OPM will provide the Congressional committees of jurisdiction and OMB with notice of this program and publish the required matching notice in the *Federal Register* (Fed. Reg.).

B. SSA

1. SSA will initially verify the SSNs of the retirees, survivors, and annuitants in the finder files submitted by OPM.
2. SSA will process only the verified SSNs through SSA's earnings search and will only return wage and self-employment data on those SSNs to OPM. SSA will provide the data elements specified in section V.B.2.a.
3. If the SSN of the individual submitted to SSA fails to verify, SSA will provide OPM the verification codes set forth at section V.B.2.b.

IV. Justification and Anticipated Results

A. Justification

OPM is obligated to verify the earnings information submitted by CSRS and FERS retirees, survivors, and annuitants. Federal law authorizes SSA to disclose return information from returns with respect to net earnings from self-employment, wages, and payments of retirement income. SSA and OPM have determined that matching is the most efficient and comprehensive method of collecting and comparing this information. No other administrative activity can efficiently accomplish this purpose.

B. Anticipated Results

Based on matching activities conducted during a review for the years 2019 and 2020:

Disability FERS retirement:

OPM reviewed the samples identified for both the 2019 and 2020 OPM internal Disability Earnings Match (DEM) processes. OPM's reviews took place between January 4, 2021, and June 30, 2021, and January 4, 2022, and June 30, 2022, respectively. These reviews found that matching activities conducted for the 2019 and 2020 DEM had an annuity roll savings of \$3,799,057.05. These matching activities also allowed OPM to identify \$5,272,839.98 in annuity overpayments.

2019

OPM reviewed a sample of 1,198 active disability retirement cases from January 4, 2021, to June 30, 2021, and found that annuity rolls savings resulting from these matching activities was \$1,898,649.05. OPM also identified annuity overpayments in the amount of \$2,314,568.00 as a result of these matching activities.

2020

OPM reviewed a sample of 2,418 active disability retirement cases from January 4, 2022, to June 30, 2022, and found annuity rolls savings resulting from these matching activities was \$1,900,408.00. OPM also identified annuity overpayments in the amount of \$2,958,271.98 as a result of these matching activities.

FERS Annuity Supplement:

OPM reviewed the entire population of FERS retirees with FERS annuity supplements identified for both 2019 and 2020 OPM internal DEM processes. OPM's reviews took place between July 1, 2020, and March 24, 2021, and July 1, 2021 and March 31, 2022 respectively. These reviews found that matching activities conducted for the 2019 and 2020 FERS Annuity Supplement Match had an annuity roll savings of \$19,207,725.00 and identified overpayments of \$16,637,087.12.

2019

OPM reviewed all 16,440 identified cases from July 1, 2020, to March 24, 2021, for the tax year 2019, and found annuity rolls savings resulting from these matching activities was \$14,599,331.00. OPM was also able to identify \$7,290,578.12 in annuity overpayments as a result of these matching activities.

2020

OPM reviewed all 13,291 identified cases from July 1, 2021, to March 31, 2022, for the tax year 2020, and found an annuity rolls savings resulting from these matching activities was \$4,608,394.00. OPM was also able to identify \$9,346,509.00 in annuity overpayments as a result of these matching activities.

OPM estimates the savings to the annuity roll to increase by 2.5% and the overpayments to decrease by the same. SSA does not expect any savings for any SSA programs to result from this matching program. The OPM to SSA cost-to-benefit ratio is 20.5:1. SSA and OPM will continue to evaluate changes in costs and benefits for the life of this agreement.

CSRS Discontinued Service Retirement:

OPM has not performed evaluations on this population. No anticipated results are available. OPM will continue to have this population in scope of the match to allow future evaluation/pilot projects to be conducted with match data.

Disabled Adult Child Survivors:

OPM has not performed evaluations on this population. No anticipated results are available. OPM will continue to have this population in scope of the match to allow future evaluation/pilot projects to be conducted with match data.

V. Description of Matched Records

A. Systems of Records

SSA will match the data in OPM's finder file with SSA's enumeration data from the Master Files of Social Security Number (SSN) Holders and SSN Applications (referred to as the Enumeration System), 60-0058, last fully published at 87 Fed. Reg. 263 (January 4, 2022).

SSA will disclose matched data to OPM from SSA's Earnings Recording and Self-Employment Income System, 60-0059 (referred to as the Master Earnings File (MEF)) last fully published at 71 Fed. Reg. 1819 (January 11, 2006) and amended at 78 Fed. Reg. 40542 (July 5, 2013), and 83 Fed. Reg. 54969 (November 1, 2018).

OPM will provide SSA with a finder file from the OPM system of records, OPM/Central-1, Civil Service Retirement, and Insurance Records, published at 73 Fed. Reg. 15013 (March 20, 2008) and amended at 87 Fed. Reg. 5874 (February 2, 2022).

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

B. Specified Data Elements

1. On an annual basis, OPM will disclose to SSA an electronic finder file in a format defined by SSA that contains the SSN, name, date of birth (DOB), and report year for their retirees, survivors, and annuitants for whom wage and self-employment data is being requested.
2. SSA, using the Enumeration System, will match identifiers (i.e., SSN, first and last name, and DOB) from OPM's finder file with SSA records. Using the Enumeration System, SSA will provide OPM with an SSN verification consisting of a "match/no match" response.

- a) In the case of a "match" response, SSA will disclose wage and self-employment data (employer identification number(s), employer address(es), wage amount(s) from Form W-2, and/or earnings amount(s) from self-employment, annual total wages, and earnings report type) to OPM. SSA will also provide a death indicator if the individual is listed as deceased in SSA records.
- b) In the case of a "no-match" response, SSA will disclose the reason for the "no match", which may include the following:
 - SSN not in file (never issued to anyone);
 - DOB does not match; other verification input data matches;
 - Name does not match;
 - SSN not verified; or
 - Other reason.

While gender (i.e., sex) is an optional field for SSN verifications, OPM will not submit gender information in its finder files.

C. Number of Records

Disability FERS retirement:

2019

1. OPM's annual finder file included the necessary identifying information for approximately 140,341 individuals.
2. SSA's annual matching response file included approximately 140,341 records corresponding to OPM's finder file.

2020

1. OPM's annual finder file included the necessary identifying information for approximately 145,000 individuals.
2. SSA's annual matching response file included approximately 145,000 records corresponding to OPM's finder file.

This matching agreement supports OPM's administration of continued eligibility determinations using prior year earnings data. As such OPM estimates the finder file populations for 2021 and 2022 OPM matching activity to be approximately 300,000 Disability Annuitants.

FERS Annuity Supplement:

2019

1. OPM's annual finder file included the necessary identifying information for 85,722 individuals.
2. SSA's annual matching response included 85,722 records corresponding to OPM's finder file.

2020

1. OPM's annual finder file included the necessary identifying information for 90,648 individuals.
2. SSA's annual matching response included 90,648 records corresponding to OPM's finder file.

This matching agreement supports OPM's administration of continued eligibility determinations using prior year earnings data. As such OPM estimates the finder file populations for 2021 and 2022 OPM matching activity to be approximately 190,000 FERS Annuitants receiving the FERS Annuity Supplement.

The CSRS discontinued service retirement population (DSR) has decreased to the point that OPM has not performed an active match using that population; however, OPM could use the match data as needed for DSR purposes. OPM estimates the finder file population to be less than 10,000 records.

D. Frequency of Matching

SSA and OPM will conduct this match annually. If OPM wants to send an extra finder file in a given fiscal year, OPM may place this request with SSA. The request may be granted, at SSA's discretion, based on the ability of systems resources.

The CSRS discontinued service retirement population (DSR) has decreased to the point that OPM has not performed an active match using that population; however, OPM could use the match data as needed for DSR purposes.

VI. Accuracy Assessments

Based on previous matches with the same files, OPM estimates that its records are approximately 95 percent accurate. OPM estimates that the matching of the identification data with SSA's tax return information is 99 percent accurate.

MEF Databases: SSA does not have an accuracy assessment specific to the data elements listed in this agreement. The correctness of the return information provided to SSA, as an agent for the Internal Revenue Service (IRS), is generally contingent upon the correctness of the information provided by the payer of the income.

Enumeration System: The SSA Enumeration System used for SSN matching is 100 percent accurate based on SSA's Office of Analytics, Review, and Oversight "FY 2018 Enumeration Accuracy Review Report" published in April 2019.

VII. Procedures for Individualized Notice

A. Applicants

Both OPM and SSA will notify all applicants who apply for benefits for their respective programs and who may be subject to the annuity reduction that OPM will conduct matching programs with SSA, and that their annuity benefit amount may be subject to revision based on findings from computer matching. OPM's notices consist of appropriate language printed on its application forms or on separate documents with the appropriate language given to retirees, annuitants, and survivors when their benefits are authorized. SSA includes notice of computer matching on all applications for Social Security benefits.

The IRS provides standard disclosure and Privacy Act notices that advise the taxpayer that IRS may share their tax return information with other Federal and State agencies to determine entitlement to benefits.

B. Retirees and Survivor Annuitants

Both OPM and SSA will provide subsequent notices of computer matching to respective retirees, annuitants, and survivors as required. OPM's notice consists of appropriate language printed on survey questionnaires sent annually to all affected retirees, annuitants, and survivors. For Federal retirement annuitants subject to civil service annuity offsets, SSA provides direct notice of computer matching via annual cost of living adjustment notices.

VIII. Verification Procedure and Opportunity to Contest

A. Verification Procedure

OPM will take no adverse action regarding individuals identified through the matching process (e.g., retirees, survivors, and other annuitants) solely based on wage and self-employment data that OPM obtains from the match. OPM will contact the retirees, survivors, and other annuitants to verify the matching results in accordance with

requirements of the Privacy Act and applicable OMB guidelines and as described in subsection B of this section.

The affected retirees, survivors, and other annuitants will have an opportunity to contest the accuracy of the wage and self-employment data SSA provided. OPM will consider the wage and self-employment data SSA provided as accurate if the affected retirees, survivors, and other annuitants do not protest within 30 days after receiving notice of the proposed adverse action. OPM will advise the retirees, survivors, and other annuitants that failure to respond within 30 days will provide a valid basis for OPM to assume that the wage and self-employment data SSA provided is correct.

B. Opportunity to Contest

Before taking any adverse action based on the wage and self-employment data received from the match, OPM will provide all the retirees, survivors, and other annuitants the following opportunities to contest the action:

1. OPM will advise the individual that OPM received tax return data from SSA that indicates the annuitant's wages or self-employment income exceeds a certain statutory threshold of the relevant provision, and that if this information is correct, will affect payments of CSRS or FERS annuity benefits to retirees, annuitants, and survivors
2. OPM will advise the individual that retirees, survivors, and other annuitants have 30 days to contest the wage and self-employment data SSA provided to OPM; and that
3. Unless the retirees, survivors, and other annuitants respond to contest the wage and self-employment data SSA provided to OPM in the required 30-day time period, OPM will conclude that the wage and self-employment data SSA provided is correct and will issue the retiree, survivor, or other annuitant an initial decision, in accordance with 5 C.F.R. §§ 831.109 and 841.305, informing the individual of the action OPM must take to adjust or terminate the annuity benefit to retirees, annuitants, and survivors, the effective date of the adjustment, any overpayment that may result, and the annuitant's administrative or appeal rights resulting from OPM's initial decision.

IX. Procedures for Retention and Timely Destruction of Identifiable Records

A. OPM

OPM will retain all identifiable records received from SSA only for the period of time required for any processing related to the matching program. OPM will then destroy the records, unless OPM must retain the information created by the match in the individual's

permanent case file to meet evidentiary requirements. In case of such retention for evidentiary purposes, OPM will retire the retained data in accordance with the applicable Federal Records Retention Schedule (44 U.S.C. § 3303a). OPM will not create permanent files or a separate system comprised solely of the data provided by SSA.

B. SSA

SSA will destroy OPM's identifying information within 90 days of the date OPM acknowledges receipt of the SSA matching response file. SSA will not create a permanent file or separate system containing the identifying information OPM provides to SSA.

X. Record Use, Duplication, and Redisclosure Restrictions

SSA and OPM will adhere to the following limitations on the use, duplication, and redisclosure of the electronic files and data the other agency provides under this agreement:

- A. The data that SSA and OPM provide will remain the property of the providing agency. SSA and OPM will destroy the data (except as provided in section IX) after completing the relevant matching, but not more than 60 days after receipt of the data;
- B. SSA and OPM will use and access the data only for the purpose described in this agreement;
- C. SSA and OPM will not use the data to extract information concerning the retirees, survivors, and annuitants therein for any purpose not specified by this agreement; and
- D. SSA and OPM will not duplicate or disseminate the data, within or outside their respective agencies, without the written permission of the other agency to this agreement, except as required by Federal law. SSA and OPM will not give such permission unless the law requires disclosure, or the disclosure is essential to the matching program. For such permission, the agency requesting permission must specify in writing what data they are requesting be duplicated or disseminated and to whom, and the reasons that justify such duplication or dissemination.

XI. Security Procedures

SSA and OPM will comply with the requirements of the Federal Information Security Management Act (FISMA), 44 U.S.C. Chapter 35, Subchapter II; as amended by the Federal Information Security Modernization Act of 2014 (Pub. L. 113-283); related OMB circulars and memoranda, such as Circular A-130, *Managing Information as a Strategic Resource* (July 28, 2016) and Memorandum M-17-12, *Preparing for and Responding to a Breach of Personally Identifiable Information* (January 3, 2017); National Institute of Standards and

Technology (NIST) directives; and the Federal Acquisition Regulations, including any applicable amendments published after the effective date of this agreement. These laws, directives, and regulations include requirements for safeguarding Federal information systems and personally identifiable information (PII) used in Federal Agency business processes, as well as related reporting requirements. Both agencies recognize and will implement the laws, regulations, NIST standards, and OMB directives including those published subsequent to the effective date of this agreement.

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

A. Loss Reporting

If either SSA or OPM experiences an incident involving the loss or breach of PII provided by SSA or OPM under the terms of this agreement, they will follow the incident reporting guidelines issued by OMB. In the event of a reportable incident under OMB guidance involving PII, the agency experiencing the incident is responsible for following its established procedures, including notification to the proper organizations (e.g., United States Computer Emergency Readiness Team and the agency's privacy office). In addition, the agency experiencing the incident (e.g., electronic or paper) will notify the other agency's Systems Security Contact named in this agreement. If OPM is unable to speak with the SSA Systems Security Contact within one hour or if for some other reason notifying the SSA Systems Security Contact is not practicable (e.g., it is outside of the normal business hours), OPM will call SSA's National Network Service Center toll free at 1-877-697-4889. Within one hour of becoming aware of a possible incident involving OPM-provided PII, SSA will contact OPM IT Security Operations: cybersolutions@opm.gov; 844-377-6109.

B. Breach Notification

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

C. Administrative Safeguards

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

required to protect the data, and the civil and criminal sanctions for noncompliance contained in the applicable Federal laws.

D. Physical Safeguards

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

E. Technical Safeguards

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

F. Application of Policies and Procedures

SSA and OPM will adopt applicable policies and procedures to ensure that each agency uses the information contained in their respective records or obtained from each other solely as provided in this agreement. SSA and OPM will comply with these policies and procedures, and any subsequent revisions.

G. Security Assessments

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

H. Tax Information

OPM will comply with all applicable Federal Safeguards Requirements pursuant to IRC § 6103(p)(4) and as required by IRS including those described in IRS Publication 1075, *Tax Information Security Guidelines for Federal, State and Local Agencies* (available at <http://www.irs.gov>).

If OPM does not have a currently approved Safeguard Procedures Report (SPR), OPM will submit a new SPR to the IRS's Office of Safeguards detailing how all data received from SSA is processed and protected from unauthorized disclosure within 45 days from the execution of this agreement.

If there are incidents of suspected unauthorized inspections or disclosures of tax return information, OPM must report incidents to the IRS Office of Safeguards.

XII. Comptroller General Access

The Government Accountability Office (Comptroller General) may have access to all OPM and SSA data, as it deems necessary, to monitor or verify compliance with this agreement, including those contained and covered by an SSA and OPM system of records disclosure pursuant to 5 U.S.C. § 552a(b)(10) and 26 U.S.C. § 6103(i)(8)(B).

XIII. Reimbursement

SSA and OPM currently engage in several different matching programs. The programmatic savings to each agency for these matches far outweigh the costs for each agency. SSA and OPM agree that the expenses incurred by each agency in these matches are reciprocal and do not require any reimbursable arrangements between the two agencies.

The attachment provides the cost comparison analysis for reciprocal services that SSA and OPM provide to each other. However, in the event of material changes to the matching programs between SSA and OPM, SSA and OPM agree to make cost adjustments through one or more reimbursable agreements so that neither agency bears a disproportionate share of the costs.

XIV. Duration, Modification, and Termination

A. Effective Date:

The effective date of this agreement is April 20, 2024, provided that OPM reported the proposal to reestablish this matching program to the Congressional committees and OMB in accordance with 5 U.S.C. § 552a(o)(2)(A) and OMB Circular A-108 (December 23, 2016), and OPM published notice of the matching program in the *Federal Register* in accordance with 5 U.S.C. § 552a(e)(12).

B. Duration:

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

C. Renewal:

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

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

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

D. Modification:

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

E. Termination:

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

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

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

XV. Dispute Resolution

Disputes related to this agreement will be resolved in accordance with instructions provided in the Treasury Financial Manual Volume 1, Part 2, Chapter 4700, Appendix 5, Overall *Intra-governmental Transaction (IGT) Processes and General Information*.

XVI. Persons to Contact

A. SSA Contacts

Matching Agreement Issues

Neil Etter
Government Information Specialist
Electronic Interchange & Liaison Division
Office of Privacy & Disclosures
Office of the General Counsel
6401 Security Boulevard, G-401 WHR
Baltimore, MD 21235
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Computer Systems Issues

Angil Escobar
Branch Chief
OEIS/DDE/Verifications & Exchanges Analysis Branch
Enterprise Information Systems
Office of Systems
Social Security Administration
6401 Security Boulevard, 3-E-2-F Robert M. Ball Building
Baltimore, MD 21235
Telephone: (410) 965-7213
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Systems Security Issues

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Data Exchange Issues

Rona Demb

Data Exchange Liaison

Office of Data Exchange, Policy Publications, and International Negotiations

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B. OPM Contacts:

Matching Agreement Issues

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Program Analyst

U.S. Office of Personnel Management

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Operational Issues

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Chief Retirement Eligibility and Services

U.S. Office of Personnel Management

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Washington, DC 20415

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Computer System Issues

Olu Faokunla

CIO/FITBS/RSITPMO

U.S. Office of Personnel Management

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Washington, DC 20415

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Systems Information Security Issues
James Saunders
Chief Information Security Officer,
Cybersecurity Division
U.S. Office of Personnel Management
1900 E Street, NW, Room 5454
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Privacy Issues
Kirsten J. Moncada
Chief Privacy Officer
U.S. Office of Personnel Management
1900 E Street, NW, Room 5454
Washington, DC 20415
Email: Kirsten.Moncada@opm.gov

XVII. Integration Clause

This agreement constitutes the entire agreement of the parties concerning its subject matter. It supersedes all other data exchange agreements between the parties that pertain to the matching of the specified tax return records by SSA with OPM's records on disability retirees under age 60, disabled adult child survivors, certain retirees in receipt of a supplemental benefit under FERS, and certain annuitants receiving a discontinued service retirement benefit under CSRS. SSA and OPM have made no representations, warranties, or promises outside of this agreement. This agreement takes precedence over any other documents that may conflict with it, including any conflicting terms in any Interconnection Security Agreement entered into in accordance with NIST SP 800-47 governing the interconnection between information technology systems that will be utilized for the transfer of information under this agreement.

XVIII. Authorized Signatures

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

A. SOCIAL SECURITY ADMINISTRATION SIGNATURES

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

Digitally signed by Michelle
Christ
Date: 2024.02.13 09:57:28
-05'00'

Michelle Christ

Michelle L. Christ
Deputy Executive Director
Office of Privacy and Disclosure
Office of the General Counsel

Date

Data Integrity Board Certification:

Digitally signed by
Matthew Ramsey
Date: 2024.02.16 13:03:38
-05'00'

Matthew
Ramsey

Matthew D. Ramsey
Chair
Data Integrity Board
Social Security Administration

Date

B. OFFICE OF PERSONNEL MANAGEMENT SIGNATURES

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

Margaret P. Pearson
Associate Director
Retirement Services

Date

Data Integrity Board Certification:

KIRSTEN
MONCADA

Kirsten J. Moncada
Chair
Data Integrity Board
U.S. Office of Personnel Management

Digitally signed by
KIRSTEN MONCADA
Date: 2024.02.20
10:49:36 -05'00'

Date

Attachment:

Cost-Benefit Analysis

Disability Retirement

OPM conducted projects to complete SSA earnings matches of disability annuitants for tax years 2019 and 2020. The matches have been conducted in FY 2021 and 2022. The data supplied for these matches covers the IRS/SSA wage and earnings income for tax years 2019 and 2020. The matches were conducted from January 4, 2021, to June 30, 2021, and January 4, 2022, to June 30, 2022, respectively.

2019

For the 2019 match, 8 OPM staff reviewed 1,198 active disability retirement cases where retirees reported less than the threshold in earnings. The match identified \$2,314,568.00 in overpayments collected off-roll because the annuitant is not in an active pay status once we drop the benefit for excess earnings and \$1,898,649.05 in cost savings to the annuity roll.

2020

For the 2020 match, 6 OPM staff reviewed 2,418 active disability retirement cases during this match where retirees reported less than the threshold in earnings. The match identified \$2,958,271.98 in overpayments collected off-roll because the annuitant is not in an active pay status once we drop the benefit for excess earnings and there were \$1,900,408.00 in cost savings to the annuity roll.

FERS Annuity Supplement

OPM conducted projects to complete SSA earnings matches for annuitants receiving the FERS Annuity Supplement for tax years 2019 and 2020. The matches were conducted between October 2020 and March 2021 and October 2021 and March 2022 respectively. The data supplied for these matches covers the IRS/SSA wage and earnings income for tax year 2019 and tax year 2020.

2019

For the 2019 tax year match, 6 OPM staff reviewed 16,440 active FERS Annuity Supplement cases. The match identified \$7,290,578.12 in overpayments collected from the annuity in installments and resulted in annuity rolls savings of \$14,599,331.00.

2020

For the 2020 tax year match, 5 OPM staff reviewed 13,291 active FERS Annuity Supplement cases. The match identified \$9,346,509.00 in overpayments collected from the annuity in installments and resulted in annuity rolls savings of \$4,608,394.00.

This historical data is provided to support trend analysis of future estimates. OPM estimates the savings to the annuity roll to increase by 2.5% and the overpayments to decrease by the same.

CSRS Discontinued Service Retirement:

OPM has not performed evaluations on this population. No anticipated results are available. OPM will continue to have this population in scope of the match to allow future evaluation/pilot projects to be conducted with match data.

Disabled Adult Child Survivors:

OPM has not performed evaluations on this population. No anticipated results are available. OPM will continue to have this population in scope of the match to allow future evaluation/pilot projects to be conducted with match data.

OPM's cost to conduct the IRS/SSA Match**Disability Retirement****2019**

The average hourly rate of pay for the team of 8 who conducted the match was \$37.64 per hour. The total labor cost for the team to conduct and complete this match was \$199,597.30.

2020

The average hourly salary for the team of 6 who conducted the match was \$33.18 per hour. The total labor cost for the team to conduct and complete this match was \$252,368.90.

The estimated cost per hour will increase by approximately 5%.

FERS Annuity Supplement**2019**

The average hourly salary for the team of 6 who conducted the match was \$39.40 per hour. The total labor cost for the team to conduct and complete this match was \$187,020.80.

2020

The average hourly salary for the team of 5 who conducted the match was \$40.41 per hour. The total labor cost for the team to conduct and complete this match was \$154,809.60.

The estimated cost per hour will increase by approximately 5%.

OPM CIO Costs**2022**

A team of 2 OPM IT Specialists worked on the project for approximately 20 human resources hours to conduct the match. The average hourly salary for this team, who conducted the match was \$58.78 per hour. The total labor cost for the IT team to conduct and complete this match was \$1,175.60. The estimated cost per hour will increase by approximately 5%.

SSA Cost

2019 SSA estimates its cost to be \$18,632.25. (Increased by 5% from 2018: \$17,745.00)

2020 SSA estimates its costs to be \$19,563.86. (Increased by 5% from 2019: \$18,632.25)

Calculation

	Disability Retirement		FERS Annuity Supplement	
	2019	2020	2019	2020
OPM Total labor:	\$199,597.30	\$252,368.90	\$187,020.80	\$154,809.60
SSA cost:	<u>\$18,632.25</u>	<u>\$19,563.25</u>	<u>?</u>	<u>?</u>
Total Cost:	\$218,229.55	\$271,932.15		
Savings:	\$1,898,649.05	\$1,900,408.00	\$14,599,331.00	\$4,608,394.00

OPM to SSA Cost-Benefit Ratio: 20.5:1

In 2020, OPM began a project to complete SSA earnings matches for 2018. The matches were conducted each year since the project commenced. The match data supplied for this report covers the IRS/SSA wage and earnings income year 2018. The match was conducted from January 2, 2020, to June 30, 2020.

OPM staff reviewed 2,431 active disability retirement cases during this match where retirees stated that they had \$0 in earnings. The match identified \$2,134,401.13 in overpayments and there were \$1,753,040.57 in cost savings (collected off-roll because OPM could not deduct the overpayment from annuity payments).

OPM’s cost to conduct the IRS/SSA Match

Two Legal Administrative Specialists (LAS) devoted approximately 1,912 human resources hours to conduct the match. The average hourly salary of the two LASs who conducted the match was \$38.35 per hour. The labor cost for the LASs to conduct and complete this match was \$77,602.

The estimated cost per hour will increase by approximately 5%.

SSA Cost

SSA estimates its cost to be \$17,745. (Increased by 5%)

Calculation

OPM Total labor cost: \$77,602

SSA cost: \$17,745

Total Cost: \$85,487

Savings: \$1,753,040.57

Cost Benefit Ratio: 20.5:1