

**COMPUTER MATCHING AGREEMENT
BETWEEN
THE SOCIAL SECURITY ADMINISTRATION (SSA)
AND
THE U.S. DEPARTMENT OF EDUCATION (ED)**

Match #1100

I. Purpose

This Computer Matching Agreement (Agreement) sets forth the terms, safeguards, and procedures under which the Social Security Administration (SSA) will disclose the Medical Improvement Not Expected (MINE) disability data of beneficiaries and recipients under Title II and Title XVI of the Social Security Act (Act) to the U.S. Department of Education (ED), Federal Student Aid (FSA). ED will use the MINE disability data to contact individuals who have balances on loans under Title IV of the Higher Education Act of 1965, as amended (HEA), have had a Title IV loan written off due to default, or have an outstanding service or repayment obligation under the Teacher Education Assistance for College and Higher Education (TEACH) Grant Program and inform those borrowers and TEACH Grant recipients of the total and permanent disability (TPD) discharge process.

This matching program will assist ED in allowing borrowers who have balances on Title IV loans or have had Title IV loans written off due to default and recipients of TEACH Grants who have service or repayment obligations whom SSA identifies as disabled using MINE data, should they wish to do so, to more efficiently and effectively apply for TPD discharge of their Title IV loans or TEACH Grant service or repayment obligations. ED will proactively send notices to such Title IV borrowers and TEACH Grant recipients whom SSA identifies as disabled informing them that ED will discharge the borrowers' Title IV loans or recipients' TEACH Grants with service or repayment obligations no earlier than 61 days from the date that ED sends the notification to the individual, unless the individual chooses to have their loans or TEACH Grants with service or repayment obligations discharged earlier or chooses to opt out of the TPD discharge within 60 days from the date that ED sends the notification to the individual. The notices also will inform these Title IV borrowers and TEACH Grant recipients that ED will accept their matched MINE information in lieu of the submission of a MINE award letter with the borrower's or TEACH Grant recipient's TPD application, thereby making it easier for them to submit a TPD application to ED. If Title IV student loan borrowers and TEACH Grant recipients do not apply for the TPD loan discharge, their SSA benefits may be offset to repay their Title IV loans or TEACH Grants with repayment obligations.

II. Legal Authority

This Agreement is executed in compliance with the Privacy Act of 1974, as amended by the Computer Matching and Privacy Protection Act of 1988 and the Computer Matching

Privacy Protections Amendments of 1990 (Privacy Act) (5 U.S.C. § 552a), and the regulations and guidance promulgated thereunder.

SSA's legal authority to disclose information under this Agreement is section 1106 of the Act (42 U.S.C. § 1306) and the regulations promulgated pursuant to that section (20 CFR Part 401). Subsection (b)(3) of the Privacy Act (5 U.S.C. § 552a(b)(3)) allows SSA to make the disclosure without the prior written consent of the individuals to whom the records pertain.

ED's legal authority to enter into this Agreement and to disclose information under this Agreement is sections 420N(c), 437(a)(1), 455(a)(1), and 464(c)(1)(F)(ii & iii) of the HEA (20 U.S.C. §§ 1070g-2(c), 1087(a)(1), 1087e(a)(1), and 1087dd(c)(1)(F)(ii & iii)).

III. Definitions

- A. "Borrower" means a person who has had a loan disbursed and is fully responsible to pay the loan and interest back to the loan holder under applicable student loan programs administered under the authority of Title IV of the HEA (20 U.S.C. § 1070, et seq.) or who has a Title IV Loan written off due to default. For purposes of this Agreement, the term "borrower" also includes an individual who is responsible for completing a service or repayment obligation in exchange for having received a TEACH Grant under the TEACH Grant Program authorized under Title IV of the HEA, Part A, Subpart 9 (20 U.S.C. § 1070g et seq.) ("TEACH Grant recipients").
- B. "Contractor and/or Agent" means a third-party entity in a contractual or similar relationship with ED or SSA pursuant to which the third-party entity acts on the respective agency's behalf to administer, or assist in administering, the matching program described in this Agreement.
- C. "Title IV Loan" means a loan made under Title IV of the HEA for the Federal Perkins Loan Program (20 U.S.C. § 1087aa et seq.), the William D. Ford Federal Direct Loan Program (20 U.S.C. § 1087a et seq.), the Federal Family Education Loan (FFEL) Program (20 U.S.C. § 1071 et seq.), or the Federal Insured Student Loan (FISL) Program (20 U.S.C. § 1071 et seq.). For purposes of this Agreement, "Title IV Loan" also includes a TEACH Grant under the TEACH Grant Program authorized under Title IV of the HEA, Part A, Subpart 9 (20 U.S.C. § 1070g et seq.) if the TEACH Grant recipient has yet to complete or fails to complete their service obligation and the grant converts to a loan.
- D. "MINE" means Medical Improvement Not Expected, which is determined for purposes of this Agreement if the Medical Diary Reason in the Disability Control File (DCF) is coded as a "5", "6", "7", "8", or "9".

IV. Responsibilities of the Parties

A. ED's Responsibilities:

1. ED will disclose to SSA the name, date of birth (DOB), and Social Security number (SSN) of borrowers in the National Student Loan Data System (NSLDS), covered by the system of records notice entitled "National Student Loan Data System (NSLDS)" (18-11-06).
2. ED will maintain the name, DOB, and SSN of borrowers on whom SSA returns to ED a "Y" indicator in both ED's NSLDS and the Federal Loan Servicer system covered by the system of records notice entitled "Common Services for Borrowers (CSB)" (18-11-16) that process TPD discharges, in order for ED to contact the borrowers regarding their eligibility for a TPD discharge and to discharge their Title IV Loans.
3. ED will use the information obtained from SSA only for the purposes set forth in this Agreement, which includes contacting identified borrowers to inform them that ED will discharge their Title IV Loans no earlier than 61 days from the date of ED's notice, unless the borrower chooses to have their Title IV Loans discharged earlier or chooses to opt out of the TPD discharge within 60 days from the date of ED's notice.
4. ED, as the recipient agency, will provide the appropriate Congressional committees and the Office of Information and Regulatory Affairs (OIRA) within the Office of Management and Budget (OMB) with notice of this matching program and will publish in the *Federal Register* the required notice of this matching program.

B. SSA's Responsibilities:

1. SSA will compare the data provided by ED with SSA's data recorded in the DCF, which originates from the system of records identified as "Completed Determination Record—Continuing Disability Determinations" (60-0050).
2. After such comparison:
 - If SSA matches a record based on SSN, name, and DOB in the DCF and the medical data indicates MINE status, SSA will provide ED the SSN, name, DOB, and an indicator of "Y."
 - If SSA matches a record based on SSN, name, and DOB in the DCF and the medical data does not indicate MINE status, SSA will not return any information to ED concerning that record.
 - If SSA matches a record based on SSN, but not on name or DOB in the DCF, SSA will return an "N" indicator to ED.

- If the SSN does not match any records contained in SSA's DCF, SSA will not return any information in the return file to ED. See the specified data elements described below in Article VI.B for more detail.

V. **Justification and Anticipated Results**

A. Justification:

The HEA requires the Secretary of Education to discharge Title IV Loans for borrowers who can demonstrate that they meet the statutory definition as defined in the HEA of being TPD. Under the regulations implementing this statutory provision, to establish their eligibility for a TPD discharge, borrowers may document that SSA has designated their condition as MINE. Sharing information on MINE status for Title IV Loan borrowers streamlines the process for determining eligibility for this loan discharge, for identifying and contacting borrowers who are eligible for the discharge but have not applied to receive it, and for granting TPD discharges to eligible borrowers. Computer matching is believed to be the most efficient and comprehensive method of exchanging and processing this information.

ED anticipates that the matching program under this Agreement will reduce the time and administrative resources needed to review and approve applications for a TPD Title IV Loan discharge. In addition, ED anticipates that the matching program will support outreach efforts to borrowers who are eligible for the discharge but have not applied to receive it and simplify the TPD discharge process for those borrowers. This outreach and simplified discharge process better fulfills the statutory intent of releasing TPD borrowers from their obligation to repay their Title IV Loans and reduces ED's administrative costs by eliminating the need for ongoing loan servicing and collection efforts for these borrowers, who are often delinquent or in default due to their conditions. This method has been determined to be the most accurate and efficient means of accomplishing these purposes.

While there is no direct benefit from this matching program to SSA, the match will benefit SSA's beneficiaries and recipients whose Title IV Loans are eligible for TPD discharge because those individuals will not be subject to offset of their SSA benefits to repay their Title IV Loans.

B. Anticipated Results:

The match with SSA has streamlined the TPD discharge approval process, substantially lessening the burden on disabled borrowers. The match allows ED to identify borrowers who are potentially eligible for a TPD discharge but are unaware of their status. This information enables more borrowers to take advantage of this statutory discharge.

For the time period of September 1, 2021, to August 31, 2022, ED discharged via TPD a total of 371,000 borrowers with more than 1,230,000 loans for a total of

\$9,000,000,000. This reflects TPD discharges in which ED first automatically discharged loans unless the borrower opted out and includes all SSA matches back to 2016 that had not previously been discharged.

Under ED contracts as of September 2023, ED's Title IV Loan Servicers receive \$3.09 a month for a borrower in repayment and current, even if that borrower is making a \$0 payment under an Income-Driven Repayment plan. The contractor operating the Debt Management and Collection System receives \$0.96 a month for each defaulted borrower maintained on the system regardless of whether payments are being made. The average percentage of borrowers in default is approximately 16%. ED assumes the default percent rate will remain consistent in the TPD match population. ED estimates that the split between servicing and default will be 84% and 16% respectively for borrowers receiving TPD discharges as a result of the matching program. This equates to TPD discharges of 50,400 borrowers for servicing and 9,600 borrowers for default. If ED issued TPD discharges to the above borrowers as a result of the matching program in 2023, ED would reduce future operational and servicing and/or collection costs in 2023 by \$1,868,832 (\$3.09 times 12 months times 50,400 borrowers) and reduce default collections costs over the next year by \$110,592 (\$0.96 times 12 months times 9,600 borrowers). The total avoided operational and servicing and/or defaulted collections costs of \$1,979,424 in 2023 far outweighs the estimated yearly administrative costs in Fiscal Year (FY) 2022 of \$32,311 for the matching program. (For additional information on the Cost Benefit Analysis, see Attachment A).

VI. Description of Matched Records

A. Systems of Records:

SSA will disclose to ED information from the DCF, which originates from the system of records identified as "Completed Determination Record—Continuing Disability Determinations" (60-0050), last fully published at 71 Fed. Reg. 1813 on January 11, 2006, and updated on December 10, 2007 (72 Fed. Reg. 69723), November 1, 2018 (83 Fed. Reg. 54969), and April 26, 2019 (84 Fed. Reg. 17907). The system of records notice for this SSA system of records may be updated during the effective period of this Agreement as required by the Privacy Act.

SSA has determined that its system of records notice contains appropriate routine use disclosure authority and that the use is compatible with the purpose for which the information was collected.

ED will disclose information to SSA from the system of records entitled "National Student Loan Data System (NSLDS)" (18-11-06), the system of records notice for which was last published in the *Federal Register* in full on June 28, 2023 (88 Fed. Reg. 41934). ED will maintain information obtained from SSA in the following systems of records:

- “National Student Loan Data System (NSLDS)” (18-11-06), as last published in full in the *Federal Register* on June 28, 2023 (88 Fed. Reg. 41934); and
- “Common Services for Borrowers (CSB)” (18-11-16), as last published in full in the *Federal Register* on July 27, 2023 (88 Fed. Reg. 48449).

The system of records notices for the NSLDS and CSB may be updated during the effective period of this Agreement as required by the Privacy Act.

ED has determined that its NSLDS system of records notice contains appropriate routine use disclosure authority (namely, routine use (1)(a) therein) and that the use is compatible with the purpose for which the information was collected.

B. Specified Data Elements:

ED will transmit to SSA the name (last and first), DOB, and SSN for each borrower request. ED will send identifying information from the NSLDS database via Secure File Transfer Protocol (SFTP) using encryption that meets the requirements of Federal Information Processing Standards (FIPS) publication 140-2, “Security Requirements for Cryptographic Modules.” When FIPS 140-3 officially supersedes FIPS 140-2, each party shall work to ensure compliance with FIPS 140-3.

SSA will process the verification request and send a response to ED via SFTP using the FIPS-140-2 standards.

- If SSA matches a record based on SSN, name, and DOB in the DCF and the medical data indicates MINE status, SSA will provide ED the SSN, name, DOB, and a “Y” indicator.
- If SSA matches a record based on SSN, name, and DOB in the DCF, but the medical data does not indicate MINE status, SSA will not return any information to ED.
- If SSA matches a record based on SSN, but not on name or DOB in the DCF, SSA will return an “N” indicator to ED.
- If the SSN does not match any records contained in SSA’s DCF, SSA will not return any information to ED.

C. Number of Records Involved:

ED projects that it will send requests to SSA each quarter for matching 47 million individual identifiers for borrowers who have one or more Title IV Loans.

D. Frequency of Matching:

ED will transmit data to SSA via batch process on a quarterly basis. SSA will respond via a batch process within a week of receipt of the file.

VII. Accuracy Assessments

SSA does not have an accuracy assessment specific to MINE disability data alone; however, SSA annually conducts statistically valid quality assurance (QA) reviews. The quality review standard for QA reviews is a full review of all documents to ensure all aspects of the disability determination adhere to policy, including an evaluation of the diary. During the quality review process, if any diary is incorrect SSA will correct it to reflect the correct diary at the time of adjudication. Using this study, a review of FY 2017 and FY 2018 data samples show diary accuracy at approximately 93%-94% for FY 2017 and 96%-97% for FY 2018 before our correction.

NSLDS is a large repository of student grant and loan information. The data reported to NSLDS comes from multiple entities including other FSA systems, schools, guaranty agencies, and Federal loan servicers. Before data is loaded to NSLDS, it must go through a series of edit validations to ensure the data being reported meets the published reporting requirements. Data quality for NSLDS begins with the Data Provider Instructions, which are tailored for each of the data provider groups. These instructions provide field-by-field reporting instructions, along with the acceptance criteria and the error response code when the data are not in line with NSLDS standards. In general, the percentage of records reported with errors is consistently less than .30% giving NSLDS an accuracy rate of 99.7%. As new regulations and laws are enacted, NSLDS is often tapped to collect additional data which require these instructions to be updated. FSA consistently places a great deal of effort in monitoring the quality of data reported by our data providers.

VIII. Procedures for Individualized Notice

ED will publish in the *Federal Register* a notice describing the matching program, as required by the Privacy Act. ED will ensure that, each applicant for, or recipient of, applicable Title IV program assistance is provided with individualized notice that information provided on their application is subject to verification through matching programs. ED will send all borrowers who match the SSA data an acknowledgement or letter informing them that their information matched.

Not all borrowers of Title IV Loans apply for, or are in receipt of, SSA program benefits such as Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI) payments. SSA will notify all individuals who apply for, or are in receipt of, benefits that SSA will conduct computer matching. SSA will provide subsequent direct notice of computer matching to beneficiaries via annual cost of living notices.

IX. Verification Procedure and Opportunity to Contest

Once SSA identifies for ED a borrower who is receiving SSI or SSDI disability payments as having a disability status of MINE, ED will contact the borrower to inform them of the TPD discharge process.

ED will accept SSA's MINE determination in lieu of requiring the borrower to submit SSA's award letter with a MINE designation. ED will discharge the borrower's Title IV Loan(s) no earlier than 61 days after ED sends the notification to the borrower, unless the borrower chooses to have their Title IV Loan(s) discharged earlier or chooses to opt out of the TPD discharge, thereby simplifying the TPD discharge process for the borrower.

There are no applicable requirements under subsection (p) of the Privacy Act for ED to verify the records provided by SSA and for ED to provide those borrowers of Title IV Loan(s) who matched with SSA's records an opportunity to contest the information in SSA's records because ED will not suspend, terminate, reduce, or make a final denial of any financial assistance or payment with respect to a Title IV Loan or take any other adverse action against a borrower as a result of information produced in this matching program.

Due to a change in tax law, Federal student loan amounts that are discharged due to TPD are not considered to be income for Federal tax purposes. However, some states consider loan amounts that are discharged due to TPD as income, meaning that a borrower may be taxed on the amount of the discharge. If the borrower receives a TPD discharge, the borrower should contact their state tax revenue office or a tax professional before filing their state tax return to find out how much the borrower could owe to the state as a result of the discharge.

If a borrower is not identified by SSA as having a MINE status, the borrower still will have the option to submit a TPD loan discharge application and provide the required physician's certification in order to determine the borrower's eligibility for a TPD.

X. Procedures for Retention and Timely Destruction of Identifiable Records

- A. ED will retain all records with identifying information received from SSA that are matched under this Agreement in accordance with the requirements of ED Records Schedule 051, "FSA National Student Loan Data System (NSLDS)" (DAA-0441-2017-0004) (ED 051), and ED Records Schedule 075, "FSA Loan Servicing, Consolidation, and Collections Records" (N1-441-09-16) (ED 075). (ED has submitted amendments to its records schedules, including ED 051 and ED 075, for the National Archives and Records Administration's consideration and will not destroy records covered by ED 051 or ED 075 until such amendments are in effect, as applicable.)
- B. SSA will destroy all records with identifying information received from the ED data file(s) under this Agreement approximately 90 days after receipt.

XI. Records Usage, Duplication, and Redislosure Restrictions

- A. ED agrees to the following limitations on the access to, disclosure of, and use of identifying information provided by SSA:

1. The information provided by SSA will be used within ED only to the extent necessary to achieve the purposes of notifying borrowers of potential disability discharge, verifying eligibility for said discharge, and effecting said discharges for those borrowers who do not opt out of them within 60 days from the date that ED sends the notification to the borrower and will not be used to extract information concerning individuals therein for any purpose not specified in this Agreement.
 2. ED acknowledges that SSA's positive verification of an SSN only establishes that the submitted information matches the information contained in SSA's records. The verification does not, however, authenticate the identity of the individual or conclusively prove that the individual submitting the information is who the individual claims to be.
 3. ED will not use the SSA files to extract information about non-matched individuals for any purpose.
 4. ED will, in its contractual relationship with each contractor and/or agent, obtain the contractor's and/or agent's written agreement that it will abide by all of the use and redisclosure restrictions and security requirements in this Agreement.
 5. ED will identify and provide, upon request, a current list of contractors' and agents' employees who will have access to the information that ED obtains through this Agreement. This list will contain the following items: name of contracting firm, list of the contractors' and/or agents' employees who will have access to the information, location of where the work with the information is performed, description of the work that is performed with the information, and contract period (including renewals and extensions). ED will certify, via a written communication on ED letterhead, to SSA that these contractors and/or agents are acting on behalf of ED to administer or assist in administering the FSA programs. ED agrees that its contractors and/or agents will, upon request, provide a list of employees who no longer have access to the information under this Agreement.
 6. ED employees and contractors and/or agents under contract with ED who access, disclose, or use the information obtained pursuant to this Agreement in a manner or for a purpose not authorized by this Agreement may be subject to civil and criminal sanctions contained in applicable Federal statutes.
- B. SSA agrees that the information produced by the match may be used by ED for necessary follow-up actions essential to the TPD program, as well as when required by law, including to support criminal investigations or prosecutions based on applications which may arise in this connection. All redisclosures will be made consistent with the Privacy Act and applicable Privacy Act guidelines.
- C. SSA agrees to the following limitations on the access to, disclosure of, and use of name, DOB, and SSN data provided by ED:

1. The data provided by ED will be destroyed by SSA approximately 90 days after receipt.
2. The information supplied by ED will be used within SSA only for the purposes of, and to the extent necessary in, the administration of the TPD discharge process covered by this Agreement.
3. Other than for the purposes of this Agreement, SSA will not store or create additional files of ED information. SSA will only mark on the response file SSA provides ED when the ED-provided name, SSN, and DOB matched SSA records and SSA medical data indicates MINE status.
4. The information provided by ED will not be duplicated or disseminated within or outside SSA without the written authority of ED, except as necessary within SSA for backup to ongoing operations of the matching program for which purpose SSA will keep a copy of the ED file for approximately 90 days. ED will not grant such authority unless the redisclosure is required by law or is essential to the matching program. All redisclosures will be made consistent with the Privacy Act and applicable Privacy Act guidelines.
5. SSA will be permitted to duplicate records only where the name, DOB, and SSN matched with information provided by ED, and the medical data indicates MINE status for the sole purpose of backing up SSA's system containing the data.
6. SSA will obtain from any contractor or agent that has access to ED's data a written agreement that it will abide by all of the use and redisclosure restrictions and security requirements in this Agreement.
7. SSA will identify and provide, upon request, a current list of contractors' and agents' employees, who will have access to the information SSA obtains through this Agreement. This list will contain the following items: name of contracting firm, list of the contractors' and/or agents' employees who will have access to the information, location of where the work with the information is performed, description of the work that is performed with the information, and contract period (including renewals and extensions). SSA will certify, via a written communication on SSA letterhead, to ED that these contractors and/or agents are acting on behalf of SSA to administer or assist in administering the Act programs. SSA agrees that its contractors and/or agents will, upon request, provide a list of employees who no longer have access to the information under this Agreement.
8. SSA employees and contractors and/or agents under contract with SSA who access, disclose, or use the information obtained pursuant to this Agreement in a manner or for a purpose not authorized by this Agreement may be subject to civil and criminal sanctions contained in applicable Federal statutes.

XII. Security Procedures

SSA and ED 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 (e.g., NIST Special Publication (SP) 800-53 and NIST SP 800-37); 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, or that operate, use, or have access to Federal information systems on behalf of an agency. SSA and ED information systems reside behind a Trusted Internet Connection. Both agencies are responsible for oversight and compliance of their contractors and agents.

A. Loss Reporting

If either SSA or ED experiences an incident involving the loss or breach of PII provided by SSA or ED 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 Issues Contact(s) named in this Agreement. If ED 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), ED will call SSA's National Network Service Center toll free at 1-877-697-4889. If SSA is unable to speak with either of ED's Systems Security Issues Contacts within one hour, SSA will promptly notify:

EDCIRC: EDSOC@ed.gov: 202-245-6550

B. Breach Notification

SSA and ED 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 ED will restrict access to the data matched and to any data created by the match to only those users (e.g., employees, contractors, etc.) who need it to perform their official duties in connection with the uses of the data authorized in this Agreement. Further, SSA and ED 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 ED 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 ED will establish appropriate safeguards for such data, as determined by a risk-based assessment of the circumstances involved.

E. Technical Safeguards

SSA and ED 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 ED 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 ED adopted 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 ED will comply with these guidelines and any subsequent revisions.

G. Security Assessments

The NIST SP 800-37, as revised, 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 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.

XIII. Comptroller General Access

The Government Accountability Office (Comptroller General) may have access to all ED and SSA data that it deems necessary in order to monitor or verify compliance with this Agreement.

XIV. Reimbursement

Subject to the availability of appropriations, ED will transfer funds to SSA to support SSA's activities under this Agreement. ED will pay SSA for the full amount of costs incurred by SSA in the performance of this Agreement, notwithstanding the estimated costs included in Attachment A, the Cost Benefit Analysis. Transfer of funds will be by means of Treasury's G-Invoicing systems, which will generate an Intragovernmental Payment and Collection (IPAC) invoice. The SSA Reimbursable Agreement (RA) number must be cited on all IPAC submissions.

This Agreement does not authorize SSA to incur obligations through the performance of the services described herein. Performance of such services is authorized only by execution of FS Form 7600A and FS Form 7600B. Accordingly, executed FS Form 7600A and FS Form 7600B provide authorization for SSA to incur obligations by performing services under this Agreement only on a fiscal year (October 1 through September 30) or partial fiscal year basis coinciding with the initial duration and the renewal of this Agreement. Accordingly, executed FS Form 7600A and FS Form 7600B provide authorization for SSA to perform services under this Agreement. Since SSA's performance under this Agreement spans multiple fiscal years, the parties will sign FS Form 7600A and FS Form 7600B on or before the commencement of each fiscal year, which will identify reimbursable cost estimates for that fiscal year. SSA's ability to perform work is subject to reimbursement by ED.

SSA will collect funds from ED through Treasury's G-Invoicing system which will generate an IPAC on a quarterly basis, sufficient to reimburse SSA for the costs it has incurred for performing services through the date of billing. A copy of the invoice and all original supporting documentation will be uploaded into Treasury's G-Invoicing system during the processing of the IPAC transaction. A copy of the IPAC billing or invoice and all original supporting documentation will be emailed to ED no later than five calendar days following the processing of the IPAC transaction. At least quarterly, but no later than 30 days after an accountable event, SSA will provide ED with a performance report (e.g., a billing statement) that details all work performed to date.

Additionally, at least quarterly, the parties will reconcile balances related to revenue and expenses for work performed under the Agreement.

Each party to this Agreement will be liable for damages or loss resulting from acts and omissions of its own employees in accordance with Federal statutory authority. All information furnished to ED will be subject to the limitations and qualifications, if any, transmitted with such information. If any errors in information provided to ED or loss or destruction of data is attributable to SSA, SSA will re-perform the services after conferring with ED. Before re-performing the services, SSA will provide ED with written notification of the additional costs for the services and the reason(s) that SSA will incur the additional costs. ED will reimburse SSA for such additional costs as a part of the full costs incurred by SSA in compiling and furnishing data to ED.

XV. Duration and Modification of the Agreement

A. Effective Date:

The duration of this Agreement is estimated to cover the 18-month period from March 30, 2024, through September 29, 2025. However, this Agreement cannot become effective unless it has been signed by all of the signatories listed in Article XIX. Further, the effective date of this Agreement and the date when the match may begin shall be whichever date is the latest of the following three dates: (1) March 30, 2024; (2) at the expiration of the 60-day period following ED's transmittal of a report concerning the matching program to OMB and to the appropriate Congressional Committees, along with a copy of this Agreement, unless OMB waives any of this 60-day review period for compelling reasons, in which case, 60 days minus the number of days waived by OMB from the date of ED's transmittal of the report of the matching program; or (3) at the expiration of the 30-day public comment period following ED's publication of notice of this matching program in the *Federal Register*, assuming that ED receives no public comments or receives public comments but makes no changes to the Matching Notice as a result of the public comments, or 30 days from the date on which ED publishes a Revised Matching Notice in the *Federal Register*, assuming that ED receives public comments and revises the Matching Notice as a result of public comments. If the latest date occurs on a non-business day, then that date will be counted for purposes of this paragraph as occurring on the next business day.

B. Duration:

This Agreement will be in effect for an initial period of 18 months.

C. Renewal:

The Data Integrity Boards (DIBs) of ED 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:

1. The matching program will continue to be conducted without change; and
2. FSA and SSA certify to their respective DIBs that they have conducted the matching program in compliance with this Agreement.

If either party does not want to continue this matching program, it must notify the other party of its intention not to continue at least 90 days before the expiration 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 DIB of each agency. The parties may modify the reimbursable obligations covered by this Agreement at any time by submitting FS Form 7600A and FS Form 7600B modification, agreed to by both parties and approved by the authorized signatories 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 if so specified in the notice.

If ED cancels the Agreement, ED authorizes SSA to collect costs incurred prior to cancellation of the order plus any termination costs. SSA or ED may make an immediate, unilateral suspension of the data flow of this Agreement if either party:

1. Determines that there has been an unauthorized use or disclosure of information;
2. Determines that there has been a violation of or failure to follow the terms of this Agreement; or
3. Has reason to believe that the other party has breached the terms of this Agreement for security of data.

If so, the parties agree that they will immediately notify the party believed to have engaged in the unauthorized use or disclosure of information, violated the terms of the Agreement, or breached the terms for security as to the basis of the belief and the intent to unilaterally suspend this Agreement. The notice provided will ensure that the two agencies discuss the suspected violation, thereby preventing an unintended denial of Federal benefits to applicants based solely upon a belief of a violation or failure to abide by the terms of the Agreement. If either party suspends the Agreement in accordance with this Article, there will be an indefinite suspension of the Agreement until a definite determination has been made regarding whether there has been a violation.

XVI. Dispute Resolution

Disputes related to this Agreement shall be resolved in accordance with instructions provided in the Treasury Financial Manual (TFM) Volume I, Part 2, Chapter 4700, Appendix 5, *Intragovernmental Transaction Guide*.

XVII. Persons to Contact

A. SSA Contacts:

Matching Agreement Issues

Kim Cromwell, Government Information Specialist
Office of the General Counsel
Office of Privacy and Disclosure
Social Security Administration
6401 Security Boulevard, G-401 WHR Building
Baltimore, MD 21235
Telephone: (410) 966-1392/Fax: (410) 594-0115
Email: Kim.Cromwell@ssa.gov

Project Coordinator

Rona Demb, Project Coordinator
Office of Data Exchange, Policy Publications, and International Agreements
Federal Agreements Branch
Social Security Administration
6401 Security Boulevard, 4-B-9-F Annex Building
Baltimore, MD 21235
Telephone: (410) 965-7567
Email: Rona.Demb@ssa.gov

Computer Systems Issues

Mary D. Lindauer
ODIS/DDOAA/Disability Review and Work
Incentives Branch Social Security Administration
6401 Security Boulevard
Robert M. Ball Building
Baltimore, MD 21235-6401
Telephone: (410) 966-6581
Email: Mary.D.Lindauer@ssa.gov

Systems Security Issues

Jennifer Rutz, Director
Office of Information Security
Division of Compliance and Assessments
Social Security Administration
Suite 3383 Perimeter East Building, 6201 Security Boulevard
Baltimore, MD 21235
Telephone: (410) 966-8253
Email: Jennifer.Rutz@ssa.gov

Financial Issues

Tammy Ochlech, Financial Management Analyst
Division of Reimbursable and Administrative Collections/IABT
Office of Finance
Social Security Administration
2-N-1 East Low Rise Building
6401 Security Boulevard
Baltimore, MD 21235
Telephone: (410) 965-0602/Fax: (410) 967-1673
Email: Tammy.Ochlech@ssa.gov

B. ED Contacts:

Computer Security Issues

Davon Tyler, FSA Chief Information Security Officer
U.S. Department of Education
Federal Student Aid, Technology Office
830 First Street, NE
Washington, DC 20202-5454
Telephone: (202) 377-9754/Fax: (202) 275-0492
Email: Davon.Tyler@ed.gov

Systems Security Issues

Anthony Barnes, System Owner's Primary Representative
Business Technical Lead, NSLDS
U.S. Department of Education
Federal Student Aid, Business Operations
830 First Street, NE
Washington, DC 20202-5454
Telephone: (202) 713-6964
Email: Anthony.Barnes@ed.gov

Geraldine Kum, Information System Security Officer
NSLDS
U.S. Department of Education
Federal Student Aid, Business Operations
830 First Street, NE
Washington, DC 20202-5454
Telephone: (301) 408-8944
Email: Geraldine.Kum@ed.gov

Billing Financial Issues

Mehul Parekh, Director
FSA Administration
830 First Street, NE
Washington, DC 20202-5454
Telephone: (202) 987-0406
Email: Mehul.Parekh@ed.gov

Program Agreement Issues

Brenda Vigna, Division Chief
Partner and Participation Oversight
U.S. Department of Education
Federal Student Aid
830 First Street, NE
Washington, DC 20202-5454
Telephone: (202) 567-1931
Email: Brenda.Vigna@ed.gov

XVIII. Integration

This Agreement, including Attachment A, and the accompanying Forms FS-7600A and FS-7600B constitute the entire agreement of the parties with respect to its subject matter and supersede all other data exchange agreements made between SSA and ED that pertain to the disclosure of the specified SSA data for the purposes described in this Agreement. SSA and ED have made no representations, warranties, or promises outside of this Agreement. This Agreement takes precedence over any other agreements that may be in conflict with it.

XIX. 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.

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.

SOCIAL SECURITY ADMINISTRATION

Michelle Christ 

Digitally signed by Michelle Christ
Date: 2023.11.17 08:41:46
-05'00'

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

Date

SSA's DIB has reviewed and approves this Agreement.

Matthew D. Ramsey
Chair, Data Integrity Board
Social Security Administration

Date

U. S. DEPARTMENT OF EDUCATION

**RICHARD
CORDRAY**

Digitally signed by RICHARD
CORDRAY
Date: 2023.11.21 14:29:17 -0500

Richard Cordray
Chief Operating Officer
Federal Student Aid
U.S. Department of Education

Date

ED's DIB has reviewed and approves this Agreement.

Kevin Herms
Senior Agency Official for Privacy
Chair, Data Integrity Board
U.S. Department of Education

Date

Attachment A: Cost Benefit Analysis

COST BENEFIT ANALYSIS – COMPUTER MATCHING AGREEMENT

This Cost Benefit Analysis estimates the costs and benefits associated with the matching program between the Social Security Administration (SSA) and the U.S. Department of Education (ED). More specifically, names, date of birth, and Social Security numbers of Title IV Loan borrowers will be submitted by ED to SSA, which will then return information on matched borrowers who have received a disability designation of Medical Improvement Not Expected (MINE) under the Social Security Act (Act), Title II Federal Old-Age, Survivors and Disability Insurance Benefits (42 U.S.C. §§ 401-434) and Title XVI Supplemental Income for the Aged, Blind and Disabled (42 U.S.C. §§ 1381-1383f). ED will use the MINE disability data to identify and reach out to borrowers who could be eligible for a total and permanent disability (TPD) discharge to inform them that ED will discharge the borrowers' Title IV Loans no earlier than 61 days from the date that ED sends the notification to the borrower, unless the borrower chooses to have their loans discharged earlier or chooses to opt out of the TPD discharge within 60 days from the date that ED sends the notification to the borrower.

Analytical Data and Assumptions

The costs of this matching program consist of processing costs at SSA to produce the match, and management, documentation, tracking activities, and certain fixed costs (supplies, phone, postage, etc.). It is assumed in calculating ED Staff costs that one (1) analyst—listed as the Operational Subject Matter Expert (SME) in the table below—will spend approximately ten (10) percent of their time on work related to this matching program.

A. ADMINISTRATIVE COSTS

- I. Fiscal Year (FY) 2022 SSA STAFF AND PROCESSING COSTS: \$8,914
- II. FY 2022 ED STAFF COSTS: \$23,397

STAFF	HOURS/YEAR	RATE	TOTAL
System Security Officer	16	\$84	\$1,344
Operational SME	210	\$84	\$17,640
Operational Manager	12	\$99	\$1,188
FSA Contracts	15	\$99	\$1,485
Office of the General Counsel	15	\$116	\$1,740
Total			\$23,397

TOTAL ADMINISTRATIVE COSTS:

\$32,311

B. BENEFITS

Under the student loan programs authorized under Title IV of the HEA, borrowers are eligible to have their loans discharged if they are determined to be totally and permanently disabled. The matching program with SSA has streamlined the TPD discharge approval process, easing the burden on borrowers who otherwise need to formally document their eligibility through the provision of SSA disability determinations or doctor's certifications. The matching program process substantially lessens the burden on disabled borrowers, as the process for obtaining documentation materials to certify their eligibility from SSA regional offices can be difficult and time-consuming.

In addition, the matching program allows ED to identify borrowers who are eligible for a TPD discharge but are unaware of their status and to simplify the TPD discharge process for these borrowers. This information is used to inform outreach efforts that have led to an increased awareness of the TPD discharge process, enabled more borrowers to take advantage of TPD discharges, and simplified the TPD discharge process for matched borrowers.

For the time period of September 1, 2021, to August 31, 2022, ED discharged via TPD a total of 371,000 borrowers with more than 1,230,000 loans for a total of \$9,000,000,000. This reflects TPD discharges in which ED first automatically discharged loans unless the borrower opted out and includes all SSA matches back to 2016 that had not previously been discharged. ED does not expect any major changes to the current matching process and anticipates matching and discharging via TPD an average of 60,000 borrowers with approximately 230,000 loans for a total of \$2,100,000,000 on an annual basis as a result of the matching program. Because borrowers qualifying for a TPD discharge are highly unlikely to have sufficient income to successfully repay their loans, in virtually all cases the loans discharged as a result of a match would otherwise either default or be forgiven under an income-driven repayment (IDR) plan. As a result, the amounts discharged via TPD do not represent new costs but rather a shift of anticipated costs from one category to another.

In addition, a TPD discharge is preferable for the government to either a default or IDR-related forgiveness as it will eliminate years of servicing and/or collection costs on loans for which payments are not being made and cannot reasonably be expected to be made. Under ED contracts as of September 2023, Title IV Loan servicers receive \$3.09 a month for a borrower in repayment and current, even if that borrower is making a \$0 payment under an IDR plan. Under the contract in place in January 2023, the vendor operating the Debt Management and Collection System receives \$0.96 a month for each defaulted borrower maintained on the system, regardless of whether payments are being made. ED projects the number of TPD discharges as a result of the matching

program in 2023 will be an average of 60,000 annually. The average percentage of borrowers in default is approximately 16%. ED assumes the default percent rate will remain consistent in the TPD match population and the split between servicing and default will be 84% and 16% respectively for borrowers receiving TPD discharges resulting from the matching program. This equates to TPD discharges of 50,400 borrowers for servicing and 9,600 borrowers for default. If ED issued TPD discharges to the above borrowers as a result of the matching program in 2023, ED would reduce future operational and servicing and/or collection costs in 2023 by \$1,868,832 (\$3.09 times 12 months times 50,400 borrowers) and reduce default collections costs by \$110,592 (\$0.96 times 12 months times 9,600 borrowers). The total avoided operational and servicing and/or defaulted collections costs of \$1,979,424 of avoided costs in 2023 far outweighs the yearly administrative costs in FY 2022 of \$32,311 for the matching program including the cost of the quarterly match with SSA. This amount would change if the match is more or less successful than projected in the number of TPD discharges, or if the future terms of the servicing and collection contracts differ from those reflected in this analysis.

C. COST/BENEFIT RATIO

For the purposes of the cost/benefit ratio, the benefit calculation includes the estimated servicing and collection costs avoided as a result of the matching program.

<u>TOTAL ANNUAL COSTS</u>	=	<u>\$ 32,311</u>
AVERAGE ANNUAL BENEFITS	=	\$1,979,424
Cost to Benefit Ratio	=	0.016