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DEPARTMENT OF VETERANS AFFAIRS

Privacy Act of 1974; Matching Program

AGENCY: Department of Veterans Affairs (VA)

ACTION: Notice of a New Matching Program.

SUMMARY: Pursuant to the Privacy Act of 1974, as amended, and the Office of Management and Budget (OMB) Guidelines on the Conduct of Matching Programs, notice is hereby given that the Department of Veterans Affairs (VA) intends to conduct a computer matching program with the Internal Revenue Service (IRS). Data from the proposed match will be used to verify the unearned income of nonservice-connected veterans, and those veterans who are zero percent service-connected (noncompensable), whose eligibility for VA medical care is based on their inability to defray the cost of medical care. These veterans supply household income information that includes their spouses and dependents at the time of application for VA health care benefits.

DATES: Comments on this matching program must be received no later than [Insert date 30 days after date of publication in the Federal Register]. If no public comment is received during the period allowed for comment or unless otherwise published in the Federal Register by VA, the new agreement will become effective July 1, 2018, provided it is a minimum of 30 days after date of publication in the Federal Register. If VA receives public comments, VA shall review the comments to determine whether any changes to the notice are necessary. This matching program will be valid for 18 months from the effective date of this notice.

ADDRESSES: Written comments may be submitted through www.Regulations.gov; by mail or hand-delivery to the Director, Regulations Management (00REG), Department of Veterans Affairs, 810 Vermont Ave., NW, Room 1068, Washington, DC 20420; or by fax to (202) 273-9026 (not a toll-free number). Comments should indicate that they are submitted in response to Matching Program IRS/VA. Copies of comments received will be available for public inspection in the Office of Regulation Policy and Management, Room 1063B, between the hours of 8:00 a.m. and 4:30 p.m. Monday through Friday (except holidays). Please call (202) 461-4902 for an appointment. (This is not a toll-free number.) In addition, during the comment period, comments may be viewed online through the Federal Docket Management System (FDMS) at www.Regulations.gov.

FOR FURTHER INFORMATION CONTACT: LeRoy F. Garcia, Acting Director, Health Eligibility Center, (404) 848-5300 (this is not a toll free number).

SUPPLEMENTARY INFORMATION: The Department of Veterans Affairs has statutory authorization under 38 U.S.C. 5317, 38 U.S.C. 5106, 26 U.S.C. 6103(l)(7)(D)(viii) and 5 U.S.C. 552a to establish matching agreements and request and use income information from other agencies for purposes of verification of income for determining eligibility for benefits. 38 U.S.C. 1710(a)(2)(G), 1710(a)(3), and 1710(b) identify those veterans whose basic eligibility for medical care benefits is dependent upon their financial status.

Eligibility for nonservice-connected and zero percent noncompensable service-connected veterans is determined based on the veteran's inability to defray the expenses for necessary care as defined in 38 U.S.C. 1722. This determination can affect their responsibility to participate in the cost of their care through copayments and their assignment to an enrollment priority group. The goal of this match is to obtain IRS unearned income information data needed for the income verification process. The VA records involved in the match are "Income Verification Records-VA" (89VA10NB). The IRS records are from the Information Return Master File (IRMF) Process File, Treas/IRS 22.061, through the Disclosure of Information to Federal, State and Local Agencies (DIFSLA) program. A copy of this notice has been sent to both Houses of Congress and OMB.

PARTICIPATING AGENCIES: Department of Veterans Affairs/Veteran Health Administration and Internal Revenue Service.

AUTHORITY FOR CONDUCTING THE MATCHING PROGRAM: This agreement is executed under the Privacy Act of 1974, 5 United States Code (U.S.C.) § 552a, as amended by the Computer Matching and Privacy Protection Act of 1988, and the regulations and guidance promulgated thereunder. Legal authority for the disclosures under this agreement is 38 U.S.C. §§ 5106 and 5317, and 26 U.S.C. § 6103(l)(7)(D)(viii). Under 38 U.S.C. § 1710, VA/VHA has a statutory obligation to collect income information from certain applicants for medical care and to use that income data to determine the appropriate eligibility category for the applicant's medical care. 26 U.S.C. § 6103(l)(7)

authorizes the disclosure of tax return information with respect to net earnings from self-employment and wages, as defined by relevant sections of the Internal Revenue Code (IRC), to Federal, state, and local agencies administering certain benefit programs under Title 38 of the U.S.C.

PURPOSE(S): To identify and verify those veterans whose basic eligibility for medical care benefits is dependent upon their financial status and ensure they are in the correct Priority Group and copayment status.

CATEGORIES OF INDIVIDUALS: Nonservice-connected and zero percent noncompensable service-connected veterans who are in Priority Group 5 based on their inability to defray the expenses for necessary care as defined in 38 U.S.C. 1722.

CATEGORIES OF RECORDS: The VA records involved in the match are “Income Verification Records-VA” (89VA10NB). The IRS will provide return information with respect to unearned income from the Information Return Master File (IRMF) Process File, Treas/IRS 22.061.

SYSTEM(S) OF RECORDS: VHA’s System of Records entitled “Income Verification Records-VA” (89VA10NB) (Routine use nineteen (19)), as published at 73 FR 26192 (May 8, 2008), and updated at 78 FR 76897 (December 19, 2013). IRS will extract return information with respect to unearned income from the Information Return Master File (IRMF) Processing File, Treas/IRS 22.061, as published at 80 FR 54081 (September 8, 2015), through the Disclosure of Information to Federal, State and Local Agencies

(DIFSLA) program.

Signing Authority

The Senior Agency Official for Privacy, or designee, approved this document and authorized the undersigned to sign and submit the document to the Office of the Federal Register for publication electronically as an official document of the Department of Veterans Affairs. John Buck, Director for the Office of Privacy, Information and Identity Protection, Department of Veterans Affairs approved this document on June 13, 2018 for publication.

Dated: June 14, 2018.

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VA Privacy Service,

Office of Privacy, Information and Identity Protection,

Quality, Privacy and Risk,

Office of Information and Technology,

Department of Veterans Affairs.

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