



SOCIAL SECURITY ADMINISTRATION

[Docket No. SSA 2019-0032]

Privacy Act of 1974; Matching Program

AGENCY: Social Security Administration (SSA).

ACTION: Notice of a New Matching Program.

SUMMARY: In accordance with the provisions of the Privacy Act, as amended, this notice announces a new matching program with the Department of the Treasury – Internal Revenue Service (IRS).

This computer matching agreement sets forth the terms, conditions, and safeguards under which IRS will disclose to SSA certain return information for the purpose of verifying eligibility for the Medicare Part D Low Income Subsidy (LIS) and determining the correct subsidy percentage of benefits provided under section 1860D-14 of the Social Security Act (Act).

DATES: The deadline to submit comments on the proposed matching program is

[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]. The matching program will be applicable, once a minimum of 30 days after publication of this notice has elapsed, [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]. The matching program will be in effect for a period of 18 months.

ADDRESSES: Interested parties may comment on this notice by either telefaxing to (410) 966-0869, writing to Matthew Ramsey, Executive Director, Office of Privacy and Disclosure, Office of the General Counsel, Social Security Administration, G-401 WHR, 6401 Security Boulevard, Baltimore MD 21235-6401, or emailing Matthew.Ramsey@ssa.gov. All comments received will be available for public inspection by contacting Mr. Ramsey at this street address.

FOR FURTHER INFORMATION CONTACT: Interested parties may submit general questions about the matching program to Mary Ann Zimmerman, Deputy Executive Director, Office of Privacy and Disclosure, Office of the General Counsel, Social Security Administration, G-401 WHR, 6401 Security Boulevard, Baltimore MD 21235-6401, at Telephone: (410) 966-5855, or send an email to Mary.Ann.Zimmerman@ssa.gov.

SUPPLEMENTARY INFORMATION: None.

Matthew Ramsey,
Executive Director,
Office of Privacy and Disclosure,
Office of the General Counsel.

PARTICIPATING AGENCIES: SSA and IRS.

AUTHORITY FOR CONDUCTING THE MATCHING PROGRAM: The legal authority for this agreement is Internal Revenue Code section 6103(1)(7), which authorizes IRS to disclose return information with respect to unearned income to Federal, state, and local agencies administering certain benefit programs under the Act.

Section 1860D-14 of the Act requires the Commissioner of Social Security to determine the eligibility of applicants for the prescription drug subsidy who self-certify their income, resources, and family size. Pursuant to section 1860D-14(a)(3) of the Act (42 U.S.C. 1395w-114(a)(3)), SSA must determine whether a Medicare Part D eligible individual is a subsidy-eligible individual, and whether the individual is an individual as described in section 1860D-14(a) of the Act.

PURPOSE(S): This matching program establishes the conditions under which IRS will disclose to SSA certain return information for the purpose of verifying eligibility for the Medicare Part D LIS and determines the correct subsidy percentage of benefits provided under section 1860D-14 of the Act.

CATEGORIES OF INDIVIDUALS: The individuals whose information is involved in this matching program are beneficiaries for whom SSA must make Medicare Part D LIS determinations.

CATEGORIES OF RECORDS: SSA Responsibilities – When Medicare, Medicaid, Supplemental Security Income, and Medicare Savings Program beneficiaries apply for LIS under section 1860D-14 of the Act, they must self-certify on the application form their income, resources, and family size. SSA will verify each applicant’s self-certification information before making a subsidy determination.

When beneficiaries apply for LIS, and SSA cannot otherwise verify the income information provided on an application, SSA discloses to IRS the last four characters of the applicant’s surname and Social Security number. On a weekly basis, SSA provides IRS with such identifying information for applicants for benefits available under LIS. SSA electronically transmits the records to IRS.

Once each year, SSA electronically transmits the identifying information of each current LIS recipient to IRS. SSA must notify IRS of its intent to request this annual extract at least 30 days prior to transmitting the file.

IRS Responsibilities – On a weekly basis, IRS extracts return information with respect to unearned income from the Information Returns Master File (IRMF) using the

same extract process as the Disclosure of Information to Federal, State, and Local Agencies (DIFSLA) program. When there is a match of an individual's identifier, IRS extracts and discloses the Payee Account Number; Payee Name and Mailing Address; Payee Taxpayer Identification Number (TIN); Payer Name and Address; Payer TIN and Income Type and Amount for unearned income data pertaining to the most recent tax year for which such data is available in electronic format. When each new tax year data becomes available in electronic format, IRS provides the most recent data in response to the weekly SSA request. IRS transmits the records electronically to SSA.

Once each year, at the request of SSA, IRS extracts return information with respect to unearned income pertaining to current subsidy recipients from the IRMF using the same extract process as the DIFSLA program. IRS provides the response records electronically to SSA.

SYSTEM(S) OF RECORDS: SSA provides IRS with identifying information with respect to applicants for, and recipients of, LIS from the existing Medicare Database (MDB File) system of records, 60-0321, last fully published on July 25, 2006 (71 FR 42159), as amended on December 10, 2007 (72 FR 69723), and November 1, 2018 (83 FR 54969). Unearned income information provided by IRS is maintained in the MDB File.

IRS extracts return information with respect to unearned income from the IRMF, Treasury/IRS 22.061, as published at 77 FR 47946 (August 10, 2012) as amended by 80 FR 54081 (September 8, 2015).

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