

COMPUTER MATCHING AGREEMENT
BETWEEN
DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare & Medicaid Services
AND
U.S. DEPARTMENT OF TREASURY
BUREAU OF THE FISCAL SERVICE
FOR THE
DO NOT PAY INITIATIVE

CMS Computer Match No. 2020-04
HHS Computer Match No. 2004

Effective: October 13, 2020
Expires: October 12, 2023

I. PURPOSE, LEGAL AUTHORITIES, and DEFINITIONS

A. Purpose

The purpose of this Computer Matching Agreement (CMA) is to establish the conditions, safeguards, and procedures under which the Centers for Medicare & Medicaid Services (CMS) will conduct a matching program with the Department of Treasury Bureau of the Fiscal Service (Fiscal Service) to assist CMS in identifying providers and suppliers from Treasury's Do Not Pay Working System who are ineligible for Medicare enrollment and subsequently bill Medicare. The results of the matching program will enable CMS to promptly suspend or revoke the Medicare billing privileges of the identified disqualified providers and suppliers pursuant to 42 CFR § 424.535.

This matching program will assist CMS in detecting and preventing fraud, waste, abuse (FW&A) and thereby avoid future improper payments to disqualified providers and suppliers. The matching program is conducted pursuant to 31 U.S.C. § 3354 and Office of Management and Budget (OMB) Memorandum M-18-20, to comply with the Do Not Pay Initiative.

CMS is designated as the recipient agency as defined by the Privacy Act (5 United States Code (U.S.C.) § 552a(a)(9)), the agency receiving records in a system of records from a source agency for use in this matching program. Fiscal Service is designated as the source agency as defined by the Privacy Act at 5 U.S.C. § 552a(a)(11), the agency disclosing records in a system of records for use in this matching program.

B. Legal Authorities

1. Executive Order 13520 “Reducing Improper Payments” (Nov. 20, 2009).
2. Presidential Memorandum on Enhancing Payment Accuracy through a “Do Not Pay List” (June 18, 2010).
3. OMB Memorandum M-18-20, Transmittal of Appendix C to OMB Circular A-123, Requirements for Payment Integrity Improvement (June 26, 2018).
4. Payment Integrity Information Act of 2019 (31 U.S.C. § 3351 et seq.) (PIIA).
5. Privacy Act of 1974, as amended (5 U.S.C. § 552a).

C. Definitions

1. “CMS” means the Centers for Medicare & Medicaid Services.
2. “CMA” or “matching agreement” means Computer Matching Agreement as defined by the Privacy Act (5 U.S.C. §552a(o)).
3. “DIB” means Data Integrity Boards of the respective agencies participating in the match.
4. “M-18-20” means OMB Memorandum 18-20, Transmittal of Appendix C to OMB Circular A-123, Requirements for Payment Integrity Improvement (June 26, 2018), which provides guiding principles and requirements for Do Not Pay matching programs.
5. ”Do Not Pay Initiative” means the initiative codified by the PIIA to facilitate executive agencies' prevention or reduction of improper payments. The initiative may include other activities, as designated by OMB .
6. “Treasury's Working System” means the Do Not Pay Initiative functions performed by the Department of the Treasury that are authorized by the PIIA and OMB M-18-20. Treasury's Working System includes Treasury's Privacy Act system of records for Do Not Pay Initiative activities, including other activities such as investigation activities for fraud and systemic improper payments detection through analytic technologies and other techniques.
7. “DNP matching program” means a matching program that is conducted for purposes of the Do Not Pay Initiative and involves at least one of the data sources enumerated in 31 U.S.C. § 3354 and/or a data source designated by OMB or its designee pursuant to 31 U.S.C. § 3354(b), section 5(b) of M-18-20, or other legislation. DNP matching programs are subject to alternative standards and procedures (as provided in M-18-20) that are different from the standards and procedures that apply to matching programs outside of the Do Not Pay Initiative.

8. “Source agency” means a federal agency that discloses records from a system of records to another agency in order to allow that agency to use the records in a matching program with a payment-issuing agency. For the purposes of a Do Not Pay matching program involving Treasury's Working System, an original source agency discloses records to Treasury in order to allow Treasury to engage in a Do Not Pay matching program with payment-issuing agencies. In a Do Not Pay matching program, original source agencies need not be a party to a matching agreement between Treasury and a payment-issuing agency.
9. “Parties” means a collective reference to CMS and Fiscal Service.
10. “Payment-issuing agency” means a federal agency that has the authority to issue a payment or award and engages in a matching program for the purposes of determining or verifying eligibility for the payment or award under a Federal benefit program or of recovering the payment under a federal benefit program. Generally, the payment-issuing agency will be the agency that benefits from the matching program. The payment-issuing agency is responsible for conducting the cost-benefit analysis and meeting the reporting and publication requirements in the matching provisions of the Privacy Act. If more than one payment-issuing agency is a party to a matching program, the payment-issuing agencies may assign these responsibilities as described in part V(K)(C) of M-18-20.¹

II. RESPONSIBILITIES OF THE PARTIES

A. CMS will:

1. Coordinate with Fiscal Service to gain access to services provided through Treasury’s Working System, to effectuate the matching activities under the DNP matching program.
2. Only invoke services that produce outputs under this agreement when necessary to make a payment determination.
3. Provide the required data elements that are necessary and agreed upon by the Parties in support of obtaining match results from Treasury’s Working System.
4. Receive the results derived from matches between the systems of records outlined in this agreement and utilize the results provided in making payment determinations.
5. Advise Fiscal Service when errors in payment-issuing agency data are identified and follow established processes to log and correct data to promote data accuracy in Treasury’s Working System, while ensuring fairness to the individual or entity record subject.

¹ For guidance on the publication and reporting requirements of the Privacy Act, see OMB Circular A-108.

6. Provide Congress and the OMB with advance notice of this matching program and, upon completion of OMB's review, publish the required matching notice in the Federal Register.

B. Fiscal Service will:

1. Execute the matching activities between the system(s) of records listed in this matching agreement and provide detailed results through Treasury's Working System, contingent on the original source agency making its data refresh available in a timely, accurate, and complete manner.
2. Provide matching results to CMS, on a non-reimbursable basis, to support CMS in identifying, preventing or recovering improper payments.
3. Notify CMS when errors in the original source data are identified and follow established processes to log and correct data in order to promote data accuracy in Treasury's Working System while ensuring fairness to the individual or entity record subject.

III. JUSTIFICATION AND ANTICIPATED RESULTS

A. Justification

The matching program enables CMS to detect and prevent fraud, waste, and abuse and avoid making future improper payments to disqualified providers and suppliers, and might also enable recoupment of past payments made to those providers and suppliers; lessens financial costs and administrative burdens for CMS by providing an efficient means of detection; and, most importantly, enhances patient safety for beneficiaries in CMS programs. This matching program will provide CMS with prompt access to up to date, authoritative information from multiple federal agencies under one matching agreement with Fiscal Service, eliminating the need to manually compare files or to execute separate matching agreements with multiple agencies.

B. Anticipated Results

The results of the matching program conducted under the agreement expiring in October 2020 confirmed that the matching program should be continued under a new agreement, because it has proven to be an efficient means of achieving the match objective. Without this matching program, CMS could not as efficiently and promptly detect which currently approved providers and suppliers are or may be ineligible to be actively enrolled in Medicare, entrusted with providing patient care and services, and permitted to bill Medicare. Quicker detection of potentially ineligible billers enables CMS to suspend or revoke their billing privileges sooner, which not only avoids future payments that would be improper, but reduces the incidence of malpractice cases and those attendant costs.

Non-monetary benefits include increased patient safety, reduced reputational risk, and prevention of malpractice. Patient safety is of utmost importance to the CMS mission and its importance cannot be measured in dollars.

C. Cost Benefit Analysis

As required by § 552a(u)(4) of the Privacy Act, a cost benefit analysis (CBA) is included as Attachment 1 to this matching agreement. This CBA does not quantify amounts of improper payments avoided or recovered to offset the costs of conducting the matching program, so it does not demonstrate that the matching program is likely to be cost effective. However, the parties to this agreement have determined that a matching program is the most efficient, expeditious, and effective means of obtaining and processing the information needed to identify Medicare providers and suppliers who may be ineligible to receive federal payments or awards. Consequently, pursuant to 5 U.S.C. § 552a(u)(4)(B), the agencies' Data Integrity Boards (DIBs) are requested to determine, in writing, that a cost benefit analysis (i.e., an analysis demonstrating likely cost effectiveness) is not required (i.e., is not required to support approval of the agreement) and to approve the agreement based on the other justifications stated above and in the last section of the cost benefit analysis.

Other supporting justifications demonstrate that benefits are gained through a single matching program using the Treasury's Do Not Pay Working System. These benefits include eliminating the need to manually compare data or execute separate matching agreements with multiple agencies. CMS' costs to detect disqualified providers and suppliers using those alternative methods would be significantly greater than the costs of conducting this matching program..

IV. DESCRIPTION OF RECORDS TO BE MATCHED

A. System of Records Maintained by Fiscal Service

Fiscal Service will provide CMS with information extracted from the Department of the Treasury, Bureau of the Fiscal Service .017—Do Not Pay Payment Verification Records, 85 FR 11776 at 11803 (Feb. 27, 2020). Routine use number 1 will allow Fiscal Service to disclose data to CMS for the purpose of identifying, preventing or recouping improper payments. Routine use number 4 will allow Fiscal Service to disclose data to CMS to validate eligibility for an award through a federal program;

B. System of Record Maintained by CMS

The matching program will be conducted with data maintained by CMS in the Provider Enrollment, Chain, and Ownership System (PECOS), System No. 09–70–0532, established at 71 FR 60536 (10/13/06), updated 78 FR 32257 (5/29/13) and 83 FR 6591 (2/14/18). PECOS routine use number 2 will allow PECOS data to be disclosed to Fiscal Service to assist Fiscal Service in contributing to the accuracy of CMS Medicare benefit payments. PECOS routine use number 1 will allow results from this Do Not Pay matching program to be disclosed to CMS contractors, consultants, and grantees that assist CMS with PECOS purposes.

C. Number of Records

CMS will provide finder files containing identifying information about approximately 5.4 million individuals and entities in the PECOS database system for matching against Treasury's Working System. Treasury's Working System contains approximately 9.2 million records about individuals and companies.

D. Specified Data Elements

The following data elements will be sent by CMS to Fiscal Service for matching against Treasury's Working System: Tax Identification Number (TIN), Business Name, Person First Name, Person Middle Name, Person Last Name, Address, City Name, State Code, Person Date of Birth, Person Sex, Vendor/Payee Phone Number, Vendor/Payee Email Address.

Fiscal Service will return match results to CMS containing the following data elements: Record Code, Payee Identifier, Agency Location Code, Tax Identification Type, Tax Identification Number (TIN), Business or Individual or Government, DUNS Number, Payee Business Name, Payee Business DBA Name, Person Full Name, Person First Name, Person Middle Name, Person Last Name, Address, Person Date of Birth, Person Sex, Vendor/Payee Status, Phone Type, Vendor/Payee Phone Number, Vendor/Payee FAX Number, Vendor/Payee Email Address, Vendor/Payee Active Date, Vendor/Payee Expiration Date, Agency Record Grouping, Other Agency Data, Match Type, Match Source, Match Level, Match Date/Time, Matched Party Type, Matched Tax ID Number, Matched Tax ID Type Code (alternate), Matched Tax ID Number (alternate), Matched DUNS Number, Matched Full Name, Matched First Name, Matched First Name, Matched Middle Name, Matched Last Name, Matched Business Name, Matched DBA Business Name, Matched Birth Date, Matched Death Date, Matched List Status Code, Matched List Status Code Description, Matched List Effective Date, Matched Address, Matched City, Matched State Code, Matched Zip Code and Matched Country Code.

E. The Effective Date of This Agreement

The effective date of this agreement and the date when the matching program may begin will be the later of October 13, 2020 or 30 days after CMS publishes notice of this matching program in the *Federal Register* pursuant to 5 U.S.C. § 552a (e)(12) and OMB Circular No. A-108.

Projected Effective Date: October 13, 2020

Projected Expiration Date: October 12, 2023 (October 12, 2026, if renewed for three additional years).

V. NOTICE PROCEDURES

Fiscal Service will provide notice of the matching program via <http://donotpay.treas.gov>. CMS provides an individualized matching notice to providers/suppliers on the CMS-855 series of the Medicare provider/supplier enrollment application forms and within the PECOS on-line system. The Privacy Act Statement on the CMS-855 series of forms states that "The

provider/supplier should be aware that the Computer Matching and Privacy Protection Act of 1988 (Pub. L. 100-503) amended the Privacy Act, 5 U.S.C. § 552a, to permit the government to verify information through computer matching.”

VI. VERIFICATION PROCEDURES, AND OPPORTUNITY TO CONTEST

A. Verification of Match Information

1. CMS will take appropriate steps to independently verify all information received from Treasury’s Working System to determine the validity and/or applicability of the information obtained through this matching program prior to the termination, denial, suspension, recoupment or reduction of any benefits.
2. The parties agree that the occurrence of a match is not conclusive evidence that the individual or organization identified in the CMS finder file is the same person or organization identified in the search results.
3. CMS is responsible for verifying and determining whether the search results retrieved from Treasury’s Working System are consistent with the information in CMS’ files and for resolving any discrepancies or inconsistencies as to positive identification on an individual basis.
4. CMS will screen the initial data to verify that the matched individual or organization is in fact the payment/benefit recipient about which/whom the search was initiated. CMS will do this by separately comparing the "match results" file with the information in CMS’ files to verify the individual's or organization’s identity and will conduct independent inquiries to resolve questionable identities.
5. Any discrepancies or inconsistencies in the original source agency data files, based on information received from Treasury’s Working System, or developed as a result of the match, will be independently investigated and verified by CMS prior to taking any adverse action against any individual or organization.

B. Opportunity to Contest

1. If CMS has verified the adverse information, CMS will provide the individual with notice and an opportunity to contest before taking adverse action. The notice will inform the individual of the relevant information and give the individual an opportunity to provide an explanation.
2. Individuals will have 30 days to respond to a notice of adverse action, unless a statute or regulation provides a different period of time. See guidance on notice and opportunity to contest in Final Guidance Interpreting the Provisions of Pub. L. 100-503, the Computer Matching and Privacy Protection Act of 1988, 54 FR 25818, 25827 (June 19, 1989).

VII. DISPOSITION OF MATCHED ITEMS

A. CMS acknowledges and agrees to:

1. Maintain all identifiable records received from Fiscal Service in accordance with Privacy Act of 1974, as amended (5 U.S.C. § 552a), and the Office of Management and Budget (OMB) Circular A-130 entitled, Managing Information as a Strategic Resource.
2. Not create a separate file or system of records that consists of information concerning only those individuals who are involved in this specific matching program except as is necessary in controlling and/or verifying the information for purpose of this program.
3. Retain match results received from Fiscal Services for seven years from the date of receipt (unless longer retention is necessary for CMS' business use) and then destroy the records, in accordance with National Archives and Records Administration General Records Schedule 1.1, Financial Management and Reporting Records, which provides for records to be retained for six years after final payment or cancellation, or longer if required for business use.

VIII. SAFEGUARD PROCEDURES

- A. Both CMS and Fiscal Service will comply with applicable requirements of the E-Government Act of 2002, which includes the Federal Information Security Management Act of 2002 (FISMA) (44 U.S.C. § 3541-3549), as amended by the Federal Information Security Modernization Act of 2014 (44 U.S.C. §§ 3551-3558) and ensure that the records matched, and the records created by the match, will be transmitted or transported, processed, used, and maintained under appropriate safeguards to protect the records from access by unauthorized persons.
- B. CMS will protect Fiscal Service's information in accordance with published OMB matching guidelines and applicable Privacy Act provisions. Any additional internal security procedures and policies in place supporting the protection of individual privacy by CMS are incorporated in this agreement. Match result records obtained by CMS through the use of Treasury's Working System services shall be handled in such a manner that restricts access to the data, so the data is accessed only by those individuals authorized to review the data to accomplish the purpose outlined in this agreement. Records matched and the records created by the match will be stored in an area that is physically safeguarded. Criminal penalties for willful unlawful disclosure pursuant to the Privacy Act shall be made known to those authorized access to this data through Treasury's Working System.

IX. RECORDS USAGE DUPLICATION AND DISCLOSURE RESTRICTIONS

A. CMS acknowledges and agrees that:

1. Records provided to Fiscal Service by original source agencies remain the property of the original source agency and it is only pursuant to the Do Not Pay Initiative and M-18-20 that Fiscal Service maintains original source agency records within the

Treasury/Fiscal Service .017 system of records to carry out Do Not Pay matching program activities.

2. Records provided by Fiscal Service will not be used to extract information concerning individuals therein for any purpose not specified in this agreement.
3. Records provided by Fiscal Service will not be duplicated or disseminated within or outside CMS, except as required by federal law, without the written permission of Fiscal Service.
4. Access to match results from this matching program must be restricted to users (employees or contractors) who need to access Treasury's Working System for their official duties. CMS must evaluate which users require such access before the information is disclosed. If a user needs to know some information that does not mean the employee needs to know all information provided to CMS. Access must be strictly limited to those with a need to know in order to perform a legitimate business function related to the purpose of this matching agreement.

X. RECORDS ACCURACY ASSESSMENTS

Through this matching agreement, CMS acknowledges that the information Fiscal Service provides is an accurate copy of the original source agency data. Any identified discrepancies in the data by either party to this matching agreement shall be referred immediately to the agency for which the record pertains for correction and a prompt refresh in Treasury's Working System.

XI. COMPTROLLER GENERAL ACCESS

The Government Accountability Office may have access to all records subject to this agreement as necessary in order to verify compliance with this agreement.

XV. REIMBURSEMENT/FUNDING

All work to be performed by Fiscal Service to execute this matching program via Treasury's Working System in accordance with this agreement will be performed on a non-reimbursable basis.

XVI. DURATION OF AGREEMENT

- A. Pursuant to the Do Not Pay Initiative, this matching agreement, as executed by representatives of both agencies, and approved by the respective agency DIB, shall be valid for a period of three years from the effective date of the agreement.
- B. When this agreement is approved and signed by the Chairpersons of the respective DIBs, CMS, as the recipient agency, will submit the agreement and the proposed public notice of the match as attachments in duplicate via a transmittal letter to OMB and

Congress for review. The time period for review begins as of the date of the transmittal letter.

- C. The DIBs of HHS and Treasury may, within three (3) months prior to the expiration of this Agreement, renew this Agreement for a period not to exceed three years if CMS and the Fiscal Service certify the following to the DIBs:
 - 1. The matching program will be conducted without change; and
 - 2. The parties have conducted the matching program in compliance with this agreement.
- D. The parties may modify this Agreement at any time by a written modification, mutually agreed to by both parties, provided that the modifications do not constitute significant changes, which would require a new agreement.
- E. This Agreement may be terminated at any time upon the mutual written consent of the parties. Either party may unilaterally terminate this Agreement upon written notice to the other party, in which case the termination will be effective ninety (90) days after the date of the notice, or at a later date specified in the notice.

XVII. PERSONS TO CONTACT

A. The contacts on behalf of Treasury are:

- 1. David Ambrose
Chief Security Officer and
Chief Privacy Officer
Bureau of the Fiscal Service
Department of the Treasury
Office: (202) 874-6488
E-Mail: David.Ambrose@fiscal.treasury.gov
- 2. Ryan E. Schaedig
Director, Do Not Pay Business Center
Department of the Treasury
Office: (202) 874-6296
E-Mail: ryan.schaedig@fiscal.treasury.gov
- 3. Letitia Johns
Senior Privacy Analyst
Do Not Pay Business Center
Department of the Treasury
Office: (202) 874-6971
E-Mail: Letitia.Johns@fiscal.treasury.gov

B. The contacts on behalf of CMS are:

- 1. Privacy and Agreement Issues:

Walter Stone
 CMS Privacy Act Officer
 Division of Security, Privacy Policy and Governance
 Information Security and Privacy Group
 Office of Information Technology
 Centers for Medicare & Medicaid Services
 Location: N1-14-56
 7500 Security Boulevard
 Baltimore, MD 21244-1805
 Office: 410-786-5357
 E-mail: Walter.Stone@cms.hhs.gov

2. Barbara Demopulos, Privacy Advisor
 Division of Security, Privacy Policy and Governance
 Information Security & Privacy Group
 Office of Information Technology
 Centers for Medicare & Medicaid Services
 Location: N1-14-40
 7500 Security Boulevard
 Baltimore, MD 21244-1850
 Telephone: (410) 786-6340
 E-mail: Barbara.Demopulos@cms.hhs.gov

3. For Program Issues
 John Sofokles
 Government Technical Lead
 Center for Program Integrity (CPI)
 Data Analytics and Control Group (DACG)
 Systems Management Division (SMD)
 7500 Security Boulevard, Mail Stop AR-08-55
 Baltimore, MD 21244-1805
 Office: 410-786-6373
 E-mail: john.sofokles@cms.hhs.gov

XVIII. APPROVALS

In witness whereof, the parties hereby execute this agreement.

**U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
 CENTERS FOR MEDICARE & MEDICAID SERVICES**

Centers for Program Integrity Program Official

The authorized program official, whose signature appears below, accepts and expressly agrees to the terms and conditions expressed herein, confirms that no verbal agreements of any kind shall be binding or recognized, and hereby commits the organization to the terms of this Agreement

Approved by (Signature of Authorized CMS Program Official)

_____ Date: _____
Raymond Wedgeworth
Director, Data Analytics and Systems Group (DASG)
Centers for Medicare & Medicaid Services (CMS)
Center for Program Integrity (CPI)

Centers for Medicare & Medicaid Services Approving Official

The authorized approving official, whose signature appears below, accepts and expressly agrees to the terms and conditions expressed herein, confirms that no verbal agreements of any kind shall be binding or recognized, and hereby commits the organization to the terms of this Agreement

_____ Date: _____

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

In witness whereof, the parties hereby execute this agreement.

BUREAU OF THE FISCAL SERVICE

The authorized program official, whose signature appears below, accepts and expressly agrees to the terms and conditions expressed herein, confirms that no verbal agreements of any kind shall be binding or recognized, and hereby commits his/her organization to the terms of this agreement.

_____ Date: _____
Ryan E. Schaedig
Director, Do Not Pay
Bureau of the Fiscal Service
Department of the Treasury

In witness whereof, the parties hereby execute this agreement.

BUREAU OF THE FISCAL SERVICE

The authorized program official, whose signature appears below, accepts and expressly agrees to the terms and conditions expressed herein, confirms that no verbal agreements of any kind shall be binding or recognized, and hereby commits his/her organization to the terms of this agreement.

_____ Date: _____
David Ambrose
Chief Security Officer and
Chief Privacy Officer
Bureau of the Fiscal Service
Department of the Treasury

In witness whereof, the parties hereby execute this agreement.

**DEPARTMENT OF THE TREASURY
Data Integrity Board**

The respective Data Integrity Board having reviewed this agreement and finding that it complies with applicable statutory and regulatory guidelines signify their respective approval thereof by the signature of the officials appearing below.

_____ Date: _____
Ryan Law
Chairperson
Data Integrity Board
U.S. Department of the Treasury

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.

**U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
Data Integrity Board**

The respective Data Integrity Board having reviewed this agreement and finding that it complies with applicable statutory and regulatory guidelines signify their respective approval thereof by the signature of the officials appearing below.

Date: _____

Scott W. Rowell
Assistant Secretary for Administration, and Chairperson,
Data Integrity Board
United States Department of Health and Human Services

Attachment 1

Cost Benefit Analysis

COMPUTER MATCHING AGREEMENT

BETWEEN

U.S DEPARTMENT OF HEALTH AND HUMAN SERVICES

CENTERS FOR MEDICARE & MEDICAID SERVICES

AND

U.S. DEPARTMENT OF TREASURY

**BUREAU OF THE FISCAL SERVICE
FOR THE
DO NOT PAY INITIATIVE**

NOTE: This cost benefit analysis does not quantify amounts of improper payments avoided or recovered, in Key Elements 3 and 4, to offset against the costs of conducting the matching program estimated in Key Elements 1 and 2, so does not demonstrate that the matching program is likely to be cost effective. As required by the Privacy Act at 5 U.S.C. § 552a(u)(4)(B), the matching agreement at Section III.C. requests that the agencies' Data Integrity Boards (DIBs) determine, in writing, that a cost benefit analysis (i.e., an analysis demonstrating likely cost effectiveness) is not required (i.e., is not required to support approval of the agreement) and approve the agreement based on the other justifications stated in this analysis and in Section III. of the agreement.

I. MATCH OBJECTIVE

Under this matching program, identifying information about currently enrolled Medicare providers and suppliers will be matched against data from one or more of the Privacy Act-protected data sources (also known as “restricted data sources”) in Treasury’s Do Not Pay Working System to detect providers and suppliers who are identified in that system as ineligible to receive federal payments or awards. CMS will use the information to determine whether those providers and suppliers are ineligible to be actively enrolled in Medicare and subsequently bill Medicare and, if so, to take prompt actions to suspend or revoke their Medicare billing privileges pursuant to 42 CFR § 424.535.

The matching program enables CMS to detect and prevent fraud, waste, abuse and avoid making future improper payments to disqualified providers and suppliers, and might also enable

recoupment of past payments made to those providers and suppliers; lessens financial costs and administrative burdens for CMS by providing an efficient means of detection; and, most importantly, enhances patient safety for beneficiaries in CMS programs. This matching program will provide CMS with prompt access to up to date, authoritative information from multiple federal agencies under one matching agreement with Fiscal Service, eliminating the need to manually compare files or to execute separate matching agreements with multiple agencies.

II. BACKGROUND

The matching program was established in October 2014, under a matching agreement which expires in October 2020, in response to internal investigations and other sources that confirmed instances in which suppliers and providers were enrolled in Medicare while under a disqualification that rendered them ineligible to be Medicare suppliers or providers. The results of the matching program conducted under the agreement expiring in October 2020 confirmed that the matching program should be continued under a new agreement, because it has proven to be an efficient means of achieving the match objective. Without this matching program, CMS could not as efficiently and promptly identify which currently approved providers and suppliers are or may be ineligible to be actively enrolled in Medicare, entrusted with providing care and services to beneficiaries, and permitted to bill Medicare.

III. METHODOLOGY

CMS used the following methods and assumptions in developing the cost benefit analysis:

- The matching program will use computer processes currently in place at CMS and at Fiscal Service. The cost to continue the matching program will not include one-time costs incurred to establish the matching program in 2014. CMS will obtain, exchange, and store data using existing tools and resources with no financial impact. Any systems change refinements will be minimal. Consequently, CMS and Fiscal Service computer costs are included in personnel costs.
- The costs to conduct this matching program under the new agreement will be primarily CMS personnel costs (for CMS staff and contractors) to obtain, match, and exchange the data used in the matching program, and to review and adjudicate the match results.
- Fiscal Service costs will include only costs of conducting the matches and will be insignificant compared to CMS costs.
- CMS estimated the number of staff hours required to conduct the matching program under the new agreement based on experience with other matching programs of similar magnitude. To estimate CMS staff costs, CMS used the Office of Personnel Management's 2019 salary table with locality pay for the Washington, DC, Baltimore,

MD and Northern Virginia area from the Office of Personnel Management. To calculate fringe benefits and overhead, CMS doubled the hourly wage earning.

- CMS collected contractor personnel cost estimates from the CMS contractors currently assisting CMS with the matching program.
- All cost estimates are for the initial 3-year term of the new agreement.

IV. COSTS (Key Elements 1 and 2: Personnel Costs and Computer Costs)

1. For Agencies –

- a. Source Agency (Fiscal Service): Fiscal Service staff will spend an estimated 270 hours (255 hours for a GS-13, Step 10; 12 hours for a GS-13, Step 5; and 3 hours for a GS 15, Step 5) to prepare and extract the data to be sent to CMS for the initial 3-year term of the Agreement. Fiscal Services estimates that total personnel costs for data preparation and extraction will amount to **\$29,590** (255 hours x \$109.96 + 12 hours x \$95.86 + 3 hours x 133.26). The activities provided by Fiscal Service include, but are not limited to, the following:

- Execute the matching activities between the system(s) of records listed in this matching agreement and provide detailed results through Treasury's Working System, contingent on source agency making its data refresh available timely, accurate, and complete.
- Provide matching results to CMS, on a non-reimbursable basis, to support CMS in identifying, preventing potential fraud, waste or abuse.
- Notify CMS when errors in the original source data are identified to promote data accuracy in Treasury's Working System while ensuring fairness to the individual (or entity) record subject.
- Provide CMS with a single liaison at DNP, for matters relating to DNP automation.

- b. Recipient Agency (CMS):

CMS staff: CMS will incur personnel costs prior to each match and ongoing personnel costs associated with reviewing and adjudicating match results.

Data preparation and extraction: CMS staff will spend an estimated 2,009 hours for a GS-13, Step 5 to prepare and extract the data to be sent to Fiscal Services for the initial 3-year term of the Agreement. CMS estimates that personnel costs for this part of the data matching activity will amount to **\$211,588** (2,009 hours x \$105.32). Staff performing the work will be geographically dispersed; CMS used estimates based on 2019 OPM payment schedules. The average geographic

locality, hourly rates used in CMS' estimations are as follows: GS-13 Step 10 is \$54.98 (109.96 rate plus fringe); a GS-13 Step 5, is \$47.93 (\$95.86 rate plus fringe); and a GS-15, Step 5 is \$66.63 (\$133.26 rate plus fringe); add GS-07, Step 5, is \$22.72 (\$45.44 rate plus fringe).

Adjudication: In addition to personnel costs for data preparation and extraction prior to each match, CMS will incur ongoing personnel costs to review and adjudicate the match results. CMS staff will spend approximately 2,390 hours (34.75 hours for a GS-13, Step 5; and 2,355 hours for a GS-7, Step 5) performing these functions. CMS estimates the costs for reviewing and adjudicating the match results for the initial 3-year term of the Agreement will amount to **\$110,342** (34.75 hours x \$95.86 + 2,355 hours x \$45.44).

CMS contractors: In addition to the above CMS staff costs, CMS will incur contractor costs for the Acumen portal. This includes setting up the portal space, specification design, programming, verification and validation and production of a final deliverable. For contractor personnel, the estimate is based on a Rough Order Magnitude provided by the contractor. The cost is based on data exchange occurrences (estimated at \$20,100 per occurrence). CMS contractor costs are estimated at **\$120,600** (6 data exchanges x \$20,100).

Total CMS cost to conduct the matching program: **\$321,930** (\$211,588 + \$110,342 for CMS staff + \$120,600 for contractors).

- c. Justice Agencies (DOJ/OIG): The matching program will result in referrals to the HHS OIG, but no data was developed concerning OIG's costs.

2. **For Clients (Beneficiaries in CMS Programs) – N/A**
3. **For Third Parties (Ineligible Medicare Suppliers/Providers Detected/Adjudicated) – No data developed.**
4. **For the General Public – N/A**

The total cost of conducting the matching program is estimated to be \$351,430 (\$321,930 for CMS and \$29,500 for Fiscal Service).

V. **BENEFITS (Key Elements 3 and 4: Avoided and Recovered Improper Payments)**

No data has been developed concerning amounts of improper payments avoided (i.e., by suspending or revoking disqualified Medicare providers' and suppliers' billing privileges sooner than would be possible without this matching program). It is possible that CMS's Center for Program Integrity recoups some past improper payments made to the providers and suppliers detected as unqualified by this matching program, whose billing privileges are subsequently suspended or revoked, but no data has been developed with which to quantify those amounts.

VI. OTHER JUSTIFICATIONS

1. Monetary Benefits

Using Treasury's Do Not Pay Working System under a single matching agreement with Fiscal Service eliminates the need to manually compare files or to execute separate matching agreements with multiple agencies. CMS's costs to detect disqualified providers and suppliers using those alternative methods would be significantly greater than the costs of conducting this matching program; those significantly greater costs are avoided by this matching program.

The matching program enables CMS to detect unqualified providers and suppliers and suspend or revoke their Medicare billing privileges sooner than would be possible using alternative methods. This not only avoids future payments that would be improper, but reduces the incidence of malpractice cases and those attendant costs.

2. Non-Monetary Benefits

Non-monetary benefits are of greater importance to the CMS mission, and include increased patient safety, reduced reputational risk, and prevention of malpractice. Patient safety is of utmost importance to the CMS mission and its importance cannot be measured in dollars.