

DEPARTMENT OF VETERANS AFFAIRS
Report on Agency Matching Activities
Calendar Years 2012-2013
(Authority: 5 U.S.C. 552a (u) (3) (D))

1. Listing of Data Integrity Board Members:

a. Name, address and telephone number of Board Secretary:

LaShaunné G. David, Director
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b. Board Members:

Roger W. Baker	Assistant Secretary for Information and Technology (see below)
Stephen W. Warren	Executive in Charge and Chief Information Officer (see below)
Dr. Robert A. Petzel	Under Secretary for Health (effective February 17, 2010)
Allison A. Hickey	Under Secretary for Benefits (effective June 2011)
George J. Opfer	Inspector General

c. Explain any changes in Board membership or structure:

Roger W. Baker left VA in March 2013, and Stephen W. Warren became Acting Assistant Secretary for Information and Technology. In October 2013, his title was changed to Executive in Charge and Chief Information Officer.

George J. Opfer held the position for the entire period covered by this report, and then retired on December 31, 2013

2. LIST OF MATCHING PROGRAMS

Title	Purpose	Matching/ Reporting Agency - Recipient	Source	Prior to 2011 DIB	Date Pub/ Citation	2011 DIB	Date Pub/ Citation	2012 DIB	Date Pub/ Citation	2013 DIB	Date Pub/ Citation
a. Credit Alert Interactive Voice Response System (CAIVRS)	Debt prevention. Prescreen loan applicants for CAIVRS.	HUD	VA/ OM- DMC			1/27/2011	3/9/2011 76 FR 12984 Expires 10/8/2012	9/24/2012	3/9/2011 76 FR 12984 Ext expires 10/8/2013		
b. Disability Compensation for Recipients Who Return to Active Duty #87	Identify recipients of comp benefits who return to active duty; ensure that benefits are terminated.	DoD	VBA	(5/7/2009) 11/9/2010	8/7/2009 74 FR 39647 Ext. expires 3/2012	11/29/2011	12/14/2011 76 FR 77811 Expires 7/2013			7/18/2013	12/14/2011 76 FR 77811 Ext. Expires 7/2014
c. Eligibility for Montgomery GI Bill (Active Duty and Selected Reserve) and Post 9/11 GI Bill Benefits	Verify conditions of military service and eligibility criteria for pmt of benefits under enacted programs.	VA/VBA	DoD DMDC					10/18/2012	12/20/2012 77 FR 75499 Expires 5/14/2014		
d. Eligibility for VA Benefits/MBR/ Match 1030	Verify income info submitted by income dependent beneficiaries; adjust their benefits.	VA/VBA	SSA	4/9/2009	8/31/2009 74 FR 44911 Expires 3/2011	2/23/2011	8/31/2009 74 FR 44911 Ext. expires 3/2012	10/18/2012	5/2/2013 78 FR 25785 Expires 11/2014		
e. Federal Student Aid Application	To verify the status of applicants for financial assistance.	ED	VA/ VBA			5/24/2011	5/31/2011 76 FR 31317 Expires 12/2013	12/20/2012	5/31/2011 76 FR 31317 Ext expires 12/2013	11/14/2013	
f. Identify income dependent beneficiaries receiving CSRA or FERSA benefits.	To update master records, to adjust benefits. NO MATCHES IN 2012-2013	VA/VBA	OPM	8/31/2009 74 FR 44911	Expires Feb 2011 - no ext approved for 2011- 2012			11/29/2012	4/11/2013 78 FR 21713 Expires 10/2014		

g. Income dependent beneficiaries receiving RRB payments. #611]	Identify income dependent beneficiaries receiving RRB payments. NO MATCHES IN 2012-2013	VA/VBA	RRB	8/13/2009	9/28/2010 75 FR 59800 Expires 4/2012			4/27/2012	9/28/2010 75 FR 59800 Ext. expires 4/2013	5/7/2013	8/6/2013 78 FR 47830 Expires 3/2015
h. Individual Self-Certification of Eligibility for Prescription Drug Subsidy (#1309)	To verify an individual's self-certification for prescription drug subsidy assistance.	SSA	VA/ VBA	2/4/2010	2/22/2010 75 FR 7648 Expires 8/2012			8/16/2012	9/6/2012 77 FR 54943 Expires 4/2014		
i. Reserve Pay Reconciliation #89	Verify eligibility for the DoD USCG Reservists who receive C&P disability also receive military pay during reserve duty.	DoD DMDC	VA/ VBA			3/8/2011	8/7/2009 74 FR 39647 Ext. expires 3/2012	5/16/2012	6/12/2012 77 FR 34941 Expires 1/12/2014	10/30/2013	6/12/2012 77 FR 34941 Ext Expires 1/12/2015
j. State Public Assistance Agencies (SPAAs) VBA	To determine eligibility and ensure fair and equitable treatment in the delivery of benefits.	HHS/SPA	VA/ VBA	05/11/09	6/1/2009 74 FR 26251 Ext. expires 1/2011	1/27/2011	6/1/2009 74 FR 26251 Ext. expires 1/2012	01/19/12	4/13/2012 77 FR 22326 Expires 10/2013	10/30/2013	4/13/2012 77 FR 22326 Expires 10/2014
k. Supplement Social Security Income (SSI) Eligibility Verification Match 1008	To identify SSI and SVB recipients of benefits and identify income limits to determine MSP eligibility .	SSA	VA/ VBA	9/22/2009	9/14/2009 74 FR 47036 Expires 3/2011	3/21/2011	9/14/2009 74 FR 47036 Ext. expires 3/2012	5/29/2012	7/25/2012 77 FR 43639 Expires 11/2014	10/30/2013	7/25/2012 77 FR 43639 Ext. Expires 11/10/2015
l. Verification of CHAMPVA Eligibility	Determine eligibility for CHAMPVA benefits.	HHS/CMS	VA/ VHA	6/8/2010	9/3/2010 75 FR 54162 Expires 4/2012			3/28/2012	9/3/2010 75 FR 54162 Ext. expires 4/3/2013	3/20/2013	12/5/2013 78 FR 73195 Expires July 2015

m. Verification of Eligibility OIG #90	To verify eligibility and entitlement for VA C&P benefits. NO MATCHES IN 2012-2013	DoD	VA/OIG	2/4/2010	2/24/2010 75 FR 8311 Expires 9/26/2012			7/25/2012	2/24/2010 75 FR 8311 Ext. expires 9/2013	11/27/2013	12/9/2013 78 FR 73851 Expires July 2015
n. Verification of Income of Medical Care Applicants	Verify eligibility for and/or the correct amount of, benefits for individuals for or receiving benefits.	HEC/VHA	IRS	11/29/2010	8/4/2011 76 FR 47299 Expires 6/2012			5/29/2012	8/4/2011 76 FR 47299 Expires 6/30/2013	6/20/2013	8/16/2013 78 FR 50146 Expires 12/31/2014
o. Verification of Income Tax Returns- Match 1050	Data from income tax return info disclosed to SSA to verify eligibility for benefits	VA/VBA	SSA	10/22/2009	5/12/2010 75 FR 26847 Expires 12/2012	9/8/2011	5/12/2010 75 FR 26847 Ext. expires 12/2012	11/29/2012	1/25/2013 78 FR 5563 Expires 6/10/2014		
p. Verify Eligibility for Health Benefits Program Match #1052	Data from income tax return info disclosed to SSA to verify eligibility for benefits.	VHA	SSA	7/13/2010	9/9/2010 75 FR 54966 Expires 4/2012			3/19/2012	9/9/2010 75 FR 54966 Ext. expires 4/2013	1/17/2013	4/11/2013 78 FR 21713 Expires 10/8/2014
q. Verify Unearned Income Information	Verify amount of unearned income reported to IRS, adjust or terminate benefits/collect overpayments.	IRS	VA/VBA			1/27/2011	7/19/2011 76 FR 42769 Expires 6/30/2012	12/20/2012* Modification after 12-month extension	7/19/2011 76 FR 42769 Expires 6/30/2013	5/7/2013	5/31/2013 78 FR 32711
r. Determination of Eligibility for the APTC and CSRs	Make eligibility determinations for APTC and CSRs in CMS' capacity as FFE.	HHS/CMS	VA/VHA							7/30/2013	8/14/2013 78 FR 49525 Expires 2/2015

s. Eligibility of Incarcerated VA Beneficiaries – NO MATCHES DURING 2012-2013	To identify beneficiaries receiving benefit pmts and are incarcerated-suspend or reduce the amount paid. NO MATCHES IN 2012-2013	VA/VBA	BOP	05/12/10	9/23/2010 75 FR 58020 Expires 4/2012					10/30/2013	
t. Eligibility for Montgomery GI Bill Benefits- COMBINED WITH CMA ITEM C, ABOVE	Verify conditions of military service and eligibility criteria for payments of benefits.	VA/VBA	DoD DMDC			8/3/2011	10/31/2011 76 FR 67257				
u. Eligibility for Post 9/11 GI Bill Benefits – COMBINED WITH CMA ITEM C, ABOVE	Verify conditions of military service and eligibility criteria for payment of benefits under Post 9/11 GI Bill	VA/VBA	DoD DMDC	4/28/2010	6/2/2010 75 FR 30915	12/14/2011	6/2/2010 75 FR 30915, Ext. expires 6/2013				

3. Cost/benefit Analysis (CBA):

The matches from each of the following agreements were conducted in accordance with the initial agreements and appropriate authorities, where applicable. The record keeping and the disposal policies and practices involved in the matches are in conformance with the Privacy Act.

- a. Credit Alert Interactive Voice Response System (CAIVRS), with the Department of Housing and Urban Development (HUD): The matching program with HUD is a risk avoidance mechanism giving Federal agencies and their authorized financial institutions access to a database listing persons delinquent in paying debts owed to or insured by the Federal Government. VA is one of six creditor agencies that use CAIVRS to screen applicants for government-backed loans. In its cost-benefit analysis using FY 2009 actuals, HUD found 1,950 CAIVRS matches against 546,393 loan guarantee applications. At an average of \$12,576 in cost avoidance per match, a total of \$24,532,200 in cost avoidance was achieved through the use of computer matching.
- b. Disability Compensation for Recipients Who Return to Active Duty #87, with the Department of Defense (DoD): During fiscal year 2012, the cost savings were approximately \$8,501,531. For 2013, VBA projects approximately \$8,501,531 in program savings for the duration of this CMA. This projection is based on the results of the matches conducted during the period of October 1, 2011 to September 30, 2012.
- c. Eligibility for Montgomery GI Bill (Active Duty and Selected Reserve) and Post 9/11 GI Bill Benefits, with DoD Defense Manpower Data Center (DMDC): The matches were conducted in accordance with the initial agreements and appropriate authorities. The agreement between DoD and VA was to verify that individuals meet the conditions of military service and eligibility criteria for payment determined by VA under three enacted programs: the Montgomery GI Bill-Active Duty program, the Montgomery GI Bill-Selected Reserve program, and the Post-9/11 GI Bill Program (see items t and u, below). During FY 2012 and 2013, the match accounted for savings of \$43,329,180 to VA in mailing and data entry costs. VA avoids the personnel costs if inputting data manually as well as the storage costs of the DMDC documents. The cost savings was less than anticipated. Education Service concludes that this is because there was a decrease in workload for the Montgomery GI Bill Benefits. The difference in savings was decreased by \$5,538,229.
- d. Eligibility for VA Benefits/MBR/ Match 1030, with Social Security Administration (SSA): VA projected savings of approximately \$5.6 million based on a match completed in FY 2010, but did not have savings in 2012 or 2013 because VA did not conduct the match. The match was not conducted because the interface established with SSA to supply this information was developed for the legacy Benefits Delivery Network (BDN), which is no longer in use, and does not work with the replacement system, Veterans Services Network (VETSNET). VA is currently working with SSA to repair the interface.

- e. Federal Student Aid Application, with the Department of Education (ED): During fiscal years 2012-2013, the cost savings were approximately \$11,514,500.
- f. Identify Income Dependent Beneficiaries receiving Civil Service Retirement Act (CSRA) or Federal Employees' Retirement System Act (FERSA) Benefits, with the Office of Personnel Management (OPM): VA projected savings of approximately \$284,626 based on a match completed in FY 2010. VA did not have savings in 2012 or 2013 as the match was not completed.
- g. Income Dependent Beneficiaries Receiving RRB Payments #611, with the Railroad Retirement Board (RRB): VA projected savings of approximately \$95,000 based on a match completed in FY 2009. VA did not have savings in 2012 or 2013 as the match was not completed.
- h. Individual Self-Certification of Eligibility for Prescription Drug Subsidy #1309 with SSA: During fiscal year 2012, net cost savings of \$70,746 were realized from this match with SSA. The cost savings for FY 2013 are estimated to be \$73,646.
- i. Reserve Pay Reconciliation #89, with the DoD DMDC: During fiscal year 2011, the cost savings of \$10,785,712 were realized from the match. The savings are expected to continue through FY 2012-2013.
- j. State Public Assistance Agencies (SPAAs), with the Department of Health and Human Services (HHS): The cost savings is not calculated for this match, as it is dependent on the states to report their cost savings with HHS. In addition, the number of states that participate each year varies.
- k. Supplemental Security Income (SSI) Verification with the Social Security Administration (SSA) #1008, with SSA: During fiscal years 2012 2013, the cost savings were approximately \$10,785,712.
- l. Verification of Civilian Health and Medical Program of VA (CHAMPVA) Eligibility, with the HHS Centers for Medicare and Medicaid Services (CMS): The CMA with CMS is executed to comply with the provisions of Pub.L. 93-82, 94-581, 102-190, and 107-14 (codified at Title 38 U.S.C. §1781), which restrict CHAMPVA eligibility for benefits dependent upon a beneficiary's Medicare Part A and Part B status. This program will match CHAMPVA applicants and beneficiaries with Medicare Part A and Part B beneficiaries. Three matches for fiscal year 2012 were completed for a total administrative cost of \$451,942 (includes salaries, benefits, equipment, and the cost of each match. Recoupment for overpayments has been initiated for \$5,991,909 for a total net benefit of \$5,529,966 for the fiscal year. During calendar year 2013, there were 16,197 identified discrepancies with an estimated cost savings of \$3,239,400 realized from the match.
- m. Verification of Eligibility OIG #90, with DoD: No matches have been performed to date pursuant to this agreement. Since this specific cost benefit analysis is based on the outcome of closed criminal fraud cases, we cannot determine if the project benefits/costs were accurate, the estimated savings achieved/differed, or the amount the cost-benefit analysis differed in the initial projection.

- n. Verification of Income of Medical Care Applicants, with Internal Revenue Service (IRS): During the time period of January 1, 2012 through December 31, 2012, the costs saving of \$4,898,274 were realized from the match. Original projected cost benefit was exceeded by \$3,573,596. During the time period of January 1, 2013 through December 31, 2013, the cost savings of \$1,111,953 were realized from the match. The original projected cost benefit was exceeded by almost \$1.5 million.
- o. Verification of Income Tax Returns-Match #1050, with SSA: The *Federal Register* notice was published on January 25, 2013 at 78 FR 5563. This match is conducted in conjunction with the Verify Unearned Income Information match with IRS (see item q, below). Therefore, cost savings cannot be separately calculated. The projected savings was approximately \$10.8 million per year. This estimate was based on FY 2008 savings. During fiscal year 2012, cost savings of \$3,623,808 were realized from the match with the IRS and SSA (#1050). This was over \$7.1 million less than anticipated.
- p. Verify Eligibility for Health Benefits Program-Match #1052, with SSA: This CMA is to verify eligibility for VA health care benefits program in accordance with the initial agreement and appropriate authorities. During the time period of January 1, 2012 through December 31, 2012, the costs saving of \$4,898,274 were realized from the match. Original projected cost benefit was exceeded by \$3,573,596. During calendar year 2013, the costs savings of \$1,111,953 were realized, which exceeded the projection by \$1.5 million
- q. Verify Unearned Income Information, with IRS: This match is conducted in conjunction with the SSA Match #1050 (see item o, above). Therefore, cost savings cannot be separately calculated. The projected savings was approximately \$14.5 million during the life-cycle of the CMA, based on a cost-benefit analysis conducted from July 1, 2008 through December 31, 2010. During fiscal year 2012, cost savings of \$3,623,808 were realized from the match with the IRS and SSA (#1050). This was over \$7.1 million less than anticipated.
- r. Determination of Eligibility for the APTC and CSRs:
- s. Eligibility of Incarcerated VA Beneficiaries, with the Bureau of Prisons, Department of Justice. No matches were conducted during 2012-2013. There are no current cost-benefit figures available.
- t. Eligibility for Montgomery GI Bill Benefits, with DoD DMDC: During fiscal year 2012, the computer match accounted for savings of \$13,513,118 to VA in mailing and data entry costs. VA avoids the personnel costs of inputting data manually as well as the storage costs of the DMDC documents. The cost savings was less than estimated because there was a decrease in workload for these benefits. The difference in savings was decreased by \$3,050,765. This CMA and the CMA below (item u) have been consolidated into the CMA detailed in item c, above.
- u. Eligibility for Post-9/11 GI Bill Benefits, with DoD DMDC: During fiscal year 2012, the computer match accounted for savings of \$18,514,721 to VA in mailing and data entry costs. VA avoids the personnel costs of inputting data manually as well as the storage costs of the Defense Manpower Data Center (DMDC) documents. The cost savings

was more than estimated because there was an increase in workload for this benefit. The difference in savings was increased by \$4,789,461. This CMA and the CMA above (item t) have been consolidated into the CMA detailed in item c, above.

4. Benefit/Cost Requirement: List each program for which the Board waived the benefits-cost analysis requirement. Explain reasons for waiver.

None

5. Rejected Agreements: A description of any matching agreement the Board rejected and explanation of the rejection.

None

6. Violations: List any violations of matching agreements that have been alleged or identified.

None

7. Litigation: Discuss any litigation involving the agency's participation in any matching program.

None

8. Inaccurate Records: For any litigation based on allegation of inaccurate records, an explanation of the steps the agency used to ensure the integrity of its data and the verification process it used in the matching program including an assessment of the adequacy of each.

None