I. PURPOSE, LEGAL AUTHORITIES, AND DEFINITIONS

A. Purpose

This Computer Matching Agreement (hereafter referred to as the “Agreement”) establishes the terms, conditions, and procedures under which the Department of Health and Human Services (HHS), Centers for Medicare & Medicaid Services (CMS) will provide certain data to the Department of Veterans Affairs (VA) that supports the VA’s Seek to Prevent Fraud, Waste, and Abuse (STOP FWA) initiatives. The data will be provided from CMS’ database of enrolled Medicare providers and suppliers (Provider Enrollment, Chain, and Ownership System (PECOS) system of records (SOR) No. 09-70-0532). Using PECOS data in a matching program for this purpose will provide VA with prompt access to extant information, using an efficient process that avoids the need to manually compare substantial numbers of data intensive files and that enables VA to leverage, instead of duplicating, the costly Advance Provider Screening (APS) process that CMS uses to check suitability of Medicare providers and generate the data in PECOS.

Under this matching program, VA internal and external providers will be matched against the database of Medicare providers and suppliers who have been revoked by CMS pursuant to 42 Code of Federal Regulations (CFR) § 424.535. VA intends to review the information provided, perform additional validation, and if deemed appropriate, conduct further investigation or refer the cases to the VA Office of the Inspector General (OIG) for further investigation. Based on additional validation/investigation, should VA determine VA program requirements have been violated, VA intends to take action, or refer to OIG for action, against the VA internal and external providers. Such action may be premised on activities that are found to endanger patients of VA and/or evidence improper or erroneous billing.
practices that may have also occurred with respect to claims for health care provided to VA beneficiaries or for any other improper, fraudulent, negligent, wasteful and/or abusive actions. Actions VA may take include: terminating or modifying existing contractual or provider agreements; stopping referral of VA patients to the VA external providers; referring the VA internal and external providers to the OIG; performing pre-payment or post-payment reviews of claims paid or submitted; or taking disciplinary actions or removing, demoting, or suspending VA internal providers.

The Computer Matching and Privacy Protection Act of 1998 (CMPPA) (Public Law (Pub. L.) 100-503) amended the Privacy Act (5 United States Code (U.S.C.) § 552a) and requires the parties participating in a matching program to execute a written agreement specifying the terms and conditions under which the matching program will be conducted. VA has determined that matching the identity of VA internal and external providers against the CMS database of providers and suppliers who have been revoked by the Medicare program will constitute a “matching program” as defined in the Privacy Act at 5 U.S.C. § 552a(a)(8).

The VA Office of Management and the Veterans Health Administration (VHA) are the responsible VA components for this Agreement. VA will serve as the recipient agency. CMS is designated as the source agency as defined by the Privacy Act at 5 U.S.C. § 552a(a)(11), and is the agency disclosing its records for use in this matching program. The responsible component for CMS is the Center for Program Integrity (CPI). CPI enters into this Agreement in its capacity as the component responsible for the enrollment of Medicare providers and suppliers.

The terms and conditions of this Agreement will be carried out by authorized employees and contractors of CMS and VA. CMS and VA are each a "Party" to this Agreement, and are collectively referred to as "the Parties." By entering into this Agreement, the Parties agree to comply with the terms and conditions set forth herein, and with applicable law.

B. Legal Authorities

The following statutes and regulations govern or provide legal authority for the uses of data, including disclosures, under this Agreement:

1. This Agreement is executed pursuant to the Privacy Act (5 U.S.C. § 552a) and the regulations and guidance promulgated thereunder, Office of Management and Budget (OMB) Circular A-108 “Federal Agency Responsibilities for Review, Reporting, and Publication under the Privacy Act” published at 81 FR 94424 (Dec. 23, 2016), and OMB guidelines pertaining to computer matching published at 54 FR 25818 (June 19, 1989).

2. Title 38, United States Code, at § 7301(b), states that the primary function of the
VHA is to provide a complete medical and hospital service for the care of eligible Veterans (38 U.S.C. § 7301(b)). In carrying out this function, including through contracts with external entities and providers, VA has an obligation to ensure providers furnish care that is appropriate and safe, meets or exceeds professional standards for quality, and in the case of external providers, to ensure billing integrity and compliance with contractual terms.

3. VA Accountability First Act of 2017 provides the VA Secretary the authority to expeditiously remove, demote, or suspend any VA employee, including Senior Executive Service (SES) employees, for performance or misconduct.

C. Definitions

1. “Breach” is defined by OMB Memorandum M-17-12, Preparing for and Responding to a Breach of Personally Identifiable Information, January 3, 2017, as the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, or any similar occurrence where (1) a person other than an Authorized User accesses or potentially accesses personally identifiable information (PII); or (2) an Authorized User accesses or potentially accesses PII for an other than authorized purpose;

2. “CMS” means the Centers for Medicare & Medicaid Services;

3. “HHS” means the United States Department of Health and Human Services;

4. “Medicare” means the health coverage program established under Title XVIII of the Social Security Act;

5. “PII” or “Personally Identifiable Information” is defined by OMB M-17-12, January 3, 2017, and means information that can be used to distinguish or trace an individual’s identity, such as their name, social security number (SSN), biometric records, etc., alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother’s maiden name, etc.;

6. “Proposing Official” is defined in VA Handbook 5021, Part I, Chapter 1, Section 4(j) Employee/Management Relations as a management official who issues a notice of proposed disciplinary or adverse action;

7. “Provider” is defined by 42 CFR § 400.202 as a hospital, a Critical Access Hospital (CAH), a skilled nursing facility, a comprehensive outpatient rehabilitation facility, a home health agency, or a hospice that has in effect an agreement to participate in Medicare, or a clinic, a rehabilitation agency, or a public health agency that has in effect a similar agreement but only to furnish outpatient physical therapy or speech pathology services, or a community mental health center that has in effect a similar agreement but only to furnish partial hospitalization services;

8. “Recipient Agency” is defined by the Privacy Act (5 U.S.C. § 552a(a)(9)) and means
any agency, or contractor thereof, receiving records contained in a system of records from a source agency for use in a matching program;

9. “Source Agency” is defined by the Privacy Act (5 U.S.C. § 552a(a)(11)) and means any agency that discloses records contained in a system of records to be used in a matching program;

10. “Supplier” is defined by 42 CFR § 400.202 as a physician or other practitioner, or an entity other than a provider, that furnishes health care services under Medicare;

11. “System of Records” is defined by the Privacy Act (5 U.S.C. § 552a(a)(5)) and means a group of any records under the control of any agency from which information is retrieved by the name of the individual or by some identifying number, symbol, or other identifying particular assigned to the individual;

12. “Tax Identification Number (TIN)” is defined as SSN, individual tax identification number (ITIN), or employer identification number (EIN);

13. “VA” means the United States Department of Veterans Affairs;

14. “VA External Provider” means a provider who is a non-VA employee provider, supplier or practitioner who provides medical services to VA beneficiaries outside of VA facilities; and

15. “VA Internal Provider” means a provider or practitioner who is a licensed independent practitioner (e.g., employee, contractor, fee basis and intermittent practitioners) of the VA, providing care in a VA facility, either compensated or uncompensated.

II. RESPONSIBILITIES OF THE PARTIES

A. VA will:

1. Provide CMS with electronic file(s) in a format defined by CMS, on a timeframe agreed upon by VA and CMS, no more than quarterly. VA will provide CMS with VA’s electronic files via the CMS Acumen Portal, a secured transmission pathway that has been given an Authority to Operate (ATO) and that is to be used as a means to transition the file to and from CMS. The electronic file(s) will include the data fields identified in Section V.C. of this Agreement.

2. Review the electronic file(s) returned by CMS containing the matched enrollment-related data, perform additional validation, and if deemed appropriate, conduct further investigation or refer the cases to OIG for further investigation. Based on additional validation/investigation if VA determines VA program requirements have been violated, VA intends to take action, or refer to OIG for action, against the VA internal and external providers. Such action may be premised on activities that are found to endanger patients of VA and/or evidence improper or erroneous billing practices that may have also occurred with respect to claims for health care provided
to VA beneficiaries. The electronic file returned to VA from CMS will be stored on a secure network drive which has been given an ATO. VA will grant access to a limited number of people who have a need for the data.

3. Perform independent reviews for matched VA external providers returned by CMS, for any match VA determines may warrant action and was not referred to the VA OIG, such as reviewing the following: licensing information to determine if the external provider license is valid in accordance with licensing requirements; List of Excluded Individuals/Entities (LEIE) database to determine if providers and suppliers are excluded; court docket information for felony convictions to determine the appropriateness of continued participation in VA programs; provider billing practices to identify anomalies in VA data; and prescription records/Drug Enforcement Administration (DEA) registration information to identify potential issues related to treating Veterans. Actions VA may take include: terminating or modifying existing contractual agreements with the provider; stopping referral of VA patients to the external providers; or performing pre-payment or post-payment reviews of claims paid or submitted.

4. Perform independent reviews for matched VA internal providers returned by CMS, for any match VA determines may warrant action and was not referred to the VA OIG, such as reviewing the following: licensing information to determine if the internal provider license is valid in accordance with licensing requirements; LEIE database to determine if providers and suppliers are excluded; court docket information for felony convictions to determine the appropriateness of continued participation in VA programs; and prescription records/DEA registration information to determine the appropriate action based upon the VA internal providers prescribing privileges within VA programs. VA will refer the results of any such VA reviews to the appropriate Proposing Official to determine whether any personnel actions are appropriate. VA will take appropriate action in accordance with VA Handbook 5021. Actions may include taking disciplinary actions or removing, separating, demoting, or suspending the VA internal providers.

5. Provide Congress and OMB with notice of this matching program and, upon completion of OMB’s review, publish the required matching notice in the FR.

B. CMS will:

1. Use the VA-submitted electronic file(s) to conduct a data match against Medicare Provider enrollment records in the PECOS system, and return matches of those providers who CMS has taken enforcement action against in the form of a revocation and are currently under an enrollment bar and have exhausted their appeal rights. CMS will endeavor to deliver such matched records to VA within 30 days using the secure CMS portal.

2. Conduct the match based on TIN and National Provider Identifier (NPI) provided by VA and return to VA the data fields as identified in Section V.C. of this Agreement.
3. Conduct the match to include: 1. all “for cause” revocations based on the authorities listed in 42 CFR §424.535 at (a)(2), (a)(3), (a)(4), (a)(7), (a)(8), (a)(12), (a)(13) and (a)(14); 2. non-compliance revocations based on §424.535(a)(1) for the provider or supplier; and 3. on-site review revocations based on §424.535(a)(5).

III. JUSTIFICATION AND ANTICIPATED RESULTS

A. Justification

The parties to this Agreement have determined that a CMA is the most efficient, expeditious, and effective means for VA to identify providers and suppliers whose Medicare enrollment has been revoked by CMS for reasons associated with the revocation authorities identified in Section II. B. 3 of this Agreement. This matching agreement will identify those CMS providers and suppliers who are also VA internal and external providers, and then extract information about those who have had their Medicare enrollment revoked subsequent to any applicable appeals processes.

VA will use extracted provider information to perform additional validation and, if deemed appropriate, will conduct further investigation or refer the cases to VA OIG for further investigation. Based on additional validation/investigation, if VA determines that VA program requirements have been violated, VA intends to take action, or refer the cases to OIG for action, against the VA internal and external providers. Such action may be premised on activities that are found to endanger VA patients and/or evidence improper or erroneous billing practices that may have also occurred with respect to claims for health care provided to VA beneficiaries. Were this identification of persons of interest to be accomplished through other means, such as manual comparisons, it would be time consuming and not cost-effective.

B. Anticipated Results and Specific Estimate of Any Savings

VA will be able to identify internal and external providers who pose a potential risk to VA patients due to concerns of patient safety, as well as external providers who may be erroneously or abusively billing VA for healthcare services provided. Based on results of independent reviews, VA will take action as appropriate, to include suspension, separation, dismissal, pre-payment and post-payment reviews, termination of contractual agreements, or referral to the OIG in cases where criminal activity is suspected.

Based on the cost benefit analysis included as Attachment 1, total costs for the matching program are estimated to be $479,716 and total monetary benefits for the matching program are estimated to be $1,032,006 for the 18-month period of the Agreement. However, the matching program does not involve avoiding or recovering improper payments; the $1,032,006 benefit is the amount VA estimates
it would cost to use contractors to perform a provider screening process similar to
the APS process CMS uses which generates the adverse enrollment actions
reflected in PECOS (which costs CMS more than $76 million over a five-year
period). Not all anticipated benefits to VA are currently quantifiable, because an
initial match has not been previously conducted on which to base an estimate of the
potential benefits. Furthermore, some of the adverse actions that VA will take
against VA providers as a result of this matching program will concern patient
safety issues, which are a moral and ethical imperative, and are non-quantifiable.
See Attachment 1.

Because the four Key Elements of the CBA do not demonstrate that the matching
program is likely to be cost-effective, each Data Integrity Board is requested to
make a written determination in accordance with 5 U.S.C. § 552a(u)(4)(B) that a
CBA (i.e., cost-effectiveness) is not required to support DIB approval of this
agreement and that DIB approval is based on the other benefits stated.

IV. NOTICE PROCEDURES

A. Direct Notice

1. VA notifies internal providers that their information may be matched on the Optional
Form 306, Direct Declaration of Federal Employment, OMB Control No. 3206-
0182, and on the routine uses paragraph of VA Form 10-2850, Application of
Physicians, Dentists, Podiatrists, Optometrists, and Chiropractors. External
providers under this matching program are notified their information may be
matched in the Veterans Care Agreement. Where direct notice to individuals is not
feasible (e.g., when VA enters into a Veterans Care Agreement with a group
practice) indirect or constructive notice is afforded the individual by agency publication
in the Federal Register of both the (1) applicable routine use notice, as required by
subsection (e)(11) of the Privacy Act (5 U.S.C. § 552a); and (2) the proposed Federal
Register match notice, as required by subsection (e)(12) of the Privacy Act, announcing
the Agency's intent to conduct this computer matching program.

2. CMS notifies individual providers and suppliers that their information may be used
in matching programs by means of a Privacy Act statement on the following PECOS
enrollment forms.
   - CMS-855A Medicare Enrollment Application for Institutional Providers
   - CMS-855B Medicare Enrollment Application for Clinics, Group Practices,
and Certain Other Suppliers
   - CMS-855I Medicare Enrollment Application for Physicians and Non-
Physician Practitioners
   - CMS-855R Medicare Enrollment Application for Reassignment of
Medicare Benefits

- CMS-855O Medicare Enrollment Application for Eligible Ordering and Referring Physicians and Non-physician Practitioners
- CMS-855S Medicare Enrollment Application for Durable Medical
- CMS-20134 Medicare Enrollment Application for Medicare Diabetes Prevention Program (MDPP) Suppliers

B. Constructive Notice

VA will publish notice of the matching program in the FR as required by the Privacy Act (5 U.S.C. § 552a(e)(12)).

C. Periodic Notice

VA will provide subsequent notices to both internal and external providers as required. VA internal and external providers receiving payments are provided with periodic notices about matching activities during employee trainings, contract renewals, contract extensions and other means of communications (e.g. e-mails, direct mail).

V. DESCRIPTION OF RECORDS MATCHED

In accordance with legal authorities cited in Section I. B., VA will disclose the necessary identifying information about VA internal and external providers to CMS pursuant to the routine uses as set forth in the system notice from the following systems:

A. VA Systems of Records (SOR)


2. SORN 23VA10NB3, entitled “Non-VA Care (Fee) Records-VA”, last published in full at 80 FR 45590 (July 30, 2015). See Routine Uses No. 2 and 30.

3. SORN 02VA135, entitled “Applicants for Employment under Title 38, USC-VA” published at 42 FR 49728 (9/27/1977), Routine Uses 1 and 2. SORN history: 42 FR 49728 (9/27/77); updated 51 FR 25969 (7/17/86); updated 55 FR 42534 (10/19/90); updated *58 FR 40852 (7/30/93).

B. CMS System of Records

1. SORN 09-70-0532, entitled “Provider Enrollment Chain and Ownership System (PECOS),” last published in full at 71 FR 60536 (Oct. 13, 2006), and updated at 78

2. SORN 09-70-0555, entitled “National Plan and Provider Enumeration System (NPPES),” last published in full at 75 FR 30411 (June 1, 2010), and updated at 78 FR 32257 (May 29, 2013) and 83 FR 6591 (Feb. 14, 2018). See the unnumbered routine use added by 78 FR 32257.

C. Specified Data Elements

VA will provide CMS with electronic file(s) in a format defined by CMS containing identifying information required to match VA records with CMS records. Data fields will include one or more of the following elements:

1. Name of Provider/Business
2. Tax Identification number (TIN) [EIN, ITIN or SSN]
3. National Provider Identifier (NPI)
4. State(s) in which the provider is providing services
5. Specialty Code or Taxonomy Code

As discussed in II.B. above, upon matching TIN or NPI, CMS will then provide VA the matched data elements above and the following additional fields:

1. NPI (for individuals) where VA provided a TIN
2. Current Enrollment Status
3. Current Enrollment Status Effective Date
4. Status Reason (PECOS codes used to denote the specific reason(s) on which the final revocation was based.)
5. Flag indicating if provider has current enrollment

D. Number of Records and Frequency of Matching

1. VA will provide CMS a data file with information concerning up to approximately 750,000 VA internal and external providers no more than once quarterly.

2. CMS will, subject to available resources, complete the match no more than once quarterly.
E. Projected Starting and Completion Dates of the Matching Program

1. Effective Date – November 1, 2019

2. Expiration Date – May 1, 2021 (Expiration – April 30, 2022 if renewed for 1 year).

VI. VERIFICATION PROCEDURE AND OPPORTUNITY TO CONTEST

A. Verification of Match Information

VA will verify information obtained under this Agreement prior to initiating any action against an individual, including verification of the identity of VA internal and external providers matched to the CMS’ PECOS. VA will reexamine all matches by comparing applicable data elements and will take steps to verify the internal and/or external provider’s identity using VA systems and publicly available data sources.

B. Notice and Opportunity to Contest

VA Internal Providers: Before taking any adverse action based on reviews performed after receiving the results of the match, VA will provide due process to all internal providers in accordance with VA Handbook 5021 and Pub. L. 115-41, the VA Accountability First Act of 2017 (38 U.S.C. § 713 and § 714).

VA External Providers: Where adverse information is uncovered during independent reviews performed as a result of the match, VA will process the action according to the terms of the program or agreement governing the provider’s relationship with VA. When notification to the individual is required, VA will provide an opportunity to explain the circumstances prior to making a final eligibility determination and provide appropriate due process based on the regulations and VA policies governing the VA Healthcare program under which the provider provides care.

VII. DISPOSITION OF MATCHED RECORDS

Except as necessary for purposes of controlling, adjudicating, and/or verifying the information for this program, neither VA nor CMS will create a separate file or SOR containing information for individuals who are involved in this specific matching program,

VA’s input file is the only identifiable record CMS will use in the course of the matching program. This file will not be incorporated into CMS record keeping, will not be used by CMS for any purpose other than this matching program, and will not become a CMS agency record. CMS will provide the same protections to the VA input files as to CMS Privacy Act covered records. CMS will comply with the following restrictions on the information provided by VA:
1. Records provided by VA will remain the property of VA.

2. Records provided by VA will not be used to extract information concerning individuals therein for any purpose not specified in this Agreement.

3. Records provided by VA will not be duplicated or disseminated within or outside CMS, except as required by Federal law, without the written permission of VA.

CMS’ files containing the data fields in Section V.C. of this Agreement will not be incorporated into VA record keeping, will not be used by VA for any purpose other than independently adjudicating the matched provider data, and will not become a VA record. VA will provide the same protections to CMS reports as to VA Privacy Act covered records. VA will comply with the following restrictions on the information provided by CMS:

1. Records provided by CMS will remain the property of the CMS.

2. Records provided by CMS will not be used to extract information concerning individuals therein for any purpose not specified in this Agreement.

3. Records provided by CMS will not be duplicated or disseminated within or outside VA, except as required by Federal law, without the written permission of CMS.

VA will retain CMS’ electronic match file with identifying information for approximately 18 months to allow for adjudication of match results and to remove previously returned matches from future match files. After that time, the file(s) will be electronically erased and/or destroyed. CMS will retain the VA’s input file with identifying information for approximately 90 days. After that time, the file(s) will be electronically erased and/or destroyed.

VIII. SECURITY PROCEDURES

CMS and VA 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 M-06-16, Protection of Sensitive Agency Information (June 23, 2006); National Institute of Standards and Technology (NIST) directives; 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 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. Both agencies are responsible for oversight and compliance of their contractors and agents.

A. Incident Reporting

If either CMS or VA experiences an incident involving the loss or breach of PII provided under the terms of this Agreement, it 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, 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 Contact as named in this Agreement. Detailed information on CMS and VA Systems Security Contacts is available upon request.

B. Breach Notification

CMS and VA 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

CMS and VA will restrict access to the data to be matched, and to any data created by the match, to authorized employees and officials who need it to perform their official duties in connection with the uses of the data authorized in this Agreement. Further, VA will advise all personnel who will 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

CMS and VA 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 access data created by the match. VA will establish appropriate safeguards for such data.

E. Technical Safeguards

CMS and VA 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. Authorized users must use two factor authentication when accessing agency systems where data is stored. VA will strictly limit authorization to those electronic files necessary for the authorized analyst to perform his or her official duties. Authorized users of the CMS Acumen portal are identified by user identification and password, and are individually tracked to safeguard against unauthorized system access or use. All data in transit will be encrypted using algorithms that meet the requirements of Federal Information Processing Standards (FIPS) 140-2.

IX. RECORDS USAGE, DUPLICATION, AND RE-DISCLOSURE RESTRICTIONS

VA and CMS will adhere to the following:

1. VA and CMS will use and access the data only for the purpose described in this Agreement.

2. VA and CMS will advise all personnel who will have access to the records matched and to any records created by the match of the confidential nature of the information, the safeguards required to protect the information, and the civil and criminal sanctions for noncompliance contained in applicable Federal laws.

3. VA and CMS will not duplicate or disseminate the data, within or outside their respective agency, without the written permission of the other agency except as outlined within this Agreement. VA will not give such permission unless Federal law requires disclosure or the disclosure is essential to the matching program. For such permission, VA must specify in writing what data they are requesting be duplicated or disseminated and to whom, and the reasons that justify such duplication or dissemination.

4. VA employees, contractors, and agents who access, use, or disclose CMS data in a manner or purpose not authorized by this Agreement may be subject to civil and criminal sanctions pursuant to applicable Federal statutes.

X. ACCURACY ASSESSMENTS

VA currently estimates that 99% of the VA information to be used in this matching program is accurate for the purposes of this matching program.

CMS estimates that the CMS records to be used in this matching program are at least 99% accurate.

XI. COMPTROLLER GENERAL ACCESS

The Government Accountability Office (Comptroller General) may have access to all VA and CMS records, as necessary, to verify compliance with this Agreement.
XII. REIMBURSEMENT

All work conducted by CMS to perform the matching program in accordance with this agreement will be reimbursed by VA. VA will allocate sufficient funds annually for this project. The legal authority for transfer of funds is the Economy Act, 31 U.S.C. § 1535. Reimbursement will be transacted by means of a separate reimbursement instrument in accordance with the established procedures that apply to funding reimbursement actions.

XIII. DURATION, MODIFICATION, AND TERMINATION

A. Effective Date

The Effective Date of this Agreement will be November 1, 2019 provided that VA has first provided the proposed matching program report to the Congressional committees of jurisdiction and OMB in accordance with 5 U.S.C. § 552a(o)(2)(A) and (r) and OMB Circular A-108 and, upon completion of their advance review period, has published notice of the matching program in the FR for a thirty day public comment period as required by 5 U.S.C. 552a(e)(12).

B. Duration

This agreement will be in effect for a period of eighteen (18) months subject to renewal as provided in Section XIII.C.

C. Renewal

1. The parties may, within three (3) months prior to the expiration of this Agreement, renew this Agreement for a period not to exceed twelve (12) months if VA and CMS certify to the VA and HHS Data Integrity Boards (DIBs) that:
   a. The matching program will be conducted without change; and
   b. The parties have conducted the matching program in compliance with this Agreement.

2. If either agency does not want to renew this Agreement, it must notify the other agency of its intention to discontinue at least 90 days before the eighteen-month term in XIII.B. expires.

D. Modification

The parties may modify this Agreement at any time by a written modification, agreed to by both parties, and approved by the chairperson of each agency’s DIB, provided that the modification does not constitute a significant change.
E. Termination

1. 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 shall be effective 90 days after the date of the notice, or at a later date specified in the notice.

2. Either party may make an immediate, unilateral suspension of the data flow or termination of this Agreement if CMS or VA:

   a. Determines that there has been an unauthorized use or disclosure of information by the other agency;

   b. Determines that there has been a violation of or failure to follow the terms of this Agreement; or

   c. Has reason to believe that the other agency breached the terms for security of data.

3. If either party suspends the data flow in accordance with this section, it will suspend the data until the other agency makes a definite determination of a breach.

XIV. PERSONS TO CONTACT

A. CMS Contacts

  CPI contact for Program Policy Issues:

  George Mills Jr.
  Deputy Director
  Center for Program Integrity
  Centers for Medicare & Medicaid Services
  7500 Security Boulevard, AR-12-57
  Baltimore Md. 21244
  Office: 410-786-7450

  CMS contact for Program Issues:

  Christa Robertson
  Contractor Officer Representative (COR)
  Data Analytics and Systems Group
  Center for Program Integrity
  Centers for Medicare & Medicaid Services
  7500 Security Boulevard, AR 08-03
  Baltimore Md. 21244
  Office: 410-786-6965
  E-mail: Christa.Robertson@cms.hhs.gov
CMS contacts for 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  
7500 Security Boulevard  
Mail Stop: N3-15-25  
Baltimore, MD 21244-1849  
Telephone: 410-786-5357  
E-mail: Walter.Stone@cms.hhs.gov

Barbara Demopulos  
CMS Privacy Advisor  
Division of Security, Privacy Policy and Governance  
Information Security and Privacy Group  
Office of Information Technology  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard  
Mail Stop: N3-15-25  
Baltimore, MD 21244-1849  
Telephone: 410-786-5357  
E-mail: Barbara.demopulos@cms.hhs.gov

CMS contact for Security Issues:

Leslie Reinhold  
Information System Security Officer  
Center for Program Integrity  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard  
Mail Stop: AR-24-58  
Baltimore, MD 21244-1849  
Telephone: 410-786-7863  
E-mail: Leslie.Reinhold@cms.hhs.gov

B. VA Contacts

VA contact for Program Policy Issues:

Roberta Lowe  
Executive Director, Office of Business Oversight  
Office of Management  
Department of Veterans Affairs
XV. LIABILITY

Each party to this Agreement shall be liable for acts and omissions of its own employees.

Neither party shall be liable for any injury to another party’s personnel or damage to another party’s property, unless such injury or damage is compensable under the Federal Tort Claims Act (28 U.S.C. § 1346(b)), or pursuant to other Federal statutory authority.
Neither party shall be responsible for any financial loss incurred by the other, whether directly or indirectly, through the use of any data furnished pursuant to this Agreement.

XVI. INTEGRATION CLAUSE

This Agreement constitutes the entire agreement of the parties with respect to its subject matter and supersedes all other data exchange agreements between the Parties that pertain to the disclosure of data between VA and CMS for the purposes described in this Agreement. The parties have made no representations, warranties, or promises outside of this Agreement. This Agreement takes precedence over any other documents that may be in conflict with it.
XVII. APPROVALS

A. DEPARTMENT OF VETERANS AFFAIRS – OFFICE OF MANAGEMENT

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

[Signature]
John J. Rychalski
Assistant Secretary for Management and
Chief Financial Officer
Department of Veterans Affairs

Date: 5/9/2019
B. DEPARTMENT OF VETERANS AFFAIRS – VETERANS HEALTH ADMINISTRATION

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

Richard A. Stone, M.D.
Executive in Charge
Veterans Health Administration
Department of Veterans Affairs

13 MAY 2019
Date
C. CENTERS FOR MEDICARE & MEDICAID SERVICES

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

George Mills Jr.
Deputy Director
Center for Program Integrity
Centers for Medicare & Medicaid Services

5-14-19
Date
D. CENTERS FOR MEDICARE & MEDICAID SERVICES

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 their respective organization to the terms of this Agreement.

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

5/21/19
Date
E. HEALTH AND HUMAN SERVICES DATA INTEGRITY BOARD

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

Scott W. Rowell  
Assistant Secretary for Administration, and  
Chairperson, HHS Data Integrity Board  
U. S. Department of Health and Human Services

Date: 7.2.19
F. DEPARTMENT OF VETERANS AFFAIRS DATA INTEGRITY BOARD

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

[Signature]
James P. Gfrerer, Chair
Data Integrity Board
Department of Veterans Affairs

06/28/2009
Date

Attachment 1: Cost Benefit Analysis
Cost Benefit Analysis for the Matching Program (# 2019-21/1905) Between the Department of Veterans Affairs (VA) and the Centers for Medicare and Medicaid Services (CMS) for Disclosure of Information to Support the VA’s Seek to Prevent Fraud, Waste, and Abuse Initiative

This cost benefit analysis (CBA) provides information about the costs and benefits of conducting the disclosure of information to support the VA Seek to Prevent Fraud, Waste and Abuse initiative. The CBA demonstrates that the results in the matching program will provide an estimated savings of more than $1,032,006 over the 18-month period and an increase in public trust in VA as a steward of taxpayer dollars. Not all the anticipated benefits to VA are currently quantifiable, because an initial match has not been previously conducted on which to base an estimate of the potential benefits. Furthermore, some of the adverse actions that VA will take against VA providers as a result of this matching program will concern patient safety issues, which are a moral and ethical imperative, and are non-quantifiable.

This matching program will not involve avoiding or recovering improper payments; consequently, all benefits relied on to support Data Integrity Board (DIB) approval are described at the end of the CBA under the heading “Other Benefits,” and no benefits are shown for Key Elements 3 and 4 to offset the costs shown for Key Elements 1 and 2. Because the Key Elements of the CBA do not demonstrate that the matching program is likely to be cost-effective, Section III. B. of this matching agreement requests that the DIBs determine, in writing, in accordance with 5 U.S.C. § 552a(u)(4)(B), that a CBA (i.e., cost-effectiveness) is not required to support approval of the agreement and that DIB approval is based on the other benefits stated.

I. MATCH OBJECTIVE

Under this matching program, VA internal and external providers will be matched against the database of Medicare providers and suppliers who have been revoked by CMS pursuant to 42 C.F.R. § 424.535. VA will perform additional validations/investigations to determine if providers and suppliers are in compliance with VA program requirements. VA will take appropriate action or refer cases to OIG for action.

II. BACKGROUND

This new matching program is being created subsequent to Information Exchange Agreement (IEA) No. 1006 (VA) and 2018-41 (CMS), which confirmed there are suppliers and providers that provided care to Veterans within VA programs that have had their Medicare billing privileges revoked. The results of the IEA confirmed the
value in conducting a Computer Matching Agreement, enabling VA to safeguard resources and protect and enhance patient safety for Veterans.

Without this matching program, VA would be unable to efficiently identify the specific providers and suppliers who have had their Medicare billing privileges revoked. The match allows VA to capitalize on the extensive enrollment screening performed by CMS that would otherwise need to be duplicated and paid for by VA.

VA’s and CMS’s matching program costs will be primarily labor to perform data programming, matching, and review and adjudication of results.

III. METHODOLOGY

The costs for this matching program will be primarily labor costs associated with the initial programming development necessary for VA and CMS to obtain, match and exchange this data, as well as labor costs to review and adjudicate the match results. VA and CMS estimated the number of hours for its staff to complete the matching program based on experience with other matching programs of similar magnitude. CMS also collected cost estimates provided by its current contractors for this proposed effort. The findings from these activities serve as the basis for the cost estimates for this new matching program. To estimate the government staff personnel costs, VA and CMS used the 2019 salary table with locality of pay for either Austin, TX or Washington, DC, Baltimore, MD and Northern Virginia area from the Office of Personnel Management. ¹ To calculate fringe benefits and overhead, VA and CMS doubled the hourly wage earning.

VA used the following assumptions in development of the cost benefit analysis:

- The matching program will use processes currently in place by CMS for identification of matched enrolled providers and suppliers.
- VA and CMS will obtain, exchange and store data using existing tools and resources with no financial impact.
- For purposes of estimating VA’s costs associated with the matching program, the match result rates will be similar to those identified in the Information Exchange Agreement
- Any systems change refinements following the initial implementation of this matching program are not considered in projections.
- All personnel costs and savings are rounded to the nearest dollar.

IV. COSTS

A. **Key Element 1: Personnel Costs**

1. **For Agencies** –

   a. **Source Agency (CMS):** CMS will incur costs for data matching along with contractor costs for use of the Acumen portal once VA sends the data file to be matched. Staff performing the work will include employees predominately located in the Washington-Baltimore-Arlington, DC-MD-VA-WV-PA geographic locality. CMS used estimates based on 2019 OPM payment schedules. The Washington-Baltimore-Arlington, DC-MD-VA-WV-PA geographic locality, hourly rates used in CMS’ estimation for a GS-13, Step 5 is $52.66 ($105.32 rate plus fringe).

   CMS staff will spend an estimated 2009 hours for a GS-13, Step 5 to prepare and extract the data to be sent to VA for the 18-month period covered under the Agreement. CMS estimates that total personnel costs for data matching will amount to $211,588 (2009 hours x $105.32 = $211,588).

   In addition to personnel costs for data matching, 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 = $120,600). The total estimated source agency (CMS) personnel costs is $332,188 ($211,588 for data matching + $120,600 for contractor costs).

   b. **Recipient Agency (VA):** VA will incur personnel costs prior to each match and ongoing personnel costs associated with reviewing and adjudicating match results. Staff performing the work include employees predominantly located in the Austin-Round Rock, TX geographic locality. Some employees performing the work will be geographically dispersed; however, the Austin-Round Rock, TX locality was used for all estimations because it represents the location where a majority of the work will be performed. Also, the Austin-Round Rock, TX locality serves as a reasonable baseline and expected locations of other employees had negligible locality pay variances compared to Austin-Round Rock, TX. VA used estimates based on 2019 OPM payment schedules. The Austin-Round Rock, TX geographic locality, hourly rates used in VA’s 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).

VA 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 18-month period covered under the Agreement. VA 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=$29,590).

In addition to personnel costs for data preparation and extraction prior to each match, VA will incur ongoing personnel costs to review and adjudicate the match results. VA 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. VA estimates the total personnel costs for reviewing and adjudicating the match results for the 18-month period covered under the Agreement, will amount to $110,342 (34.75 hours x $95.86 + 2,355 hours x $45.44=$110,342).

The total estimated recipient agency (VA) personnel costs is $139,932 ($29,590 for data preparation and extraction + $110,342 for review and adjudication of match results = $139,932).

c. Justice Agencies (Treasury/DOJ): N/A. VA and CMS do not anticipate any personnel costs for Justice Agencies as part of this matching program.

2. For Clients –

N/A. VA and CMS do not anticipate any personnel costs for Clients as part of this matching program.

3. For Third Parties –

CMS does not anticipate any personnel costs for Third Parties as part of this matching program.

For VA, Third Parties include providers and suppliers. For individuals who are matched, there may be a need for those individuals to submit data to VA for validation purposes. VA estimates 57 hours of work performed by the equivalent of a GS-15, Step 5. The estimated cost is $7,596 (57 hours x 133.26=$7,596).

4. For the General Public –

N/A. VA and CMS do not anticipate any personnel costs for the General Public as part of this matching program.
B. Key Element 2: Agencies’ Computer Costs

1. Source Agency (CMS): CMS anticipates $0 for hardware and software computer costs. CMS personnel and contractors will program the system and prepare the response file to be transmitted back to VA, and those costs are reflected as personnel costs in Key Element 1. No additional tools, software, or processing capacity will be required. Further, there are no facility or other direct tangible item costs for this matching agreement.

2. Recipient Agency (VA): VA anticipates $0 for computer costs. VA personnel will prepare and transmit the data to be matched, which was included in VA personnel costs outlined in Key Element 1. No additional tools, software, or processing capacity will be required. Further, there are no facility or other direct tangible item costs for this matching agreement.


Total costs for the matching program are estimated to be $479,716. This represents the personnel costs of CMS ($332,188), VA ($139,932), and Third Parties ($7,596). ($332,188 + $139,932 + $7,596 = $479,716)

V. BENEFITS

A. Key Element 3: Avoidance of Future Improper Payments- N/A to this matching program

B. Key Element 4: Recovery of Improper Payments and Debts – N/A to this matching program

VI. OTHER BENEFITS

Cost Avoidance to VA, by Leveraging CMS’s APS Program

In 2012, CMS launched the Advanced Provider Screen (APS) program. APS is a fraud-prevention solution that leverages a host of commercial and government data sources to continuously monitor providers and suppliers and generate alerts. APS involves taking the results of screening of the various databases and using the information to revoke the billing privileges for providers and suppliers. CMS engaged a contractor to support APS at a 5-year cost of $76.4 million (base year contract with four option years).

In the absence of this matching Agreement, VA would need to award a similar contract to achieve the same goal of advanced screening for VA providers. To estimate the cost of a contract vehicle, VA first adjusted the CMS 5 year contract down to an 18 month period ($76.4/60 months x 18 months = $22,920,000). We took the adjusted contract cost of $22,920,000 and divided by the average annual providers screened (4,720,000) to come up with an estimated cost per provider of $4.86. The matching agreement only provides
screening for providers who participate in both CMS and VA programs. The Information Exchange Agreement identified 212,347 VA providers who were also a CMS provider or supplier, and therefore screened by APS. To screen the same provider population covered in the matching Agreement, VA’s contract would cost approximately $1,032,006 (212,347 providers x $4.86 cost per provider).

In addition, VA has a non-quantifiable cost avoidance benefit for potentially reducing malpractice cases against VA resulting from inappropriate care rendered by providers who had their billing privileges revoked by Medicare but continued to treat Veterans.

Improvements in VA Service Delivery and Resources

VA will benefit from the improved patient safety this matching program will enable. The matching program will contribute to reduced reputational risk for the Agency and increase VA clients’ confidence in VA healthcare. VA clients are Veterans and certain other beneficiaries receiving healthcare under various VA programs, which include care administered by internal providers operating in VA facilities as well as care procured from external providers and suppliers in the community. The matching program enables VA to take appropriate action to remove or end contractual relationships with providers who should not be serving Veterans. VA Clients benefit through improvements in service delivery relating to patient care and the avoidance of adverse patient outcomes. Patient safety is of utmost importance to the VA mission and its importance cannot be measured in dollars.

Total monetary benefits for the matching program are estimated to be $1,032,006 for the 18-month period of the agreement. Non-monetary benefits are of greater importance to the VA mission, and include increased patient safety, reduced reputational risk, and unmeasurable cost avoidance from the potential reduction of malpractice cases.

VII. CONCLUSION

The computer match will result in information that will enable VA to identify the specific providers and suppliers who have had their Medicare billing privileges revoked and to perform additional validation/investigation to determine if the providers and suppliers are in compliance with VA program requirements. VA will take appropriate action or refer cases to OIG for action. While the cost savings cited is significant and negates VA having to contract for a similar capability and data that currently exists in CMS, the greater benefit is non-monetary and directly impacts Veteran care.
Cost Benefit Analysis for the Matching Program (# 2019-21/1905) Between the Department of Veterans Affairs (VA) and the Centers for Medicare and Medicaid Services (CMS) for Disclosure of Information to Support the VA’s Seek to Prevent Fraud, Waste, and Abuse

Chart 1: Summary of Benefits and Costs for 18-Month Matching Period

<table>
<thead>
<tr>
<th>Benefits</th>
<th>Agencies</th>
<th>CMS</th>
<th>$0</th>
</tr>
</thead>
<tbody>
<tr>
<td>VA</td>
<td></td>
<td></td>
<td>$1,032,006</td>
</tr>
<tr>
<td>Third parties</td>
<td></td>
<td></td>
<td>$0</td>
</tr>
<tr>
<td>Amount Expected to Save and Recover in 18-month matching period</td>
<td>Total Benefits:</td>
<td>$1,032,006</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Costs</th>
<th>Personnel Costs</th>
<th>Agencies</th>
<th>CMS</th>
<th>$332,188</th>
</tr>
</thead>
<tbody>
<tr>
<td>VA – Data Extraction</td>
<td></td>
<td></td>
<td></td>
<td>$29,590</td>
</tr>
<tr>
<td>VA - Due process</td>
<td></td>
<td></td>
<td></td>
<td>$110,342</td>
</tr>
<tr>
<td>Justice</td>
<td></td>
<td></td>
<td></td>
<td>$0</td>
</tr>
<tr>
<td>Clients</td>
<td></td>
<td></td>
<td></td>
<td>$0</td>
</tr>
<tr>
<td>VA Providers (third parties) – obtaining supporting documentation</td>
<td></td>
<td></td>
<td></td>
<td>$7,596</td>
</tr>
</tbody>
</table>

| General Public | $0 |
| Computer/Tangible Costs | $0 |

| Total Costs: | $479,716 |
| Benefit-to-Cost Ratio: | 2.15:1 |
### Chart 2: Summary of Sources and Figures for Personnel Costs

#### Benefits Projected

<table>
<thead>
<tr>
<th>Agencies</th>
<th>Source</th>
<th>Data</th>
</tr>
</thead>
<tbody>
<tr>
<td>CMA</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>VA</td>
<td>Office of Management, Office of Business Oversight, Program Integrity Office</td>
<td>CMS Advanced Provider Screening (APS) award information from <a href="https://www.g2xchange.com/health/">https://www.g2xchange.com/health/</a></td>
</tr>
</tbody>
</table>

#### Costs Projected

<table>
<thead>
<tr>
<th>Personnel Costs Agencies</th>
<th>Source</th>
<th>Data</th>
</tr>
</thead>
<tbody>
<tr>
<td>CMS – staff data matching</td>
<td>Office of Personnel Management (OPM) for Washing, D.C., Baltimore, MD, GS-13, Step 5</td>
<td>Hourly wage: $52.66 Fringe benefits/overhead: $105.32 2009 hours = $211,588</td>
</tr>
<tr>
<td>CMS – contractor support</td>
<td>Rough Order of Magnitude provided by the contractor Acumen.</td>
<td>Six Data Exchanges within 18 months 1 Data Exchange = $20,100. 6 Data Exchanges = $120,600</td>
</tr>
<tr>
<td>VA – Data preparation and extraction</td>
<td>OPM for Austin-Round Rock TX, GS-13, Step 5; GS-13, Step 10; GS-15, Step 5</td>
<td>Hourly wage: $47.93, $54.98, $66.63 Fringe benefits/overhead: $95.86, $109.96, $133.26 270 hours = $29,590</td>
</tr>
<tr>
<td>VA – Review and adjudication</td>
<td>OPM for Austin-Round Rock TX, GS-13, Step 5; GS-7, Step 5</td>
<td>Hourly wage: $47.93, $22.72 Fringe benefits/overhead: $95.86, $45.44 2,390 hours = $107,011</td>
</tr>
<tr>
<td>Justice</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Clients</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>VA Providers (third parties) – obtaining information for validation purposes</td>
<td>OPM for Austin-Round Rock TX, GS-15, Step 5</td>
<td>Hourly wage: $66.63 Fringe benefits/overhead: $133.26 57 hours = $7,596</td>
</tr>
<tr>
<td>General Public</td>
<td>n/a</td>
<td>n/a</td>
</tr>
</tbody>
</table>
Signatory Authority

Roberta R. Lowe
Executive Director
Office of Business Oversight
Department of Veterans Affairs

Jon J. Rychalski
Assistant Secretary for Management and
Chief Financial Officer
Department of Veterans Affairs