

COMPUTER MATCHING AGREEMENT
BETWEEN
THE UNITED STATES POSTAL SERVICE
AND
THE DEPARTMENT OF DEFENSE
DEFENSE MANPOWER DATA CENTER

A. Supersedure

This computer matching agreement supersedes all existing data exchange agreements or memorandums of understanding between the Department of Defense (DoD) and the United States Postal Service (USPS) applicable for determining the eligibility for the enrollment in premium based TRICARE health plans for Reserve Component (RC) Service members based on their eligibility for Federal Employees Health Benefits (FEHB) Program.

B. Purpose of the Computer Matching Agreement

The purpose of this agreement is to establish the conditions, safeguards, and procedures under which the USPS, an independent establishment of the executive branch of the Government of the United States, section 201 of Title 39, United States Code (U.S.C.), as the recipient agency, will receive from the DoD, the source agency, personally identifiable information pertaining to members of the Ready Reserve, Standby Reserve, and Retired Reserve of the Armed Forces of the United States. Such information will be used in a matching program for the purpose of providing the DoD with the FEHB program eligibility and Federal employment information necessary to either verify the eligibility to enroll or verify the continuing eligibility of enrolled Service members for premium based TRICARE health plans such as the TRICARE Reserve Select (TRS) Program and the TRICARE Retired Reserve (TRR) Program.

C. Legal Authority

This CMA is executed to comply with section 552a of Title 5 U.S.C., as amended (the Privacy Act of 1974), Public Law (PL) 100-503, the Computer Matching and Privacy Protection Act (CMPPA) of 1988, the Office of Management and Budget (OMB) Circular A-130, titled "Management of Federal Information Resources" at 61 Federal Register (FR) 6435, February 20, 1996, and OMB guidelines pertaining to computer matching at 54 FR 25818, June 19, 1989. The Postal Service is authorized to enter into this agreement in accordance with section 411 of Title 39, U.S.C.

Section 706 of PL 109-364, the John Warner National Defense Authorization Act of 2007, amended section 1076d of Title 10 U.S.C. to establish the enhanced TRS Program as of October 1, 2007. Section 705 of PL 111-84, National Defense Authorization Act for Fiscal Year 2010, amended section 1076e of Title 10 U.S.C. to establish the TRR Program as of October 29, 2009. RC Service members who have continuing eligibility for the FEHB Program pursuant to chapter 89 of Title 5 U.S.C. are not eligible to enroll, or continue an enrollment, in the TRS or the TRR Program. This agreement implements the additional validation processes needed by DoD to

insure RC Service members eligible for the FEHB Program may not enroll, or may not continue a current enrollment, in the TRS or the TRR Program.

D. Definitions

1. DoD - Department of Defense
2. USPS – United States Postal Service Payroll processing unit in Eagan, MN
3. FEHB Program - Federal Employees Health Benefits Program
4. TRS Program - TRICARE Reserve Select, a premium based TRICARE military health plan for members of the Selected Reserve of the Ready Reserve of the Armed Forces of the United States
5. TRR Program - TRICARE Retired Reserve, a premium based TRICARE military health plan for members of the Retired Reserve of the Armed Forces of the United States
6. DMDC - Defense Manpower Data Center
7. DEERS - Defense Enrollment Eligibility Reporting System
8. OASD(RA) - Office of the Assistant Secretary of Defense for Reserve Affairs
9. Recipient Agency - as defined by the Privacy Act (section 552a(a)(9) of Title 5 U.S.C.), the agency receiving the records contained in a system of records from a source agency for use in a matching program. USPS is the recipient agency.
10. Source Agency - as defined by the Privacy Act (section 552a(a)(11) of Title 5 U.S.C.), the agency which discloses records contained in a system of records to be used in a matching program. DoD DMC is the source agency.
11. DHA - the Defense Health Agency

E. Description of the Match Records

Under the terms of this matching agreement, the Defense Manpower Data Center (DMDC) will provide to USPS Payroll a file of records consisting of Social Security Number (SSN), date of birth (DOB), and the name of Service members of the Ready Reserve, Standby Reserve, and Retired Reserve of the Armed Forces of the United States. DMDC will update the Defense Enrollment Eligibility Reporting System (DEERS) record of those RC Service members with FEHB Program eligibility information from the USPS response file. The Office of the Assistant Secretary of Defense for Reserve Affairs (OASD(RA)) will be responsible for providing the verified information to the RCs to aid in processing of TRS and TRR eligibility determinations.

USPS agrees to conduct two computer matches within a calendar year of the records of RC Service members provided by DMDC matched with the information found in USPS Payroll system for permanent employees in a current pay status. USPS will validate the identification of the RC records that match with the name, SSN and DOB provided by DMDC. USPS Payroll will provide the Civilian Agency Indicator, the full FEHB Program Plan Code, a Multiple Record Indicator, and a DOB Match Indicator for those full-time employees in a current pay status. USPS Payroll will forward a response file to DMDC within 30 business days following the receipt of the initial finder file and for all subsequent files submitted.

F. Justification and Expected Results

1. Justification. Service members of the Selected Reserve who are eligible for the FEHB Program are ineligible to enroll in the TRS Program. Once a Selected Reserve Service member enrolls in the TRS Program, he or she maintains continued coverage until enrolling in a non-premium based TRICARE Program, makes a decision to terminate TRS coverage, or leaves the Selected Reserve voluntarily. Service members of the Retired Reserve who are eligible for the FEHB Program are ineligible to enroll in the TRR Program. Once a Retired Reserve member enrolls in the TRR Program, he or she maintains continued coverage until they reach age 60, voluntarily makes a decision to terminate the coverage, or enrolls in a non-premium based TRICARE Program. In order to effectively administer the program, DoD has a requirement for a verified source of FEHB Program eligibility to administer the TRS and the TRR Programs.

As a condition of enrollment into the TRS or the TRR Program, Service members certify they are not eligible for the FEHB Program. Since there is no mandatory termination date for TRS, and the mandatory termination date for TRR is age 60, DoD will validate the eligibility status of the member on a semiannual basis using data from the USPS Payroll. Absent the matching agreement, the enrolled RC population would be required to recertify their eligibility for the FEHB Program every year. This would be an onerous process for Service members as well as significant expense for DoD. The use of computer technology to transfer data between DMDC and USPS Payroll is faster and more efficient than the use of any other manual process to verify eligibility information for the FEHB Program.

2. Expected Results. The data from USPS Payroll will identify Service members who are eligible for the FEHB Program and will be used to prevent an enrollment in the TRS or the TRR Program if warranted, and also to identify the FEHB Program eligibility of currently enrolled Service members in the TRS and the TRR Program. The computer match between the USPS Payroll system and the DEERS could have an adverse impact on those individuals who lose their entitlement for TRS or TRR Program; however, it will have a positive impact as well. Service members are notified of the pending termination of their enrollment for TRS or TRR Program and provided information for enrollment in the FEHB Program. This matching process will help to insure the member has no break in medical coverage.

The derived benefits from this matching operation are primarily not quantifiable. DoD is responding to statute to exclude from the TRS and the TRR Programs Service members eligible for the FEHB Program. No savings will accrue to DoD as a result of this match. Eligible beneficiaries will receive care they are entitled to under the law.

G. Description of the Records

1. Systems of Records (SOR). DoD will use the SOR identified as DMDC 02 DoD, entitled "Defense Enrollment Eligibility Reporting Systems (DEERS) November 04, 2015, 80 FR 68304." The SSNs of RC Service members released to USPS pursuant to the routine use "6" set forth in the system notice DMDC 02 DoD. (A copy of the system notice is at Attachment 1).

2. Systems of Records (SOR). USPS Payroll provides identification of the FEHB Program status of RC Service members to validate the eligibility for the statutory requirement of the TRS and the TRR Program. Therefore, eligibility information is maintained in the SOR identified as USPS 100.400 "Personnel Compensation and Payroll Records," at 80 FR 11241, March 2, 2015, pursuant to routine use 6. (A copy of the system notice is at Attachment 2).

3. Number of Records. DMDC will submit a finder file of approximately 1.4 million records containing the SSN, name, and DOB of RC Service members for matching against the USPS Payroll, and will submit subsequent finder files on a semiannual basis thereafter. USPS Payroll will provide a reply file containing all appropriate matched responses.

4. Specified Data Elements. See Attachment 3 for a sample record format for the finder file and the reply file.

5. Operational Time Factors. DMDC will forward the initial finder file of RC Service members to USPS Payroll after the Congressional and OMB review and public comment requirements, mandated by the Privacy Act, are satisfied. USPS Payroll will provide a reply file no later than 30 business days after receipt of the initial finder file. Subsequent finder files, submitted on a semiannual basis, will receive a response within approximately 30 business days of receipt. USPS Payroll requires the reporting of the health plan semiannually: March and September, and the USPS Payroll system is usually available for use from 60 to 90 days after the end of the month. DMDC will send the finder file when the USPS Payroll system is ready to match, approximately 60 to 90 days after March and September.

H. Notice Procedures

The Defense Health Agency, (DHA)TRICARE Management Activity (TMA) will inform all TRS and TRR sponsors of computer matching activities at the time of enrollment by means of the encounter statement on the DD Form 2896-1, "RC Health Coverage Request Form." The DD Form 2896-1 is used to coordinate enrollment into the TRS Program or the TRR Program. RC Service members certify at the time of enrollment that they are not eligible for the FEHB Program. In order to provide direct notice to those Service members enrolled in TRS or TRR, DMDC will first need the information from USPS Payroll to identify TRS and TRR participants who are eligible for the FEHB Program. Once DMDC receives that information, Service members enrolled in TRS and TRR identified by the USPS Payroll matching result as FEHB eligible will be notified by their RC in writing of this status. The Service members enrolled in TRS or TRR are requested to terminate TRS or TRR coverage if the USPS Payroll information is correct or to seek RC assistance to determine their proper eligibility for the FEHB Program if the

USPS Payroll data is incorrect. The RCs and DHA will also provide qualifying information for TRS and TRR to RC Service members through beneficiary handbooks, pamphlets, educational materials, press releases, briefings, and via the DHA web site.

Any deficiencies as to direct notice to the individual for the matching program are resolved by the indirect or constructive notice that is afforded the individual by agency publication in the FR of both the:

1. Applicable routine use notice, as required by section 552(e)(11) of Title 10 U.S.C. permitting the disclosure of the FEHB Program eligibility information for DoD TRS and TRR Program eligibility purposes.

2. The proposed match notice, as required by section 552(a)(e)(12) of Title 10 U.S.C., announcing an agency's intent to conduct computer matching for verification of FEHB Program eligibility for determining eligibility for TRS and TRR Program.

I. Verification and Opportunity to Contest Findings

1. Verification. The RCs, in support of OASD(RA), are responsible for resolving FEHB Program eligibility based on the data provided by DMDC from the USPS Payroll reply file where inconsistencies exist. Any discrepancies as furnished by USPS Payroll, or developed as a result of the match, will be independently investigated and verified by the RCs, in support of OASD(RA), prior to any adverse action being taken against the individual.

2. Opportunity to Contest Findings. Based on the DoD policy the RCs agree to provide written notice to each individual whom DoD believes is no longer eligible for the TRS or the TRR Program based on the USPS Payroll file match. If the individual fails to terminate coverage or notify the RC that the information is not accurate within 30 days from the date of the notice, DoD will forward the information to the RC Program Manager for final resolution of the TRS or the TRR enrollment.

J. Retention and Disposition of Identifiable Records

The electronic data sent from DMDC to the USPS ("finder file") in accordance with this matching program will remain the property of the DMDC. The USPS will destroy this finder file after the third consecutive day that it has not been accessed, when the next finder file is received, which ever date is earlier, or upon cancellation of the agreement. The electronic data that the USPS provides to DMDC resulting from the match will remain the property of the USPS. The DMDC will destroy this file the date of the set-up of the next finder file, within 60 days of receiving the file from USPS, which ever date is earlier, or upon cancellation of the agreement. All destruction under this section will be accomplished by shredding, burning, or electronic erasure. Notwithstanding the preceding sentences, DMDC and USPS may retain the electronic data as needed to meet evidential requirements.

K. Security and Privacy Procedures

1. DoD will comply with all Federal requirements relating to information security, information systems security, and privacy, including the Federal Information Security Modernization Act of 2014 (FISMA), the E-Government Act of 2002, OMB memoranda related to privacy, and National Institute of Standards and Technology (NIST) directives in the Special Publications (SP) 800 series (e.g., NIST SP 800-53, Rev. 3, and NIST SP 800-37, Rev. 1). The Postal Service, as an independent establishment of the executive branch, is not required to follow the requirements identified in the preceding sentence, but will follow its security and privacy requirements and policies, including:

- a. Title 39, Code of Federal Regulations, Part 268;
- b. USPS Handbook AS-353 - Guide to Privacy, the Freedom of Information Act, and Records Management (available at <http://about.usps.com/handbooks/as353/welcome.htm>);
- c. USPS Response Plan for Information Breaches Involving Personal Information;
- d. USPS Handbook AS-805, Information Technology and AS-805-H Cloud Security; and
- e. the official USPS Privacy Policy (available at www.usps.com/privacy).

2. Each agency shall establish appropriate administrative, technical, and physical safeguards to assure the security and confidentiality of records and to protect against any anticipated threats or hazard to their security or integrity which could result in substantial harm, embarrassment, inconvenience, or unfairness to any individual on whom information is maintained.

3. Data must be protected at the Moderate system certification criticality level according to Federal Information Processing Standards (FIPS) Publication 199, Standards for Security Categorization of Federal Information and Information Systems.

4. DoD and USPS have completed the security authorization process and the certification and accreditation process respectively within the last 3 years, using the required NIST guidance, and have an Authorization to Operate (ATO) and accreditation letter with the appropriate signatures.

5. 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. DoD and USPS agree that they are responsible for oversight and compliance of their own contractors and agents. DoD and USPS each reserve the right to conduct onsite inspections of any contractor or agent who has access to matched data in order to monitor compliance with FISMA regulations during the lifetime of this CMA.

6. Access to the records matched and to any records created by the match will be restricted only to those authorized employees and officials who need it to perform their official duties in connection with the uses of the information authorized in this agreement. Further, all personnel who will have access to the data matched and to any data created by the match will be advised 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.

7. The records matched, and any records created by the match, will be processed under the immediate supervision and control of authorized personnel, to protect the confidentiality of the records in such a way that unauthorized persons cannot retrieve any such records by means of computer, remote terminal or other means.

8. All personnel who will have access to the records exchanged and to any records created by this exchange are advised 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.

9. USPS Payroll and DMDC may make onsite inspections, and may make other provisions to ensure that each agency is maintaining adequate safeguards.

10. The Data Integrity Boards (DIB) of USPS and DoD reserve the right to monitor compliance of systems security requirements, including, if warranted, the right to make onsite inspections for purposes of auditing compliance, during the life of this Agreement, or its 12 month extension period.

L. Breach Notification

1. DoD will follow PII breach notification policies and related procedures as required by OMB M-07-16, "Safeguarding Against and Responding to the Breach of Personally Identifiable Information" (May 22, 2007). Using established criteria, if in the event of a breach of PII within its control, DoD determines that the risk of harm to affected individuals or to the agency requires notification to affected individuals and/or other remedies, the DoD will carry out these remedies without cost to the Postal Service. USPS and DoD will also comply with the personally identifiable information (PII) breach reporting and security requirements as required by OMB M-06-19, "Reporting Incidents Involving Personally Identifiable Information and Incorporating the Cost for Security in Agency Information Technology Investments", and OMB M-15-01, "Fiscal Year 2014-2015 Guidance on Improving Federal Information Security and Privacy Management Practices".

2. USPS will follow USPS breach notification policies and related procedures referenced in section K(1)(c): USPS Response Plan for Information Breaches Involving Personal Information.

3. USPS and DoD also agree to notify each other as soon as possible, but no later than 24 hours, after the discovery of a suspected or actual breach involving PII. All incidents involving confirmed or suspected breaches of PII must be reported by DoD to the U.S. Computer Emergency Readiness Team (US-CERT) within one hour of discovering the incident.

4. In addition, the agency experiencing the loss of PII will notify the other agency's Systems Security Contact named in Section S of this Agreement. If USPS is unable to speak with the DoD Systems Security Contact within 24 hours or if for some other reason notifying the DoD Systems Security Contact is not practicable (e.g., it is outside of the normal business hours), USPS will call the DoD at 831-583-4159. If DoD is unable to speak with USPS's

Systems Security Contact within 24 hours, DoD will contact the USPS Computer Incident Response Team (USPSCIRT) via email at USPSCIRT@usps.gov.

M. Records Usage, Duplication and Re-disclosure Restrictions

1. The matching files exchanged under this agreement remain the property of the providing agency and as described in Section J.
2. The data exchanged under this agreement will be used and accessed only for the purpose of determining eligibility for premium based TRICARE health plan such as the TRS and TRR Programs.
3. Neither DoD nor USPS will extract information from the electronic data files concerning the individuals that are described therein for any purpose not stated in this agreement.
4. Except as provided in this agreement, neither DoD nor USPS will duplicate or disseminate the data produced without the disclosing agency's permission. Neither agency shall give such permission unless the re-disclosure is required by law or essential to the conduct of the matching program. In such cases, DoD and USPS will specify in writing what records are being disclosed and the reasons that justify such disclosure.

N. Records Accuracy Assessments

DMDC estimates that at least 99% of the information in the finder file is accurate based on their operational experience. USPS Payroll is a highly reliable source of statistical data on the Postal Service workforce. However, accuracy and completeness of each data element within the individual records that comprise this aggregate are not conclusive. Findings emanating from individual records warrant further examination and verification as to its accuracy, timeliness, and completeness with the data subject.

O. Reimbursements and Funding

Expenses incurred by this data exchange will not involve any payments or reimbursements between USPS and DoD.

P. Approval and Duration of Agreement

1. This matching agreement, as signed by representatives of both agencies and approved by the respective agency's Data Integrity Boards (DIB), shall be valid for a period of 18 months from the effective date of the agreement.
2. When this agreement is approved and signed by the Chairpersons of the respective DIBs, the USPS, 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.

3. USPS will forward the public notice of the proposed matching program for publication in the Federal Register, in accordance with section 552(a)(e)(12) of Title 5 U.S.C., the transmittal letter to OMB and Congress. The matching notice will clearly identify the record systems and category of records being used and state that the program is subject to review by the OMB and Congress. A copy of the published notice shall be provided to the DoD.

4. The effective date of the matching agreement and date when matching may actually begin shall be at the expiration of the 40 day review period for OMB and Congress, or 30 days after publication of the matching notice in the Federal Register, whichever is later. The parties to this agreement may assume OMB and Congressional concurrence if no comments are received within 40 days of the date of the transmittal letter. Both the 40 day OMB and Congressional review period, and the mandatory 30 day public comment period for the Federal Register publication of the notice will run concurrently.

5. This agreement may be renewed for 12 months after the initial agreement period as long as the statutory requirement for the data match exists, subject to the Privacy Act, including certification by the participating agencies to the responsible DIBs that:

- a. The matching program will be conducted without change, and
- b. The matching program has been conducted in compliance with the original agreement.

6. This agreement may be modified at any time by a written modification to this agreement. Any modification shall satisfy both parties and shall be approved by the DIB of each agency. In addition, any modification shall comply with the Privacy Act of 1974, as amended, as well as guidance issued by the Office of Management and Budget.

7. This agreement may be terminated at any time with the consent of both parties. If either party does not want to continue this program, it should notify the other party of its intention not to continue at least 90 days before the end of the then current period of the agreement. Either party may unilaterally terminate this agreement upon written notice to the other party requesting termination, 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 provided the expiration date does not exceed the original or the extended completion date of the match.

Q. Waiver of Cost Benefit Analysis

The purpose of this matching agreement is to verify eligibility of Service members enrolling or enrolled in the TRS or the TRR Programs. By statute, such coverage may be provided if the person is not eligible for the FEHB Program. FEHB Program eligibility can only be obtained from USPS, and without this information, a determination of continued eligibility cannot be made. Matching must occur regardless of the associated cost or anticipated benefits. Accordingly, the cost benefit is waived.

R. Comptroller General

The Comptroller General may have access to all records of the USPS that the Comptroller General deems necessary in order to monitor or verify compliance with the agreement.

S. Persons to Contact

The contacts on behalf of DoD are:

Denise Washington
Management Analyst
Office of the Deputy Chief Management Officer
Defense Privacy and Civil Liberties Division
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(703) 571-0070

Matthew Dubois
Deputy Assistant Secretary of Defense
(Reserve Integration)
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Washington, DC 20301-1500
(703)-693-2232

Dena Colburn
DEERS Division
Defense Manpower Data Center
DoD Center Monterey Bay
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(831) 583-2400 x4332

DoD Security and Incident Responses

DMDC Security and Incident Response:
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The contacts on behalf of USPS are:

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Manager Benefits and Wellness Program
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Christine Harris
HQ Payroll Accountant
2825 Lone Oak Parkway
Eagan MN 55121-9500
(651) 406-2128
(651) 406-1212 fax
E-mail: christine.a.harris@usps.gov

USPS Security and Incident Response:

USPS Computer Incident Response Team
1-866-877-7247
USPSCIRT@usps.gov

T. Approvals

Department of Defense Program Officials

The authorized program officials, whose signatures appear below, accept and expressly agree to the terms and conditions expressed herein, confirm that no verbal agreements of any kind shall be binding or recognized, and hereby commit their respective organizations to the terms of this agreement.

DUBOIS.MATTHEW.PAUL
.1035258392

Digitally signed by DUBOIS.MATTHEW.PAUL.1035258392
DN: c=US, ou=U.S. Government, ou=DoD, ou=PKI,
ou=OSD, cn=DUBOIS.MATTHEW.PAUL.1035258392
Date: 2016.03.30 12:51:32 -0400

Date: March 30, 2016

Matthew Dubois
Deputy Assistant Secretary of Defense, (Reserve Integration)

T. Approvals (Continued)

Department of Defense Program Officials

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| SNAVELY- DIXON.MARY.M.11 16074377 | Digitally signed by SNAVELY- DIXON.MARY.M.1116074377 DN: c=US, o=U.S. Government, ou=DoD, ou=PKI, ou=DODHRA, cn=SNAVELY- DIXON.MARY.M.1116074377 Date: 2016.04.05 08:56:30 -04'00' |
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Mary Snavely-Dixon
Director, Defense Manpower Data Center

Date:

T. Approvals (Continued)

Department of Defense Data Integrity Board

The respective DIBs 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.



Joo Y. Chung
Chair
Defense Data Integrity Board
Department of Defense

Date: 4/22/16

T. Approvals (Continued)

United States Postal Service Program Official




Janine Castorina, Acting Chief Privacy Officer
Secretary, Data Integrity Board
United States Postal Service

Date: 5/17/16

United States Postal Service Data Integrity Board

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



Thomas J. Marshall, General Counsel and Executive Vice President
Chairperson, Data Integrity Board
United States Postal Service

Date: 5/18/16