

**Effective Date: April 1, 2003
(68 F.R. 15784)**

**SOCIAL SECURITY ADMINISTRATION NOTICE OF SYSTEM OF RECORDS
REQUIRED BY THE PRIVACY ACT OF 1974**

System number: 60-0089

System name:

Claims Folders Systems, Social Security Administration, Office of the General Counsel,
Office of Public Disclosure.

Security classification:

None.

System location:

The claims folders initially are established and maintained in Social Security field offices when claims for benefits are filed or a lead is expected to result in a claim. Telephone and address information for Social Security field offices may be found in local telephone directories under Social Security Administration (SSA). The claims folders are retained in field offices until all development has been completed, and then transferred to the appropriate processing center as set out below. In addition, the information provided by Social Security claimants on the application for benefits is maintained as a computerized record. The computerized records are maintained at the following address:

Social Security Administration
Office of Systems Operations
6401 Security Boulevard
Baltimore, MD 21235

Supplemental Security Income (SSI) claims folders are held in Social Security field offices pending establishment of a payment record, or until the appeal period in a denied claim situation has expired. The folders are then transferred to a folder-staging facility (FSF) in Wilkes-Barre, Pennsylvania. The address is:

Social Security Administration
SSI Folder Staging Operations
Wilkes-Barre Data Operations Center
P.O. Box 7000
Wilkes-Barre, PA 18703

Retirement and Survivors Insurance (RSI) claims folders are maintained primarily in the

SSA's PSCs (contact the system manager at the address below for PSC address information). If the individual to whom the claim pertains resides outside the United States or any of its possessions, the folder is maintained in the Office of Central Operations (OCO) Rolling Heights Building (Megasite). The address for the Megasite is:

2255 Rolling Road
Baltimore, MD 21244

Disability Insurance (DI) claims folders for individuals under age 55 are maintained primarily in the OCO Megasite (see the address above).

DI claims folders for disabled individuals over age 54 are maintained in SSA's National Records Center (NRC). The address for the NRC is :

601 S. 291 Hwy.
6000 E. Geospace Dr.
Independence, MO 64056

If the individual resides outside the United States or any of its possessions, DI claims folders for individuals are maintained in the OCO Megasite (see the address above).

Special Veterans Benefits (SVB) claims folders are held in Social Security field offices and the Veterans Affairs Regional Office (VARO), Philippines pending establishment of a payment record or until the appeal period in a denied claim situation has expired. Contact the system manager for address information for SVB claims folders maintained in the VARO, Philippines . The VA data file associated with SVB claims is located in SSA's San Francisco Regional Office. The address is: Center for Infrastructure, Systems Support Staff, Frank Hagel Federal Building, 1221 Nevin Avenue, Richmond, California 94801.

In addition, claims folders are transferred to the General Services Administration and on occasion may be temporarily transferred to other Federal agencies. The DI claims folders also are transferred to State agencies for disability and vocational rehabilitation determinations. Contact the system manager for address information.

Categories of individuals covered by the system:

Claimants, applicants, beneficiaries and potential claimant's benefits and payments administered by the Social Security Administration (e.g., Title II RSI and DI benefits; and Title VIII SVB and Title XVI SSI payments). Folders also are maintained on claims that have been denied.

Categories of records in the system:

The claim folder contains the name and Social Security number of the claimant or potential claimant; the application for benefits; earnings record information established and

maintained by SSA; documents supporting findings of fact regarding factors of entitlement and continuing eligibility; payment documentation; correspondence to and from claimants and/or representatives; information about representative payees; and leads information from third parties such as social service agencies, IRS, VA and mental institutions. There is also a VA data file associated with SVB claims. This data includes potential beneficiaries for Title VIII SVB and will be used to help determine individuals' eligibility.

The claim folder also may contain data collected as a result of inquiries or complaints, and evaluation and measurement studies of the effectiveness of claims policies. Separate files may be maintained of certain actions which are entered directly into the computer processes. These relate to reports of changes of address, work status, and other post-adjudicative reports. Separate files also temporarily may be maintained for the purpose of resolving problem cases. Separate abstracts also are maintained for statistical purposes (i.e., disallowances, technical denials, and demographic and statistical information relating to disability decisions).

Authority for maintenance of the system:

Sections 202-205, 223, 226, 228, 1611, 1631, 1818, 1836, and 1840 (42 U.S.C. §§ 402-405, 423, 426, 428, 1382, 1383, 1395i-2, 1395o, and 1395s) and Title VIII of the Social Security Act.

Purpose(s):

Each claim constitutes a basic record for payments and determinations under the Social Security Act. The information in the claim folder is used to produce and maintain the *Master Beneficiary Record, 60-0090* which is the automated payment system for RSI and DI benefits; the *Supplemental Security Income Record and Special Veterans Benefits, 60-0103* which is the automated payment system for SSI payments for the aged, blind, disabled and SVB payments under Title VIII of the Act; the *Black Lung Payment System, 60-0045* which is the payment system for BL claims; and the *Health Insurance Billing and Collection Master Record system, 09-70-0522* which is the payment system for HI and Supplementary Medical Insurance (Medicare) benefits.

Claims folders information is used throughout SSA for purposes of pursuing claims; determining, organizing and maintaining documents for making determinations of eligibility for benefits, the amount of benefits, the appropriate payee for benefits; reviewing continuing eligibility; holding hearings or administrative review processes; ensuring that proper adjustments are made based on events affecting entitlement; and answering inquiries.

Claims folders may be referred to State disability determination services agencies or vocational rehabilitation agencies in disability cases. They may also be used for quality

review, evaluation, and measurement studies, and other statistical and research purposes. Extracts may be maintained as interviewing tools, activity logs, records of claims clearance, and records of type or nature of actions taken.

Routine uses of records maintained in the system, including categories of users and the purposes of such uses:

Disclosure may be made for routine uses as indicated below. However, disclosure of any information defined as "returns or return information" under 26 U.S.C. § 6103 of the Internal Revenue Code (IRC) will not be disclosed unless authorized by a statute, the Internal Revenue Service (IRS), or IRS regulations.

1. To third party contacts in situations where the party to be contacted has, or is expected to have, information relating to the individual's capability to manage his/her affairs or his/her eligibility for or entitlement to benefits under the Social Security program when:

(a) The individual is unable to provide information being sought. An individual is considered to be unable to provide certain types of information when:

(i) He/she is incapable or of questionable mental capability;

(ii) He/she cannot read or write;

(iii) He/she cannot afford the cost of obtaining the information;

(iv) He/she has a hearing impairment, and is contacting SSA by telephone through a telecommunications relay system operator;

(v) A language barrier exists; or

(vi) The custodian of the information will not, as a matter of policy, provide it to the individual; or

(b) The data are needed to establish the validity of evidence or to verify the accuracy of information presented by the individual, and it concerns one or more of the following:

(i) His/her eligibility for benefits under the Social Security program;

(ii) The amount of his/her benefit payment; or

(iii) Any case in which the evidence is being reviewed as a result of suspected abuse or fraud, concern for program integrity, or for quality appraisal, or evaluation and measurement activities.

2. To third party contacts where necessary to establish or verify information provided by representative payees or payee applicants.
3. To a person (or persons) on the rolls when a claim is filed by an individual which is adverse to the person on the rolls, i.e.,
 - (a) An award of benefits to a new claimant precludes an award to a prior claimant; or
 - (b) An award of benefits to a new claimant will reduce the benefit payments to the individual(s) on the rolls; but only for information concerning the facts relevant to the interests of each party in a claim.
4. To employers or former employers for correcting or reconstructing earnings records and for Social Security tax purposes only.
5. To the Department of the Treasury for:
 - (a) Collecting Social Security taxes or as otherwise pertinent to tax and benefit payment provisions of the Act (including SSN verification services); or
 - (b) Investigating alleged theft, forgery, or unlawful negotiation of Social Security checks.
6. To the United States Postal Service for investigating the alleged forgery, theft or unlawful negotiation of Social Security checks.
7. To the Department of Justice (DOJ) for:
 - (a) Investigating and prosecuting violations of the Act to which criminal penalties attach,
 - (b) Representing the Secretary, or
 - (c) Investigating issues of fraud by agency officers or employees, or violation of civil rights.
8. To the Department of State and its agents for administering the Act in foreign countries through facilities and services of that agency.
9. To the American Institute of Taiwan and its agents for administering the Act in Taiwan through facilities and services of that organization.
10. To the Department of Veterans Affairs, Philippines Regional Office and its agents for administering the Act in the Philippines through facilities and services of that

agency.

11. To the Department of Interior and its agents for administering the Act in the Northern Mariana Islands through facilities and services of that agency.

12. To RRB for administering provisions of the Act relating to railroad employment.

13. To State Social Security Administrators for administration of agreements pursuant to section 218 of the Act.

14. To State audit agencies for:

(a) Auditing State supplementation payments and Medicaid eligibility considerations; and

(b) Expenditures of Federal funds by the State in support of the DDS.

15. To private medical and vocational consultants for use in making preparation for, or evaluating the results of, consultative medical examinations or vocational assessments which they were engaged to perform by SSA or State agency acting in accord with sections 221 or 1633 of the Act.

16. To specified business and other community members and Federal, State, and local agencies for verification of eligibility for benefits under section 1631(e) of the Act.

17. To institutions or facilities approved for treatment of drug addicts or alcoholics as a condition of the individual's eligibility for payment under section 1611(e)(3) of the Act and as authorized by regulations issued by the Special Action Office for Drug Abuse Prevention.

18. To applicants, claimants, prospective applicants or claimants, other than the data subject, their authorized representatives or representative payees to the extent necessary to pursue Social Security claims and to representative payees when the information pertains to individuals for whom they serve as representative payees, for the purpose of assisting SSA in administering its representative payment responsibilities under the Act and assisting the representative payees in performing their duties as payees, including receiving and accounting for benefits for individuals for whom they serve as payees.

19. To a congressional office in response to an inquiry from that office made at the request of the subject of a record.

20. In response to legal process or interrogatories relating to the enforcement of an individual's child support or alimony obligations, as required by sections 459 and 461 of

the Act.

21. To Federal, State, or local agencies (or agents on their behalf) for administering cash or non-cash income maintenance or health maintenance programs (including programs under the Act). Such disclosures include, but are not limited to, release of information to:

- (a) RRB for administering provisions of the Railroad Retirement and Social Security Acts relating to railroad employment and for administering the Railroad Unemployment Insurance Act; .
- (b) The VA for administering 38 U.S.C. 412, and upon request, information needed to determine eligibility for or amount of VA benefits or verifying other information with respect thereto;
- (c) The Department of Labor for administering provisions of Title IV of the Federal Coal Mine Health and Safety Act, as amended by the Black Lung Benefits Act,;
- (d) State welfare departments for administering sections 205(c)(B)(i)(II) and 402(a)(25) of the Act requiring information about assigned SSNs for AFDC program purposes only;
- (e) State agencies for making determinations of Medicaid eligibility; and
- (f) State agencies for making determinations of food stamp eligibility under the food stamp program.

22. To State welfare departments:

- (a) Pursuant to agreements with SSA for administration of State supplementation payments;
- (b) For enrollment of welfare recipients for medical insurance under section 1843 of the Act; and
- (c) For conducting independent quality assurance reviews of SSI recipient records, provided that the agreement for Federal administration of the supplementation provides for such an independent review.

23. To State vocational rehabilitation agencies or State crippled children's service agencies (or other agencies providing services to disabled children) for consideration of rehabilitation services per sections 222(a) and 1615 of the Act.

24. To the Social Security agency of a foreign country, to carry out the

purpose of an international Social Security agreement entered into between the United States and the other country, pursuant to section 233 of the Act.

25. To IRS, Department of the Treasury, for the purpose of auditing SSA's compliance with the safeguard provisions of the IRC of 1986, as amended.

26. To the Office of the President for responding to an individual pursuant to an inquiry received from that individual or from a third party on his or her behalf.

27. To third party contacts (including private collection agencies under contract with SSA) for the purpose of their assisting SSA in recovering overpayments.

28. To DOJ (Immigration and Naturalization), upon request, to identify and locate aliens in the United States pursuant to section 290(b) of the Immigration and Nationality Act (8 U.S.C. 1360(b)).

29. Information may be disclosed to contractors and other Federal agencies, as necessary, for the purpose of assisting SSA in the efficient administration of its programs. We contemplate disclosing information under this routine use only in situations in which SSA may enter a contractual or similar agreement with a third party to assist in accomplishing an agency function relating to this system of records.

30. Non-tax return information which is not restricted from disclosure by Federal law may be disclosed to the General Services Administration (GSA) and the National Archive and Records Administration (NARA) for the purpose of conducting records management studies with respect to their duties and responsibilities under 44 U.S.C. 2904 and section 2906, as amended by NARA Act of 1984.

31. To the Department of Justice (DOJ), a court or other tribunal, or another party before such tribunal when:

- (a) SSA, or any component thereof; or
- (b) any SSA employee in his/her official capacity; or
- (c) any SSA employee in his/her individual capacity where DOJ (or SSA where it is authorized to do so) has agreed to represent the employee; or
- (d) the United States or any agency thereof where SSA determines that the litigation is likely to affect the operations of SSA or any of its components,

is a party to litigation or has an interest in such litigation, and SSA determines that the use of such records by DOJ, a court or other tribunal, or another party before such tribunal is relevant and necessary to the litigation, provided, however, that in each case, SSA

determines that such disclosure is compatible with the purpose for which the records were collected.

Disclosure of any information defined as "returns or return information" under 26 U.S.C. § 6103 of the Internal Revenue Code (IRC) will not be disclosed unless authorized by a statute, the Internal Revenue Service (IRS), or IRS regulations.

32. Addresses of beneficiaries who are obligated on loans held by the Secretary of Education or a loan made in accordance with 20 U.S.C. 1071, et seq. (the Robert T. Stafford Student Loan Program) may be disclosed to the Department of Education as authorized by section 489A of the Higher Education Act of 1965.

33. To student volunteers and other workers, who technically do not have the status of Federal employees, when they are performing work for SSA as authorized by law, and they need access to personally identifiable information in SSA records in order to perform their assigned Agency functions.

34. To Federal, State, and local law enforcement agencies and private security contractors, as appropriate, information necessary:

(a) To enable them to protect the safety of SSA employees and customers, the security of the SSA workplace and the operation of SSA facilities, or

(b) To assist investigations or prosecutions with respect to activities that affect such safety and security or activities that disrupts the operation of SSA facilities.

35. The Commissioner shall disclose to the Secretary of Health and Human Services or to any State any record or information requested in writing by the Secretary to be so disclosed for the purposes of administering any program administered by the Secretary, if records or information of such type were so disclosed under applicable rules, regulations, and procedures in effect before the date of enactment of the Social Security Independence and Program Improvements Act of 1994.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage:

Records generally are maintained manually in file folders. However, some records may be maintained in magnetic media (e.g., on disk and microcomputer).

Retrievability:

Claims folders are retrieved both numerically by SSN and alphabetically by name.

Safeguards:

Paper claims folders are protected through limited access to SSA records. Access to the records is limited to those employees who require such access in the performance of their official duties. All employees are instructed in SSA confidentiality rules as a part of their initial orientation training.

Safeguards for automated records have been established in accordance with the Systems Security Handbook. All magnetic tapes and disks are within an enclosure attended by security guards. Anyone entering or leaving this enclosure must have special badges which are issued only to authorized personnel. All microfilm and paper files are accessible only by authorized personnel and are locked after working hours.

For computerized records, electronically transmitted between SSA's central office and field office locations (including organizations administering SSA programs under contractual agreements), safeguards include a lock/unlock password system, exclusive use of leased telephone lines, a terminal oriented transaction matrix, and an audit trail.

Retention and disposal:

The retention period for claims folders are as follows:

A. RSI Claims Folders

Folders for disallowed life and death claims, withdrawals, and lump-sum claims in which potential entitlements exist are transferred to the FRC after being so identified and then destroyed 10 years thereafter.

Folders for awarded claims where the last payment has been made and there is no future potential claimant indicated in the record are transferred to the FRC and then destroyed 5 years thereafter.

B. DI Claims Folders

Folders for DI denial claims are transferred to the FRC after expiration of the reconsideration period and then destroyed 10 years thereafter.

Folders for terminated DI claims are transferred to the FRC after being identified as eligible for transfer and then destroyed 10 years thereafter.

C. SSI Claims Folders and SVB Folders

Folders for SSI and SVB death termination claims are destroyed 2 years after resolution of possible outstanding overpayments or underpayments. Folders for other SSI and SVB terminations are transferred to the FRC after termination and destroyed after 6 years, 6 months.

When a subsequent claim is filed on the SSN the claim folder is recalled from the FRC. Similarly, claims folders may be recalled from the FRC at any time by SSA, as necessary, in the administration of Social Security programs. When this occurs, the folder will be temporarily maintained in a Social Security field, regional or central office.

Separate files of actions entered directly into the computer processes are shredded or destroyed by heat after 1 to 6 months. Claims leads that do not result in a filing of an application are destroyed 6 months after the inquirer is invited by letter to file a claim.

All paper claim files are disposed of by shredding or the application of heat when the retention periods have expired.

System manager(s) and address:

SSA Privacy Officer
Office of the General Counsel
Office of Public Disclosure
Social Security Administration
6401 Security Boulevard
Baltimore, Maryland 21235

Notification procedures:

When requesting notification, the individual should provide the type of claim he or she filed (RSI, DI, HI, BL special minimum payments, SSI or SVB). If more than one claim is filed, each should be identified, whether he/she is or has been receiving benefits, whether payments are being received under his or her own SSN, and if not, the name and SSN under which received, if benefits have not been received, the approximate date and place the claim was filed, and his/her address and/or telephone number. (Furnishing the SSN is voluntary, but it will make searching for an individual's record easier and prevent delay.)

An individual can determine if this system contains a record about him/her by writing to the systems manager(s) at the above address and providing his/her name, SSN or other information that may be in the system of records that will identify him/her. An individual requesting notification of records in person should provide the same information, as well as provide an identity document, preferably with a photograph, such as a driver's license or some other means of identification. If an individual does not have any identification

documents sufficient to establish his/her identity, the individual must certify in writing that he/she is the person claimed to be and that he/she understands that the knowing and willful request for, or acquisition of, a record pertaining to another individual under false pretenses is a criminal offense.

If notification is requested by telephone, an individual must verify his/her identity by providing identifying information that parallels the record to which notification is being requested. If it is determined that the identifying information provided by telephone is insufficient, the individual will be required to submit a request in writing or in person. If an individual is requesting information by telephone on behalf of another individual, the subject individual must be connected with SSA and the requesting individual in the same phone call. SSA will establish the subject individual's identity (his/her name, SSN, address, date of birth and place of birth along with one other piece of information such as mother's maiden name) and ask for his/her consent in providing information to the requesting individual.

If a request for notification is submitted by mail, an individual must include a notarized statement to SSA to verify his/her identity or must certify in the request that he/she is the person claimed to be and that he/she understands that the knowing and willful request for, or acquisition of, a record pertaining to another individual under false pretenses is a criminal offense. These procedures are in accordance with SSA Regulations (20 C.F.R. § 401.40).

An individual who requests access to his or her medical records shall be given direct access to those records unless SSA determines that it is likely that direct access would adversely affect the individual. If SSA determines that direct access to the medical record(s) would like adversely affect the individual, he or she must designate a responsible representative who is capable of explaining the contents of the medical record(s) to him or her and who would be willing to provide the entire record(s) to the individual. These procedures are in accordance with SSA Regulations (20 C.F.R. § 401.55).

A parent or guardian who requests notification of or access to a minor's medical record shall at the time he/she makes the request designate a physician or other health professional (other than a family member) who is capable of explaining the contents of the medical record(s) to him or her and who would be willing to provide the entire record(s) to the individual. These procedures are in accordance with SSA Regulations (20 C.F.R. § 401.55).

Record access procedures:

Same as notification procedures. Requesters should also reasonably specify the information they are seeking. These procedures are in accordance with SSA Regulations (20 C.F.R. §§ 401.40(c) and 401.55).

Contesting record procedures:

Same as notification procedures. Requesters should also reasonably identify the record, specify the information they are contesting and state the corrective action sought and the reasons for the correction with supporting justification showing how the record is incomplete, untimely, inaccurate or irrelevant. These procedures are in accordance with SSA Regulations (20 CFR 401.65).

Record source categories:

Information in this system is obtained from claimants, beneficiaries, applicants and recipients; accumulated by SSA from reports of employers or self-employed individuals; various local, State, and Federal agencies; claimant representatives and other sources to support factors of entitlement and continuing eligibility or to provide leads information.

Systems exempted from certain provisions of the Privacy Act:

None