

# OFFICE OF INSPECTOR GENERAL

## Management Information Report

**The Railroad Retirement Board's Method for Recording  
and Reporting Overpayments Identified by  
Death Matches Can Be Improved**

**Report No. 16-08  
August 4, 2016**



**RAILROAD RETIREMENT BOARD**

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## EXECUTIVE SUMMARY

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### Background

The Office of Inspector General for the Railroad Retirement Board (RRB) conducted a review of the effectiveness of aspects of the RRB's program integrity activities to identify, terminate, and recover payments made to deceased annuitants. The objective was to determine if the RRB's program integrity processes effectively identified deceased annuitants resulting in the termination of their benefits and recovery of any overpayments.

### Findings

The RRB's program integrity processes for matching files of deceased individuals provided by the Social Security Administration (SSA) and Centers for Medicare and Medicaid Services (CMS) to RRB payment and Medicare systems were generally effective in identifying overpayments for recovery. However, we identified weaknesses that impacted the accuracy of reporting for the RRB program integrity processes. The RRB needs to eliminate duplicate reporting, only report those cases identified as a result of the death matches, and include all cases identified through the matches. In addition, the Office of Programs should recognize returned payments as outstanding debts for which receivables must be recorded. Also, the RRB's Medicare utilization reviews are too narrowly focused. As a result, they offer limited value. Lastly, the RRB does not have an Information Exchange Agreement with CMS for the use of the CMS death update files. We also separately reported a sensitive fraud vulnerability to RRB management.

### Recommendations

In total, we made seven detailed recommendations to RRB management related to:

- ensuring that receivables are recorded for overpayments returned to the RRB;
- ensuring that all overpayments made to deceased annuitants are included in the RRB's improper payment reporting;
- preventing duplicate reporting of death matches;
- preventing the inclusion of information on receivables that were not the result of the death matches in death match reporting;
- reporting information on all receivables that were established as a result of the death matches;
- reducing the age of the annuitants used in their Medicare utilization reviews, to be more comparable to SSA; and
- contacting CMS to propose a written information exchange agreement between the RRB and CMS for electronic death information provided by CMS.

## **Management's Response**

Agency management has agreed to take corrective action for all recommendations. The full text of management's response is included in Appendix I.

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## INTRODUCTION

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This report presents the results of the Office of Inspector General's (OIG) review of the effectiveness of aspects of the Railroad Retirement Board's (RRB) program integrity activities to identify, terminate, and recover payments made to deceased annuitants.

### **Background**

The RRB is an independent agency in the executive branch of the federal government. The RRB administers comprehensive retirement/survivor and unemployment/sickness insurance benefit programs for railroad workers and their families under the Railroad Retirement Act (RRA) and the Railroad Unemployment Insurance Act. These programs provide income protection during old age and in the event of disability, death, temporary unemployment, or sickness. During fiscal year 2015, retirement and survivor benefit payments totaling approximately \$12.2 billion were paid to about 558,000 retirement and survivor beneficiaries.

The Improper Payments Elimination and Recovery Act of 2010 (IPERA) defines an improper payment as any payment that should not have been made or that was made in an incorrect amount (including overpayments and underpayments) under statutory, contractual, administrative, or other legally applicable requirements. An improper payment includes any payment to an ineligible recipient, any payment for an ineligible good or service, any duplicate payment, any payment for a good or service not received (except for such payments where authorized by law), and any payment that does not account for credit for applicable discounts.

Under the RRA, entitlement to retirement, survivor, and disability benefits ends with the last day of the month preceding the month in which an annuitant dies. Upon notification of the death of an annuitant, the RRB must terminate any future benefit payments and recover any overpayment made to the deceased beneficiary.

Of all the overpayments identified by the RRB, the leading cause of these overpayments is the death of an annuitant. In fiscal year 2014, the RRB established approximately 17,900 receivables totaling almost \$34 million for overpayments related to death.

RRB field office guidance outlines procedures for taking reports of death directly from reliable sources such as close relatives, representative payees, funeral directors, railroad employers, physicians, attorneys or labor unions.

In addition to the above reporting methods, the RRB has implemented various program integrity activities to identify deceased annuitants, such as computer matches with the Social Security Administration's (SSA) Death Master File and the Centers for Medicare and Medicaid Service's (CMS) Health Insurance Daily RRB Exceptions files. These files contain fields about the decedents such as social security number, name, dates of birth and death, state, and zip code. Each month, the RRB matches these files to RRB

systems to identify previously unidentified deceased annuitants (SSA and CMS death matches). The RRB suspends benefit payments for any matches identified during these processes. The RRB verifies the fact and date of death prior to terminating benefit payments and establishing receivables for any overpayments.

The RRB reports on the results of its program integrity activities, including the SSA and CMS death matches, annually. The RRB reports recoverables (both the number and dollar value of overpayments identified) and recoveries (dollar value of receivables collected). For fiscal year 2014, the RRB reported that the SSA and CMS death matches identified nearly 1,700 previously unreported deaths, with recoverables totaling approximately \$6.4 million.

### **Strategic Objectives and Goals**

The RRB's program integrity activities used to identify, terminate, and recover overpayments related to death impacted several of the RRB's strategic objectives. These objectives are to:

- ensure that trust fund assets are protected, collected, recorded and reported appropriately; and
- ensure the accuracy and integrity of benefit programs.

This review addressed the RRB's strategic goal of serving as responsible stewards for our customers' trust funds and agency resources.

### **Review Objective**

The review objective was to determine if the RRB's program integrity processes effectively identified deceased annuitants resulting in the termination of their benefits and recovery of any overpayments.

### **Scope**

The scope of this review included computer matching and other program integrity activities related to the identification of deceased annuitants in fiscal year 2014.

### **Methodology**

To accomplish our objective, we:

- reviewed applicable laws and regulations;
- reviewed agency policies and procedures to obtain an understanding of the RRB's computer matching and other processes used to identify deceased annuitants;

- interviewed agency personnel and observed the RRB's CMS and SSA death matching processes;
- assessed the effectiveness of policies and procedures and controls over the death matching processes;
- reviewed supporting documentation for reported overpayments and amounts recovered as a result of the SSA and CMS death matches in fiscal year 2014;
- reviewed a nongeneralizable sample of cases to determine the accuracy of recorded receivable amounts in the Program Accounts Receivable System (PARS) for cases terminated as a result of death matches with SSA and CMS;
- analyzed other program integrity activities used by the RRB to identify deceased annuitants; and
- reviewed agency improper payment methodology specific to death.

We conducted field work from March 2015 through July 2015 and from December 2015 through March 2016 at RRB headquarters in Chicago, Illinois. Field work was suspended from July 6, 2015 through December 9, 2015.

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## RESULTS OF REVIEW

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We found that the RRB's program integrity processes for identifying previously unknown deceased annuitants relied mainly on computer matching with SSA and CMS to identify and recover overpayments made to these deceased annuitants. These matches were generally effective in identifying overpayments for recovery. However, we identified some weaknesses that impacted the accuracy of the amounts reported in the Program Integrity Report related to the identification of deceased annuitants.

Our review determined that:

- weaknesses in the RRB's methodology for recording overpayments and reporting the results of the SSA and CMS death matches resulted in inaccuracies;
- the RRB can more effectively use program integrity activities to prevent fraudulent claims; and
- the RRB does not have an Information Exchange Agreement with CMS to control the RRB's use of the CMS death update files.

The details of our findings and recommendations for corrective action follow. We made seven recommendations to the RRB. Agency management has agreed to take corrective action on all of the recommendations. The full text of management's response is included as Appendix I.

During our review, we also identified a potential vulnerability related to the RRB's death matches that may make its programs more susceptible to fraud. Because of the sensitive nature of this matter, we reported this issue to management in a separate memorandum.

### **Weaknesses in the RRB's Methodology for Recording Overpayments and Reporting the Results of Death Matches Resulted in Inaccuracies**

The RRB's methodology used to record certain overpayments and to classify and report recoverable and recovered amounts related to the SSA and CMS death matches led to inaccuracies in the RRB's fiscal year 2014 Program Integrity Report. As a result, the RRB's improper payment estimates may have been understated. During the course of our review, we determined that the RRB's Office of Programs does not record receivables for certain returned overpayments. In addition, we noted that the RRB's methodology for reporting the results of the death matches led to duplicate reporting; inclusion of some recoverables not identified by the death matches; and exclusion of some receivables established as a result of the death matches.

## The RRB's Office of Programs Does Not Recognize Returned Payments as Outstanding Debts for Which Receivables Need to be Recorded

During our review, we found that the RRB's Office of Programs does not record receivables for returned payments because they do not consider them outstanding debts. Our testing identified certain death match cases with overpayments where a receivable had not been recorded and the payments had been returned before RRB systems recognized them as overpayments.

Because the RRB uses the accounts receivable system to estimate improper payments, improper payment estimates may have been understated. In addition, other studies and reports that rely on information from the RRB's accounts receivable system could be impacted.<sup>1</sup>

The RRB relies on the accounts receivable system as a source for its improper payment reporting. The RRB's Improper Payments Methodology document indicated that they used a variety of sources to estimate improper payments in the RRB's benefit programs, including the information in the accounts receivable system. The document stated that the RRB used "all debts from the PAR system less SSA recovery from Social Security benefits certified to the RRB for payment" for the fiscal year 2014 improper payment estimates. Therefore, by not establishing receivables for overpayments made to deceased annuitants, no debt was reflected in the accounts receivable system and these payments were not included in the RRB's improper payment reporting.

As defined by IPERA, an improper payment is any payment that should not have been made or that was made in an incorrect amount (including overpayments and underpayments) under statutory, contractual, administrative, or other legally applicable requirements. Included in this definition are payments made to ineligible recipients. As entitlement to a railroad retirement annuity ends with the annuitant's death, they become ineligible to receive any further benefit payments after death. Because the single largest known cause of overpayments at the RRB is the death of an annuitant, it is critical that the RRB receive timely notification for the death of an annuitant.

Our review of supporting documentation for the SSA and CMS Death Matches identified 88 annuities terminated as a result of a death match for which no receivables or recoveries were reported on the fiscal year 2014 Program Integrity Report. In 36 of these cases overpayments were made for up to four months after the annuitants' death but no receivable was established. In each of these 36 cases the payments were either cancelled or returned to the RRB prior to the establishment of a receivable in the RRB's accounts receivable system. When questioned as to why receivables were not recorded for these overpayments RRB management indicated that there was no outstanding debt and therefore, no need to record receivables.

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<sup>1</sup> There should not be an impact on the RRB's financial statements since they would record the receivable for the overpayment and then immediately offset that receivable with the returned payment for that same amount.

Returned payments are overpayments that should be recorded as receivables and subsequently offset. They meet the definition of improper payments and should be reported as improper payments.

### Recommendations

We recommend that the Office of Programs:

1. take the necessary steps to ensure that receivables are recorded for overpayments returned to the RRB; and
2. revise procedures to ensure that all overpayments made to deceased annuitants are included in the RRB's improper payment reporting.

### Management's Response

The Office of Programs concurred with these recommendations and will ensure that receivables are recorded for overpayments returned to the RRB and will revise procedures to ensure that all overpayments made to deceased annuitants are included in the RRB's improper payment reporting.

### Duplicate Reporting of Death Match Cases

During our review, we identified examples where recoverable and recovered amounts for annuitants identified by either the SSA or CMS death match were double counted on the Program Integrity Report. Certain individuals were included in the results for both matches when they should have only been included for one match.

The RRB's administrative circular on program integrity activities indicates that recoverable and recovered amounts for each program integrity activity must be quantified and included on an annual program integrity report.<sup>2</sup> Also, the Government Accountability Office's *Standards for Internal Control in the Federal Government* (GAO Standards) state that an entity must control its operations by having relevant, reliable, and timely information.<sup>3</sup>

In order to compile the death match statistics (recoverable and recovered amounts), the RRB extracted files of cases terminated as a result of the SSA and CMS death matches in fiscal year 2014. To identify receivables established as a result of the death matches the claim numbers for these terminated cases were then matched against the RRB's accounts receivable system to identify receivables established after the cases were terminated.

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<sup>2</sup> Railroad Retirement Board, Administrative Circular BFO-8 (Chicago, IL, May 20, 2010).

<sup>3</sup> Government Accountability Office, *Standards for Internal Controls in the Federal Government*, GAO/AIMD-00-21.3.1 (Washington, D.C., November 1999). A newer version, effective beginning in fiscal year 2016 has been published, GAO 14-704G (Washington, D.C., September 2014).

The receivable information including the recoverable and recovered amounts were downloaded into the Program Accounts Receivable Death Match Collection Reports. A separate report was prepared for SSA and CMS death match cases. These reports served as the basis for the death matching information reported in the Program Integrity Report. Unlike the cases in the prior finding above regarding returned payments, these cases were recorded in the receivable system and under the RRB's improper payment methodology would have been reported as improper payments.

We found that the SSA death match collection report contained information for some annuities terminated because of the CMS death match and the CMS death match collection report contained information on certain annuities terminated because of the SSA death match. For example, when an employee and spouse are both terminated due to differing death matches (one based on SSA death match and one based on CMS death match) the items are double counted on the death match collection reports. This occurs because one annuity is terminated based on the SSA match and the other annuity is terminated based on the CMS match. However, the receivables for both are on both death match collection reports because the claim numbers under which the receivables are recorded are the same. So when the RRB runs the death match collection report for the SSA death match, it includes the receivable based on the SSA death match and will also erroneously include the receivable for the CMS death match as it is under the same claim number. The receivable for the CMS termination is correctly included on the death match collection report for the CMS match, however; the receivable for the SSA termination is erroneously included on the report because it is under the same claim number as the CMS termination. Duplicate reporting overstates the results of both the SSA and CMS death matches.

Our review of a nongeneralizable sample of 17 death matching cases did not identify significant amounts of duplicate reporting. However, because the RRB's methodology for reporting the results of its death matching processes allows for duplicate reporting of recoverables and recoveries, the Program Integrity Report contains inaccuracies.

### Recommendation

3. We recommend that the Office of Programs revise its process for reporting SSA and CMS death match results to prevent duplicate reporting of death matches.

### Management's Response

The Office of Programs concurred with this recommendation and will revise its process for reporting death matching results to prevent duplicate reporting.

### Reported Recoverables and Recoveries for Death Matches Included Amounts That Did Not Result from the Death Matches

The recoverables and recoveries reported by the RRB in the fiscal year 2014 Program Integrity Report for the SSA and CMS death matches include amounts that were identified through means other than these death matches.

This occurred because the RRB's methodology for identifying recoverables and recoveries due to the death matches allows for the inclusion of receivables for overpayments not identified through the death matches.

These errors occur when different annuities are paid under the same claim number. Annuities for an employee and spouse are recorded under the employee's claim number. During our review, we identified at least 10 examples where an overpayment made to the spouse of someone appearing on the death matches was erroneously included in statistics for the death matches.

For 8 of the 10 examples, an employee's spouse died and the annuity was properly terminated based on a SSA or CMS Death Match. The employee also died in fiscal year 2014 but their annuity was not terminated based on a death match. However because of the RRB's method of identifying annuities terminated as a result of the death matches and related overpayments, both the spouses and employees overpayments were included in recoverable and recovered amounts reported in the Program Integrity Report. As a result, both receivables were counted as an overpayment related to the death match when only the receivable for the spouse annuities should have been counted. We could not determine how the employee's deaths were reported to the RRB but they were not terminated based on a death match.

In the remaining two examples the situation was reversed. Overpayments made for deceased spouse annuities were erroneously included in the death match reporting in the Program Integrity Report when only the employee's overpayment should have been included.

Receivable amounts erroneously included on the death match collection report would not be limited to the situations previously described. Any receivable established for an annuitant under the same claim number as a deceased annuitant identified by a death match, could be erroneously included on a death match collection report no matter the cause of overpayment.

Per the RRB's administrative circular on program integrity, only amounts identified as a result of the death matches should be quantified and reported for the matches. In addition, the GAO's internal control standards indicate that information reported for the death matches should be relevant and reliable.

Our review did not identify significant numbers of these cases. However, including recoverables and recoveries that did not result from the death matches in the annual Program Integrity Reports under the SSA and CMS death match amounts, weakens the accuracy and integrity of this information.

## Recommendation

4. We recommend that the Office of Programs revise its process for reporting SSA and CMS death match results to prevent the inclusion of recoverables and recoveries that were not the result of the death matches.

## Management's Response

The Office of Programs concurred with this recommendation and will revise its process for reporting death matching results to prevent the inclusion of amounts not resulting from death matches.

## Receivables Established as a Result of the Death Matches Were Not Included in the Reported Recoveries and Recoverables for the Matches

During our review, we noted two examples where annuities were terminated as a result of the death matches and receivables were established for overpayments made to the deceased annuitants. However, these receivables were not included as recoverables in the death match collection reports and therefore were not included in the death match amounts reported in the fiscal year 2014 Program Integrity Report.

When setting up a receivable the RRB's Automated Receivables, Reclamations, and Credits (ARRC) system includes the claim number of the overpaid annuity in the billing document number. However, the ARRC system could not automatically establish the receivables in the examples we identified. Examiner intervention occurred and the overpayments were established through manual handling.

One debt was established in the receivable system by an Overpayment Recovery Correspondence System (ORCS) action taken by an examiner in the Retirement Benefits Division. The ORCS system automatically created a unique billing document number. The second debt was established through direct receivable system action taken by a debt specialist in the Debt Recovery Division. A unique billing document number was created by the specialist who took the action. These unique billing document numbers did not contain the claim number for the overpaid annuities. Because of the selection criteria that the RRB used to identify receivables established as a result of the death matches, the amounts of these receivables and any related recoveries were not included in the death match collection reports, which are a source of death match information on the Program Integrity Report.

Although we identified a small number of examples of unreported receivables, the RRB's selection criteria for identifying receivable information for death match cases weakened the accuracy and integrity of CMS and SSA death match information reported on the Program Integrity Report.

## Recommendation

5. We recommend that the Office of Programs revise its process for reporting SSA and CMS death match results to include information on all receivables that were established as a result of the death matches.

## Management's Response

The Office of Programs concurred with this recommendation and will revise its death match reporting process to include information on all receivables resulting from death matches.

## **The RRB Could Enhance Its Program Integrity Activities to Prevent Fraudulent Claims**

### Revise Age for the Super Aged Monitoring Program

The RRB's current Medicare utilization review used to identify deceased employees is too narrowly focused. As a result, the likelihood of identifying potentially fraudulent claims from this process is low. On a biennial basis, the RRB reviews the Medicare utilization of annuitant's who are 105 and older (super aged annuitants). The RRB identifies those annuitants 105 and older who are in current pay or suspended status from its payment records and matches those annuitants to CMS records showing the most recent Medicare utilization dates. The RRB identifies any of the super aged annuitants who have not used Medicare in the prior six months.

For those cases where a super aged annuitant has not been using Medicare and does not have a representative payee, the RRB checks the SSA Numident file for a date of death. If there is no date of death on file with SSA, RRB field services investigate to determine whether the super aged annuitant is still alive.

These reviews are conducted on a biennial basis. The last reviews were conducted as of December 31, 2012 and December 31, 2014. The reviews only identified 11 individuals in pay status without Medicare utilization who did not have representative payees. Further investigation revealed that none of these individuals were deceased. The Medicare utilization review also identified five individuals without Medicare utilization that had representative payees. These cases are not investigated as part of the super aged monitoring but are monitored as part of the representative payee monitoring process. The OIG reviewed the representative payee monitoring program in fiscal year 2011.<sup>4</sup>

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<sup>4</sup> RRB OIG, *Inspection of the Railroad Retirement Board's Representative Payee Monitoring*, OIG Report No. 12-07 (Chicago, IL: July 27, 2012).

Eligibility for Medicare begins at age 65 for most individuals. Most individuals begin to use their Medicare benefits after age 65. As individuals over 65 get older, their healthcare needs generally increase and their likelihood of utilizing Medicare increases. In addition, life expectancy in the United States is well below the 105 year threshold used for review in the RRB's Medicare utilization reviews. One measure of overall average life expectancy at birth for 2014 in the United States was 78.8 years.<sup>5</sup> In September of 2013, SSA began the Medicare Non-Utilization Project for individuals over the age of 90. For this project SSA cross-reference records with CMS in order to identify annuitants who have not used Medicare for three years to determine if they are deceased and if payments should be discontinued.

The RRB's likelihood of detecting fraudulent claims through Medicare utilization reviews would be enhanced by decreasing the threshold age for annuitants included in this review.

### Recommendation

6. We recommend that the Office of Programs make more effective use of Medicare utilization reviews by reducing the threshold age of the annuitants used in their Medicare utilization reviews, to be more comparable to SSA.

### Management's Response

The Office of Programs concurred with this recommendation and will reduce the threshold age used for Medicare utilization reviews to age 90 and will also begin performing the reviews quarterly.

### **Other Matters**

#### The RRB Does Not Have an Information Exchange Agreement with CMS to Control the RRB's Use of the CMS Death Update Files

Although the RRB has been conducting matches of its records to an electronic file of death information provided by CMS on a monthly basis for many years, there is no formal information exchange agreement between the RRB and CMS. The Computer Matching and Privacy Protection Act indicates that no record which is contained in a system of records may be disclosed to a recipient agency for use in a computer matching program except pursuant to a written agreement between the source agency and recipient agency.<sup>6</sup>

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<sup>5</sup> National Center for Health Statistics, *Health, United States, 2015: With Special Feature on Racial and Ethnic Health Disparities* (Hyattsville, MD 2016).

<sup>6</sup> 5 U.S.C Section 552a(o).

The Act also details the information that should be included in the agreement. This includes:

- the purpose of the agreement;
- the responsibilities of the parties to the agreement;
- a description of the records provided;
- the procedures for security; and
- the limitations on access and use.

As part of the RRB's responsibilities to administer portions of the Medicare program for railroad annuitants, CMS requires the RRB to match CMS death records to RRB records. Therefore, RRB management indicated that there is no written information exchange agreement with CMS.

By not having a formalized written agreement with CMS, the RRB is not in compliance with the Computer Matching and Privacy Protection Act. In addition, a formal written agreement would help the RRB to ensure that it is meeting CMS's expectations for the use, security, and control of the CMS death information.

#### Recommendation

7. We recommend that the Office of Programs contact CMS to propose a written information exchange agreement between the RRB and CMS for electronic death information provided by CMS.

#### Management's Response

The Office of Programs concurred with this recommendation and will contact CMS to initiate a discussion for an information exchange agreement. The development and implementation of an agreement is dependent on CMS' response.



UNITED STATES GOVERNMENT  
**MEMORANDUM**

July 25, 2016

**TO :** Heather Dunahoo  
Assistant Inspector General for Audit

**FROM :** Michael Tyllas *Michael A. Tyllas, Ph.D.*  
Director of Programs

**SUBJECT:** Management Information Report – The Railroad Retirement Board’s Method for Recording and Reporting Overpayments Identified by Death Matches Can be Improved

### Office of Programs Response

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**Recommendation**  
1 We recommend that the Office of Programs take the necessary steps to ensure that receivables are recorded for overpayments returned to the RRB.

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**Office of Programs Response** We concur. The Office of Programs will take the necessary steps to ensure that receivables are recorded for overpayments. We plan to complete our actions by September 30, 2016.

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**Recommendation**  
2 We recommend that the Office of Programs revise procedures to ensure that all overpayments made to deceased annuitants are included in the RRB’s improper payment reporting.

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**Office of Programs Response** We concur. The Office of Programs will revise and publish procedures to ensure that all overpayments made to deceased annuitants are included in the RRB’s improper payment reporting. We plan to complete our actions by September 30, 2016. Note: This new process will be effective Oct 1, 2016 (capturing FY 2017 data) and will appear in the FY 2018 Improper Payments Report.

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## Office of Programs Response, Continued

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**Recommendation**  
3 We recommend that the Office of Programs revise its process for reporting SSA and CMS death matching results to prevent duplicate reporting of death matches.

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**Office of Programs Response** We concur. The Office of Programs will complete our analysis and develop revisions to the process for reporting SSA and CMS death matching results to prevent duplicate reporting of death matches by September 30, 2016. Any needed system changes will be implemented by September 30, 2017.

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**Recommendation**  
4 We recommend that the Office of Programs revise its process for reporting SSA and CMS death match results to prevent inclusion of recoverables and recoveries that were not the results of the death matches.

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**Office of Programs Response** We concur. The Office of Programs will complete our analysis and develop revisions to the process for reporting SSA and CMS death match results in order to prevent inclusion of recoverables and recoveries that were not the results of death matches by September 30, 2016. Any needed system changes will be implemented by September 30, 2017.

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**Recommendation**  
5 We recommend that the Office of Programs revise its process for reporting SSA and CMS death matching results to include information on all receivables that were a result of the death matches.

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**Office of Programs Response** We concur. The Office of Programs will complete our analysis and develop revisions to the process for reporting SSA and CMS death matching result to include information on all receivables that were a result of the death matches by September 30, 2016. Any needed system changes will be implemented by September 30, 2017.

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## Office of Programs Response, Continued

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**Recommendation**  
6 We recommend that the Office of Programs make more effective use of Medicare utilization reviews by reducing the threshold age of the annuitants used in their Medicare utilization reviews, to be more comparable to SSA.

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**Office of Programs Response** We concur. The Office of Programs will reduce the threshold age of annuitants from 100 to 90. Target date for implementation: Reviews will be done on a quarterly basis, beginning October 2016.

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**Recommendation**  
7 We recommend that the Office of Programs contact CMS to propose a written information exchange agreement between the RRB and CMS for electronic death information provided by CMS.

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**Office of Programs Response** We concur. The Office of Programs will contact CMS to initiate a discussion for an information exchange agreement (IEA). In the past, CMS has not been open to an IEA. We believe this is because the RRB does not receive an "exclusive" monthly death update file from CMS; rather in response to RRB's HMRUNT file, CMS sends the Health Insurance Daily RRB Exception (HDRRBEX or RBEX) file. The RBEX file contains a myriad of information related to the Medicare beneficiary, which could also include a date of death.

Target date for implementation: We plan to contact CMS by September 30, 2016. The development and implementation of the IEA is dependent on CMS' response.

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Cc: Janet M. Hallman, Director of Program Evaluation and Management Services  
Kimberly Price-Butler, Director Policy and Systems  
Valerie Allen, Director of Retirement and Survivor Benefits  
Crystal Coleman, Deputy Director of Programs