

Date of Approval: **July 06, 2021**

PIA ID Number: **5883**

SYSTEM DESCRIPTION

Enter the full name and acronym for the system, project, application and/or database.

Income and Family Size Verification, IFSV

Is this a new system?

No

Is there a PCLIA for this system?

Yes

What is the full name, acronym, and milestone of the most recent PCLIA?

Income and Family Size Verification, IFSV, IS# 3396

What is the approval date of the most recent PCLIA?

4/23/2018

Changes that occurred to require this update:

Expiring PCLIA

Were there other system changes not listed above?

No

What governance board or Executive Steering Committee (ESC) does this system report to? Full name and acronym.

Sustaining Operations Executive Steering Committee

Current ELC (Enterprise Life Cycle) Milestones:

Operations & Maintenance (i.e., system is currently operational)

Is this a Federal Information Security Management Act (FISMA) reportable system?

No

GENERAL BUSINESS PURPOSE

What is the general business purpose of this system? Provide a clear, concise description of the system, application or database, the reason for the system, and the benefits to the IRS to use the information, and how the information will be used.

The IFSV system supports the Department of Health and Human Services (HHS)/Centers for Medicare and Medicaid Services (CMS) during the Affordable Care Act (ACA) Eligibility and Enrollment Income Verification process and is used to provide household income and family size for an applicant requesting an eligibility determination for advance payments of premium tax credits, cost-sharing reductions, Medicaid, Children's Health Insurance Program, and the Basic Health Program, where applicable. CMS sends a request to the Internal Revenue Service (IRS) through the IRS Portal to Enterprise Service Bus (ESB) that directs the request to the IFSV application. This request contains Taxpayer Identification Number (TIN), Name, and Applicant Status (Primary, Spouse, or Dependent) and an assembled data package of taxpayer information from ACA Coverage Data Repository (CDR) for each applicant within the request. IFSV processes the request and sends a response to ESB that is forwarded to CMS. 26 United States Code (USC) 6103 provides the general rule that tax returns and return information are confidential, except as provided by Title 26. 26 Internal Revenue Code (IRC) §6103 (l)(21) provides for Disclosure of Return Information to Carry Out Eligibility Requirements for Health Insurance Affordability Programs.

PII DETAILS

Does the system use, collect, receive, display, store, maintain, or disseminate IR Code 6103 taxpayer information: or any other type of Sensitive but Unclassified (SBU) information or PII such as information about IRS employees or outside stakeholders?

Yes

Does the system use, collect, receive, display, store, maintain, or disseminate Social Security Numbers (SSN's) or tax identification numbers (i.e., last 4 digits, etc.)?

Yes

What types of tax identification numbers (TIN) apply to this system?

Social Security Number (SSN)

List the approved Treasury uses of the SSN:

Interfaces with external entities that require the SSN

Legal/statutory basis (e.g., where collection is expressly required by statute)

When there is no reasonable alternative means for meeting business requirements

Delivery of governmental benefits, privileges, and services

Another compelling reason for collecting the SSN

Explain why the authorized use(s) above support the new or continued use of SSNs (or tax identification numbers).

Continuing current project requirements for filing season and open enrollment support.

Describe the planned mitigation strategy and forecasted implementation date to mitigate or eliminate the use of SSN's (or tax identification numbers).

The Office of Management and Budget Circular A-130 requires that federal agencies develop a mitigation or elimination strategy for systems that use SSNs, which the Service continues to develop strategies to meet. An exception to that requirement is when the SSN is uniquely needed to identify a user's record. The IFSV system requires the use of SSN's because no other identifier can be used to uniquely identify a taxpayer at this time. SSNs are permissible from IRC 6109, which requires individual taxpayers to include their SSNs on their income tax returns.

Other Taxpayer Identification Number

Does this system use, collect, receive, display, store, maintain or disseminate other (non-SSN) PII (i.e., names, addresses, etc.)?

Yes

Specify the PII Elements:

Name

Date of Birth

Tax Account Information

Does this system use, collect, receive, display, store, maintain, or disseminate SBU information that is not PII?

Yes

Specify the types of SBU from the SBU Types List:

Official Use Only (OUO) or Limited Official Use (LOU) Information designated as OUO or LOU is information that: is exempt under one of the statutory Freedom of Information Act exemptions; is prohibited by other laws or regulations; would significantly impede the agency in carrying out a responsibility or function; or would constitute an unwarranted invasion of privacy.

Protected Information Information which if modified, destroyed, or disclosed in an unauthorized manner could cause loss of life, loss of property or funds by unlawful means, violation of personal privacy or civil rights, gaining of an unfair procurement advantage by contractors bidding on government contracts, or disclosure of proprietary information entrusted to the Government.

Are there other types of SBU/PII used in the system?

Yes

Describe the other types of SBU/PII that are applicable to this system.

Individual Return Filing Status Code Total Exemptions Adjusted Gross Income Foreign Earned Income Exclusion Housing Deduction Social Security Benefit Wages Salaries And Tips Interest Income Unemployment Compensation Tax Exempt Interest Ordinary Dividends State Local Income Tax Refund Alimony Received Computer Business Income Loss Computer Capital Gain Or Loss Taxable IRA Taxable Pensions Computer Supplemental Income Or Loss Computer Farm Income or Loss Unemployment Compensation Computer Total Itemized Deductions Tax Payer Number

Cite the authority for collecting SBU/PII (including SSN if relevant).

PII for federal tax administration is generally Internal Revenue Code Sections 6001, 6011, & 6012e(a)

SSN for tax returns and return information is Internal Revenue Code Section 6109

Has the authority been verified with the system owner?

Yes

BUSINESS NEEDS AND ACCURACY

Explain the detailed business needs and uses for the SBU/ PII, and how the SBU / PII is limited only to that which is relevant and necessary to meet the mission requirements of the system. If SSNs (or tax identification numbers) are used, explicitly explain why use of SSNs meets this criteria. Be specific.

IFSV supports HHS/CMS with the verification of household income and family size for an applicant requesting an eligibility determination for insurance affordability programs during the ACA Open Enrollment period. IFSV is an Application-to-Application solution that processes requests from HHS/CMS using taxpayer information from the ACA CDR via the ESB to determine household income and number of exemptions. IFSV responds to HHS/CMS requests with resulting taxpayer information via the ESB. IFSV requires the minimum necessary SBU/PII to complete the requirements of the system. The types of information gathered would be: Individual Return Filing Status Code, Total Exemptions, Adjusted Gross Income, Foreign Earned Income Exclusion, Housing Deduction, Social Security and, Wages Salaries And Tips Interest Income Unemployment Compensation Tax Exempt Interest Ordinary Dividends State Local Income Tax Refund Alimony Received Computer Business Income Loss Computer Capital Gain Or Loss Taxable IRA Taxable Pensions Computer Supplemental Income Or Loss Computer Farm Income or Loss Unemployment Compensation Computer Total Itemized Deductions Tax Payer Number

How is the SBU/PII verified for accuracy, timeliness, and completion?

IFSV validates all TINs and Names in the HHS/CMS request against the National Account Profile (NAP) SSN Name Control that is provided by CDR. There is no tax information provided for invalid TINs. IFSV performs identification (ID) Theft checks on valid TINs. If ID Theft is identified for any of the applicants in the request, tax information is not provided in the response for any of the applicants. If any applicant in a request has a Date of Death present on the NAP record provided by CDR, IFSV does not provide tax data information for any applicant listed on the request. IFSV performs data validation checks on the tax information data provided to ensure the proper tax record type is passed to the system for processing. In addition, all necessary tax income amounts must be present in order to provide individual and household income information in the response to HHS/CMS. IFSV performs a spousal match for applicants in the request when appropriate. If the spouses do not match, IFSV only returns partial tax data information (no income) in response to HHS/CMS.

PRIVACY ACT AND SYSTEM OF RECORDS

The Privacy Act requires Federal agencies that maintain a system of records to publish systems of records notices (SORNs) in the Federal Register for records from which information is retrieved by any personal identifier for an individual who is a US citizen, or an alien lawfully admitted for permanent residence. The Privacy Act also provides for criminal penalties for intentional noncompliance.

Does your application or this PCLIA system pertain to a group of any record from which information is retrieved by any personal identifier for an individual who is a US citizen, or an alien lawfully admitted for permanent residence? An identifier may be a symbol, voiceprint, SEID, or other personal identifier that is used to retrieve information.

Yes

Identify the Privacy Act SORN(s) that cover these records.

IRS 24.030 Customer Account Data Engine Individual Master File

RESPONSIBLE PARTIES

Identify the individuals for the following system roles:

Official Use Only

INCOMING PII INTERFACES

Does the system receive SBU/PII from other systems or agencies?

Yes

Does the system receive SBU/PII from IRS files and databases?

Yes

Enter the files and databases:

System Name: ISR - Sharing (ISR-S/ESB)

Current PCLIA: Yes

Approval Date: 9/7/2018

SA&A: Yes

ATO/IATO Date: 4/16/2020

Does the system receive SBU/PII from other federal agency or agencies?

No

Does the system receive SBU/PII from State or local agency (-ies)?

No

Does the system receive SBU/PII from other sources?

No

Does the system receive SBU/PII from Taxpayer forms?

No

Does the system receive SBU/PII from Employee forms (e.g., the I-9)?

No

DISSEMINATION OF PII

Does this system disseminate SBU/PII?

Yes

Does this system disseminate SBU/PII to other IRS Systems?

Yes

Identify the full name and acronym of the IRS system(s) that receive SBU/PII from this system.

System Name: ISR - Sharing (ISR-S/ESB)

Current PCLIA: Yes

Approval Date: 9/7/2018

SA&A: Yes

ATO/IATO Date: 4/16/2020

Identify the authority.

26 USC 6103: §1401 - define Household Income (HHI), Family Size, and Income §1411 - describes verification of HHI and Family Size §1412 - discusses advance determination §1414 - disclosure of info to be shared at verification.

For what purpose?

To provide household income and family size for an applicant requesting an eligibility determination for advance payments of premium tax credits, cost-sharing reductions, Medicaid, Children's Health Insurance Program, and the Basic Health Program, where applicable.

Does this system disseminate SBU/PII to other Federal agencies?

Yes

Identify the full names of the federal agency(s) that receive SBU/PII from this system, and if there is an Inter-Agency Agreement (ISA) / Memorandum of Understanding (MOU).

Organization Name: Center for Medicare and Medicaid Services (CMS)
Transmission Method: Response sent via ESB to CMS
ISA/MOU: Yes

Identify the authority.

26 USC 6103: §1401 - define Household Income (HHI), Family Size, and Income §1411 - describes verification of HHI and Family Size §1412 - discusses advance determination §1414 - disclosure of info to be shared at verification.

Identify the Routine Use in the applicable SORN (or Privacy Act exception).

Disclosure of returns and return information may be made only as provided by 26 U.S.C. 6103. All other records may be used as described below if the IRS deems that the purpose of the disclosure is compatible with the purpose for which IRS collected the records, and no privilege is asserted.

For what purpose?

To provide household income and family size for an applicant requesting an eligibility determination for advance payments of premium tax credits, cost-sharing reductions, Medicaid, Children's Health Insurance Program, and the Basic Health Program, where applicable

Does this system disseminate SBU/PII to State and local agencies?

No

Does this system disseminate SBU/PII to IRS or Treasury contractors?

No

Does this system disseminate SBU/PII to other Sources?

No

PRIVACY SENSITIVE TECHNOLOGY

Does this system use social media channels?

No

Does this system use privacy-sensitive technologies such as mobile, global position system (GPS), biometrics, RFID, etc.?

No

Does the system use cloud computing?

No

Does this system/application interact with the public?

No

INDIVIDUAL NOTICE AND CONSENT

Was/is notice provided to the individual prior to collection of information?

No

Why not? If information is not collected directly from an individual, please discuss the factors considered in deciding to collect information from third party sources.

TINs are sent by applicants from HHS/CMS to request the verification of household income and family size information from IRS. Any notices provided comes from HHS/CMS. Once IFSV receives a request from HHS/CMS it is assumed that the individual was provided prior notice.

Do individuals have the opportunity to decline from providing information and/or from consenting to particular uses of the information?

No

Why not?

TINs are sent by applicants from HHS/CMS to request the verification of household income and family size information from IRS. Any notices are provided by HHS/CMS and consent given by applicants via HHS/CMS prior to the transmission of the request to IRS.

How does the system or business process ensure 'due process' regarding information access, correction, and redress?

IFSV only requires the minimum necessary SBU/PII within the system to complete the requirements of the system. Any notices provided comes from HHS/CMS. Once IFSV receives a request from HHS/CMS it is assumed that the individual was provided prior notice.

INFORMATION PROTECTION

Identify the owner and operator of the system (could be IRS owned and Operated; IRS owned, contractor operated; contractor owned and operated).

IRS Owned and Operated

The following people have access to the system with the specified rights:

IRS Employees

System Administrators: Administrator

How is access to SBU/PII determined and by whom?

Income and Family Size Verification person of contact request requests access thru ISR - Sharing (ISR-S/ESB) person of contact, whom in turn request system access through system admin.

RECORDS RETENTION SCHEDULE

Are these records covered under a General Records Schedule (GRS, IRS Document 12829), or has the National Archives and Records Administration (NARA) approved a Records Control Schedule (RCS, IRS Document 12990) for the retention and destruction of official agency records stored in this system?

Yes

How long are the records required to be held under the corresponding GRS or RCS, and how are they disposed of? In your response, please provide the GRS or RCS chapter number, the specific item number, and records series title.

Record retention is covered under ISR - Sharing (ISR-S/ESB) PCLIA.

SA&A OR ASCA

Has the system been through SA&A (Security Assessment and Authorization) or ASCA (Annual Security Control Assessment)?

Yes

What date was it completed?

11/20/2018

Describe the system's audit trail.

1. Access to the Income and Family Size Verification service shall be mediated, instead of direct access, through the use of an ISR - Sharing (ISR-S/ESB) capability to enable security and audit capabilities. 2. The at-receiving request (i.e., payload for the incoming Web Service request) for Income and Family Size Verification will be recorded as audit data to be forwarded to Enterprise System Acceptability Test for non-repudiation purposes and for the purpose of correlating the response with the original request archived earlier. 3. All Affordable Care Act related data that originates from parties external to the IRS (Department of Health and Human Services (HHS)/Center Medicaid/Medicare Services (CMS) Hub etc.) shall be stored in the Coverage Data Repository (CDR) database through bulk uploads or individual transactions. All data responses generated by the Income and Family Size Verification application and sent to parties external to the IRS (Department of Health and Human Services (HHS)/Center Medicaid/Medicare Services (CMS) Hub etc.) shall be stored in the Coverage Data Repository (CDR) database either from bulk processing or individual transactions.

PRIVACY TESTING

Does the system require a System Test Plan?

Yes

Is the test plan completed?

Yes

Where are the test results stored (or documentation that validation has occurred confirming that requirements have been met)?

Enterprise System Testing (EST) provides test results to Income and Family Size Verification team members then are uploaded to Income and Family Size Verification DocIT.

Were all the Privacy Requirements successfully tested?

Yes

Are there any residual system privacy, civil liberties, and/or security risks identified that need to be resolved?

No

Describe what testing and validation activities have been conducted or are in progress to verify and validate that the applicable Privacy Requirements (listed in header) have been met?

Enterprise System Testing (EST) handles Income and Family Size Verification testing. Last System Test Plan completed 11/20/2020. Income and Family Size Verification team does regression testing and checks logs to make sure they don't contain any SBU/PII.

SBU DATA USE

Does this system use, or plan to use SBU Data in Testing?

No

NUMBER AND CATEGORY OF PII RECORDS

Identify the number of individual records in the system for each category:

IRS Employees: Not Applicable

Contractors: Not Applicable

Members of the Public: More than 1,000,000

Other: No

CIVIL LIBERTIES

Does the system maintain any information describing how any individual exercises their rights guaranteed by the First Amendment?

No

Is the system information used to conduct 'data-mining' as defined in the Implementing Recommendations of the 9/11 Commission Act of 2007, Public Law 110-53, Section 804?

No

Will this system have the capability to identify, locate, and monitor individuals or groups of people?

No

Does computer matching occur?

No

ACCOUNTING OF DISCLOSURES

Does the system include or require disclosure of tax or employee information to anyone other than IRS employees in the performance of their duties, or to the person to whom the information pertains or to a 3rd party pursuant to a Power of Attorney, tax, or Privacy Act consent?

Yes

Does the system have a process in place to account for such disclosures in compliance with IRC §6103(p) (3) (A) or Subsection (c) of the Privacy Act? Contact Disclosure to determine if an accounting is required.

Yes