



PRIVACY IMPACT ASSESSMENT

SYSTEM OR APPLICATION NAME:	Benefit Payment Operations
DATE:	September 24, 2010
SYSTEM OWNER & TITLE:	Ronald Russo Director of Policy and Systems
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ORGANIZATION:	Office of Programs – Policy and Systems U.S. Railroad Retirement Board 844 North Rush Street Chicago, IL 60611-2092
REVIEWING OFFICIAL NAME & TITLE	Patricia Henaghan Chief of Information Resources Management
ORGANIZATION:	Bureau of Information Services Information Resources Management Center U.S. Railroad Retirement Board 844 North Rush Street Chicago, IL 60611-2092

SYSTEM OR APPLICATION NAME:	Benefit Payment Operations
DATE: SEPTEMBER 24, 2010	

Overview

The Railroad Retirement Board’s (RRB) Benefit and Payment Operations (BPO) system pays retirement, survivor, social security, unemployment, sickness, and disability benefits to railroad employees and their families under the Railroad Retirement Act (RRA) and Railroad Unemployment Insurance Act (RUIA).

Our beneficiaries receive retirement, survivor and social security benefits in compliance with the provisions of the Railroad Retirement Act. The system receives data from RRB examiners and claims representatives via direct and remote terminal data entry, data exchanges with the Social Security Administration (SSA), Department of the Treasury, and computer-generated upload files. We electronically transmit a secure file to the Treasury for processing and payment of monthly benefits.

The BPO system also pays unemployment, sickness, and disability benefits to qualified railroad employees under the RUIA Act. Employees are qualified for a benefit year based on earnings in the preceding base or calendar year. RRB additionally detects fraud and abuse within the system and maintains a central register of unemployed railroad workers seeking referrals for vacancies within the railroad industry.

The BPO system also processes sickness applications, supplemental doctor’s statements, and various other record updates as entered by RRB staff. The system provides us with management reports about the benefit programs, tax accounting reports, benefit payment files, system referrals and examiner activities. It also ensures that Federal income taxes are withheld from benefit payments and that payment and deduction data is recorded for preparation of accurate annual tax statements mailed to beneficiaries and tax returns transmitted to the Internal Revenue Service.

The BPO system also establishes and maintains Medicare entitlement records for qualified (and deemed qualified) railroad retirement beneficiaries. We send this information by secure electronic transfer to the Centers for Medicare and Medicaid Services for use on its Entitlement Database. The CMS entitlement database is used for the payment of Medicare claims. The BPO system is also used for managing premium deductions for Medicare medical insurance (Part B) from monthly benefit payments, or to produce Part B premium due notices. Palmetto GBA, is our contractor who provides Medicare (Part B) support to our beneficiaries. Palmetto GBA’s information provides data to the Benefit Payment Operations system regarding requests for replacement Medicare cards, address changes and notices of beneficiary deaths.

Section 1.0 – The Nature of the Information in the BPO System and Its Source.

The Benefit Payment Operations system collects, processes and maintains information in order to make determinations to support the payment of retirement, survivor, social security, unemployment, sickness, and disability benefits to railroad employees and their families. Personally identifiable information is collected to verify the beneficiary and information necessary to submit for and process claims is collected and used by this information system.

We collect earnings, evidential and medical information from railroad employers, railroad workers and their spouses/former spouses and dependent children.

Section 2.0 – The Uses of the Information.

We collect the information so we can provide railroad retirement, Social Security, survivor,

SYSTEM OR APPLICATION NAME:	Benefit Payment Operations
DATE: SEPTEMBER 24, 2010	

unemployment, sickness, and disability benefits to railroad employees and their families under the Railroad Retirement Act and Railroad Unemployment Insurance Act.

Our authority to collect and use information in order to administer benefits comes from the Railroad Retirement Act ([45 U.S.C. § 231](#)), Railroad Unemployment Insurance Act ([45 U.S.C. § 351](#)), Title 18 of the Social Security Act (Medicare) ([42 U.S.C. § 1395](#)), RRB's Privacy regulations ([20 C.F.R. § 200.5](#)) and SSA's Privacy regulations ([20 C.F.R. § 401.](#))

Section 3.0 – Retention of Information

We base our need to retain information on what is required to provide the service for which it is collected. The National Records and Archives Administration reviews and approves our retention schedules. When the information is no longer required, we securely dispose of it.

Section 4.0 – Internal Sharing and Disclosure of Information

Sensitive information that we store and process on the Benefit Payment Operations major application is shared internally only to those authorized RRB staff members that have a valid business requirement for it. We have established security and privacy policies and procedures, awareness training programs and rules that our staff must follow when using our systems and accessing sensitive data. Our rules also cover what is required to disclose information and the penalties for improper disclosure.

Section 5.0 – External Sharing and Disclosure

We only share information as required to provide for the timely and accurate payment of benefits, debt recovery, reporting of employee and railroad industry earnings and service data, Medicare, child support and law enforcement activities. Our Privacy Act Systems of Records Notices outline what information we routinely share with other agencies or organizations. We have approved computer-matching agreements with other Federal agencies for coordinating beneficiary payments and with individual States for unemployment compensation benefits coordination.

Section 6.0 – Notice

We publish our Privacy Act Systems of Records Notices both in the *Federal Register* and on our web site (http://www.rrb.gov/bis/privacy_act/SORNList.asp).

These notices explain:

- What system collects and uses the information;
- What information is collected;
- Under what routine uses we may release that information;
- How we store, retrieve, retain and safeguard that information;
- What RRB official is the manager of that system;
- The procedures to follow if you want to see or request corrections made to any information that system may have about you.

We also publish a Privacy Act Notice and a Paperwork Reduction Act Notice on any form that we use to collect personal information from you.

SYSTEM OR APPLICATION NAME:	Benefit Payment Operations
DATE: SEPTEMBER 24, 2010	

The Benefit Payments Operation system uses information that is collected and used as outlined in the Privacy Act System of Records Notices (SORN) listed here:

- RRB-1....Social Security Benefit Vouchering System
- RRB-3....Medicare, Part B
- RRB-4....Estimated Annuity, Total Compensation and Residual Amount File
- RRB-5....Master File of Railroad Employees' Creditable Compensation
- RRB-6....Unemployment Insurance Record File
- RRB-7.... Applications for Unemployment Benefits and Placement Service Under the Railroad Unemployment Insurance Act
- RRB-12...Railroad Employees' Registration File
- RRB-16...Social Security Administration Master Earnings File
- RRB-20...Health Insurance and Supplementary Medical Insurance Enrollment and Premium Payment System (Medicare)
- RRB-21...Railroad Unemployment and Sickness Insurance Benefit System
- RRB-22...Railroad Retirement, Survivor, and Pensioner Benefit System
- RRB-51...Railroad Retirement Board's Customer PIN/Password (PPW) Master File System
- RRB-55...Contact Log

We only share that information needed to provide and manage your benefits with those RRB staff members or other organizations that we listed under our routine disclosures in our Privacy Act Systems of Records Notice on a strict need-to-know basis. We have management, operational and technical control safeguards in place to mitigate risks to information you provide us.

Section 7.0 – Individual Access and Redress

If you wish to review or request a change to the records and benefits that we maintain on you, please contact the nearest RRB field office for assistance.

You may also file a request for information regarding your records in writing, including your full name, social security number and railroad retirement claim number (if any). Before information about any records will be released, you will be required to provide proof of identity, or authorization from the individual you are requesting records for. Send your request to Office of Programs—Director of Operations, Railroad Retirement Board, 844 Rush Street, Chicago, Illinois 60611-2092.

You may also request reconsideration of any adverse determination based on information we used in determining your eligibility or payment for claims. We include instructions on how to file a request for reconsideration in all of our letters of determination. If you are not satisfied with the results of the review, you have the right to pursue a defined appeals process, which we explain in the reconsideration decision notice.

Section 8.0 – Technical Access and Security

Our greatest privacy risk is unauthorized access or modification of records containing sensitive information. We mitigate this risk by following Federal security and privacy guidance and directives. An

SYSTEM OR APPLICATION NAME:	Benefit Payment Operations
DATE: SEPTEMBER 24, 2010	

independent contractor evaluated the Benefit Payment Operations system as part of its Certification and Accreditation process to ensure we are compliant with the appropriate security standards.

We provide security and privacy awareness training annually to all agency system users. Before granting access to the Benefit Payment Operations system, new users receive training on proper use of the system and protecting the confidentiality of the data. We also require our users to receive additional training from other Federal Agencies (Social Security Administration and Centers for Medicare and Medicaid Services) if they are accessing information that is owned by those agencies.

Before we grant or modify access to the Benefit Payment Operations system, our management reviews the request and approves it if the employee or contractor requires that level of access to perform their assigned job duties. Once approved by management, they forward the request to our network access control staff, which assigns the appropriate roles and security profile for that authorized user. We use established role based access control rules and follow the procedures outlined in our internal agency operating manual.

We use extensive technical measures in order to provide both electronic and physical defense-in-depth protection for your information. Some of our safeguards are:

- Internal policies and training addressing proper handling of sensitive information
- Limiting access to those staff members who have a business requirement to that information
- Information systems secured in accordance with Federal Law, National Institute of Standards and Technology (NIST) and other Executive Agency guidance and directives.
- Role based access controls used to control access to electronic data records and applications enforcing need to know and least privilege policies
- Transaction histories are maintained to track any changes to an individuals record
- Encryption of all data on systems that are located outside of RRB facilities, and on our notebook computers
- Encryption of all data that transits to or from the RRB network
- Secure disposal of electronic media when it is no longer required
- Logging of local, network, mainframe and database usage
- In-Depth electronic security monitoring and incident response technologies and dedicated security staff
- Systematic data backups performed with the backup media securely transported to, and stored at a Federal records holding center

Section 9.0 – Technologies Used by the BPO System

We validated that the Benefit Payment Operations major application meets all current Federal guidelines and directives via independent evaluation. Additionally, our Privacy and Security staff review all information system proposals in accordance with the E-Government Act of 2002 (Public Law 107-347) and Office of Management and Budget directives.

Conclusion

Our Benefit and Payment Operations major application system pays retirement, survivor, social security, unemployment, sickness, and disability benefits to railroad employees and their families under the Railroad Retirement Act (RRA) and Railroad Unemployment Insurance Act (RUIA).

We take our obligation seriously to protect the data that we use to provide benefit services to our railroad

SYSTEM OR APPLICATION NAME:	Benefit Payment Operations
DATE: SEPTEMBER 24, 2010	
workers. We do this by complying with Federal information and privacy laws, directives and guidance; by providing technical network defenses in depth; and by having established management and operational controls in place to manage our information systems.	
Certification of Responsible Officials	
Preparer Signature & Title	Pauline Coleman-Sutton Chief of RRA Application and Calculation
System Owner Signature	Ronald Russo Director of Policy and Systems
Approved Signature & Title	Patricia Henaghan Chief of Information Management Resources Center
PTA Control Number (if a PTA was submitted prior to PIA)	PTA-20100616-001
PIA Control Number	PIA-20100924-001