

Incident Period: 06/23/2006 through 07/10/2006.

Effective Date: 07/14/2006.

Physical Loan Application Deadline Date: 09/05/2006.

EIDL Loan Application Deadline Date: 04/04/2007.

ADDRESSES: Submit completed loan applications to: U.S. Small Business Administration, National Processing and Disbursement Center, 14925 Kingsport Road Fort Worth, TX 76155.

FOR FURTHER INFORMATION CONTACT: A. Escobar, Office of Disaster Assistance, U.S. Small Business Administration, 409 3rd Street, SW., Suite 6050, Washington, DC 20416.

SUPPLEMENTARY INFORMATION: The notice of the Presidential disaster declaration for the Commonwealth of Pennsylvania, dated 07/04/2006 is hereby amended to include the following areas as adversely affected by the disaster:

Primary Counties: Bradford, Carbon, Luzerne.

Contiguous Counties:

Pennsylvania: Tioga;

New York: Chemung.

All other information in the original declaration remains unchanged.

(Catalog of Federal Domestic Assistance Numbers 59002 and 59008)

Cheri L. Cannon,

Acting Associate Administrator for Disaster Assistance.

[FR Doc. E6-11786 Filed 7-24-06; 8:45 am]

BILLING CODE 8025-01-P

SOCIAL SECURITY ADMINISTRATION

Privacy Act of 1974, as Amended; Alteration to Existing System of Records

AGENCY: Social Security Administration (SSA).

ACTION: Altered system of records, including proposed new routine uses.

SUMMARY: In accordance with the Privacy Act (5 U.S.C. 552a(e)(4) and (e)(11)), we are issuing public notice of our intent to alter an existing system of records entitled *Medicare Part D and Part D Subsidy File*, 60-0321. The proposed alterations will result in the following changes to the system of records:

(1) Expansion of the categories of individuals covered by the system to include individuals entitled to Medicare Part A, Part B and Medicare Advantage Part C; and

(2) Proposed new routine uses 17-21 providing for the release of information for purposes of efficient administration of Medicare Part A, Part B, Medicare Advantage Part C, and Medicare Part D.

We are also changing the name of the existing *Medicare Part D and Part D Subsidy File* system of records. The proposed new name is the *Medicare Database*, hereinafter referred to as the *MDB File*. The change reflects the establishment of a single repository for all Medicare-related data.

The proposed alterations are discussed in the **SUPPLEMENTARY INFORMATION** section below. We invite public comments on this proposal.

DATES: We filed a report of the proposed alteration with the Chairman of the Senate Committee on Homeland Security and Governmental Affairs, the Chairman of the House Committee on Government Reform, and the Director, Office of Information and Regulatory Affairs, Office of Management and Budget (OMB) on July 18, 2006. The proposed alteration will become effective on August 26, 2006 unless we receive comments that will result in a contrary determination.

ADDRESSES: Interested individuals may comment on this publication by writing to the Executive Director, Office of Public Disclosure, Office of the General Counsel, Social Security Administration, Room 3-A-6 Operations Building, 6401 Security Boulevard, Baltimore, Maryland 21235-6401. All comments received will be available for public inspection at the above address.

FOR FURTHER INFORMATION CONTACT: Ms. Christine W. Johnson, Lead Social Insurance Specialist, Office of Public Disclosure, Office of the General Counsel, Social Security Administration, Room 3-C-1 Operations Building, 6401 Security Boulevard, Baltimore, Maryland 21235-6401, telephone at (410) 965-8563, e-mail: mailto:chris.w.johnson@ssa.gov.

SUPPLEMENTARY INFORMATION:

I. Background and Purpose of Proposed Alteration to the MDB File System of Records

A. General Background

On December 8, 2003, the Medicare Prescription Drug, Improvement, and Modernization Act (also known as the Medicare Modernization Act or MMA) of 2003, created a voluntary prescription drug coverage benefit program under new Part D of Medicare for all individuals eligible for Medicare Part A and/or Part B. The MMA also created a subsidy program to assist Medicare beneficiaries with limited means to pay for prescription drug coverage. The new Medicare Part D was implemented January 2006. We published a notice of system of records in the **Federal**

Register to implement the Medicare Part D coverage on December 28, 2004. The notice can be found at 70 FR 77816, December 28, 2004. Additionally, Section 811 of the MMA established a premium subsidy reduction which will result in an income-related adjustment amount being added to the standard monthly Medicare Part B premium amount.

The Medicare Part B premium subsidy reduction becomes effective January 2007. Sections 101 and 201 of the MMA changed some of the terms and definitions for Medicare Part C (now Medicare Advantage) and provided for the implementation of the Medicare Advantage program.

Medicare Part B is a voluntary program which provides medical insurance coverage for medical and health services such as physician services, diagnostic services and medical supplies. Medicare Part B beneficiaries are responsible for deductibles, co-insurance and monthly premiums towards the cost of covered services. Generally, the Part B premium covers approximately 25 percent of the Part B program costs and the remaining 75 percent of the program costs are subsidized by the Federal Government by contributions to the Federal Supplementary Medical Insurance Trust Fund. Certain Part B beneficiaries may also pay an increased premium for late reenrollment or for enrollment after a period without coverage.

Beginning January 2007, the Medicare Part B premium subsidy will result in an income-related adjustment amount being added to the standard monthly Medicare Part B premium amount for an estimated 4 to 5 percent of the approximately 40 million Part B beneficiaries who have income above an income threshold set by the MMA. Beneficiaries with modified adjusted gross income above a statutory income threshold will pay more of the cost of their Part B premiums through an income-related monthly adjustment amount. The income-related monthly adjustment amount is an additional amount of premium for Part B coverage that is added to the Part B standard monthly premium. The purpose of the income-related adjustment is to reduce the Federal subsidy to Medicare Part B beneficiaries with income above the statutory threshold.

To implement the Medicare Part B premium subsidy reduction and establish eligibility for Part D subsidies, we must collect and maintain relevant information that will be used for these determinations. We will maintain the information in the *MDB File*. We currently maintain information about

Medicare Part A and Part C applicants and beneficiaries in other SSA systems of records (e.g., the Master Beneficiary Record and the Claims Folders System). To assist us in the efficient administration of Medicare Part A, Part B, Medicare Advantage Part C, and Medicare Part D programs, we are consolidating all of the relevant records into the *MDB File*. In addition to these changes, we are also establishing new routine use disclosures of *MDB File* information. To implement these changes, we must make alterations to the *MDB File*. The alterations are discussed in Section I, Subsections B and C below.

B. Expansion of the Categories of Individuals Covered by the MDB File System of Records

(1.) Expansion of the Categories of Individuals in the MDB File

Currently, the records in the system pertain primarily to beneficiaries with limited means to pay for prescription drug coverage under Medicare Part D. The purpose of the proposed alteration is to expand the categories of individuals covered by this system to include beneficiaries who have medical insurance under Medicare Part A, Part B, Medicare Advantage Part C, and all beneficiaries who are covered or who will be eligible for facilitated enrollment under Part D plans. See the "Categories of individuals covered by the system" in the system notice below for the inclusion of the additional categories of individuals and a full description of the information maintained therein.

(2.) Name Change for the Existing Medicare Part D and Part D Subsidy File System of Records

We propose to change the name of the existing system to the *MDB File* system of records to facilitate and reflect the formation of a single repository for the collection and maintenance of all Medicare-related data.

C. Proposed New Routine Use Disclosures of Data Maintained in the MDB File System of Records

1. Establishment of New Routine Uses

We are proposing to establish five new routine uses to allow disclosure of information maintained in the *MDB File*. The routine uses will facilitate disclosures to applicants, claimants, prospective applicants or claimants (other than the data subjects and their authorized representatives); the Centers for Medicare & Medicaid Services; the Railroad Retirement Board; the Office of Personnel Management; the Office of Medicare Hearings and Appeals; and the

Medicare Appeals Council in the Department of Health and Human Services, in pursuit of Part B premium reduction based on participation in a Part C Medicare Advantage Plan; Medicare Part B and Part C premium collection; all Medicare enrollment, premium collection and reduction, and Part B premium income-related monthly adjustment amount determinations and appeals of determinations.

Accordingly, proposed new routine uses numbered 17–21 that we are adding to the *MDF File* provide for the disclosure of information as follows:

17. *"To applicants, claimants, prospective applicants or claimants (other than the data subjects and their authorized representatives) to the extent necessary for the purpose of pursuing Medicare Part B premium reduction based on participation in certain Part C Medicare Advantage plans;"*

18. *"To applicants, claimants, prospective applicants or claimants (other than the data subjects and their authorized representatives) to the extent necessary for the purpose of administering Medicare Part A, Part B, Medicare Advantage Part C, and Medicare Part D, including but not limited to pursuing Medicare Part B, Part C and Part D premium collection;"*

19. *"To the Centers for Medicare & Medicaid Services (CMS), for the purpose of administering Medicare Part A, Part B, Medicare Advantage Part C, and Medicare Part D, including but not limited to: Medicare Part C enrollment and premium collection processes; Part D enrollment and premium collection processes; Medicare Part B premium reduction based on participation in a Part C plan; and Medicare Part B enrollment and income-related monthly adjustment amount determinations, appeals of determinations, and premium collection;"*

20. *"To CMS, the Railroad Retirement Board and the Office of Personnel Management for purposes of administering Part A, Part B, Medicare Advantage Part C, and Medicare Part D, including, but not limited to, collecting Medicare Part B premiums, which include an income-related monthly adjustment amount," and*

21. *"To the Office of Medicare Hearings and Appeals and to the Medicare Appeals Council in the Department of Health and Human Services for purposes of appeals of determinations of Medicare Part B income-related monthly adjustment amount determinations made by SSA."*

2. Compatibility of Proposed New Routine Uses

The Privacy Act (5 U.S.C. 552a(b)(3)) and SSA's disclosure regulation (20 CFR Part 401) permit us to disclose information under a published routine use for a purpose that is compatible with the purpose for which we collected the information. The proposed routine uses above will ensure efficient administration of SSA programs administered through the *MDB File*. Therefore, the proposed routine uses are appropriate and meet the relevant statutory and regulatory criteria.

II. Records Storage Medium and Safeguards for the Proposed MDB File System of Records

The *MDB File* is a repository of Medicare applicant and beneficiary information. Only authorized SSA personnel who have a need for the information in the performance of their official duties will be permitted access to the information. We will safeguard the security of the information by requiring the use of access codes to enter the computer systems that will maintain the data and will store computerized records in secured areas that are accessible only to employees who require the information to perform their official duties. Any manually maintained records will be kept in locked cabinets or in otherwise secure areas. Furthermore, SSA employees having access to SSA databases maintaining personal information must sign a sanction document annually, acknowledging their accountability for making unauthorized access to, or disclosure of, such information.

Contractors generally do not have access to the *MDB File*; however, should this change in the future, contractor personnel having access to data in the *MDB File* will be required to adhere to SSA rules concerning safeguards, access and use of the data.

SSA personnel having access to the data on this system will be informed of the criminal penalties of the Privacy Act for unauthorized access to or disclosure of information maintained in this system. See 5 U.S.C. 552a(i)(1).

III. Effect of the Proposed MDB File System of Records on the Rights of Individuals

The proposed alteration to the *MDB File* system of records pertains to SSA's responsibilities in expanding the categories of individuals maintained in the file to include beneficiaries who are eligible for Medicare Part A, Part B and Medicare Advantage Part C. We will adhere to all applicable statutory

requirements, including those under the Social Security Act and the Privacy Act, in carrying out our responsibilities. Therefore, we do not anticipate that the proposed alterations will have any unwarranted adverse effect on the rights of individuals.

IV. Change in the Name of the Existing Medicare Part D and Part D Subsidy File System of Records

We will change the name of the existing system of records to the *Medicare Database (MDB) File* to reflect the establishment of a single repository for all Medicare-related information needed to efficiently administer the Medicare Part A, Part B, Medicare Advantage Part C and Medicare Part D programs.

Dated: July 18, 2006.

Jo Anne B. Barnhart,
Commissioner.

Social Security Administration (SSA)

Notice of System of Records Required by the Privacy Act of 1974; as Amended

60-0321

SYSTEM NAME:

Medicare Database (MDB) File, Social Security Administration, Deputy Commissioner for Disability and Income Security Programs.

SECURITY CLASSIFICATION:

None.

SYSTEM LOCATION:

Social Security Administration, National Computer Center, Office of Systems, 6401 Security Boulevard, Baltimore, Maryland 21235.

Other authorized Federal and State agencies that generally have access to information in SSA systems will also have access as needed to the *MDB File*. Contact the system manager for address information.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Claimants, applicants, beneficiaries, ineligible spouses and potential claimants for Medicare Part A, Medicare Part B, Medicare Advantage Part C, Medicare Part D and for Medicare Part D prescription drug coverage subsidies.

CATEGORIES OF RECORDS IN THE SYSTEM:

This file contains the name, Social Security number (SSN) and income and resource data of the claimant or potential claimant for Part D subsidy; the subsidy application; supporting evidence and documentation for eligibility; documentation for income and resource verification; supporting evidence and documentation for appeal

requests; premium payment documentation; correspondence to and from claimants and/or personal representatives; and leads information from third parties such as social service agencies and hospitals. Further, separate files may be maintained of certain actions which are entered directly into the MDB file. These relate to reports of changes of income and resources and other post-adjudicative reports. Separate data are also maintained for statistical purposes (e.g., subsidy denial, and demographic and statistical information relating to subsidy decisions).

This file also contains information about Medicare Part A, Part B, Medicare Advantage Part C, and non-subsidy Medicare Part D beneficiaries. The information maintained in this system of records is collected from beneficiaries for Medicare Part A, Part B, Medicare Advantage Part C, Medicare Part D, and other source systems maintained by SSA. The information maintained for Part B also include: The individual's name and SSN; enrollment information; premium surcharge information; information from the Internal Revenue Service about such individual's modified adjusted gross income (MAGI) from his/her Federal tax return, including adjusted gross income (AGI), and other tax-exempt income, and tax filing status for each year that the MAGI exceeds a statutory income threshold. Also included is information about MAGI provided by a claimant or beneficiary; supporting evidence and documentation for new initial determinations and appeal requests; Medicare Part B income-related monthly adjustment amount determinations; reconsiderations and appeals of Medicare Part B income-related monthly adjustment amount determinations; information essential to the deduction of premiums from Title II monthly benefits from Railroad Retirement annuities, Civil Service retirement benefits and direct billing by the Centers for Medicare & Medicaid Services; and data necessary to providing fiscal accounting of premiums withheld.

The file may also contain data collected as a result of inquiries or complaints, and evaluation and measurement studies of the effectiveness of Medicare Prescription Drug Improvement and Modernization Act (MMA) policies.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

Sections 202-205, 223, 226, 228, 1611, 1631, 1818, 1836, 1839, 1840 and 1860D-1-1860D-15 of the Social Security Act (42 U.S.C. 402-405, 423, 426, 428, 1382, 1383, 1395i-2, 1395o,

1395r-1, 1395s and 1395w-101-1395w-115).

PURPOSE(S):

The *MDB File* is used for the collection and maintenance of material related to Medicare Part A, Part B, Medicare Advantage Part C, and Medicare Part D, including, but not limited to: Part D participation and premium deductions, and where applicable, subsidized prescription drug coverage eligibility information; Medicare Part B enrollment, surcharge and premium reduction information for participants in certain Medicare Advantage plans and for maintaining information necessary to set income-related monthly adjustment amounts to Part B premiums for certain individuals who exceed an income threshold; and Part C premium deduction authorized by the MMA. The information in this file is used throughout SSA for the purposes of collecting, documenting, organizing and maintaining information and documents for making determinations about eligibility for subsidized benefits, premium reductions and deduction under the MMA.

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

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

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

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

3. 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 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.

4. Information may be disclosed to DOJ for:

- (a) Investigating and prosecuting violations of the Social Security Act to which criminal penalties attach;
- (b) Representing the Commissioner; or
- (c) Investigating issues of fraud by agency officers or employees, or violation of civil rights.

5. To applicants, claimants, prospective applicants or claimants (other than the data subjects and their authorized representatives) to the extent necessary for the purpose of pursuing Medicare Part D and Part D subsidy entitlement or appeal rights.

6. 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 Social Security Act). Such disclosures include, but are not limited to, release of information to:

(a) The Railroad Retirement Board 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 Department of Veterans Affairs (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 agencies for making determinations of Medicaid eligibility; and

(e) State agencies for making determinations of food stamp eligibility under the food stamp program;

(f) State audit agencies for auditing Medicaid eligibility considerations; and

(g) State welfare departments pursuant to agreements with SSA for administration of State supplementation payments; for enrollment of welfare recipients for medical insurance under section 1843 of the Act; and for conducting independent quality assurance reviews of Supplemental Security Income recipient records, provided that the agreement for Federal administration of the supplementation provides for such an independent review.

7. To the Internal Revenue Service, Department of the Treasury, for the purpose of auditing SSA's compliance with the safeguard provisions of the Internal Revenue Code of 1986, as amended.

8. To the Centers for Medicare & Medicaid Services (CMS), for the purpose of administering Medicare Part D enrollment and premium collection and Medicare Advantage Part C premium collections, as well as Medicare Part B income-related monthly adjustment amounts.

9. To Federal and State agencies administering Medicare Part D and Part D subsidy under the MMA of 2003. For example, release of information to:

- (a) The Bureau of Public Debt, Department of the Treasury;
- (b) The Internal Revenue Service;
- (c) The Office of Personnel Management;
- (d) The Railroad Retirement Board;
- (e) The Veterans Administration; and
- (f) The Office of Child Support Enforcement for the purpose of assisting in the verification of eligibility for the prescription drug subsidy.

10. To a Federal, State, or congressional support agency (e.g., the Congressional Budget Office and the Congressional Research Service in the Library of Congress) for research, evaluation, or statistical studies. Such disclosures include, but are not limited to, release of information in assessing the extent to which one can predict eligibility for Supplemental Security Income (SSI) payments or Social Security disability insurance benefits; examining the distribution of Social Security benefits by economic and demographic groups and how these differences might be affected by possible changes in policy; analyzing the interaction of economic and non-economic variables affecting entry and exit events and duration in the Title II Old Age, Survivors, and Disability Insurance and the Title XVI SSI disability programs; and analyzing retirement decisions focusing on the role of Social Security benefit amounts, automatic benefit recomputation, the delayed retirement credit, and the retirement test, if SSA:

(a) Determines that the routine use does not violate legal limitations under which the record was provided, collected, or obtained;

(b) Determines that the purpose for which the proposed use is to be made:

(i) Cannot reasonably be accomplished unless the record is provided in a form that identifies individuals;

(ii) Is of sufficient importance to warrant the effect on, or risk to, the

privacy of the individual which such limited additional exposure of the record might bring;

(iii) Has reasonable probability that the objective of the use would be accomplished;

(iv) Is of importance to the Social Security program or the Social Security beneficiaries or is for an epidemiological research project that relates to the Social Security program or beneficiaries;

(c) Requires the recipient of information to:

(i) Establish appropriate administrative, technical, and physical safeguards to prevent unauthorized use or disclosure of the record and agree to on-site inspection, by SSA's personnel, its agents, or by independent agents of the recipient agency, of those safeguards;

(ii) Remove or destroy the information that enables the individual to be identified at the earliest time at which removal or destruction can be accomplished consistent with the purpose of the project, unless the recipient receives written authorization from SSA that it is justified, based on research objectives, for retaining such information;

(iii) Make no further use of the records except

(a) Under emergency circumstances affecting the health or safety of any individual following written authorization from SSA;

(b) For disclosure to an identified person approved by SSA for the purpose of auditing the research project;

(iv) Keep the data as a system of statistical records. A statistical record is one which is maintained only for statistical and research purposes and which is not used to make any determination about an individual;

(d) Secures a written statement by the recipient of the information attesting to the recipient's understanding of, and willingness to abide by, the provisions.

11. The Department of Homeland Security, Bureau of Citizenship and Immigration Services, 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)).

12. 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.

13. 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.

14. 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 who need access to personally identifiable information in SSA records in order to perform their assigned Agency functions.

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

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

16. To the General Services Administration (GSA) and the National Archives Records Administration (NARA) under 44 U.S.C. 2904 and 2906, as amended by the NARA Act of 1984, non-tax return information which is not restricted from disclosure by Federal law for the use of those agencies in conducting records management studies.

17. To applicants, claimants, prospective applicants or claimants (other than the data subjects and their authorized representatives) to the extent necessary for the purpose of pursuing Medicare Part B Premium Reduction based on participation in a Medicare Advantage Part C Plan.

18. To applicants, claimants, prospective applicants or claimants (other than the data subjects and their authorized representatives) to the extent necessary for the purpose of administering Medicare Part A, Part B, Medicare Advantage Part C, and Medicare Part D, including, but not limited to, pursuing Medicare Part B, Part C and Part D premium collection.

19. To the Centers for Medicare & Medicaid Services, for the purpose of administering Medicare Part A, Part B, Medicare Advantage Part C, and Medicare Part D, including but not limited to: Medicare Part C enrollment and premium collection processes; Part D enrollment and premium collection processes; Medicare Part B premium reduction based on participation in a Part C plan and Medicare Part B

enrollment and income-related monthly adjustment amount determinations, appeals of determinations, and premium collection.

20. To the Centers for Medicare & Medicaid Services, the Railroad Retirement Board and the Office of Personnel Management for the purpose of administering Medicare Part A, Part B, Medicare Advantage Part C, and Medicare Part D, including, but not limited to, collecting Medicare Part B premiums, some of which include an income-related monthly adjustment amount.

21. To the Office of Medicare Hearings and Appeals and to the Medicare Appeals Council in the Department of Health and Human Services for purposes of appeals of determinations of Medicare Part B income-related monthly adjustment amount determinations made by SSA.

We will disclose information to the Office of Medicare Hearings and Appeals and to the Medicare Appeals Council under this routine use only for the purpose of assisting that office with appeals of Medicare Part B income-related monthly adjustment amount decisions.

DISCLOSURE TO CONSUMER REPORTING AGENCIES:

Disclosure pursuant to 5 U.S.C. 552a(b)(12) may be made to consumer reporting agencies as defined in the Fair Credit Reporting Act (15 U.S.C. 1681a(f)) or the Federal Claims Collection Act of 1966 (31 U.S.C. 3701, *et seq.*), as amended. The disclosure will be made in accordance with 31 U.S.C. 3711(e) when authorized by sections 204(f), 808(e), or 1631(b)(4) of the Social Security Act (42 U.S.C. 404(f), 1008(e), or 1383(b)(4)). The purpose of this disclosure is to aid in the collection of outstanding debts owed to the Federal government, typically, to provide an incentive for debtors to repay delinquent Federal government debts by making these debts part of their credit records. The information to be disclosed is limited to the individual's name, address, SSN, and other information necessary to establish the individual's identity, the amount, status, and history of the debt and the agency or program under which the debt arose.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

STORAGE:

Records are maintained electronically. Any manually maintained records will be kept in locked cabinets or in otherwise secure areas.

RETRIEVABILITY:

Records are retrieved electronically by SSN and alphabetically by name.

SAFEGUARDS:

The MDB File is 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 about 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. 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:

Pursuant to 36 CFR 1228.26, SSA will submit to NARA, for approval, a schedule for the MDB, no later than one year from implementation of this new program. Until a schedule is developed and approved, records may not be destroyed.

SYSTEM MANAGER(S) AND ADDRESS:

Deputy Commissioner, Disability and Income Security Programs, Social Security Administration, 6401 Security Boulevard, Baltimore, MD 21235.

NOTIFICATION PROCEDURE:

An individual can determine if this system contains a record about him/her by writing to the system 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 information in the record for 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 to 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 CFR 401.40(c)).

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 CFR 401.40(c)).

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(a)).

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.

[FR Doc. E6-11782 Filed 7-24-06; 8:45 am]

BILLING CODE 4191-02-P

SOCIAL SECURITY ADMINISTRATION

Privacy Act of 1974; as Amended; New System of Records and New Routine Use Disclosures

AGENCY: Social Security Administration (SSA).

ACTION: Proposed new system of records and routine uses.

SUMMARY: In accordance with the Privacy Act (5 U.S.C. 552a(e)(4) and (e)(11)), we are issuing public notice of our intent to establish a new system of records entitled *Attorney and Eligible Direct Pay Non-Attorney (EDPNA) 1099-MISC File*, hereinafter referred to as the *Attorney/EDPNA 1099-MISC File* system of records, and routine uses applicable to the system of records. We are also issuing notice that we may disclose personally identifiable information from the *Attorney/EDPNA 1099-MISC File* to consumer reporting agencies in accordance with 5 U.S.C. 552a(b)(12) and 31 U.S.C. 3711(e). Further, we give notice that we will disclose the taxpayer identification numbers (TIN)/Social Security numbers (SSN) and other information maintained in this file to employers for the purpose of reporting and collecting delinquent debts that may arise out of representational fee payments made to representatives. See 31 U.S.C. 7701(c)(3). We invite public comment on this proposal.

DATES: We filed a report of the proposed *Attorney/EDPNA 1099-MISC File* system of records and the applicable routine uses with the Chairman of the Senate Committee on Homeland Security and Governmental Affairs, the Chairman of the House Committee on Government Reform, and the Director, Office of Information and Regulatory Affairs, Office of Management and Budget (OMB) on July 18, 2006. The proposed *Attorney/EDPNA 1099-MISC File* system of records and the proposed routine uses will become effective on August 26, 2006, unless we receive comments warranting that they not be effective.

ADDRESSES: Interested individuals may comment on this publication by writing to the Deputy Executive Director, Office of Public Disclosure, Office of the General Counsel, Social Security Administration, 3-A-6 Operations

Building, 6401 Security Boulevard, Baltimore, Maryland 21235-6401. All comments received will be available for public inspection at the above address.

FOR FURTHER INFORMATION CONTACT: Ms. Christine W. Johnson, Lead Social Insurance Specialist, Strategic Issues Team, Office of Public Disclosure, Office of the General Counsel, Social Security Administration, Room 3-A-6 Operations Building, 6401 Security Boulevard, Baltimore, Maryland 21235-6401, telephone: (410) 965-8563, e-mail: chris.w.johnson@ssa.gov.

SUPPLEMENTARY INFORMATION:

I. Background and Purpose of the Proposed New Attorney/EDPNA 1099-MISC File System of Records

A. General Background

Under sections 206(a) and 1631(d)(2) of the Social Security Act and sections 302 and 303 of the Social Security Protection Act (SSPA) of 2004 (Pub. L. 108-203), SSA has the authority and responsibility to determine the maximum fees that claimants' representatives may charge and collect from claimants they represent before SSA, and to directly pay those fees out of claimants' past-due benefits, to attorney and EDPNA representatives. SSA is also responsible to directly pay fees awarded to an attorney by a Federal court under sections 206(b) and 1631(d)(2) of the Act. Changes in the Internal Revenue Service Federal Income Tax Regulations (26 CFR part 1), promulgated under sections 6041 and 6045 of the Internal Revenue Code (IRC) require SSA, in the course of its business, to issue 1099-MISC information returns for aggregate payments of \$600.00 or more in a calendar year. The returns must be filed whether or not the services were performed for SSA. Therefore, representatives who meet the requirements to receive representational fee payments and do not waive payment from SSA could meet the reporting requirement of the IRC. Further, when the attorney or EDPNA representative works for an employer (e.g., law firm, partnership or other business entity) and we have the employer's name, address and EIN information in our file a 1099-MISC information return will also be issued to the employer.

Further, the Debt Collection Improvement Act of 1996, 31 U.S.C. 7701, requires all persons doing business with a federal agency to provide TINs/SSNs. A person is considered to be "doing business" with an agency if the agency assesses a fee on the person. Under sections 206(d) and 1631(d)(2)(C) of the Social Security Act