

SUBJECT: Data Match Programs

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INTRODUCTION

This release applies to all state and federal credit unions that do business in Wisconsin. It describes financial record “data match” program requirements, which help the state to recover delinquent child support and unpaid taxes, to recover certain unemployment insurance payments, to determine eligibility for Medicaid, and to determine the insured status of people entitled to Medicare benefits.

EXECUTIVE SUMMARY

All financial institutions in Wisconsin must participate in programs to compare their account holders’ information to lists of those who owe child support, who owe back taxes or who have applied for or receive Medicaid.

The information is confidential. The credit union, and its employees, agents, officers and directors, can use information from the data match programs only to match records. They may not disclose or retain information they get about people who do not have a credit union account.

This release also includes information about Medicare data match requests. As employers, credit unions sometimes receive requests for information about Medicare beneficiaries' group health insurance coverage. These come from the Centers for Medicare & Medicaid Services. Under federal law, that service shares information with federal agencies about whether Medicare beneficiaries or their spouses are covered by an employer group health plan. The purpose is to find out whether an insurer may be liable for some costs ahead of Medicare. The credit union must respond to these requests, and this release includes links to resources with more information.

TAX, CHILD SUPPORT & UNEMPLOYMENT INSURANCE DATA MATCH PROGRAMS

All financial institutions doing business in this state – including federal and state credit unions – must participate in three programs to compare their account holders’ information about people who owe back taxes, child support or unemployment insurance claims:

- *Child Support Financial Institution Data Match Program.* The Federal Office of Child Support Enforcement, working with state and local child support programs, implements a nationwide child support enforcement strategy, including the quarterly data match. In Wisconsin, the state’s Department of Children and Families, Bureau of Child Support (BCS) is responsible for the program, called the Child Support Financial Institution Data Match program.
- *Tax Match Program.* The Wisconsin Department of Revenue (DOR) oversees a similar program to find those who owe state debts, like delinquent taxes (the Tax Match program).
- *Unemployment Insurance (UI) Financial Record Match Program.* The Wisconsin Department of Workforce Development (DWD) oversees a similar program to identify the accounts of delinquent unemployment insurance employers and claimants against whom the DWD has docketed a warrant (the UI Match Program).

In most respects, these programs operate in the same way.

State's Agent – Informatix

The three state agencies have partnered with a company called Informatix (formerly Tier Technologies) as their agent to provide data matching services. Their contact information is:

Informatix, Inc.
5913 Executive Dr.
North Tower
Lansing, MI 48911

For the UI Match Program, the DWD provides this address for Informatix:

Informatix, Inc.
UI Match Operations
1760 Abbey Road
East Lansing, MI 48823-7394

Questions about these programs can be directed to the Informatix Financial Institution Data Match hotline at (877) 965-3436 or (866) 576-5986.

Agreements

The three state agencies enter into written agreements with credit unions and other financial institutions to operate data matching programs. These programs use a quarterly data exchange (which is done electronically, if feasible) to identify the accounts of delinquent payers. The agreements say that credit unions will provide information on the accounts in various media formats, and they give the credit union two options (described below) for doing so.

When presented with an agreement, the credit union is to sign it and return it within 20 business days. The state agency will sign the agreement and return a signed copy to the credit union. The credit union should review these agreements carefully, to verify that it understands all terms (including its security and confidentiality obligations) and that it will abide by them.

To change the terms of the agreement, the credit union must contact the state agencies at least 60 days before the start of the next quarterly record match.

Matching Options

Credit unions have two options for participating in these programs: the financial institution matching option and the state matching option. In either case, if a match is identified, state agencies can then take steps to freeze or seize funds.

Savings, checking, share draft, time certificate, demand, negotiable withdrawal order, and money-market mutual fund accounts are all subject to quarterly data matching. Safe deposit box account information should not be included in the data match.

Financial institution matching option

This option is also known as the “matched accounts method.” If the credit union picks this option, then the state or its agent, Informatix, will send the credit union an electronic file on a quarterly basis. The file will contain the names and Social Security Numbers or federal Taxpayer Identification Numbers of delinquent taxpayers, child support obligors or those owing UI funds to the DWD. The DOR says the file is to be accessed only by the credit union’s security or privacy officer or others authorized in writing by the credit union.

The Child Support Financial Institution Data Match list includes only individuals, but the Tax Match and UI match lists also include businesses. For that reason, the credit union should check for matches against organization accounts and consumer accounts.

The credit union must check for a match, using the Social Security Number (SSN) as the match indicator for individual accounts and Federal Employer Identification Number (FEIN) as the match indicator for business accounts. (The DOR uses the SSN field to report the FEIN and the “last name” field to report the business name. The DOR says it will evaluate partial matches, or matches on the SSN or FEIN alone, for correctness.)

If the credit union finds any matches, it must notify Informatix of the following:

- The party’s name,
- Address of record,
- Taxpayer Identification Number,

- Account number,
- Account type,
- The nature of the obligor's ownership interest in the account, and
- The balance of the account when the match is made.

Once the match has been finalized, the agreement requires the credit union to destroy or erase the file and to provide a written report that records containing confidential information were destroyed and the method of destruction.

Informatix has said that it will send the credit union one file that covers the various data match programs. When the match file is returned to Informatix, they will send the relevant results to the appropriate agency, after removing the other agencies' information to preserve confidentiality.

State Matching Option

This option is also known as the "all accounts method." If the credit union picks this option, the agreement will require it to send an electronic file to the state's agent, Informatix, quarterly.

For each account, the credit union must give the following information:

- The name of each person having an ownership interest in the account,
- A description of each person's interest; and
- The Social Security Number or federal Taxpayer Identification Number of each person having an ownership interest in the account.

The Child Support Financial Institution Data Match list includes only individuals, but the Tax Match and UI match lists also include businesses. For that reason, the credit union's file should list organization accounts (and their Employer Identification Numbers) as well as individual accounts.

The state or its agent (Informatix) will look for matches and request more information if it finds any. On request, the credit union must give the following information for each match found:

- The obligor's address of record,
- The account number,
- The account type, and
- The balance of the account.

Technical Requirements

For data specifications, refer to the *Financial Data Match Specifications Handbook*. The data match programs use the same file layouts, formats and transfer methods.

Reimbursement

Each calendar quarter, the credit union can request up to \$125 in reimbursement from the DOR and the DWD for the costs associated with participating in the Tax Match and UI match programs. The credit union is responsible for submitting an invoice within 30 days of the end of the calendar quarter to Informatix. Similarly, the Wisconsin Statutes say that the credit union will be reimbursed up to \$125 per quarter for participating in the Child Support Financial Institution Data Match.

Confidentiality & Liability

The information about those who owe child support, UI and other state debts is confidential. The credit union, and its employees, agents, officers and directors, can use information from the data match programs only to match records. They may not disclose or retain information they get about people who do not have a credit union account. Anyone who violates this requirement can be fined \$25 to \$1,000 and/or jailed for 10 days to a year.

The state and its agent, Informatix, can use information they get from a credit union only to match records under these programs. They may not disclose or retain information about account holders who do not owe delinquent child support, UI or state debts.

Compliance with these data match requirements does not expose a credit union to suits brought under the federal Right to Financial Privacy Act. The NCUA advises that, under federal law, credit unions will not be liable under any federal or state law for the disclosure of information to the state agency as a part of a data match program.

Wisconsin Statutes say that a financial institution is not liable for disclosing information to the state, its agent, or a county child support agency under the Child Support Financial Institution Data Match program. (The BCS can delegate its powers and duties under the data match laws to county child support agencies. It can require credit unions to provide county child support agencies with the information that otherwise would have to be given to the BCS.) Wis. Stats. §224.40(3).

Similarly, the statutes say that a financial institution is not liable to any person for disclosing information to the DOR under the Tax Match program or to the DWD under the UI match program or for any other action that a financial institution takes in good faith to comply with these programs' requirements. Wis. Stats. §71.91(8)(f) and §108.223(7).

Tax Match Penalty

A credit union that fails to provide any information required within 120 days from either the date that the information is due or from the date that the DOR requests the information may be subject to a \$100 penalty for each occurrence. The state can also commence civil proceedings to enforce compliance. The statutes do not include similar provisions for the Child Support Financial Institution Data Match program.

Multi-State Child Support Data Match

If a credit union operates in more than one state, it may decide to perform the child support data match with the federal Office of Child Support Enforcement instead of with multiple state child support agencies.

For more information on the Multistate Financial Institution Data Match, including participation instructions and the required enrollment form, [click here](#).

More Information

Credit unions can obtain additional information on the Child Support Financial Institution Data Match program from the Wisconsin Department of Workforce Development or from the [federal Office of Child Support Enforcement website](#).

Please see The League's *ii Release No. 0136* for information on the procedures used to levy credit union account for unpaid child support or taxes. Also, see The League's *ii Release No. B059* for more information on the Child Support Lien Docket and its effect on the lending process.

MEDICAID DATA MATCH PROGRAM

Federal law requires state Medicaid agencies to verify the assets of people who apply for Medicaid membership, to ensure eligibility. To help in this effort, each state must implement a monthly or quarterly data matching program – called the Asset Verification System (AVS) data match – to compare the names of Medicaid recipients or applicants with the names of account holders at financial institutions. Section 49.45 (4m) of the Wisconsin Statutes governs the Medicaid data match program.

The Wisconsin program is operated by the state's Department of Health Services (DHS). In 2018, DHS wrote to Wisconsin credit unions and other financial institutions to explain that Public Consulting Group (PCG) handles the asset verification. DHS shifted from the quarterly data matching process that credit unions participated in previously, to a process in which DHS obtains data about member assets on an as-needed basis through Accuity Asset Verification Services (Accuity). Accuity serves as the registrar for the American Bankers Association and works with many financial institutions in Wisconsin to obtain data on member assets for the Social Security Administration as well as for other states' asset verification programs.

Credit unions should have received correspondence directly from Accuity, with instructions to complete an attached AVS Medicaid registration form and an Acceptable Use Policy form. Credit unions should complete those forms as instructed, allowing them to expedite asset verification for members who are eligible for Medicaid assistance.

DHS has said that it does not plan to establish individual contracts with each financial institution, as it did previously. It has also ended the availability of a quarterly \$125 payment to each financial institution for participating in the Medicaid data match program.

Credit unions with questions about the Medicaid data match system should contract Accuity directly, at avs.support@accuity.com or by calling (855) 807-9822.

MEDICARE DATA MATCH

As employers, credit unions sometimes receive requests for information about Medicare beneficiaries' group health insurance coverage from the Centers for Medicare & Medicaid Services (CMS).

Under federal law, the Internal Revenue Service (IRS), the Social Security Administration (SSA), and CMS share information that each agency has about whether Medicare beneficiaries or their spouses are covered by an employer group health plan. The process for sharing this information is called the IRS/SSA/CMS Data Match, and its purpose is to find out whether an insurer may be liable for some costs ahead of Medicare.

For more information about IRS/SSA/CMS data match, [visit this page](#) of the Centers for Medicare & Medicaid Services website (CMS.gov)



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Legal Affairs Department

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