

Compliance Analysis for: section 101-112.docx

****Compliance Aspect:** Establishment and Legal Basis of the Social Security Board and Healthcare Financing System******

****Compliance Status:**** Partially Compliant.

****Explanation & Reasoning:**** The Operations Manual Chunk provides a general overview of the establishment and legal basis of the Social Security Board and Healthcare Financing System, including its purpose, authority, definitions, amendment process, sovereign immunity, record-keeping requirements, funds management, discretion of the administrator, uniformity, severability, and effective date. However, it does not explicitly address all aspects related to the establishment and legal basis of these systems as outlined in the relevant guidelines.

Specifically, the manual chunk does not mention or cover the following points from the guidelines:

1. The Committee's powers and duties under the National Healthcare Financing Act (41 PNCA § 908).
2. The Administration's investment authority and its operation in the same manner as investments under the Social Security Act (RPPL 8-14 § 2, modified; 41 PNCA § 907).
3. The Committee's supervision and oversight of the Administration (41 PNCA § 908).
4. The Administrative Procedure Act applicable to the Committee (41 PNCA § 908).
5. The Board's decision-making process after holding hearings or making decisions in the light of hearings held by persons authorized to do so (RPPL 3-64 § 8; 41 PNCA § 716).

Therefore, the manual chunk is only partially compliant with the relevant guidelines regarding the establishment and legal basis of the Social Security Board and Healthcare Financing System.

****Verbatim Citations (Crucial):****

1. Manual: 'Operations Manual Chunk for Evaluation' (from Section 101-112.docx), Page 103.
2. Guideline Excerpt 1 (Source: 41 PNCA 2025.pdf, Page: 50).
3. Guideline Excerpt 2 (Source: 41 PNCA 2025.pdf, Page: 47).
4. Guideline Excerpt 3 (Source: 41 PNCA 2025.pdf, Page: 14).
5. Guideline Excerpt 4 (Source: 41 PNCA 2025.pdf, Page: 13).

****Compliance Aspect:** Functions, members, and procedures of the Social Security Board******

****Compliance Status:**** PARTIALLY COMPLIANT.

****Explanation & Reasoning:**** The Operations Manual Chunk provides definitions, amendment procedures, record-keeping requirements, discretionary powers for the Administrator, and severability provisions related to the Social Security Board. However, it does not explicitly address the specific functions, members, and procedures of the Social Security Board as outlined in the relevant guidelines.

The relevant guidelines provide details on the powers and duties of the Board, appointment and compensation of the Social Security Administrator, and various other aspects related to the Social Security Board. These guidelines are not fully addressed in the Operations Manual Chunk.

Specifically, the Operations Manual Chunk does not mention or cover the following aspects from the relevant guidelines:

- * The Social Security Board's responsibility for proper operation of the Social Security System (Guideline Excerpt 4).
- * The Social Security Administration's duties and responsibilities (Guideline Excerpt 5).
- * The appointment, compensation, and other terms and conditions of employment of the Social Security Administrator (Guideline Excerpts 3 and 5).
- * The Board's powers and duties related to transacting business, entering into contracts, and issuing subpoenas (Guideline Excerpt 2).
- * The Committee's powers and duties under the Act (Guideline Excerpt 3).

Therefore, the Operations Manual Chunk is only partially compliant with the relevant guidelines regarding the functions, members, and procedures of the Social Security Board.

****Verbatim Citations:****

- * Manual: 'Operations Manual Chunk' (from Section 101-112.docx), Manual: 'Relevant Guidelines' (from Page 10)
- * Manual: 'Operations Manual Chunk' (from Section 101-112.docx), Manual: 'Relevant Guidelines' (from Page 11)
- * Manual: 'Operations Manual Chunk' (from Section 101-112.docx), Manual: 'Relevant Guidelines' (from Page 50)
- * Manual: 'Operations Manual Chunk' (from Section 101-112.docx), Manual: 'Relevant Guidelines' (from Page 15)
- * Manual: 'Operations Manual Chunk' (from Section 101-112.docx), Manual: 'Relevant Guidelines' (from Page 8)

****Compliance Aspect: Actuarial Soundness and Sustainability****

Based on the provided Operations Manual Chunk and relevant guidelines, I would classify this aspect as ****PARTIALLY COMPLIANT****. The manual chunk addresses the aspect of "Actuarial Soundness and Sustainability" by mentioning the requirement for actuarial valuations every four years (as per Guideline Excerpt 3) and specifying that the Social Security System is to be self-supporting and self-financing (as per Guideline Excerpt 2). However, there are gaps in the manual chunk regarding the specific procedures for conducting actuarial valuations and investing excess funds. These gaps may lead to ambiguities or partial adherence to the relevant guidelines.

To support this determination, I have cited specific verbatim phrases from both the Operations Manual Chunk and the Relevant Guidelines:

- From the Operations Manual Chunk (Section 111): "The Administrator shall have the discretion to deviate from these rules and procedures as he or she deems necessary to best serve the interest of the Administration."
- This sentence suggests that the manual chunk does not provide specific procedures for conducting actuarial valuations or investing excess funds, leaving room for discretion by the Administrator.
- From the Relevant Guidelines (Guideline Excerpt 3): "The actuary shall make actuarial valuations of the

Social Security System not less frequently than once in every four years after the effective date of this chapter."

- This guideline requires actuarial valuations every four years, but the manual chunk does not specify how these valuations should be conducted or who is responsible for them.

- From the Relevant Guidelines (Guideline Excerpt 4): "Within ninety (90) days after the end of each fiscal year, the Committee shall submit a report to the President of the Republic of Palau, the President of the Senate, and the Speaker of the House of Delegates of the Olbiil Era Kelulau detailing the financial status of the Fund and its investments."

- This guideline requires an annual report on the financial status of the Fund and its investments, but the manual chunk does not specify who is responsible for preparing this report or how it should be submitted.

In conclusion, while the Operations Manual Chunk addresses the aspect of "Actuarial Soundness and Sustainability", there are gaps in the specific procedures for conducting actuarial valuations and investing excess funds, which may lead to ambiguities or partial adherence to the relevant guidelines. Therefore, this aspect is classified as PARTIALLY COMPLIANT.

****Compliance Aspect: Fund Reserves and Solvency Requirements****

Based on the provided Operations Manual Chunk and relevant guidelines, I would classify this aspect as ****PARTIALLY COMPLIANT****. The manual chunk addresses the guideline related to fund reserves and solvency requirements but has some gaps and ambiguities.

Specifically, the manual chunk outlines the purpose of maintaining records of all employees and contributors for a minimum of ten years (Section 107). However, it does not provide clear information on how these records should be maintained or used to ensure fund reserves and solvency requirements are met. The relevant guidelines mention that investments of funds in excess of those required for current operations shall be invested by or under the authority of the Social Security Board (Guideline Excerpt 1). However, the manual chunk does not specify who is responsible for managing these investments or how they should be invested to meet solvency requirements.

Furthermore, while the manual chunk mentions that the Administrator has discretion to deviate from these rules and procedures as he or she deems necessary (Section 109), it does not provide any guidance on how this discretion should be exercised in relation to fund reserves and solvency requirements.

In conclusion, while the manual chunk addresses the aspect of fund reserves and solvency requirements, it lacks specific details on how these requirements should be met, which makes it only partially compliant with the relevant guidelines.

****Compliance Aspect: Audit Requirements and External Oversight****

The Operations Manual Chunk is ****NOT ADDRESSED**** with regards to the aspect of "Audit Requirements and External Oversight". This is because the manual chunk does not mention or cover this guideline aspect at all.

Specifically, the relevant guidelines state that the Board shall appoint an independent auditor to audit the accounts of the Social Security System within 90 days after the end of the fiscal year (Guideline Excerpt 1) and the Administration shall submit the accounts and the auditor's report to the Olbiil Era Kelulau, and to the President of the Republic of Palau for review (Guideline Excerpt 2). However, the Operations Manual Chunk does not provide any information on how these audit requirements are met or who is responsible for conducting the audits.

Therefore, it is unclear whether the manual chunk complies with the relevant guidelines regarding audit requirements and external oversight.

****Compliance Aspect: Duties, functions, appointment of the Social Security Administrator****

The Operations Manual Chunk is ****NOT ADDRESSED**** with regards to the aspect "Duties, functions, appointment of the Social Security Administrator". The manual chunk does not mention or cover this guideline aspect at all.

****Compliance Aspect: Secretaries, managers, and other staff****

****CRITICAL INSTRUCTIONS FOR ANALYSIS AND REPORTING:****

1. ****Compliance Status:**** The Operations Manual Chunk is ****PARTIALLY COMPLIANT**** with the relevant guidelines.

2. ****Explanation & Reasoning:**** The manual chunk addresses the aspect of "Secretaries, managers, and other staff" by stating that the Administration shall maintain records of all employees and contributors, including self-employed persons for a minimum of ten (10) years. However, it does not mention or cover other aspects related to this guideline, such as the appointment of a secretary, duties of a person employed, preparation of the budget, or responsibilities of the Administrator.

3. ****Verbatim Citations:****

* Manual: "The Administrator shall maintain records of all employees and contributors, including self-employed persons for a minimum of ten (10) years." (from Section 107)

* Guideline: "The Social Security Administrator shall maintain records of all employees and of all contributors, including self-employed persons referred to in this chapter." (from 41 PNCA § 726)

****Compliance Aspect: Financial reporting and budget****

Based on the provided Operations Manual Chunk and relevant guidelines, I would classify this aspect as ****PARTIALLY COMPLIANT****. While the manual chunk addresses financial reporting and budget aspects such as record keeping (Section 107) and discretion of the Administrator (Section 110), it does not provide specific details on how these requirements are met or what procedures are followed. Additionally, there is no mention of the annual budget or investment guidelines, which are crucial components of financial reporting and budgeting.

To support this determination, I have cited verbatim phrases from both the Operations Manual Chunk and the relevant guidelines:

- From Section 107 of the Operations Manual Chunk: "The Administrator shall maintain records of all employees and of all contributors, including self-employed persons for a minimum of ten (10) years."

- This requirement is partially addressed in the manual chunk but no specific procedures or guidelines are provided.

- From Guideline Excerpt 1: "a budget showing the estimated income and expenditures for the next fiscal year."

- The manual chunk does not mention or provide details on how this requirement is met.

- From Guideline Excerpt 2: "The annual budget for administration shall provide for administrative expenses not exceeding ten percent (10%) of the estimated income for the fiscal year from contributions and income on

investments for the combined systems."

- The manual chunk does not mention or provide details on how this requirement is met.

- From Guideline Excerpt 3: "Within ninety (90) days after the end of each fiscal year, the Committee shall submit a report to the President of the Republic of Palau, the President of the Senate, and the Speaker of the House of Delegates of the Olbiil Era Kelulau detailing the financial status of the Fund and its investments."

- The manual chunk does not mention or provide details on how this requirement is met.

- From Guideline Excerpt 5: "The Board shall appoint an independent auditor on such terms and conditions as are agreed on between the Administration and the auditor. The auditor shall audit the accounts of the fund within ninety (90) days after the end of each fiscal year."

- The manual chunk does not mention or provide details on how this requirement is met.

In conclusion, while the Operations Manual Chunk partially addresses financial reporting and budget aspects, it lacks specific details on procedures and guidelines for meeting these requirements.

****Compliance Aspect: Governance Structure and Oversight Mechanisms (including the National Healthcare Financing Governing Committee or the "Committee")****

****Compliance Status:**** PARTIALLY COMPLIANT.

****Explanation & Reasoning:**** The Operations Manual Chunk provides definitions for various terms related to the National Healthcare Financing Governing Committee (Committee), including its powers and duties under the National Healthcare Financing Act. However, it does not explicitly mention or cover the governance structure and oversight mechanisms of the Committee in detail.

The relevant guidelines provide a more comprehensive overview of the Committee's roles and responsibilities, including its authority to provide, maintain, operate, and report on financially sound healthcare systems established by the Act. They also outline the Committee's powers and duties, such as transacting any business, coordinating functions, and overseeing the administration of the National Healthcare Financing Act.

While the Operations Manual Chunk does not fully meet the guideline aspect, it partially addresses it by defining key terms related to the Committee. Therefore, the compliance status is PARTIALLY COMPLIANT.

****Verbatim Citations:****

1. Manual: 'National Healthcare Financing Act' (from Section 908)
2. Guideline: 'Powers and duties of the Committee' (from Section 908(a))
3. Guideline: 'Coordination of functions' (from Section 912)

****Compliance Aspect: Enrollment and eligibility criteria****

The Operations Manual Chunk is ****NOT ADDRESSED**** with regards to the aspect of "Enrollment and eligibility criteria". The manual chunk does not mention or cover this guideline aspect at all.

****Compliance Aspect: Data management, security, and information sharing mechanisms and policies****

The Operations Manual Chunk provided does not explicitly address the aspect of "Data management, security, and information sharing mechanisms and policies." Therefore, it cannot be determined whether this chunk is

compliant or non-compliant with the relevant guidelines. However, based on the excerpts from the 'Relevant Guidelines,' it appears that the Social Security Administration in Palau has specific requirements for data management, security, and information sharing mechanisms and policies. These requirements include maintaining records of all employees and contributors, limiting access to sensitive information, and sharing certain information with authorized entities such as the Ministry of Health and Human Services and the Public Auditor. It is important for the Social Security Administration to ensure that these requirements are met in order to protect the privacy and security of individuals' personal and financial information.

****Compliance Aspect: Appeals and Dispute Resolution Mechanisms****

The Operations Manual Chunk provided does not explicitly address the aspect of "Appeals and Dispute Resolution Mechanisms". Therefore, it is classified as "NOT ADDRESSED".

****Compliance Aspect: Beneficiary Rights and Responsibilities****

Based on the provided Operations Manual Chunk and relevant guidelines, I have evaluated the aspect of "Beneficiary Rights and Responsibilities."

****Compliance Status:**** The manual chunk is ****PARTIALLY COMPLIANT.**** It addresses the aspect of beneficiary rights and responsibilities but has gaps in its coverage.

****Explanation & Reasoning:**** The Operations Manual Chunk outlines the general provisions for the Social Security System, including definitions, amendment procedures, sovereign immunity, record-keeping requirements, funds management, discretion of the administrator, uniformity, severability, and effective date. While these provisions touch upon some aspects related to beneficiary rights and responsibilities (e.g., designated beneficiaries under Medical Savings Accounts), they do not provide a comprehensive overview of the rights and responsibilities of beneficiaries within the Social Security System.

The relevant guidelines, on the other hand, focus specifically on the establishment and operation of the Medical Savings Fund, which is an integral part of the Social Security System. These guidelines cover various aspects related to beneficiary rights and responsibilities, such as designated beneficiaries, payments to exiting foreign employees, powers and duties of the Committee, and fund management.

However, there are some gaps in the manual chunk's coverage of beneficiary rights and responsibilities that are addressed by the relevant guidelines. For example, the manual chunk does not mention the concept of "designated beneficiaries" or provide details on the process for designating them. In contrast, the relevant guidelines explicitly state that designated beneficiaries include the participating employee, spouse, and dependent children, with additional beneficiaries allowed as permitted by regulation.

Furthermore, while the manual chunk mentions the Administrator's discretion to deviate from rules and procedures, it does not provide any specific guidance on how this discretion applies to beneficiary rights and responsibilities. The relevant guidelines, however, outline the Committee's powers and duties related to healthcare systems establishment, operation, and reporting, which may indirectly impact beneficiary rights and responsibilities.

In conclusion, while the Operations Manual Chunk partially addresses the aspect of beneficiary rights and responsibilities, it lacks sufficient detail and clarity on this topic. The relevant guidelines provide more

comprehensive coverage of this aspect, but some gaps remain in the manual chunk's provisions.

****Compliance Aspect: Investment Policies, Portfolio Management, and Performance Reporting****

The Operations Manual Chunk is ****PARTIALLY COMPLIANT**** with the relevant guidelines related to "Investment Policies, Portfolio Management, and Performance Reporting." The manual chunk addresses some aspects of these guidelines but has gaps or ambiguities in certain areas.

1. Explanation & Reasoning:

The Operations Manual Chunk provides information on various aspects of the Social Security System, including investment policies, portfolio management, and performance reporting. However, it does not specifically address all the requirements outlined in the relevant guidelines. For example, while the manual chunk mentions that investments may be made in specific assets (e.g., monetary funds, World Health Organization, United Nations, etc.), it does not provide details on how these investments should be managed or monitored to ensure they align with the System's financial goals and objectives. Additionally, the manual chunk does not discuss performance reporting requirements, such as regular updates on investment performance and portfolio diversification.

2. Verbatim Citations:

1. Manual: "Investments may be made in Monetary Fund, World Health Organization, United Nations, or the Asian Development Bank, and designated by the lender or grantor to be paid into the Fund and used by the Administration." (from Section 112.3)

2. Guideline: "Within ninety (90) days after the end of each fiscal year, the Committee shall submit a report to the President of the Republic of Palau, the President of the Senate, and the Speaker of the House of Delegates of the Olbiil Era Kelulau detailing the financial status of the Fund and its investments." (from RPPL 8-14 § 2)

3. Guideline: "Investment may be made in Monetary Fund, World Health Organization, United Nations, or the Asian Development Bank, and designated by the lender or grantor to be paid into the Fund and used by the Administration." (from RPPL 8-14 § 2)

4. Guideline: "All employee and employer contributions." (from RPPL 8-14 § 2)

5. Guideline: "All civil and criminal judgments, penalties, interest, or costs." (from RPPL 8-14 § 2)

6. Guideline: "All gifts and donations." (from RPPL 8-14 § 2)

7. Guideline: "All proceeds from the investment of money from the Fund." (from RPPL 8-14 § 2)

8. Guideline: "The informed opinion of the Board it is prudent to invest funds of the System, whether or not the securities or stock are expressly authorized by or qualify under the foregoing paragraphs; provided that the total market value of investments under this subsection shall at no time exceed ten percent (10%) of the total market value of all investments of the System." (from RPPL 8-14 § 2)

9. Guideline: "Self-employed persons." (from RPPL 3-64 § 741)

10. Guideline: "Maximum remuneration." (from RPPL 3-64 § 742)

11. Guideline: "Employee contributions." (from RPPL 3-64 § 743)

12. Guideline: "Employer contributions." (from RPPL 3-64 § 744)

13. Guideline: "Reports and payment of contributions." (from RPPL 3-64 § 745)

14. Guideline: "Refunds." (from RPPL 3-64 § 746)

****Compliance Aspect: Incomes and contributions or payments****

The Operations Manual Chunk is ****PARTIALLY COMPLIANT**** with the relevant guidelines related to "Incomes and contributions or payments." The manual chunk addresses the requirement for employers and self-employed individuals to submit quarterly reports and pay all amounts of contributions due at the end of each quarter (Guideline Excerpt 1). However, it does not explicitly mention the official form that must be used for these

reports, which is also required by the guidelines (Guideline Excerpt 1(b)). Additionally, while the manual chunk mentions that employee and employer contributions are to be paid into the Fund, it does not provide specific details on how these contributions should be calculated or reported (Guidelines Excerpt 2 and 3).

Therefore, the manual chunk is partially compliant with the relevant guidelines, but there are gaps in its adherence, particularly regarding the official form for quarterly reports and the specifics of calculating and reporting employee and employer contributions.

****Compliance Aspect: Claims****

****Compliance Status:** COMPLIANT**

****Explanation & Reasoning:**** The Operations Manual Chunk fully meets the relevant guidelines related to claims. It outlines the process for settling claims directly with medical providers, as well as the procedures for collecting payments and resolving disputes. Additionally, it references the Palau Health Insurance program, which is a key component of the social security system. The manual chunk also includes provisions regarding evidence of entitlement and totalization agreements, further demonstrating compliance with relevant guidelines.

****Verbatim Citations:****

1. "The Administration shall promulgate rules and regulations, in accordance with 6 PNC chapter 1, for settling claims directly with the medical provider." (Source: 41 PNCA 2025.pdf, Page: 58)

2. "Subject to the Social Security By-Laws, the Board may make decisions after holding hearings, or make decisions in the light of hearings held by persons authorized to do so, for the purpose of determining any question involving any right, benefit or obligation of any person under this chapter." (Source: 41 PNCA 2025.pdf, Page: 13)

3. "The Social Security Administrator may at any time require a person receiving a benefit under this chapter to produce evidence, to the satisfaction of the Social Security Administrator, of his entitlement to that benefit." (Source: 41 PNCA 2025.pdf, Page: 38)

4. "Totalization agreements adopted by the Republic of Palau pursuant to procedures established by the Board shall be binding on all employers and self-employed persons subject to this chapter." (Source: 41 PNCA 2025.pdf, Page: 43)

****Compliance Aspect: Aspects of health insurance, including benefits, exclusions, reimbursements, and subscriptions****

****Compliant:**** The Operations Manual Chunk fully meets the guideline related to aspects of health insurance, including benefits, exclusions, reimbursements, and subscriptions. It provides definitions for terms such as "subscription," "contributions," and "benefits," which are relevant to this aspect. Additionally, it outlines the basic benefit formula and types of benefits available under Palau's National Healthcare Financing Act. The manual chunk also discusses the monthly disability insurance benefit, including the earnings test and supplemental benefit payment. Furthermore, it mentions the subscription costs for employees and self-employed individuals, paid from contributions to an individual Medical Savings Account. Overall, the Operations Manual Chunk provides a comprehensive overview of aspects related to health insurance in Palau.

****Explanation & Reasoning:**** The Operations Manual Chunk is compliant with the relevant guideline because it covers all the essential aspects related to health insurance, including benefits, exclusions, reimbursements, and subscriptions. It provides clear definitions for terms that are crucial in understanding these

aspects, such as "subscription," "contributions," and "benefits." The manual chunk also outlines the basic benefit formula and types of benefits available under Palau's National Healthcare Financing Act. Moreover, it discusses the monthly disability insurance benefit, including the earnings test and supplemental benefit payment. Lastly, it mentions the subscription costs for employees and self-employed individuals, paid from contributions to an individual Medical Savings Account.

****Verbatim Citations:****

1. Manual: 'Operations Manual Chunk' (from Section 105) - "These operational rules and procedures are to be enforced by employees of the Social Security Administration."
2. Guideline: 'National Healthcare Financing Act 41 PNCA § 953' (from Page 60) - "An individual loses eligibility to receive benefits under this program if the subscription is not paid for two consecutive quarters."

****Compliance Aspect: Privacy****

Based on the provided Operations Manual Chunk and relevant guidelines related to privacy, I would classify this aspect as ****PARTIALLY COMPLIANT****. The manual chunk addresses the aspect of privacy by stating that no medical information obtained by the Administration regarding any individual may be released to any person except as follows: with the express written consent of the individual or for the purposes of the function and operations under the Act. However, there are gaps in the manual chunk regarding specific procedures for handling and securing personal data, which is a crucial aspect of privacy compliance.

The relevant guidelines provide detailed information on how the Administration should handle and secure personal data, including maintaining bank accounts as deemed necessary for administering the Fund, establishing separate bank accounts for all monies used to fund operations, only opening accounts in banks that are FDIC insured, not releasing medical information obtained by the Administration regarding any individual except as follows: with the express written consent of the individual or for the purposes of the function and operations under the Act, and notwithstanding any other provision of this chapter upon the request of the Chief of the Division of Revenue and Taxation, the Administrator shall provide wage record information to the Division of Revenue and Taxation for use in determining compliance with the provisions of the Revenue and Tax Act. The guidelines also state that the Chief shall maintain the strictest security with this information and shall not release the information under any circumstances.

While the manual chunk mentions the need to protect personal data, it does not provide specific procedures or guidelines on how to handle and secure such data. Therefore, this aspect is only partially compliant with the relevant guidelines related to privacy.

****Compliance Aspect: Employee offenses and penalties including fraud, failure to report or pay, false claims****

The Operations Manual Chunk provided does not explicitly address the aspect of "Employee offenses and penalties including fraud, failure to report or pay, false claims." Therefore, it cannot be determined whether this chunk is compliant, non-compliant, partially compliant, or not addressed.

****Compliance Aspect: Enforcement Powers and Sanctions for Non-Compliance (beyond just offenses)****

The Operations Manual Chunk provided does not explicitly address the aspect of "Enforcement Powers and Sanctions for Non-Compliance (beyond just offenses)." Therefore, it is ****NOT ADDRESSED****.

However, the relevant guidelines do provide information on enforcement powers and sanctions for

non-compliance. The guidelines state that any individual or entity who knowingly submits a false claim for benefits or obtains money from the Fund under false pretenses shall be guilty of a felony and may be sentenced to imprisonment for a period not exceeding five years (Guideline Excerpt 2). Additionally, an employer who knowingly fails to report or pay any amount of contributions due to the Fund shall be guilty of a misdemeanor and may be sentenced to imprisonment for a period not exceeding twelve months or a fine of not more than two thousand dollars (\$2,000), or both (Guideline Excerpt 3).

It is important to note that the Operations Manual Chunk does mention penalties for non-compliance, specifically for employers who fail to report or pay contributions due to the Fund. However, these penalties are not explicitly related to enforcement powers and sanctions beyond just offenses. Therefore, while the manual chunk partially addresses the aspect of non-compliance, it is not fully compliant with the relevant guidelines regarding enforcement powers and sanctions for non-compliance (beyond just offenses).

****Compliance Aspect: Succession and transfer of medical savings account after death****

****Compliant:**** The Operations Manual Chunk fully meets the relevant guidelines regarding succession and transfer of medical savings accounts after death. It outlines the process for using the funds in a deceased individual's Medical Savings Account to pay off any outstanding healthcare costs incurred prior to their death, as well as any costs directly related to their death. The remaining funds are then transferred according to a specific order of beneficiaries (spouse, children, parents, designated beneficiaries, or last domicile). This aligns with the guidelines provided in Excerpts 1 and 2 from the Relevant Guidelines.

****Compliance Aspect: The keeping of accounts and reports****

The Operations Manual Chunk is ****PARTIALLY COMPLIANT**** with the relevant guidelines related to "The keeping of accounts and reports."

Section 107 of the Operations Manual Chunk states that the Administrator shall maintain records of all employees and contributors, including self-employed persons for a minimum of ten (10) years. This requirement is consistent with Guideline Excerpt 3 which states that the Social Security Administrator shall maintain records of all employees and contributors, including self-employed persons referred to in this chapter.

However, Section 107 does not specify the retention period for these records beyond ten (10) years, which is shorter than the requirement stated in Guideline Excerpt 1 (c) that the accounts and report shall be made available to the general public upon request. Additionally, Section 107 does not mention the need to maintain records for more than ten (10) years when it is in the best interest of the System to do so, as stated in Guideline Excerpt 1 (d).

Therefore, while the Operations Manual Chunk partially complies with the relevant guidelines related to "The keeping of accounts and reports," there are gaps and ambiguities in its provisions regarding record retention periods and the need to maintain records for more than ten (10) years when necessary.