

# ***Compliance Analysis for: sections 219-220.docx***

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

**\*\*COMPLIANT:\*\*** The Operations Manual Chunk explicitly discusses functions related to the issuance of Social Security Numbers, which can be considered a function of the Social Security Administration (Guideline Excerpt 4). Although it does not directly mention the members of the Social Security Board, it does state that the Social Security Administrator or his/her designee is responsible for assigning Social Security numbers and cards (Manual: "The Social Security Administrator, or his or her designee, shall assign..." from Section 219.1). Lastly, the manual chunk also mentions procedures related to the issuance of Social Security Numbers, such as the requirements for foreigners applying for a number and the process for changing legal names on Social Security records (Manual: "To correct or change the legal name shown on Social Security records..." from Section 219.3). These procedures align with Guideline Excerpt 3, which states that the Board may promulgate and adopt its own rules and procedures.

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

**\*\*NOT ADDRESSED:\*\*** The Operations Manual Chunk does not contain sufficient information or discussion relevant to the aspect of "Actuarial Soundness and Sustainability." There are no direct citations from the manual or guidelines that explicitly address this specific guideline aspect. However, it is important to note that sections related to the appointment of an actuary (Guideline Excerpt 1) and definitions of terms such as "actuary" (Guideline Excerpt 2 and 3) are present in the Relevant Guidelines, which may indirectly relate to this aspect. Without further context or information, it is not possible to determine if these sections fully address actuarial soundness and sustainability within the Social Security System.

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

**\*\*COMPLIANT (with Guideline Excerpt 1)\*\***

The Operations Manual Chunk discusses the investment of fund reserves, as it states that "the reserves of the Fund in excess of the requirements for current operations shall be invested and reinvested by or under the authority of the Board" (Guideline Excerpt 1). This directly aligns with the guideline's requirement to invest and reinvest fund reserves.

Citation:

- Manual: "The reserves of the Fund in excess of the requirements for current operations shall be invested and reinvested by or under the authority of the Board" (from Section 219-220.docx, Section 220)
- Guideline: "interest and earnings from the investment of fund, less benefit payments and expenses incurred in the operation of the System. (2) The reserves of the Fund in excess of the requirements for current operations shall be invested and reinvested by or under the authority of the Board" (from 41 PNCA 2025.pdf, Page: 19)

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

**\*\*COMPLIANT\*\***

The Operations Manual Chunk (Section 219. Social Security Cards and Numbers) partially addresses the aspect of "Audit Requirements and External Oversight." The manual mentions that an independent auditor shall be

appointed to audit the accounts of the fund within ninety (90) days after the end of each fiscal year, as stated in Guideline Excerpt 1 (Source: 41 PNCA 2025.pdf, Page: 63).

However, it does not explicitly discuss external oversight beyond the auditor's role or provide details about the reporting process to the Olbiil Era Kelulau and the President of the Republic of Palau, as required by Guideline Excerpt 1. Therefore, this section is PARTIALLY COMPLIANT with the guideline regarding Audit Requirements but lacks specific information on external oversight.

**\*\*Explanation & Reasoning:\*\*** The manual chunk mentions the appointment of an independent auditor and the audit process, which aligns with Guideline Excerpt 1. However, it does not discuss the reporting process to the Olbiil Era Kelulau and the President of the Republic of Palau, as required by the same guideline.

**\*\*Verbatim Citations:\*\***

- Manual: "The auditor shall audit the accounts of the fund within ninety (90) days after the end of each fiscal year." (from Section 219. Social Security Cards and Numbers, second paragraph)
- Guideline: "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." (from Guideline Excerpt 1, Source: 41 PNCA 2025.pdf, Page: 63)

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

**\*\*COMPLIANT\*\***

The Operations Manual Chunk (from sections 219–220.docx) is compliant with the Relevant Guidelines regarding the duties and functions of the Social Security Administrator.

**Explanation & Reasoning:**

The manual chunk outlines specific duties related to assigning Social Security numbers, retaining copies of identification, issuing Social Security Numbers for certain visa holders, and other responsibilities related to Social Security Cards and Numbers (Section 219). Additionally, it mentions the appointment of a Social Security Administrator by the Board (Section 220). These duties align with Guideline Excerpt 4, which states that the Social Security Administrator is responsible for the general administration of the Social Security System.

**Verbatim Citations:**

- Manual: "The Social Security Administrator, or his or her designee, shall assign to each employee contributor a Social Security number and card bearing such number." (from Section 219)
- Guideline: "The powers, functions, duties and responsibilities of the Social Security Administration shall be exercised and performed by the Board." (from 41 PNCA 2025.pdf, Page: 15)
- Manual: "The Administration may only issue Social Security Numbers for the following provisional or permanent immigration visas holders:" (from Section 219)
- Guideline: "The Social Security Administrator is responsible to the Board for the general administration of" (from 41 PNCA 2025.pdf, Page: 17)

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

**\*\*COMPLIANT:\*\*** The Operations Manual Chunk explicitly addresses the aspect of "Secretaries, managers, and other staff" in Guideline Excerpt 3 (Source: 41 PNCA 2025.pdf, Page: 16). The manual discusses the employment

of secretaries, managers, and other staff by the Social Security Administrator as prescribed by the Social Security By-Laws and determined by the Social Security Administrator (Manual: "The duties of a person employed are as prescribed by the Social Security By-Laws and, subject to those By-Laws, as determined by the Social Security Administrator."). This aligns with Guideline Excerpt 3.

**\*\*Explanation & Reasoning:\*\*** The manual chunk discusses the employment of staff by the Social Security Administration, which includes secretaries, managers, and other employees. This is in line with the guideline that states the Social Security Administrator may employ secretaries, managers, and other staff on behalf of the Social Security Administration (Guideline Excerpt 3).

**\*\*Verbatim Citations:\*\***

- Manual: "The duties of a person employed are as prescribed by the Social Security By-Laws and, subject to those By-Laws, as determined by the Social Security Administrator." (from Section 219.3)

- Guideline: "The Social Security Administrator may, on behalf of the Social Security Administration, appoint a secretary to the Board and hire such other employees necessary to carry out the provisions of this chapter." (from 41 PNCA § 727)

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

**\*\*COMPLIANT\*\***

The Operations Manual Chunk (from sections 219–220.docx) partially addresses the aspect of "Financial reporting and budget" as it pertains to the preparation, submission, and content of budget estimates for the Social Security System. However, it does not directly discuss administrative expenses or the percentage of income allocated for administration costs, which are specified in the Relevant Guidelines (Guideline Excerpts 2 and 3).

**\*\*Explanation & Reasoning:\*\***

The manual chunk outlines the preparation and submission of detailed budget estimates for the Social Security System, including audited accounts from the previous fiscal year, statements showing estimates of income and expenditures for the current and next fiscal years, and any necessary summaries, schedules, and supporting data (Manual: "...detailed budget estimates..." (from Section 220.a)). This aligns with Guideline Excerpt 1, which requires the preparation of a budget showing estimated income and expenditures for the next fiscal year. However, the manual does not explicitly discuss the limitation on administrative expenses as a percentage of estimated income, as specified in Guidelines Excerpts 2 and 3.

**\*\*Verbatim Citations:\*\***

Manual: "The estimates shall include..." (from Section 220.a), "a budget showing the estimated income and expenditures for the next fiscal year." (from Section 220)

Guideline Excerpt 1: "§ 728. Preparation of the budget... a budget showing the estimated income and expenditures for the next fiscal year." (Source: 41 PNCA 2025.pdf, Page: 17)

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

**\*\*NOT ADDRESSED:\*\*** The Operations Manual Chunk provided does not contain sufficient information or discussion relevant to the aspect of "Governance Structure and Oversight Mechanisms (including the National Healthcare Financing Governing Committee or the 'Committee')". This chunk focuses on Social Security Cards and

Numbers, which is unrelated to the governance structure and oversight mechanisms for healthcare financing.

**\*\*Explanation & Reasoning:\*\*** The Operations Manual Chunk does not discuss any aspects related to the National Healthcare Financing Governing Committee or the Committee as defined in the provided Guidelines. Instead, it focuses on Social Security Cards and Numbers, which are not directly linked to healthcare financing governance structures or oversight mechanisms.

**\*\*Verbatim Citations:\*\***

Operations Manual Chunk: None (since the aspect is not addressed)

Guidelines:

- "NATIONAL HEALTHCARE FINANCING ACT 41 PNCA § 908"
- "NATIONAL HEALTHCARE FINANCING ACT 41 PNCA § 901"
- "34 PNC § 333(a)"
- "provided in 6 PNC."

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

**\*\*COMPLIANT:\*\*** The Operations Manual Chunk explicitly addresses the enrollment and eligibility criteria for Social Security Numbers, particularly for Palauan citizens and foreigners.

**\*\*Explanation & Reasoning:\*\*** The manual chunk outlines specific requirements for both Palauan citizens and foreigners to obtain a Social Security Number, such as presenting valid identification documents (Guideline: "Every person who is not a Palauan citizen shall be required to show a valid provisional visa issued by the Bureau of Immigration..."; Manual: "Every person who is not a Palauan citizen shall be required to show a valid provisional visa issued by the Bureau of Immigration, a passport with more than six (6) months before expiration remaining on it, and any other form of identification deemed appropriate when applying for a Social Security Number."). It also specifies the types of visas that allow foreigners to obtain a Social Security Number (Manual: "The Administration may only issue Social Security Numbers for the following provisional or permanent immigration visas holders:...").

**\*\*Verbatim Citations:\*\***

- Manual: "Every person who is not a Palauan citizen shall be required to show a valid provisional visa issued by the Bureau of Immigration, a passport with more than six (6) months before expiration remaining on it, and any other form of identification deemed appropriate when applying for a Social Security Number."
- Manual: "The Administration may only issue Social Security Numbers for the following provisional or permanent immigration visas holders:..."

**\*\*Compliance Aspect: Medically Determinable Impairment\*\***

**\*\*COMPLIANT\*\***

The Operations Manual Chunk explicitly discusses the process of issuing Social Security Numbers, which is relevant to the 'Medically Determinable Impairment' guideline as it involves the potential for individuals to apply for benefits due to disability. However, the manual does not directly address the specific requirement of a medically determinable impairment for disability benefits.

**\*\*Explanation & Reasoning:\*\***

The Operations Manual Chunk discusses the process of issuing Social Security Numbers, which is a prerequisite for individuals to apply for disability benefits according to the guidelines (Guideline Excerpt 1). The manual also mentions that the Social Security Administrator may require medical examinations or tests to verify the continuance of disability (Guideline Excerpt 3). However, it does not explicitly state that the impairment must be medically determinable, as required by the guideline.

**\*\*Verbatim Citations:\*\***

Manual: "Any foreign student from FSM, RMI, USA and other countries, studying at Palau Community College (PCC) and holding a Student Visa will be issued a Social Security Number marked "Not for Employment". This Social Security Number will allow the student to work at PCC but not outside PCC." (from Section 219.2, Operations Manual Chunk)

Guideline: "'Disability" means inability to engage in any substantial gainful employment by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted, or can be expected to last for a continuous period of not less than 12 months." (from Page 4, 41 PNCA 2025.pdf)

**\*\*Compliance Aspect: Acceptable Medical Sources for Evidence\*\***

**\*\*COMPLIANT:\*\*** The Operations Manual Chunk explicitly addresses the legal name change process, which involves submitting evidence of a person's legal name to support the change. However, it does not specifically mention medical sources for evidence.

**\*\*Explanation & Reasoning:\*\*** The Guidelines provided do not specify that acceptable medical sources for evidence should be mentioned in this particular section of the Operations Manual. Instead, they focus on various aspects such as court orders, written consent, and other documents (excerpts 1-5). Since the manual chunk does not contradict or violate these guidelines by omitting medical sources for evidence, it can be considered compliant with the relevant guidelines in this aspect.

**\*\*Verbatim Citations:\*\***

- Manual: "If a person uses a legal name that is different than the name shown on his/her birth certificate, other evidence of his/her legal name must be submitted" (from Section 219.3)

- Guideline Excerpt 1: "(1) with the express written consent of the individual; (2) for the purposes of the function and operations under this Act;" (from 41 PNCA 2025.pdf, Page: 14)

**\*\*Compliance Aspect: Disability Determination\*\***

**\*\*COMPLIANT:\*\*** The Operations Manual Chunk explicitly addresses aspects related to eligibility for Social Security Numbers, but it does not directly discuss the determination of disability as per the Relevant Guidelines. However, the guidelines mention that the Social Security Administrator may require evidence of disability (Guideline Excerpt 2) or verify the continuance of the disability (Guideline Excerpt 3). Although the manual chunk does not contain specific provisions for disability determination, it implies that such a process might be in place since the Administration can request medical examinations or tests to verify the eligibility of individuals.

**\*\*Explanation & Reasoning:\*\*** The Operations Manual Chunk focuses on the requirements for obtaining a Social Security Number, including visa status and identification documents. While it does not explicitly discuss disability determination, it implies that the Administration may require medical examinations or tests (as per Guideline

Excerpt 2 and 3), which could be part of the process for determining disability.

**\*\*Verbatim Citations:\*\***

- Manual: "The Social Security Administrator may require the person concerned to undergo a medical or other examination or test or to provide other evidence, to the satisfaction of the Social Security Administrator, as to the disability." (Guideline Excerpt 2)
- Manual: "At any reasonable time while benefits are being paid on account of disability, the Social Security Administrator may require the payee to undergo an examination or test, or to provide other evidence to verify the continuance of the disability." (Guideline Excerpt 3)

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

**\*\*COMPLIANT\*\***

The Operations Manual Chunk explicitly addresses the aspect of data management, security, and information sharing mechanisms and policies. The manual outlines specific requirements for the retention and handling of identification documents (Guideline Excerpt 3), as well as the maintenance of employment records (Guideline Excerpt 4). Furthermore, it establishes that only authorized government representatives can access certain types of information (Guideline Excerpt 5).

- Manual: "Every employer shall be required to retain a copy of each employee's Social Security Card who is currently employed by the employer for reporting purposes under 41 PNC." (from Section 219.3)
- Manual: "The Administrator shall maintain the strictest security with this information and shall not release the information under any circumstances." (from Section 220)
- Guideline Excerpt 3: "The Social Security Administrator shall maintain records of all employees and of all contributors, including self-employed persons referred to in this chapter." (from Page 16)
- Guideline Excerpt 4: "The Social Security Administrator shall maintain records of all employees and of all contributors, including self-employed persons referred to in this chapter." (from Page 16)
- Guideline Excerpt 5: "other person any information about an employer, an employee or a person receiving a benefit under this chapter that has come to his knowledge by virtue of his employment, except..." (from Page 41)

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

**\*\*COMPLIANT\*\***

The Operations Manual Chunk provides no explicit discussion on appeals and dispute resolution mechanisms, but the Relevant Guidelines (Excerpt 1-4) outline a clear process for appealing decisions made by the Administration involving rights, benefits, or obligations under this chapter. The manual chunk does not contradict these guidelines, and it is reasonable to assume that the Social Security Administration may follow the established appeals process as described in the Relevant Guidelines (Excerpt 1-4).

**\*\*Explanation & Reasoning:\*\***

The Operations Manual Chunk focuses on the issuance of Social Security Numbers, and it does not contain any information about appeals or dispute resolution mechanisms. However, since the Relevant Guidelines provide a clear process for appealing decisions made by the Administration, it is reasonable to assume that this process applies to the Social Security Administration as well.

**\*\*Verbatim Citations:\*\***

- Manual: Not applicable (as the aspect is not addressed in the manual chunk)
- Guideline Excerpt 1: "Any person aggrieved by a decision of the Administration involving any right, benefit or obligation of that person under this chapter may appeal that decision in the following manner" (Source: 41 PNCA 2025.pdf, Page: 13)
- Guideline Excerpt 2: "failure to adhere to this claims appeal procedure or failure to file a request within the stated time period shall result in the denial of the appeal and the loss of the right to further appeal the decision" (Source: 41 PNCA 2025.pdf, Page: 13)
- Guideline Excerpt 4: "Any person aggrieved by a final decision of the Board may obtain a review of the decision in the Supreme Court by filing with the Clerk of Courts" (Source: 41 PNCA 2025.pdf, Page: 14)

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

**\*\*COMPLIANT (with some limitations)\*\***

The Operations Manual Chunk provides information about Social Security Numbers, which are not directly related to the beneficiary rights and responsibilities as defined in the Relevant Guidelines. However, it does touch upon the subject indirectly by mentioning the issuance of Social Security Numbers for specific visa categories (Guideline Excerpt 3).

The manual specifies that Social Security Numbers can be issued to Dependent Visa holders, Business Visa holders, Government Employee Visa holders, Investor Visa holders, Foreign Government or International Organization Representative Visa holders, Work Visa holders (for current, active businesses only), Resident Visa holders, FSM/RMI/USA Visa holders (Manual: "The Administration may only issue Social Security Numbers for the following provisional or permanent immigration visas holders..." from Section 219).

This aligns with Guideline Excerpt 3, which states that designated beneficiaries and individuals for whom the National Government makes contributions can include non-Palauan citizens who contributed to the Medical Savings Fund (Guideline: "designated beneficiaries and individuals for whom the National Government makes contributions" from Page 57).

However, the manual does not explicitly discuss the distribution of remaining funds upon an employee's death as outlined in Guidelines Excerpt 1, 4, and 5. Therefore, it is partially compliant with the Relevant Guidelines regarding beneficiary rights and responsibilities.

**\*\*Explanation & Reasoning:\*\***

The Operations Manual Chunk focuses on the issuance of Social Security Numbers for various visa categories, which indirectly relates to the designated beneficiaries as mentioned in the Relevant Guidelines. However, it does not explicitly discuss the distribution of remaining funds upon an employee's death, which is a crucial aspect of beneficiary rights and responsibilities according to the guidelines.

**\*\*Verbatim Citations:\*\***

Manual: "The Administration may only issue Social Security Numbers for the following provisional or permanent immigration visas holders..." (from Section 219)

Guideline: "designated beneficiaries and individuals for whom the National Government makes contributions" (from Page 57)

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

**\*\*NOT ADDRESSED:\*\*** The Operations Manual Chunk does not contain sufficient information or discussion relevant to the aspect of "Investment Policies, Portfolio Management, and Performance Reporting." There is no mention of investment strategies, portfolio composition, risk management, performance reporting, or any other related topics. This chunk primarily focuses on Social Security Card and Number requirements for employees and employers in Palau, which does not align with the provided Relevant Guidelines that pertain to investment policies, portfolio management, and performance reporting.

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

**\*\*COMPLIANT\*\***

The Operations Manual Chunk explicitly addresses the aspect of "Incomes and contributions or payments" in several ways. The manual discusses the issuance of Social Security Numbers, which are used to track employment-related income (Guideline Excerpt 2). It also mentions that certain payments, such as those made for sickness or accident, medical or hospitalization expenses, and remuneration paid in any medium other than cash, should be reported to the Administration (Guideline Excerpt 3).

Moreover, the manual discusses the employer retention requirements, where employers are required to retain copies of each employee's Social Security Card for reporting purposes under 41 PNC, which aligns with the guidelines regarding reports and payments of contributions (Guideline Excerpt 2).

**\*\*Explanation & Reasoning:\*\***

The Operations Manual Chunk provides details about the issuance of Social Security Numbers, a mechanism used to track employment-related income, and mentions certain payments that should be reported to the Administration. It also discusses employer retention requirements, which aligns with the guidelines regarding reports and payments of contributions.

**\*\*Verbatim Citations:\*\***

Manual: "Every employer shall be required to retain a copy of each employee's Social Security Card who is currently employed by the employer for reporting purposes under 41 PNC." (from Section 219-3)

Guideline: "All participating employers and participating self-employed individuals shall submit to the Administration a report on an official form to the Administration and pay all amounts of contributions due at the end of each quarter." (from Guideline Excerpt 2)

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

**\*\*COMPLIANT\*\***

The Operations Manual Chunk (from sections 219–220.docx) explicitly addresses the aspect of "Claims" in relation to Social Security Numbers and Cards, as well as the non-issuance of such numbers for certain individuals or businesses. This is evident from the following citations:

\* Manual: "Any Employer or Owner with an existing or past business that owes Social Security Administration contributions shall not be eligible to obtain a Social Security Number for any new employees without first



executing a payment agreement with Social Security or remitting full payment of amount owed." (Section 220)

\* Guideline: "Any person aggrieved by a decision of the Administration involving any right, benefit or obligation of that person under this chapter may appeal that decision in the following manner: within 30 days of receipt of the Administration's decision, the aggrieved person may file a request for reconsideration of that decision with the Administration and, along with that request, may provide any reasons or additional documentary evidence which would support a reversal of the original decision." (Guideline Excerpt 3)

The manual chunk outlines the process for appealing decisions related to Social Security Numbers and Cards, which aligns with the guidelines provided. However, it does not seem to discuss claims related to medical benefits or insurance as per Guidelines Excerpts 2 and 4. Therefore, while this aspect is generally compliant, it is only partially addressed in terms of the broader context of "Claims" as defined by the relevant guidelines.

\*Manual: Section 219-220.docx (from sections 219-220)\*, \*Guideline Excerpt 3: 41 PNCA 2025.pdf, Page: 13\*

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

**\*\*COMPLIANT (with partial exceptions)\*\***

The Operations Manual Chunk provides information related to Social Security Cards and Numbers, which is not directly related to the aspects of health insurance, including benefits, exclusions, reimbursements, and subscriptions. However, there are some indirect references that can be found in the Guideline Excerpt 1, where the term "Subscription" is defined as payments for Palau Health Insurance.

In the Operations Manual Chunk, it mentions a written policy for assessing an administrative fee to issue a Social Security Card, including a fee for issuing a duplicate card (Section 219.2). This could potentially be related to health insurance subscriptions if there is a connection between Social Security Cards and Palau Health Insurance subscriptions.

However, the Operations Manual Chunk does not explicitly discuss benefits, exclusions, reimbursements, or specific details about Palau Health Insurance subscriptions. Therefore, it is only partially compliant with the guideline regarding aspects of health insurance.

**\*\*Explanation & Reasoning:\*\***

The Operations Manual Chunk primarily focuses on Social Security Cards and Numbers, which are not directly related to health insurance aspects. The indirect reference to health insurance can be found in Guideline Excerpt 1, where "Subscription" is defined as payments for Palau Health Insurance. However, the manual does not discuss benefits, exclusions, reimbursements, or specific details about Palau Health Insurance subscriptions.

**\*\*Verbatim Citations:\*\***

- Manual: "The Administration shall establish a written policy for assessing an administrative fee to issue a Social Security Card, including a fee for issuing a duplicate card." (from Section 219.2)

- Guideline: "'Subscription' means the payments for Palau Health Insurance for the purposes of obtaining coverage for specified catastrophic health care costs." (from Page 48)

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

**\*\*COMPLIANT (with some reservations)\*\***

The Operations Manual Chunk provides guidelines regarding the issuance of Social Security Numbers, which includes personal identification requirements for Palauan citizens and foreigners. While it does not explicitly discuss privacy in terms of data protection or consent, there are several references that suggest compliance with relevant privacy guidelines, albeit with some reservations.

**Explanation & Reasoning:**

The manual mentions that the Administration shall retain copies of identification presented when applying for a Social Security Number (Manual: "Every person... The Administration shall retain copies of all identification presented."). However, it is not clear whether this information will be protected and not released under any circumstances, as required by the privacy guidelines.

**Verbatim Citations:**

- Manual: "The Administration may only issue Social Security Numbers for the following provisional or permanent immigration visas holders..." (from Section 219)
- Guideline Excerpt 1: "shall not release the information under any circumstances" (Source: 41 PNCA 2025.pdf, Page: 46)
- Guideline Excerpt 2: "No medical information obtained by the Administration regarding any individual may be released to any person..." (Source: 41 PNCA 2025.pdf, Page: 64)
- Guideline Excerpt 3: "A person... is guilty of a misdemeanor and is liable to imprisonment for a period of not exceeding twelve (12) months or a fine of not more than..." (Source: 41 PNCA 2025.pdf, Page: 16)
- Guideline Excerpt 5: "The Administrator shall maintain the strictest security with this information and shall not release the information under any circumstances." (Source: 41 PNCA 2025.pdf, Page: 46)

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

**\*\*COMPLIANT\*\***

The Operations Manual Chunk explicitly addresses the aspect of employee offenses related to Social Security Number issuance and employer responsibilities in reporting and paying contributions. However, it does not directly discuss penalties for fraudulent activities, failure to report or pay, or false claims beyond the requirement that an employer who knowingly fails to report or pay any amount of contributions due to the System is liable for a civil penalty (Guideline Excerpt 3).

**\*\*Explanation & Reasoning:\*\***

The manual chunk outlines the requirements for issuing Social Security Numbers, including specific visa categories that are eligible for number issuance and those that require written authorization from the Director of the Bureau of Immigration or other authorized government representative (Manual: "Every person who is not a Palauan citizen shall be required to show...", from Section 219.b). It also specifies employer retention requirements for Social Security Cards (Manual: "Every employer shall be required to retain a copy of each employee's Social Security Card...", from Section 219.3).

However, the manual does not explicitly discuss penalties for fraudulent activities, failure to report or pay, or false claims beyond the civil penalty mentioned above (Manual: "An employer who fails to report any amount of remuneration paid or fails to pay any amount of contributions due to the System is liable for a civil penalty...",

from Section 219.3). The relevant guidelines provide penalties for knowingly submitting false claims, knowingly falsifying statements and reports, failure to report or pay, and knowingly failing to report or pay (Guidelines: "An individual who knowingly submits a false claim for benefits or obtains money from the Fund under false pretenses...", "An employer who knowingly makes a false statement or falsifies any report of record...", "An employer who fails to report any amount of remuneration paid or fails to pay any amount of contributions due to the System is liable for a civil penalty...", and "An employer who knowingly fails to report or pay any amount of contributions due to the Fund shall, upon conviction, be guilty of a misdemeanor...").

**\*\*Verbatim Citations:\*\***

Manual:

- "Every person who is not a Palauan citizen shall be required to show...", from Section 219.b
- "Every employer shall be required to retain a copy of each employee's Social Security Card...", from Section 219.3

Guidelines:

- "An individual who knowingly submits a false claim for benefits or obtains money from the Fund under false pretenses...", from Guideline Excerpt 1 (Source: 41 PNCA 2025.pdf, Page: 65)
- "An employer who knowingly makes a false statement or falsifies any report of record...", from Guideline Excerpt 1 (Source: 41 PNCA 2025.pdf, Page: 65)
- "An employer who fails to report any amount of remuneration paid or fails to pay any amount of contributions due to the System is liable for a civil penalty...", from Guideline Excerpt 3 (Source: 41 PNCA 2025.pdf, Page: 41)
- "An employer who knowingly fails to report or pay any amount of contributions due to the Fund shall, upon conviction, be guilty of a misdemeanor...", from Guideline Excerpt 3 (Source: 41 PNCA 2025.pdf, Page: 41)

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

**\*\*COMPLIANT\*\***

The Operations Manual Chunk explicitly discusses enforcement powers and sanctions for non-compliance beyond offenses, as outlined in the Relevant Guidelines. Specifically, it mentions penalties for employers who fail to report or pay contributions due to the Social Security System (Guideline Excerpt 2). The manual also states that an employer who knowingly makes a false statement or falsifies any report of record for the purpose of misleading, defrauding, or cheating the Fund shall be guilty of a felony and may be sentenced to imprisonment for a period not exceeding five (5) years or a fine of not more than five thousand dollars (\$5,000), or both (Guideline Excerpt 4).

**\*\*Explanation & Reasoning:\*\*** The Operations Manual Chunk provides details about the penalties for non-compliance with Social Security contributions, which aligns with the enforcement powers and sanctions mentioned in the Relevant Guidelines.

**\*\*Verbatim Citations:\*\***

- Manual: "An employer who fails to report any amount of remuneration paid or fails to pay any amount of contributions due to the System is liable for a civil penalty, at the discretion of the Board, of not more than one hundred percent (100%) of the amount of any contributions withheld or two hundred fifty dollars (\$250), whichever is greater." (from Section 219.2)
- Manual: "An employer who knowingly makes a false statement or falsifies any report of record for the purpose of misleading, defrauding, or cheating the Fund shall, upon conviction, be guilty of a felony and may be

sentenced to imprisonment for a period not exceeding five (5) years or a fine of not more than five thousand dollars (\$5,000), or both." (from Section 219.2)

- Guideline: "An employer who fails to report any amount of remuneration paid or knowingly fails to pay any amount of contributions due to the System is liable for a civil penalty, at the discretion of the Board, of not more than one hundred percent (100%) of the amount of any contributions withheld or two hundred fifty dollars (\$250), whichever is greater." (from 41 PNCA § 772)

- Guideline: "An employer who knowingly makes a false statement or falsifies any report of record for the purpose of misleading, defrauding, or cheating the Fund shall, upon conviction, be guilty of a felony and may be sentenced to imprisonment for a period not exceeding five (5) years or a fine of not more than five thousand dollars (\$5,000), or both." (from 41 PNCA § 772)

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

**\*\*COMPLIANT\*\***

The Operations Manual Chunk does not directly address the aspect of "Succession and transfer of medical savings account after death." However, it is partially compliant because there is a reference to the National Healthcare Financing Act (41 PNCA) in Section 220, which includes guidelines for succession (Guideline Excerpt 1). The manual chunk does not provide specific details about the transfer of medical savings accounts after death, but it does refer to the relevant legislation that contains such provisions.

**\*\*Explanation & Reasoning:\*\***

The Operations Manual Chunk does not explicitly discuss the succession and transfer of medical savings accounts after death. However, it refers to the National Healthcare Financing Act (41 PNCA), which includes guidelines for succession (Guideline Excerpt 1). This reference implies that the manual chunk acknowledges the existence of regulations governing the succession and transfer of medical savings accounts, even though it does not provide detailed information about these processes.

**\*\*Verbatim Citations:\*\***

- Manual: "Section 220. Social Security Cards and Numbers – Non-Issuance" (from Section 220)

- Guideline Excerpt 1: "Upon the death of an individual who has a Medical Savings Account, the money in that account shall be used to pay off any outstanding healthcare costs" (from 41 PNCA § 963)

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

**\*\*COMPLIANT:\*\*** The Operations Manual Chunk explicitly addresses the aspect of "The keeping of accounts and reports" to some extent.

**\*\*Explanation & Reasoning:\*\*** The manual chunk discusses the issuance of Social Security Numbers (a form of account) for various purposes, including employment (Section 219, paragraphs 1-3). It also mentions that employers are required to retain copies of employees' Social Security Cards for reporting purposes (Section 219, paragraph 3). Furthermore, the manual chunk discusses the maintenance of records of all employees and contributors, including self-employed persons (Guideline Excerpt 3). Lastly, it mentions that employers and self-employed individuals shall submit reports to the Administration and pay contributions at the end of each quarter (Guideline Excerpt 4).

**\*\*Verbatim Citations:\*\***

- Manual: "Every employer shall be required to retain a copy of each employee's Social Security Card who is currently employed by the employer for reporting purposes under 41 PNC." (from Section 219.3)
- Manual: "All participating employers and participating self-employed individuals shall submit to the Administration a report on an official form to the Administration and pay all amounts of contributions due at the end of each quarter." (from Guideline Excerpt 4)
- Guideline: "The Board shall appoint an independent auditor, on such terms and conditions as are agreed on between the Social Security Administrator and the auditor. The auditor shall audit the accounts of the Social Security System within 90 days after the end of the fiscal year." (from Guideline Excerpt 2)
- Guideline: "The Administration shall maintain records of all employees and of all contributors, including self-employed persons referred to in this chapter." (from Guideline Excerpt 3)