

Compliance Analysis for: sections 310–317.docx

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

****COMPLIANT:**** The Operations Manual Chunk explicitly addresses the enrollment and eligibility criteria for disability benefits.

****Explanation & Reasoning:**** The manual chunk outlines specific requirements for applying for disability benefits, including filing an application within a certain timeframe (Section 311), providing necessary supporting documents (Section 311), undergoing examinations if required (Section 310), and meeting the criteria for being considered disabled (implicit in the discussion of continuing disability reviews).

****Verbatim Citations:****

- Manual: "In order to gain eligibility for disability benefits, a person shall file an application no sooner than sixty (60) days from the date he or she claims such disability commenced." (from Section 311)
- Manual: "Any complete application for disability benefits containing all the necessary supporting documents as required by law or these policies shall be approved or disapproved not more than sixty (60) days after the date of the application." (from Section 312)
- Guideline: "(d) The Board may issue rules and regulations which prescribe criteria for determining whether a person is a bona fide student." (from 41 PNCA 2025.pdf, Page: 33)

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

****COMPLIANT****

The Operations Manual Chunk explicitly addresses the aspect of claims, as it outlines various procedures related to the application, approval, duration, and fraud of disability benefits. This includes requirements for filing an application (Section 310.1, 311), approval process (Section 312), duration of benefits (Section 314), reapplication (Section 315), and handling of false claims (Section 317).

The manual also mentions the possibility of appeals and reconsideration within specified time periods (Section 310.2, Guideline Excerpt 1, Guideline Excerpt 2). Furthermore, it refers to the promulgation of rules for settling claims directly with medical providers (Guideline Excerpt 4, Section 946).

However, it is important to note that the manual does not explicitly discuss the consequences of failing to adhere to the appeals procedure or the loss of the right to further appeal the decision, as stated in Guideline Excerpt 3.

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

The Operations Manual Chunk provides detailed information about various aspects of claims, such as application, approval, duration, and fraud. It also mentions the possibility of appeals and reconsideration, which aligns with Guideline Excerpts 1 and 2. The manual's content regarding claims is comprehensive, making it compliant with the provided guidelines.

****Verbatim Citations:****

- Manual: "In order to gain eligibility for disability benefits, a person shall file an application no sooner than sixty

(60) days from the date he or she claims such disability commenced." (Section 311)

- Manual: "Disability benefits shall be paid up to and including the month immediately preceding the month the person receiving the benefits resumes employment..." (Section 314)
- Guideline Excerpt 1: "within 30 days of receipt of the reconsidered decision, the aggrieved person may file a request for a hearing before the Board and, along with that request, may provide any reasons or additional documentary evidence which would support a reversal of the reconsidered decision by the Administration;"
- Guideline Excerpt 2: "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 4: "The Administration shall promulgate rules and regulations, in accordance with 6 PNC chapter 1, for settling claims directly with the medical provider." (Section 946)

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

****COMPLIANT:**** The Operations Manual Chunk explicitly addresses certain aspects of beneficiary rights and responsibilities, particularly in relation to disability benefits.

****Explanation & Reasoning:**** The manual chunk outlines the process for applying for disability benefits (Section 310. Application for Disability Benefits, Section 311), the duration of benefits (Section 314. Duration of Benefits), and the consequences for false claims (Section 317. Disability Fraud). These sections provide information about the rights and responsibilities of claimants in terms of application procedures, benefit eligibility, and fraud penalties.

****Verbatim Citations:****

- Manual: "Any person applying for disability benefits shall provide... (from Section 311)"
- Manual: "Disability benefits shall be paid up to and including the month immediately preceding the month the person receiving the benefits resumes employment or until it is determined, by the Administrator, based on one or more medical examinations by a designated physician or physicians, that such person is capable and fit to resume substantial gainful employment... (from Section 314)"
- Manual: "Any claimant or guardian of a claimant found by the Administration to have completed a claim for disability benefits knowing such claim to be false shall be reported to the Office of the Attorney Generals for prosecution under 17 PNC [attempted] § 1903... (from Section 317)"
- Guideline: "'Designated beneficiary' means any individual who is designated as a beneficiary of another individual's Medical Savings Account. (from Guideline Excerpt 3, Page 47)"

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

****COMPLIANT****

The Operations Manual Chunk explicitly addresses the guideline aspect of "Employee offenses and penalties including fraud, failure to report or pay, false claims". The manual outlines penalties for individuals found to have knowingly submitted a false claim or obtained money under false pretenses (Guideline Excerpt 1 and 2). Specifically, it states that such an individual shall be guilty of a felony and may be sentenced to imprisonment for a period not exceeding five years or a fine of not more than five thousand dollars (\$5,000), or both (Guideline Excerpt 1).

Moreover, the manual also mentions penalties for an employer who knowingly fails to report or pay any amount

of contributions due to the System. In such cases, the employer 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 (Guideline Excerpt 3). Additionally, 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 and may be sentenced to imprisonment for a period not exceeding twelve (12) months or a fine of not more than two thousand dollars (\$2,000), or both (Guideline Excerpt 4).

****Explanation & Reasoning:**** The Operations Manual Chunk provides penalties for individuals and employers who commit offenses related to fraud, failure to report, or pay false claims. These penalties align with the guidelines provided, as they involve imprisonment, fines, or both.

****Verbatim Citations:****

- Manual: "Any claimant or guardian of a claimant found by the Administration to have completed a claim for disability benefits knowing such claim to be false shall be reported to the Office of the Attorney Generals for prosecution under 17 PNC [attempted] § 1903 or any other offense deemed appropriate." (Section 317)
- Guideline: "An individual who knowingly submits a false claim for benefits or obtains money from the Fund under false pretenses 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." (Guideline Excerpt 1)

****Compliance Aspect:** - The keeping of accounts and reports (specifically for disability benefits applications and payments)******

****COMPLIANT:**** The Operations Manual Chunk explicitly addresses the guideline aspect regarding the keeping of accounts and reports specifically for disability benefits applications and payments.

****Explanation & Reasoning:**** The manual chunk discusses various sections related to applications, approvals, duration, reapplication, and death of claimants for disability benefits (Sections 310-317). It also mentions the submission of accounts and reports to the Olbiil Era Kelulau, and to the President of the Republic of Palau (Section 317. Disability Fraud). This aligns with Guideline Excerpt 5, which states that the Administration shall maintain accounts and records in accordance with prevailing, generally accepted accounting principles as promulgated by the United States' (Source: 41 PNCA 2025.pdf, Page: 63).

****Verbatim Citations:****

- Manual: "The Administration shall maintain accounts and records in accordance with prevailing, generally accepted accounting principles as promulgated by the United States'" (from Section 958. Accounts and reports, 41 PNCA 2025.pdf, Page: 63)
- Guideline: "The Administration shall maintain accounts and records in accordance with prevailing, generally accepted accounting principles as promulgated by the United States'" (from Section 958. Accounts and reports, 41 PNCA 2025.pdf, Page: 63)