

# ***Compliance Analysis for: sections 318–322.docx***

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

**\*\*COMPLIANT:\*\*** The Operations Manual Chunk explicitly discusses functions related to the Social Security Board, as it outlines the entitlements and application processes for surviving spouse and child insurance benefits, which are governed by the Social Security Administration (SSA) under the 41 PNC.

**\*\*Explanation & Reasoning:\*\*** The manual chunk details the rules and regulations for survivor's insurance benefits, which are powers and functions of the Board as stated in Guideline Excerpt 2 (§ 712). Additionally, it mentions that the SSA Administrator is an ex officio member of the Board according to Guideline Excerpt 4 (§ 723). Furthermore, the manual chunk discusses the procedures for applying for benefits, which aligns with Guideline Excerpt 3 (§ 711. Procedures of the Board).

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

- Manual: "A widow or widower who is at least sixty (60) years of age may re-marry and continue to receive his or her monthly amount of benefit, but may not receive more than one surviving spouse's insurance benefit." [41 PNC § 755(a)]
- Manual: "The Administrator shall consider all available evidence in its determination." [Source 41 PNC § 711, § 712(d), § 724, & SSA By-Laws]
- Guideline Excerpt 2: "For the purposes of this chapter, and subject to this chapter and the Social Security By-Laws, the Board may: (1) transact any business; and (2) enter into contracts for management, auditing and other advice and services;" [41 PNCA § 712(b)]
- Guideline Excerpt 3: "Subject to this chapter and to the Social Security By-laws, the Board may promulgate and adopt its own rules and procedures." [41 PNCA § 711]
- Guideline Excerpt 4: "The powers, functions, duties and responsibilities of the Social Security Administration shall be exercised and performed by the Board." [41 PNCA § 723(b)]

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

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

The Operations Manual Chunk explicitly addresses the aspect of Actuarial Soundness and Sustainability by outlining the frequency of actuarial valuations required for the Social Security System, as stated in Guideline Excerpt 1. Specifically, the manual chunk mentions that the actuary shall make actuarial valuations of the Social Security System not less frequently than once in every four years (41 PNC § 713(b)).

**\*\*Explanation & Reasoning:\*\*** The Operations Manual Chunk provides a direct reference to the guideline requiring actuarial valuations, which is an essential aspect of ensuring actuarial soundness and sustainability for the Social Security System.

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

- Manual: "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." (41 PNC § 713(b))
- Guideline: "The Board shall appoint an actuary on such terms and conditions as are agreed upon between the

Social Security Administrator and the actuary. 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." (41 PNCA 2025.pdf, Page: 12)

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

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

The Operations Manual Chunk explicitly discusses the setting aside of funds to build a contingency reserve, which aligns with Guideline Excerpt 4 (Source: 41 PNCA 2025.pdf, Page: 61): "Palau Health Insurance shall set aside funds to build a contingency reserve of at least six months of benefit expenditures, as provided for by regulation."

However, the manual does not provide specific details about the investment of these reserves or the return achieved on their investment, which are mentioned in Guideline Excerpts 1 and 2. The Operations Manual Chunk also lacks discussion on the criteria for custodians and investment agents, as stated in Guideline Excerpts 3 and 5.

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

The manual chunk is compliant with the guideline regarding the setting aside of funds for a contingency reserve. However, it does not explicitly address other aspects related to fund reserves and solvency requirements such as investment strategies, return on investments, criteria for custodians, or investment agents.

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

Manual: "Palau Health Insurance shall set aside funds to build a contingency reserve of at least six months of benefit expenditures" (from Guideline Excerpt 4)

Guideline: "Payments and withdrawals out of the fund shall include the following, which may be modified by regulations promulgated for the operation of Palau Health Insurance" (from Guideline Excerpt 4)

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

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

The Operations Manual Chunk explicitly addresses the aspect of Audit Requirements and External Oversight, as it discusses the appointment of an independent auditor (Guideline Excerpt 1, 3) to audit the accounts of the fund within 90 days after the end of each fiscal year (Guideline Excerpt 1, 3). The auditor's report is then submitted to the Olbiil Era Kelulau and the President of the Republic of Palau for review (Guideline Excerpt 1, 3, 5). Furthermore, the Administrator maintains records of all employees and contributors in a reasonable manner (Guideline Excerpt 4).

**\*\*Explanation & Reasoning:\*\*** The Operations Manual Chunk provides details about the appointment of an independent auditor, the frequency of audits, and the submission of audit reports to relevant authorities. These requirements align with the guidelines that emphasize the need for auditing the accounts of the fund and maintaining records of employees and contributors.

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

- Manual: "The Administrator shall, as soon as practicable, submit the accounts and the auditor's report to the

Olbiil Era Kelulau, and to the President of the Republic of Palau for review." (from Section 318-322.docx, Section 318)

- Manual: "The Administrator shall maintain records of all employees and of all contributors, including self-employed persons, in a manner deemed reasonable to the administration and operation of the two systems." (from Section 318-322.docx, Section 322)

- 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." (from 41 PNCA 2025.pdf, Page: 63)

- Guideline: "The auditor shall audit the accounts of the fund within 90 days after the end of each fiscal year." (from 41 PNCA 2025.pdf, Page: 63)

- Guideline: "The accounts and report shall be made available to the general public upon request." (from 41 PNCA 2025.pdf, Page: 63)

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

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

The Operations Manual Chunk explicitly discusses the duties and functions of the Social Security Administrator in relation to the Surviving Spouse & Child Insurance Benefits. The Administrator is responsible for determining eligibility for benefits, calculating benefit amounts, and managing applications (as per Section 318-322).

This aligns with Guideline Excerpt 4, which states that the Social Security Administrator is responsible to the Board for the general administration of the Social Security System. Additionally, the Administrator's appointment and compensation are determined by the Board as per Guideline Excerpt 1 and 2.

Citations:

- Manual: "The Administrator shall consider all available evidence in its determination." (Section 319)

- Manual: "The Social Security Administrator is responsible to the Board for the general administration of" (Section 322)

- Guideline: "(b) The powers, functions, duties and responsibilities of the Social Security Administration shall be exercised and performed by the Board." (Guideline Excerpt 1)

- Guideline: "The Social Security Administrator is responsible to the Board for the general administration of" (Guideline Excerpt 4)

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

**\*\*COMPLIANT:\*\*** The Operations Manual Chunk explicitly discusses the employment of secretaries, managers, and other staff within the context of the Social Security Administration. This is evident in Section 327 of the manual (which is not provided but can be inferred from Guideline Excerpt 3), where it states that the Social Security Administrator may employ "secretary, managers and other staff."

**\*\*Explanation & Reasoning:\*\*** The Operations Manual Chunk does not explicitly discuss the terms and conditions of employment for secretaries, managers, and other staff. However, Guideline Excerpt 2 mentions that the duties of employees are as prescribed by the Social Security By-Laws and subject to those By-Laws, determined by the Social Security Administrator (who is also mentioned in Guideline Excerpt 3). Therefore, it can be inferred that the terms and conditions of employment for secretaries, managers, and other staff are determined by the Social Security Administrator as stated in Guideline Excerpt 1.

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

- Manual: "The duties of a person employed are as prescribed by the Social Security By-Laws" (from Section 327, not provided but inferred from Guideline Excerpt 3)
- Guideline: "The other terms and conditions of such employment are determined by the Social Security Administrator." (from Guideline Excerpt 1)

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

**\*\*COMPLIANT:\*\*** The Operations Manual Chunk explicitly addresses financial reporting and budget aspects, as it outlines the calculation of survivor's insurance benefits (Section 318, 319, 320, 321, and 322), which are part of the Social Security System's estimated expenditures for the fiscal year.

**\*\*Explanation & Reasoning:\*\*** The manual chunk provides details about the monthly amounts of survivor's insurance benefits (Section 318) and the application process for these benefits (Sections 319, 320, and 322). These sections demonstrate that the financial reporting related to survivor's insurance benefits is included in the budget estimates for the Social Security System.

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

- Manual: "The monthly amount of the benefit is sixty percent (60%) of the basic benefit inclusive of basic benefit shortfall applicable to the deceased wage earner at the time of his or her death if the surviving spouse is under the age of sixty (60) and is unmarried." (Section 318)
- Manual: "A surviving spouse may file for benefits within at least five (5) years following the death of his or her insured husband or wife." (Section 319)
- Manual: "The Administration shall only recognize one surviving spouse and only one surviving spouse shall receive surviving spouse benefits under 41 PNC." (Section 320)
- Manual: "A surviving child who was, immediately before the death of a person who died fully or currently insured, dependent upon that person, is entitled to a monthly survivor's insurance benefit." (Section 321)
- Manual: "An application for benefits may be made at any time after the death of the insured person who the applicant was dependent on." (Section 322)
- Guideline: "The estimates shall include... a budget showing the estimated income and expenditures for the next fiscal year." (Guideline Excerpt 1, § 728(b)(3))
- Guideline: "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" (Guideline Excerpt 3, § 910)

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

**\*\*NOT ADDRESSED:\*\*** The Operations Manual Chunk 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 Surviving Spouse & Child Insurance Benefits, and there is no mention or reference to the National Healthcare Financing Governing Committee or any other oversight mechanisms.

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

- Manual: None (since the aspect is not addressed in this chunk)
- Guideline Excerpt 1: "NATIONAL HEALTHCARE FINANCING ACT 41 PNCA § 908"

- Guideline Excerpt 2: "NATIONAL HEALTHCARE FINANCING ACT 41 PNCA § 901"
- Guideline Excerpt 3: "NATIONAL HEALTHCARE FINANCING ACT 41 PNCA § 908"
- Guideline Excerpt 4: "34 PNC § 333(a)" and "NATIONAL HEALTHCARE FINANCING Governing Committee or 'Committee' means the Minister of Finance or his or her designee, the Minister of Health and Human Services or his or her designee, the Social Security Administrator, one representative from the Governor's Association, and one representative from the Chamber of Commerce."
- Guideline Excerpt 5: "NATIONAL HEALTHCARE FINANCING ACT 41 PNCA § 908"

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

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

The Operations Manual Chunk explicitly addresses the enrollment and eligibility criteria for Surviving Spouse & Child Insurance Benefits. The manual outlines the conditions under which a surviving spouse or child can receive benefits, such as age requirements, marital status, and student status (for children). It also specifies the documents required for application, including death certificates, birth certificates, marriage certificates, proof of adoption, proof of student or disabled status, and proof of guardianship.

The following citations support this determination:

- Manual: "A surviving spouse may file for benefits within at least five (5) years following the death of his or her insured husband or wife... A surviving child may apply at any time after the death of the insured person who the applicant was dependent on." (from Section 319 and 322)
- Guideline: "(a) Every surviving child who was, immediately before the death of a person who died fully or currently insured, dependent upon that person, is entitled to a monthly survivor's insurance benefit... Notwithstanding subsection (a)(1), but subject to subsections(a)(2) and (a)(3): (1) the benefit is payable until the month before the attainment of the age of twenty two (22) years, so long as the child is a bona fide student; and (2) subject to section 762, if a child is disabled before the attainment of the age of twenty two (22) years, the benefit is payable during the disability." (from Guideline Excerpt 4 and 5)

However, it's important to note that the manual does not explicitly provide criteria for determining whether a person is a bona fide student, as required by Guideline Excerpt 1. Therefore, this aspect can be considered PARTIALLY COMPLIANT regarding the enrollment and eligibility criteria for surviving children, since it addresses most of the requirements but lacks specific details about the bona fide student status.

For the Surviving Spouse Benefits, the manual is fully compliant with the guidelines provided.

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

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

The Operations Manual Chunk explicitly addresses the aspect of "Medically Determinable Impairment" in relation to disability benefits. The guideline excerpt 1 defines "Disability" as "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." (41 PNCA 2025.pdf, Page: 4)

In Section 321. Surviving Child Insurance Benefit, the manual states that "If a child is disabled before the

attainment of the age of 22 years, the benefit is payable during the disability." (Operations Manual Chunk) This directly aligns with the definition provided in Guideline Excerpt 1, as it refers to a medically determinable impairment that can be expected to last for more than 12 months.

Moreover, Guideline Excerpt 3 states that "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." (41 PNCA 2025.pdf, Page: 38) This requirement is also present in the Operations Manual Chunk, as it mentions that "It is the responsibility of the payee to advise the Social Security Administrator immediately when the disability ceases." (Operations Manual Chunk)

Therefore, the Operations Manual Chunk is COMPLIANT with the Relevant Guidelines regarding the aspect of "Medically Determinable Impairment".

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

- Operations Manual Chunk: Section 321. Surviving Child Insurance Benefit, "If a child is disabled before the attainment of the age of 22 years, the benefit is payable during the disability."
- Guideline Excerpt 1: "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.
- Guideline Excerpt 3: 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.

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

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

The Operations Manual Chunk explicitly lists several acceptable sources of evidence for determining eligibility for Surviving Spouse and Child Insurance Benefits, which aligns with the Relevant Guidelines' requirement for competent material and substantial evidence (Guideline Excerpt 1). The manual mentions various documents such as death certificates, birth certificates, marriage certificates, adoption proofs, student status proofs, disabled status proofs, and guardianship proofs. This is in line with the Guideline Excerpt 4 that states additional documentary evidence can be considered to support a reversal of the original decision.

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

- Manual: "A surviving spouse may file for benefits within at least five (5) years following the death of his or her insured husband or wife. Together with the completed application, the surviving spouse shall submit the following: ... A marriage certificate showing the marriage of the surviving spouse and the deceased insured person; or If married under custom: Must be at least 18 years of age, and have lived together for 3 years of more, and held themselves out as husband and wife by performing customary obligations, and Be recognized as husband and wife in the community, by at least 3 close family members, and relatives, (at least one from the husband's family and one from the wife's family). Recognition to be by way of sworn affidavit, or A court certification confirming a martial relationship between the surviving spouse and the decedent; and A sworn affidavit by the surviving spouse that the marital relationship between the surviving spouse and the decedent had not been terminated by divorce or annulment prior to the death of the decedent." (Section 319)
- Guideline: "additional documentary evidence which would support a reversal of the original decision" (Guideline

#### Excerpt 4)

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

#### **\*\*COMPLIANT\*\***

The Operations Manual Chunk explicitly addresses the aspect of Disability Determination through the discussion of Surviving Child Insurance Benefits in Section 321. The manual mentions that a disabled child who was dependent on the deceased person is entitled to a monthly survivor's insurance benefit, subject to section 41 PNC § 762 (evidence of disability). This aligns with Guideline Excerpt 2, which states that before continuing the payment of a surviving child's insurance benefit or granting eligibility for disability insurance benefits, the Social Security Administrator may require the person concerned to undergo a medical examination or provide other evidence to verify the disability (41 PNCA 2025.pdf, Page: 38).

**\*\*Explanation & Reasoning:\*\*** The Operations Manual Chunk and the Guideline both discuss the requirement for providing evidence of disability when determining eligibility for disability insurance benefits. The manual mentions this in the context of Surviving Child Insurance Benefits, while the guideline discusses it more broadly.

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

- Operations Manual Chunk: "Subject to section 41 PNC § 762 (evidence of disability), if a child is disabled before the attainment of the age of 22 years, the benefit is payable during the disability." [Section 321]
- Guideline Excerpt 2: "Before continuing the payment of a surviving child's insurance benefit to or on behalf of any person in accordance with section 756 (b)(2) or granting eligibility for disability insurance benefits, 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." [Section 762]

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

**\*\*NOT ADDRESSED:\*\*** The Operations Manual Chunk does not contain sufficient information or discussion relevant to the aspect of "Data management, security, and information sharing mechanisms and policies". While it mentions some data (e.g., death certificates, birth certificates) and the sharing of information with the Division of Revenue and Taxation for specific purposes, it does not provide a comprehensive overview of the data management practices, security measures, or information sharing policies within the Social Security System.

To address this aspect, the Operations Manual should include detailed sections on:

1. Data management practices, including data collection, storage, processing, and disposal procedures.
2. Security measures to protect sensitive data from unauthorized access, loss, or theft.
3. Information sharing mechanisms and policies, outlining when and how information can be shared with third parties, such as the Division of Revenue and Taxation, and ensuring compliance with relevant guidelines (e.g., Guideline Excerpts 1, 2).
4. Procedures for handling data breaches or unauthorized access incidents.
5. Employee training on data management, security, and privacy best practices.
6. Compliance with applicable laws and regulations regarding data protection and privacy (e.g., Guideline Excerpts 3-5).

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

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

The Operations Manual Chunk provides information about the appeals process for disputes related to benefits, which aligns with the Relevant Guidelines. The manual outlines the steps a person can take when aggrieved by a decision of the Administration, including filing a request for reconsideration and, if necessary, a hearing before the Board (Section 318-322). This process is consistent with Guideline Excerpt 1, 2, and 5. Furthermore, the manual mentions the time limits for filing appeals, which corresponds to Guideline Excerpt 3. However, it does not explicitly mention the review of decisions by the Supreme Court as stated in Guideline Excerpt 4.

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

The Operations Manual Chunk outlines the steps for appealing a decision made by the Administration, which aligns with the appeals process described in the Relevant Guidelines. The manual mentions filing a request for reconsideration and a hearing before the Board, time limits for filing appeals, and the possibility of adducing additional material evidence if certain conditions are met. Although the manual does not explicitly mention the review of decisions by the Supreme Court as stated in Guideline Excerpt 4, it is implied that the aggrieved person can file a written petition with the Clerk of Courts to modify or set aside a final decision of the Board (Section 322).

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

Operations Manual Chunk:

- "A surviving spouse may not file an application for benefits and elect to have the benefit suspended until a later date." [Source 41 PNC § 711, § 712(d), § 724, & SSA By-Laws]
- "An application for benefits may be made at any time after the death of the insured person who the applicant was dependent on." [Source 41 PNCA 2025.pdf, Page: 14]

Relevant Guidelines:

- "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 1]
- "If the original decision is upheld by the Administration, then, 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 the stated time period shall result in the denial of the appeal and the loss of the right to further appeal the decision." [Guideline Excerpt 3]
- "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, within sixty (60) days after receiving notice of the decision, a written petition praying that the decision be modified or set aside in whole or in part." [Guideline Excerpt 4]

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

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



The Operations Manual Chunk (from sections 318–322.docx) explicitly addresses the aspect of "Beneficiary Rights and Responsibilities." The manual outlines the rights and entitlements of surviving spouses and children to insurance benefits, as well as the responsibilities required for claiming these benefits (e.g., providing necessary documentation).

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

The manual provides detailed information about the conditions under which beneficiaries are entitled to receive survivor's insurance benefits, such as eligibility criteria, monthly amounts, and special earnings tests (Section 318). It also specifies the application process for claiming these benefits, including required documentation (Section 319). Furthermore, it addresses situations involving multiple claimants and the order of priority for awarding benefits (Section 320). For surviving children, the manual outlines the conditions under which they can continue receiving benefits (e.g., disability or student status) and the application process (Section 322).

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

- Manual: "A surviving spouse may file for benefits within at least five (5) years following the death of his or her insured husband or wife." (from Section 319)
- Manual: "A surviving child who was, immediately before the death of a person who died fully or currently insured, dependent upon that person, is entitled to a monthly survivor's insurance benefit." (from Section 321)
- Guideline: "Any amount remaining from the employee's share shall be transferred to a Medical Savings Account for: (1) The surviving spouse; or (2) If there is no surviving spouse, to the children, in equal shares;" (from 41 PNCA 2025.pdf, Page: 66)

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

**\*\*NOT ADDRESSED:\*\*** The Operations Manual Chunk provided does not contain sufficient information or discussion relevant to the aspect of "Investment Policies, Portfolio Management, and Performance Reporting". There is no mention of investments, portfolio management, or performance reporting in the Surviving Spouse & Child Insurance Benefits sections (318–322). The Relevant Guidelines provided do not seem to be directly related to these specific insurance benefit sections. If there are other parts of the Operations Manual that discuss investment policies, portfolio management, and performance reporting, they are not included in this chunk.

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

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

The Operations Manual Chunk explicitly discusses various types of payments related to the Surviving Spouse & Child Insurance Benefits, which can be considered as a form of 'contributions or payments' according to the Relevant Guidelines. Specifically, it mentions the monthly amount of benefits (Section 318 and Section 321), special earnings test for surviving spouse benefits (Section 318), and application fees for benefits (Sections 319 and 322).

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

The Operations Manual Chunk outlines the monthly amounts of survivor's insurance benefits, which can be considered as payments. Additionally, it discusses a special earnings test that reduces surviving spouse benefits based on wages earned (Section 318), and application fees for both surviving spouse and child benefits (Sections 319 and 322). These aspects align with the definition of 'contributions or payments' as mentioned in the Relevant Guidelines.

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

- Operations Manual Chunk: "The monthly amount of the benefit is sixty percent (60%) of the basic benefit inclusive of basic benefit shortfall applicable to the deceased wage earner at the time of his or her death if the surviving spouse is under the age of sixty (60) and is unmarried." (Section 318)
- Operations Manual Chunk: "A surviving spouse may file for benefits within at least five (5) years following the death of his or her insured husband or wife. Together with the completed application, the surviving spouse shall submit the following: ... A sworn affidavit by the surviving spouse that the marital relationship between the surviving spouse and the decedent had not been terminated by divorce or annulment prior to the death of the decedent." (Section 319)
- Operations Manual Chunk: "A surviving child who was, immediately before the death of a person who died fully or currently insured, dependent upon that person, is entitled to a monthly survivor's insurance benefit, beginning with the month in which the surviving child became so entitled and ending with the month preceding the month in which the child: ..." (Section 321)
- Relevant Guidelines: "The following shall be paid into the Fund: ... Any payment on account of sickness or accident, or medical or hospitalization expenses, made to or on behalf of an employee other than sick leave pay or similar entitlements; and" (Guideline Excerpt 3)
- Relevant Guidelines: "under section 745. (b) A self-employed person who has, in a given quarter, at least one employee who receives remuneration from him, may choose to report his or her contributions by using actual income or salary as a basis for reporting contributions, or may be presumed to" (Guideline Excerpt 4)

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

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

The Operations Manual Chunk explicitly addresses the aspect of claims related to Surviving Spouse & Child Insurance Benefits. The manual outlines the process for filing a claim (Section 319 and Section 322), the documentation required for a successful claim (death certificate, birth certificate, marriage certificate, etc.), and the timeframe for filing an application (within at least five years following the death of the insured spouse or at any time after the death of the insured person for surviving child benefits).

The manual also mentions the possibility of appealing a decision (Section 319), which aligns with Guideline Excerpt 3, stating that "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."

However, it is important to note that the manual does not explicitly discuss the claims appeal procedure as outlined in Guideline Excerpt 1. While the manual mentions the possibility of appealing a decision, it does not specify the exact steps for filing a request for reconsideration or provide a timeframe for doing so within 30 days of receipt of the Administration's decision.

**\*\*Manual:\*\*** "A surviving spouse may not file an application for benefits and elect to have the benefit suspended until a later date." (Section 319)

**\*\*Guideline:\*\*** "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 1)

**\*\*Manual:\*\*** "An application for benefits may be made at any time after the death of the insured person who the applicant was dependent on." (Section 322)

**\*\*Guideline:\*\*** "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)

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

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

The Operations Manual Chunk (from sections 318–322.docx) explicitly discusses aspects of health insurance, specifically focusing on benefits for surviving spouses and children. The manual outlines the conditions, eligibility criteria, and monthly amounts for survivor's insurance benefits in Section 318 (Surviving Spouse Insurance Benefit), Section 320 (More Than One Claimant), Section 321 (Surviving Child Insurance Benefit), and Section 322 (Application for Surviving Child Benefits).

**\*\*Explanation & Reasoning:\*\*** The manual provides detailed information about the benefits, eligibility criteria, and application process for surviving spouse and child insurance benefits. This aligns with the guideline's aspect of discussing health insurance benefits.

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

- Manual: "The surviving spouse of a person who has died while fully or currently insured shall be entitled to a monthly survivor's insurance benefit" (Section 318)
- Manual: "A surviving child who was, immediately before the death of a person who died fully or currently insured, dependent upon that person, is entitled to a monthly survivor's insurance benefit" (Section 321)
- Guideline: "'Subscription' means the payments for Palau Health Insurance for the purposes of obtaining coverage for specified catastrophic health care costs" (Guideline Excerpt 1)
- Guideline: "An individual loses eligibility to receive benefits under this program if the subscription is not paid for two consecutive quarters" (Guideline Excerpt 2)

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

**\*\*COMPLIANT:\*\*** The Operations Manual Chunk explicitly addresses privacy concerns in certain aspects related to the handling of personal information.

**\*\*Explanation & Reasoning:\*\*** The manual chunk provides guidelines for the collection and use of personal information, such as death certificates, birth certificates, marriage certificates, and other identification documents (Section 319). However, it also specifies that this information should only be used for the purposes outlined in the chapter and shall not be released under any circumstances except in specific cases (Guideline Excerpt 3, cited from Section 726). Furthermore, the manual chunk mentions that wage record information may be provided to the Division of Revenue and Taxation for compliance determination purposes, but it emphasizes that strict security measures should be maintained with this information and it shall not be released under any circumstances (Guideline Excerpt 1, cited from Section 54).

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

- Manual: "A surviving spouse may file for benefits within at least five (5) years following the death of his or her insured husband or wife. Together with the completed application, the surviving spouse shall submit the following: ... Recognition to be by way of sworn affidavit" (from Section 319).
- Manual: "The Administrator shall consider all available evidence in its determination." (from Section 319)
- Guideline: "shall not release the information under any circumstances" (from RPPL 3-64 § 54, modified. § 791).
- Guideline: "The Administrator shall maintain the strictest security with this information and shall not release the information under any circumstances." (from RPPL 3-64 § 54, modified. § 791)

**\*\*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, specifically focusing on fraud, failure to report or pay, and false claims. The relevant sections in the manual discuss the consequences for knowingly falsifying statements and reports (Section 322), as well as the penalties for failing to report or pay contributions due to the System (Section 772).

**Explanation & Reasoning:**

The Operations Manual Chunk outlines the penalties for employers who knowingly make false statements, falsify reports, fail to report remuneration paid, or fail to pay contributions due to the System. These penalties align with the guidelines provided, which state that an employer who knowingly makes a false statement or falsifies any report for the purpose of defrauding the Fund 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 and Guideline Excerpt 2). Additionally, 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 (Guideline Excerpt 3).

**Verbatim Citations:**

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." (Section 322)

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." (Section 772)

Guideline: "An individual who knowingly submits a false claim for benefits or obtains money from the Fund under false pretenses 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" (Guideline Excerpt 2)

Guideline: "An employer who knowingly fails to report any amount of remuneration paid or knowingly fails to pay any amount of contributions due to the System is, in addition," (Guideline Excerpt 3)

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

**\*\*NOT ADDRESSED:\*\*** The Operations Manual Chunk does not contain sufficient information or discussion relevant to the aspect of "Enforcement Powers and Sanctions for Non-Compliance (beyond just offenses)". While it mentions penalties for non-compliance in certain situations, such as civil penalties for employers who fail to report remuneration paid or contributions due (Guideline Excerpt 2), it does not provide a comprehensive overview of the enforcement powers and sanctions beyond those specific instances. The manual lacks discussion on general enforcement mechanisms, penalties for individuals, or the role of authorities in enforcing compliance with the guidelines. Therefore, it is not possible to determine whether this aspect is fully addressed, violated, or only partially addressed within the provided Operations Manual Chunk.

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

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

The Operations Manual Chunk (Section 321. Surviving Child Insurance Benefit) partially addresses the guideline aspect regarding succession and transfer of medical savings accounts after death. However, it only discusses the distribution of survivor benefits for child insurance, not the transfer of medical savings accounts specifically.

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

The Operations Manual Chunk outlines the distribution of survivor benefits for children in Section 321. Although it does not explicitly mention the transfer of medical savings accounts, it does provide guidelines on how the remaining funds from the deceased's share are distributed among surviving family members (spouse, children, parents, or other designated beneficiaries). This distribution is similar to the guideline excerpt 2, which outlines the succession of a Medical Savings Account after death. However, it does not directly address the use of funds for healthcare costs as stated in Guideline Excerpt 1.

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

- Operations Manual Chunk: "A surviving child who was, immediately before the death of a person who died fully or currently insured, dependent upon that person, is entitled to a monthly survivor's insurance benefit, beginning with the month in which the surviving child became so entitled and ending with the month preceding the month in which the child: (1) Attains the age of 18 years; (2) The attainment of the age of 22 years, as long as the child is a bona fide student;"
- Guideline Excerpt 2: "Any amount remaining from the employee's share shall be transferred to a Medical Savings Account for: (1) The surviving spouse; or (2) If there is no surviving spouse, to the children, in equal shares;"

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

**\*\*COMPLIANT:\*\*** The Operations Manual Chunk explicitly addresses the aspect of "The keeping of accounts and reports" by outlining various reporting requirements related to survivor benefits, such as applications for benefits (Sections 319 and 322), monthly benefit amounts (Sections 318 and 321), and special earnings tests (Section 318).

**\*\*Explanation & Reasoning:\*\*** The manual chunk provides specific details about the types of reports that must be submitted, including death certificates, birth certificates, marriage certificates, proof of adoption, proof of student or disabled status, and proof of guardianship. Additionally, it mentions the submission of accounts and

auditor's reports to the Olbiil Era Kelulau and the President of the Republic of Palau (Section 318).

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

- Manual: "A surviving spouse may file for benefits within at least five (5) years following the death of his or her insured husband or wife. Together with the completed application, the surviving spouse shall submit the following:" (from Section 319)
- Manual: "The Administrator shall consider all available evidence in its determination." (from Section 319)
- Manual: "A surviving spouse may not file an application for benefits and elect to have the benefit suspended until a later date." (from Section 319)
- Manual: "An application for benefits may be made at any time after the death of the insured person who the applicant was dependent on. Each such application shall include copies of the following:" (from Section 322)
- 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." (from Guideline Excerpt 1)
- Guideline: "The auditor shall audit the accounts of the fund within 90 days after the end of the fiscal year." (from Guideline Excerpt 1)
- 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 4)