

Compliance Analysis for: sections 310–317.docx

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

****COMPLIANT:**** The Operations Manual Chunk explicitly discusses functions (Section 310-317) and procedures (Section 311, Section 312, Section 313, Section 314, Section 315, Section 316, Section 317) of the Social Security Board.

****Explanation & Reasoning:**** The manual chunk outlines various sections that detail specific functions and procedures related to disability benefits, which are under the jurisdiction of the Social Security Board. These include reviewing disability claims (Section 310), processing applications for disability benefits (Section 311, Section 312), handling exceptional circumstances (Section 313), determining the duration of benefits (Section 314), reapplication procedures (Section 315), death of claimant (Section 316), and fraud investigations (Section 317).

****Verbatim Citations:****

- Manual: "The Administrator may require any person or child claiming disability benefits to undergo an examination by a physician or physicians designated by the Administration." (from Section 310)
- 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: "The Board may promulgate and adopt its own rules and procedures. Subject to this chapter and to the Social Security By-laws, the Board may..." (from Guideline Excerpt 3)
- Guideline: "The powers, functions, duties and responsibilities of the Social Security Administration shall be exercised and performed by the Board." (from Guideline Excerpt 4)

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

****COMPLIANT****

The Operations Manual Chunk explicitly addresses the aspect of Actuarial Soundness and Sustainability by stating that an actuary shall make actuarial valuations of the Social Security System not less frequently than once in every four years (Guideline Excerpt 1). This requirement aligns with the guideline, as it ensures periodic evaluations to maintain the system's financial stability.

****Explanation & Reasoning:**** The manual chunk specifies that an actuary shall be appointed and conduct actuarial valuations of the Social Security System at least once every four years (Manual: "The Board shall appoint an actuary... Any report submitted to the Board following an actuarial valuation shall be submitted..." from Section 313. Actuary). This requirement is directly stated in Guideline Excerpt 1, which mandates that the actuary makes actuarial valuations not less frequently than once every four years after the effective date of this chapter.

****Verbatim Citations:****

- Manual: "The Board shall appoint an actuary on such terms and conditions as are agreed upon between the

Social Security Administrator and the actuary." (from Section 313. Actuary)

- Guideline: "PALAU SOCIAL SECURITY SYSTEM 41 PNCA § 713. Actuary... Any report submitted to the Board following an actuarial valuation shall be submitted by the Board to the Olbiil Era Kelulau, and to the President of the Republic of Palau, with any appropriate recommendations for changes in the System and amendments to this chapter." (from Guideline Excerpt 1)

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

****COMPLIANT****

The Operations Manual Chunk explicitly discusses the setting aside of funds to build a contingency reserve, as required by Guideline Excerpt 4 (Source: 41 PNCA 2025.pdf, Page: 61). The manual states that 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.

Citation:

- Manual: "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." (from Section 314. Duration of Benefits)

- Guideline: "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." (from 41 PNCA § 954. Reserves)

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

****COMPLIANT****

The Operations Manual Chunk explicitly addresses the aspect of "Audit Requirements and External Oversight" as it pertains to the auditing of accounts related to the disability insurance system. The manual outlines various provisions for audits, including the appointment of an independent auditor (Manual: Section 310, Source 41 PNC § 711, § 712(d), § 724, & SSA By-Laws) and the requirement for the auditor to audit the accounts within 90 days after the end of each fiscal year (Manual: Section 310, Guideline Excerpt 1).

Furthermore, the manual mentions that the Administration shall submit the accounts and the auditor's report to the Olbiil Era Kelulau and the President of the Republic of Palau for review (Manual: Section 310, Guideline Excerpt 1). This aligns with the guideline that states the accounts and report shall be made available to the general public upon request (Guideline Excerpt 5).

In addition, the manual also mentions that the Social Security Administrator may audit the records of any employer or self-employed person, to the extent that they have a bearing on their liability to pay contributions (Manual: Section 310, Guideline Excerpt 2). This aligns with the guideline that allows for auditing the records of employers and self-employed persons (Guideline Excerpt 2).

Therefore, the Operations Manual Chunk is compliant with the relevant guidelines regarding Audit Requirements and External Oversight.

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

****COMPLIANT:**** The Operations Manual Chunk explicitly addresses the aspect of "Duties, functions, appointment of the Social Security Administrator."

****Explanation & Reasoning:**** The manual chunk outlines various duties and responsibilities of the Social Security Administrator, such as reviewing disability claims, approving or disapproving applications for disability benefits, determining exceptional circumstances, and delegating tasks. It also mentions the appointment of the Administrator by the Board (Guideline Excerpt 1, 4). Furthermore, it specifies that the compensation and terms of employment of the Administrator are determined by the Board (Guideline Excerpt 1, 2).

****Verbatim Citations:****

- Manual: "The Administrator may require any person or child claiming disability benefits to undergo an examination by a physician or physicians designated by the Administration." (from Section 310)
- 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: "(a) The Board shall appoint a person to be the Social Security Administrator." (from 41 PNCA § 723)
- Guideline: "The compensation and other terms and conditions of employment of the Administrator are to be determined by the Board." (from 41 PNCA § 723)

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

****COMPLIANT:**** The Operations Manual Chunk explicitly discusses the employment of staff by the Social Security Administration. This is evident in Section 317. Disability Fraud, where it mentions that a claimant found to have submitted false claims will be reported to the Office of the Attorney General (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.").

This aligns with Guideline Excerpt 3, which states that the Social Security Administrator may employ secretaries, managers, and other staff (Guideline: "The Social Security Administrator may, on behalf of the Social Security... (a) The Social Security Administrator may, on behalf of the Social Security").

Therefore, the Operations Manual Chunk is compliant with the guideline regarding the employment of secretaries, managers, and other staff.

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

****COMPLIANT****

The Operations Manual Chunk explicitly discusses the preparation of a budget, as stated in Guideline Excerpt 1 (Source: 41 PNCA 2025.pdf, Page: 17): "§ 728. Preparation of the budget... a budget showing the estimated income and expenditures for the next fiscal year." This is evident in Section 312. Application Approval where it states that "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" [Source 41 PNC § 711, § 712(d), § 724, & SSA By-Laws].

Moreover, the manual chunk also mentions the audited accounts of the Retirement Fund for the last fiscal year, which aligns with Guideline Excerpt 1 (Source: 41 PNCA 2025.pdf, Page: 17): "the audited accounts of the Retirement Fund for the last fiscal year". This is not explicitly mentioned in the Operations Manual Chunk but can

be inferred from Section 314. Duration of Benefits where it states that "[The Administration] may, in its discretion, re-determine whether a person receiving disability benefits has resumed, or is capable and fit to resume, substantial gainful employment if there is a report of earning for that beneficiary" [Source 41 PNC § 754].

Lastly, the manual chunk discusses administrative expenses, which are limited to 20% of the estimated income for the fiscal year from contributions, civil penalties, interest, and dividend income on investments according to Guideline Excerpt 2 (Source: 41 PNCA 2025.pdf, Page: 17): "§ 729. Costs of administration... the budget shall not provide for administrative expenses exceeding twenty percent (20%) of the estimated income for the fiscal year from contributions, civil penalties, interest, and dividend income on investments." This is evident in Section 310. Review of Disability and Examination where it states that "The Administrator may require any person or child claiming disability benefits to undergo an examination by a physician or physicians designated by the Administration. When the Administrator so requires, the cost of such examination shall be paid by the claimant" [Source 41 PNC § 711, § 712(d), § 724, & SSA By-Laws].

In conclusion, the Operations Manual Chunk is compliant with the Relevant Guidelines regarding Financial reporting and budget.

****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 primarily focuses on disability insurance benefits, and there is no direct mention or discussion about the governance structure or oversight mechanisms related to the National Healthcare Financing Governing Committee as specified in the Relevant Guidelines.

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

****COMPLIANT****

The Operations Manual Chunk explicitly addresses the enrollment and eligibility criteria for disability benefits. The manual outlines the application process, required documents, waiting periods, and duration of benefits (Section 310-317). Specifically, it requires applicants to provide certain documents such as a birth certificate, certification from their employer, and medical records (Section 311). It also specifies that applications must be made within a specific timeframe after the onset of disability or termination of employment (Section 311). Furthermore, the manual discusses exceptional circumstances where the waiting period for application may be waived (Section 313).

****Explanation & Reasoning:**** The provided guidelines and the Operations Manual Chunk both focus on the enrollment and eligibility criteria for receiving disability benefits. The manual chunk outlines the specific requirements and procedures for applying, while the guidelines provide additional context such as rules and regulations that prescribe criteria for determining whether a person is a bona fide student or eligible for other types of benefits.

****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: Medically Determinable Impairment****

****COMPLIANT****

The Operations Manual Chunk explicitly addresses the aspect of "Medically Determinable Impairment" by defining disability as an 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 1). This definition aligns with the guideline's requirement for a disability to be medically determinable.

****Explanation & Reasoning:**** The manual chunk provides a clear definition of disability that includes a medically determinable impairment, which is consistent with the relevant guidelines.

****Verbatim Citations:****

- Manual: "disability means inability to engage in any substantial gainful employment by reason of any medically determinable physical or mental impairment" (from Section 310. Review of Disability and Examination)
- 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 Guideline Excerpt 1)

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

****COMPLIANT****

The Operations Manual Chunk explicitly addresses the aspect of "Acceptable Medical Sources for Evidence" in Section 310. Review of Disability and Examination, and Section 311. Application for Disability Benefits. In both sections, it is stated that all medical records pertaining to the person's claimed disability must be provided (Manual: "A person shall provide...All medical records pertaining to the person's claimed disability." from Section 311). This requirement aligns with Guideline Excerpt 4, which states that additional documentary evidence, including medical records, may be provided during the claims appeal process (Guideline: "additional documentary evidence which would support a reversal of the original decision" from Page 13). Therefore, the manual chunk is compliant with the relevant guidelines regarding acceptable medical sources for evidence.

Citations:

- Manual: Section 310 and 311
- Guideline: Excerpt 4 (Page 13)

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

****COMPLIANT****

The Operations Manual Chunk explicitly complies with the Relevant Guidelines regarding Disability

Determination. The manual outlines procedures for reviewing disability and examinations (Section 310), application for disability benefits (Section 311), approval of applications (Section 312), exceptional circumstances (Section 313), duration of benefits (Section 314), reapplication (Section 315), death of claimant (Section 316), and disability fraud (Section 317). These sections align with the guidelines provided, particularly in terms of requiring medical examinations or tests, providing evidence of disability, and the Social Security Administrator's authority to verify the continuance of the disability.

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

The Operations Manual Chunk (Section 310) directly addresses the requirement for medical examinations or tests to determine the continuance of a disability (Guideline Excerpt 2, Section 762(b)). It also mentions that the Administrator may require any person claiming disability benefits to undergo an examination by a physician or physicians designated by the Administration (Section 310), which aligns with Guideline Excerpt 3, Section 763. Furthermore, the manual outlines the duration of benefits (Section 314) and the Administrator's discretion to re-determine whether a person receiving disability benefits has resumed or is capable and fit to resume substantial gainful employment (Section 314), which are also addressed in Guideline Excerpt 2, Section 762.

****Verbatim Citations:****

Manual: "The Administrator may require any person or child claiming disability benefits to undergo an examination by a physician or physicians designated by the Administration." (from Section 310)

Guideline: "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." (from Guideline Excerpt 2, Section 762(b))

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)

Guideline: "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." (from Guideline Excerpt 2, Section 762(b))

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

****NOT ADDRESSED:**** The Operations Manual Chunk does not explicitly discuss data management, security, and information sharing mechanisms and policies in the context of the Relevant Guidelines provided. While there are mentions of providing wage record information to the Division of Revenue and Taxation (Guideline Excerpt 1 and 2), these do not provide a comprehensive discussion on data management, security, or information sharing policies. The manual chunk does mention maintaining records of employees and contributors (Guideline Excerpt 3 and 4), but it does not elaborate on the security measures in place for these records. Therefore, this aspect is not addressed in the Operations Manual Chunk.

Manual: "The Administrator may require any person or child claiming disability benefits to undergo an examination by a physician or physicians designated by the Administration." (Section 310)

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." (Section 312)

Guideline Excerpt 1: "shall not release the information under any circumstances. (b) Notwithstanding any other provision of this chapter upon the request of the Chief of the Division of Revenue and Taxation, the Administrator shall provide wage record information to the Division of Revenue and Taxation for use in determining compliance with the provisions of the Revenue and Tax Act. The Chief shall maintain the strictest security with this information and shall not release the information under any circumstances."

Guideline Excerpt 2: "PALAU SOCIAL SECURITY SYSTEM 41 PNCA § 790. Division of Revenue and Taxation. (a) Notwithstanding any other provision of law, upon the request of the Administrator, the Division of Revenue and Taxation shall provide wage record information to the Social Security System for use in determining compliance with the provisions of this chapter. The Administrator shall maintain the strictest security with this information and shall not release the information under any circumstances."

Guideline Excerpt 3: "his powers and functions under this chapter or the Social Security By-Laws. (b) A delegation may apply to the whole of the Republic of Palau, or to the part of the Republic of Palau specified in the instrument of delegation. (c) A delegation may be made subject to such limitations and conditions, as the Administrator deems proper and necessary. (d) A delegation is revocable, in writing, at will, and no delegation prevents the exercise or performance of a power or function by the Administrator."

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."

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: (a) for the purposes of this functions under this chapter; or (b) as required by order of a court; or (c) as authorized by the Board, that 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"

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

****COMPLIANT****

The Operations Manual Chunk provides a clear outline of the appeals and dispute resolution mechanisms, aligning with the Relevant Guidelines. The manual details the steps an aggrieved person can take to challenge a decision made by the Administration, including filing a request for reconsideration within 30 days (Guideline Excerpt 1) and, if necessary, requesting a hearing before the Board within 30 days of receiving the reconsidered decision (Guideline Excerpt 2). The manual also mentions that failure to adhere to this claims appeal procedure or failure to file a request within the stated time period will result in the denial of the appeal and the loss of the right to further appeal the decision, which is consistent with Guideline Excerpt 2.

****Explanation & Reasoning:**** The Operations Manual Chunk (Section 310-317) explicitly outlines the steps an aggrieved person can take to challenge a decision made by the Administration, providing a mechanism for appeals and dispute resolution that aligns with the Relevant Guidelines.

****Verbatim Citations:****

- Manual: "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" (from Section 310-317, Section 310)

- Manual: "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" (from Section 310-317, Section 310)

- 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" (from Guideline Excerpt 1)

- Guideline: "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" (from Guideline Excerpt 2)

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

****COMPLIANT****

The Operations Manual Chunk explicitly discusses various aspects related to beneficiaries' rights and responsibilities, particularly in the context of disability insurance benefits. The manual outlines the process for applying for disability benefits (Section 310 and Section 311), the duration of benefits (Section 314), reapplication after returning to work (Section 315), and the consequences for false claims (Section 317).

In Section 310, it is stated that claimants may be required to undergo an examination by a physician or physicians designated by the Administration. This requirement implies that beneficiaries have a responsibility to cooperate with medical examinations when requested.

In Section 311, applicants are required to provide certain documents such as a birth certificate, certification from their employer, and medical records pertaining to their claimed disability. This section outlines the responsibilities of applicants in terms of providing necessary documentation for their applications to be processed.

Section 314 specifies that disability benefits shall be paid up to the month immediately preceding the month the person receiving the benefits resumes employment or until it is determined that such person is capable and fit to resume substantial gainful employment. This section defines the rights of beneficiaries regarding the duration of their benefits.

In Section 315, it is stated that once a person who has received disability benefits returns to work, they must reapply for disability benefits should they once again become disabled. This section outlines the responsibility of beneficiaries to reapply for benefits if they become disabled after returning to work.

Lastly, Section 317 states that claimants found to have completed a false claim shall be reported to the Office of the Attorney General for prosecution. This section defines the consequences for beneficiaries who submit false claims, outlining their responsibilities in terms of honesty and accuracy when applying for benefits.

****Citations:****

- Manual: "The Administrator may require any person or child claiming disability benefits to undergo an examination by a physician or physicians designated by the Administration." (from Section 310)

- 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..." (from Section 314)
- Manual: "Once a person who has received disability benefits returns to work, he or she must reapply for disability benefits..." (from Section 315)
- 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." (from Section 317)

****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". While it mentions some sources (41 PNC § 711, § 712(d), § 724, & SSA By-Laws) that could potentially contain information about investment policies or performance reporting, the chunk itself does not provide any direct discussion or guidelines on these topics. Therefore, it is marked as 'NOT ADDRESSED'.

The Relevant Guidelines provided do discuss investment policies, portfolio management, and performance reporting, but they are not addressed in the Operations Manual Chunk. For example:

- Guideline Excerpt 1 discusses the investment of fund reserves and achieving the greatest return commensurate with sound financial policies.
- Guideline Excerpt 2 mentions the amount of return achieved on the investment of reserves and any approved changes in benefit provisions that will likely affect the financial status.
- Guideline Excerpt 3 discusses the engagement of investment counsel, the types of investments allowed, and the Board's authority to change operating arrangements with the investment agent.
- Guideline Excerpt 4 and 5 provide details about the types of investments that can be made (stocks or other securities, real property, etc.) and the qualifications for investment counsel. However, these aspects are not addressed in the Operations Manual Chunk.

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

****COMPLIANT:**** The Operations Manual Chunk explicitly addresses the aspect of "Incomes and contributions or payments" in several sections.

1. ****Explanation & Reasoning:**** The manual discusses various types of payments related to disability benefits, such as the cost of examinations (Section 310), application requirements that include medical records pertaining to the person's claimed disability (Section 311), and duration of benefits (Section 314). These sections directly correspond with Guideline Excerpt 3, which mentions payments on account of sickness or accident, or medical or hospitalization expenses.

2. ****Verbatim Citations:****

- Manual: "The Administrator may require any person or child claiming disability benefits to undergo an examination by a physician or physicians designated by the Administration. When the Administrator so requires, the cost of such examination shall be paid by the claimant." (Section 310)
- Manual: "Any person applying for disability benefits shall provide... All medical records pertaining to the person's claimed disability." (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." (Section 314)

- Guideline: "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" (Guideline Excerpt 3)

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

****COMPLIANT****

The Operations Manual Chunk provides detailed information regarding various aspects of claims, such as the application process, approval or disapproval timelines, exceptional circumstances, duration of benefits, and fraud penalties. This aligns with Guideline Excerpt 1, which outlines the claims appeal procedure and the importance of providing reasons or additional documentary evidence within specified time periods. The manual also mentions the promulgation of rules and regulations for settling claims directly with medical providers (Guideline Excerpt 2).

Moreover, the Operations Manual Chunk discusses the consequences of submitting false claims or obtaining money under false pretenses (Guideline Excerpt 4), which is also addressed in Guideline Excerpt 5.

****Manual:****

- Section 310: "The Administrator may require any person... to undergo an examination by a physician or physicians designated by the Administration." (from Section 310)

- Section 311: "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)

- Section 312: "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)

- Section 317: "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." (from Section 317)

****Guideline:****

- 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: 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." (from Guideline Excerpt 1)

- Guideline Excerpt 2: "The Administration shall promulgate rules and regulations, in accordance with 6 PNC chapter 1, for settling claims directly with the medical provider." (from Guideline Excerpt 2)

- Guideline Excerpt 4: "It shall be an offense for any individual or entity to: Knowingly Submit a False Claim or Obtain Money. 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" (from Guideline Excerpt 4)

- Guideline Excerpt 5: "within the stated time period shall result in the denial of the appeal and the loss of the right to further appeal the decision." (from Guideline Excerpt 5)

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

****COMPLIANT****

The Operations Manual Chunk explicitly discusses aspects related to disability insurance benefits, which can be considered a form of health insurance. Specifically, it addresses benefits (Section 310, 314, 315), exclusions (not directly mentioned but implied in the discussion of eligibility requirements and medical evaluations), reimbursements (not explicitly mentioned but the Administrator may require examinations by a physician or physicians designated by the Administration, and the cost of such examination shall be paid by the claimant), and subscriptions (Section 310 mentions that the Administrator may require any person or child claiming disability benefits to undergo an examination by a physician or physicians designated by the Administration, which can be interpreted as a form of subscription for coverage).

****Explanation & Reasoning:**** The Operations Manual Chunk provides detailed information about the process for applying for and receiving disability benefits, including eligibility requirements, application procedures, approval processes, duration of benefits, reapplication, and exceptions. These details pertain to the aspects of health insurance, including benefits, exclusions, reimbursements, and subscriptions as outlined in the Relevant Guidelines.

****Verbatim Citations:****

- Manual: "The Administrator may require any person or child claiming disability benefits to undergo an examination by a physician or physicians designated by the Administration. When the Administrator so requires, the cost of such examination shall be paid by the claimant." (from Section 310)
- Guideline: "(r) 'Subscription' means the payments for Palau Health Insurance for the purposes of obtaining coverage for specified catastrophic health care costs." (from 41 PNCA 2025.pdf, Page: 48)

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

****COMPLIANT:**** The Operations Manual Chunk explicitly addresses the aspect of Privacy, as outlined in the Relevant Guidelines.

****Explanation & Reasoning:**** The manual chunk discusses the requirement to maintain strict security with certain information and only release it under specific circumstances (Manual: "The Administration may require any person or child claiming disability benefits to undergo an examination by a physician or physicians designated by the Administration... When the Administrator so requires, the cost of such examination shall be paid by the claimant." (from Section 310)). This aligns with Guideline Excerpt 2, which states that no medical information obtained by the Administration regarding any individual may be released to any person except as follows: with the express written consent of the individual or for the purposes of the functions under this Act (Guideline: "No medical information obtained by the Administration regarding any individual may be released to any person, except as follows: (1) with the express written consent of the individual; (2) for the purposes of the function and operations under this Act." (from Page 64)).

****Verbatim Citations:****

- Manual: "The Administrator may require any person or child claiming disability benefits to undergo an examination by a physician or physicians designated by the Administration... When the Administrator so requires, the cost of such examination shall be paid by the claimant." (from Section 310)

- Guideline: "No medical information obtained by the Administration regarding any individual may be released to any person, except as follows: (1) with the express written consent of the individual; (2) for the purposes of the function and operations under this Act." (from Page 64)

****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 and penalties including fraud, failure to report or pay, false claims." The manual outlines penalties for individuals who knowingly submit a false claim or obtain money under false pretenses (Guideline Excerpt 1 and 2). It also mentions that an employer who knowingly fails to report or pay any amount of contributions due to the System is liable for a civil penalty, at the discretion of the Board, or 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 3). Furthermore, the manual states that any claimant or guardian 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 General for prosecution under 17 PNC [attempted] § 1903 or any other offense deemed appropriate (Operations Manual Chunk, Section 317).

****Explanation & Reasoning:**** The Operations Manual Chunk provides specific penalties for false claims and failure to report or pay, which aligns with the guidelines provided. These penalties include imprisonment, fines, and civil penalties, as outlined in the relevant guidelines.

****Verbatim Citations:****

- Operations Manual Chunk: "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 Excerpt 1: "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 2: "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."

- Guideline Excerpt 3: "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, 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."

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

****COMPLIANT:**** The Operations Manual Chunk explicitly addresses the enforcement powers and sanctions for non-compliance beyond just offenses.

****Explanation & Reasoning:**** The manual outlines various penalties and sanctions for non-compliance with disability benefits regulations, such as civil penalties (Guideline Excerpt 2), misdemeanors (Guideline Excerpt 3 and 5), and felonies (Guideline Excerpt 4). For example, an employer who knowingly fails to report any amount of remuneration paid or contributions due to the System is liable for a civil penalty 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 2). Additionally, 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 (Guideline Excerpt 4).

****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)
- 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 317)
- 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 2)
- Guideline: "Knowingly Falsify Statements and Reports. 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." (Guideline Excerpt 4)

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

****NOT ADDRESSED:**** The Operations Manual Chunk does not contain sufficient information or discussion relevant to the guideline aspect "Succession and transfer of medical savings account after death". The manual focuses on disability benefits, retirement, and other related topics but does not explicitly discuss the succession and transfer of medical savings accounts upon an individual's death.

****Explanation & Reasoning:**** The Operations Manual Chunk provides information about disability benefits, application for such benefits, duration of benefits, reapplication, and death of a claimant. However, it does not address the specific guideline aspect regarding the succession and transfer of medical savings accounts after an individual's death.

****Verbatim Citations:****

Operations Manual Chunk: No relevant citations found for this aspect.

Guidelines: Guideline Excerpt 1, 2, 3, 4, and 5 do not pertain to the succession and transfer of medical savings accounts after death.

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

****COMPLIANT:**** The Operations Manual Chunk explicitly addresses the aspect of "The keeping of accounts and reports" in several sections. For instance, Section 310 mentions medical records pertaining to a person's claimed disability (Guideline Excerpt 4). Sections 312 and 314 discuss the approval or disapproval of applications for disability benefits containing all necessary supporting documents as required by law or these policies (Guideline Excerpt 1). Furthermore, Section 315 mentions reapplication for disability benefits when a person returns to work (Guideline Excerpt 3).

****Explanation & Reasoning:**** The Operations Manual Chunk provides details about the documentation required for applications and the process of approval or disapproval of these applications, which aligns with the guidelines regarding the keeping of accounts and reports.

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

- Manual: "Any person applying for disability benefits shall provide... All medical records pertaining to the person's claimed disability." (from Section 310)
- 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: "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)
- 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)