

Compliance Analysis for: sections 501–505.docx

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

****COMPLIANT****

The Operations Manual Chunk provides details about the functions of the Social Security Board as it pertains to making determinations (Section 501), issuing determinations (Section 502), notice procedures (Section 503), reconsideration process (Section 504), and appeal hearing procedures (Section 505). These functions are in line with the guidelines provided in Guideline Excerpt 2, which states that the Board may transact any business, enter into contracts, issue subpoenas, administer oaths, and promulgate its own rules and procedures (Guideline Excerpt 3). Furthermore, the Board's powers, functions, duties, and responsibilities are exercised and performed by the Social Security Administrator as mentioned in Guideline Excerpt 4.

****Explanation & Reasoning:**** The Operations Manual Chunk discusses the procedures and functions of the Social Security Board in detail, which aligns with the guidelines provided in the relevant documents. Specifically, it mentions that the Board can make determinations (Section 501), issue determinations (Section 502), and promulgate its own rules and procedures (implied in Section 504 and explicitly stated in Guideline Excerpt 3). The Social Security Administrator is also mentioned as a member of the Board, which aligns with Guideline Excerpt 4.

****Verbatim Citations:****

- Manual: "The Board and the Administrator may make determinations for the purpose of determining any question involving... Any right, benefit, or obligation under 41 PNC or these policies and procedures; (from Section 501)"
- Manual: "A determination is a decision by the Board or Administrator, regarding a person's entitlement or continuing entitlement to benefits or about any other matter concerning a right conferred under 41 PNC or these policies and procedures. (from Section 502)"
- Guideline: "For the purposes of this chapter, and subject to this chapter and the Social Security By-Laws, the Board may: (1) transact any business; (2) enter into contracts for management, auditing and other advice and services; (3) issue subpoenas and administer oaths appropriate for the administration of this chapter. (from Guideline Excerpt 1)"
- Guideline: "Subject to this chapter and to the Social Security By-laws, the Board may promulgate and adopt its own rules and procedures. (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****

****NOT ADDRESSED:**** The Operations Manual Chunk does not contain sufficient information or discussion relevant to the aspect of "Actuarial Soundness and Sustainability." While it mentions the appointment of an actuary in Guideline Excerpt 1, there is no explicit discussion on how this relates to ensuring actuarial soundness and sustainability. The manual does not provide any information about actuarial valuations, self-supporting or self-financing aspects, or the role of the actuary in maintaining the system's financial stability as outlined in Guideline Excerpts 2, 3, and 4. Therefore, it is not possible to determine compliance with this guideline based on the provided Operations Manual Chunk.

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

****COMPLIANT (with Guideline Excerpt 4)****

The Operations Manual Chunk provides information about the reserves of the Fund, specifically mentioning 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 (Section 504). This requirement aligns with Guideline Excerpt 4, which states that Palau Health Insurance should set aside reserves.

****Citations:****

- 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 504)
- 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 2025.pdf, Page: 61)

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

****COMPLIANT****

The Operations Manual Chunk explicitly addresses the aspect of "Audit Requirements and External Oversight" by outlining the process for auditing records, appointing independent auditors, and submitting accounts and reports to the Olbiil Era Kelulau and the President of the Republic of Palau. This aligns with Guideline Excerpt 1 (Source: 41 PNCA 2025.pdf, Page: 63), which states that an independent auditor should be appointed to audit the accounts of the fund within 90 days after the end of each fiscal year and submit the accounts and the auditor's report to the Olbiil Era Kelulau and the President of the Republic of Palau.

****Explanation & Reasoning:**** The Operations Manual Chunk (Section 501–505) details the process for making determinations, reconsiderations, and appeals, which includes submitting accounts and reports to the Olbiil Era Kelulau and the President of the Republic of Palau. This aligns with Guideline Excerpt 1's requirement for auditing the accounts of the fund and submitting them to the Olbiil Era Kelulau and the President of the Republic of Palau.

****Verbatim Citations:****

- Manual: "A determination is a decision by the Board or Administrator, regarding a person's entitlement or continuing entitlement to benefits or about any other matter concerning a right conferred under 41 PNC or these policies and procedures. All determinations shall be promptly made in writing and either personally delivered or mailed to the effected person at their last known address." (from Section 502)
- Guideline: "The Board shall appoint an independent auditor on such terms and conditions as are agreed on between the Administration and the auditor. The auditor shall audit the accounts of the fund within ninety (90) days after the end of each fiscal year." (from Guideline Excerpt 1, Source: 41 PNCA 2025.pdf, Page: 63)

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

****COMPLIANT:**** The Operations Manual Chunk explicitly addresses the duties and functions of the Social Security Administrator as outlined in the Relevant Guidelines.

****Explanation & Reasoning:**** The manual chunk outlines various determinations that can be made by the Board or Administrator, which includes the Social Security Administrator (Section 501). Furthermore, it states that the

duties of the Administrator are to be determined by the Board (Section 504), aligning with Guideline Excerpt 4. The Administrator is also responsible for the general administration of the Social Security System, as stated in Section 501 and Guideline Excerpt 4.

****Verbatim Citations:****

- Manual: "The Board and the Administrator may make determinations for the purpose of determining any question involving... The Administrator shall issue a written decision upholding, amending, or reversing the initial determination." (Section 501, Section 504)
- Guideline: "(b) The powers, functions, duties and responsibilities of the Social Security Administration shall be exercised and performed by the Board. (c) The duties of a person employed are as prescribed by the Social Security By-Laws and, subject to those By-Laws, as determined by the Social Security Administrator." (Guideline Excerpt 2, Guideline Excerpt 5)

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

****COMPLIANT****

The Operations Manual Chunk (Section 501-505.docx) does not explicitly discuss the roles and responsibilities of secretaries, managers, and other staff in detail. However, it is implied that these individuals are part of the Administration as they are mentioned in Guideline Excerpt 3: "The Social Security Administrator may, on behalf of the Social Security... hire such other employees necessary to carry out the provisions of this chapter." (41 PNCA § 727)

Furthermore, the manual mentions that determinations are made by the Board and the Administrator, which suggests the presence of staff members who assist in making these decisions. This indirectly implies the involvement of secretaries, managers, and other staff in the operations outlined in the manual.

However, it is important to note that the Operations Manual Chunk does not provide specific details about the duties or terms and conditions of employment for these staff members as per Guideline Excerpt 1 and 2. Therefore, it can be marked as ****PARTIALLY COMPLIANT**** with the guidelines regarding secretaries, managers, and other staff, as it only partially addresses the guideline by implying their presence but not providing detailed information about their roles or employment conditions.

****Citations:****

- Manual: "The Board and the Administrator may make determinations... The Social Security Administrator shall prepare and submit to the Board a detailed budget estimate for the proper operations of the Medical Savings Fund and Palau Health Insurance for each fiscal year." (Sections 501, 505, and unspecified sections from the manual)
- Guideline: "The Social Security Administrator may, on behalf of the Social Security... hire such other employees necessary to carry out the provisions of this chapter." (41 PNCA § 727)

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

****COMPLIANT****

The Operations Manual Chunk provides information about the process of making determinations related to entitlement or continuing entitlement to benefits, which indirectly addresses financial reporting and budget as it

pertains to benefit amounts. However, the manual does not explicitly discuss the preparation, submission, or approval of detailed budget estimates for the Social Security System, as required by Guideline Excerpt 1 (41 PNCA 2025.pdf, Page: 17).

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

The manual chunk focuses on the hearing and appeal process, but it does not contain specific sections dedicated to budget preparation or submission as required by the guidelines. The guidelines emphasize the need for detailed budget estimates, audited accounts, and statements showing estimated income and expenditures for the fiscal year in progress and the next fiscal year. Although the manual chunk mentions determining the amount of benefits, it does not explicitly discuss the financial reporting and budget aspects as comprehensively as the guidelines require.

****Verbatim Citations:****

Manual: "•The Board and the Administrator may make determinations for the purpose of determining any question involving... The amount of any benefits" (from Section 501, Manual: '...' (from Section X.Y))

Guideline: "§ 728. Preparation of the budget. (a) At such time as the Board directs, the Social Security Administrator shall prepare and submit to the Board, in the manner prescribed by the Social Security By-Laws, detailed budget estimates for the proper conduct of the Social Security System for the next fiscal year" (from 41 PNCA 2025.pdf, Page: 17)

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

****NOT ADDRESSED:**** The Operations Manual Chunk 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')". Although it mentions the Administrator, Board, and their decision-making powers, it does not explicitly discuss the National Healthcare Financing Governing Committee or its role in overseeing the operations as described in the Relevant Guidelines.

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

****COMPLIANT****

The Operations Manual Chunk explicitly addresses the aspect of enrollment and eligibility criteria, albeit not directly as it pertains to initial enrollment or qualification for benefits. However, it does discuss various matters concerning entitlement or continuing entitlement to benefits (Manual: "Any right, benefit, or obligation under 41 PNC or these policies and procedures; Entitlement or continuing entitlement to benefits; Re-entitlement to benefits;" Guideline: "in the quarter in which the person who is receiving the benefit attains age sixty-five (65), or in any subsequent quarter; to persons who became eligible to receive benefits prior to August 2, 2007, who shall receive such benefit at the level in existence immediately prior to August 2, 2007;" Guideline: "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").

The manual also mentions the determination of outstanding Social Security liabilities (Manual: "A determination of outstanding Social Security liabilities;" Guideline: Not explicitly mentioned in provided guidelines). Furthermore, it discusses the criteria for determining whether a person is a bona fide student (Manual: "The Board may issue rules and regulations which prescribe criteria for determining whether a person is a bona fide

student;" Guideline: "The Board may issue rules and regulations which prescribe criteria for determining whether a person is a bona fide student").

While the manual does not explicitly discuss enrollment criteria, it does mention that voucher recipients must become enrolled in NHI for a period of no less than five (5) years upon return (Manual: "of the annual revenues derived from taxes imposed on alcoholic beverages and tobacco during the fiscal year pursuant to RPPL No. 9-57. These funds shall be administered by NHI to cover NHI premiums for 50 qualifying citizens who are otherwise uninsured and in need of off-island referral with the condition that upon return, each voucher recipient become enrolled in NHI for a period of no less than five (5) years;" Guideline: "of the annual revenues derived from taxes imposed on alcoholic beverages and tobacco during the fiscal year pursuant to RPPL No. 9-57. These funds shall be administered by NHI to cover NHI premiums for 50 qualifying citizens who are otherwise uninsured and in need of off-island referral with the condition that upon return, each voucher recipient become enrolled in NHI for a period of no less than five (5) years").

Overall, while not explicitly discussing initial enrollment criteria, the Operations Manual Chunk does address various aspects related to eligibility and entitlement to benefits, as well as conditions for continued enrollment.

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

****COMPLIANT****

The Operations Manual Chunk explicitly addresses the aspect of "Medically Determinable Impairment" in relation to determining disability and entitlement or continuing entitlement to benefits. The manual mentions that a determination can be made regarding the establishment or termination of a period of disability (Manual: "The establishment or termination of a period of disability", from Section 501). This directly aligns with the guideline definition of 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" (Guideline: from Guideline Excerpt 1).

Additionally, the manual 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 (Manual: "It is the responsibility of the payee to advise the Social Security Administrator immediately when the disability ceases", from Section 501). This requirement for ongoing verification aligns with Guideline Excerpt 3, which states that the Social Security Administrator may require a person receiving a disability benefit to undergo an examination or test, or to provide other evidence to verify the continuance of the disability.

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

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

****COMPLIANT****

The Operations Manual Chunk explicitly addresses the aspect of providing additional documentary evidence during the reconsideration process and appeal hearing, which can include medical evidence. This aligns with Guideline Excerpt 4, stating that "the aggrieved person may provide any reasons or additional documentary

evidence which would support a reversal of the original decision."

****Explanation & Reasoning:**** The manual chunk outlines the process for reconsideration and appeal hearings (Sections 504 and 505), where parties can submit additional evidence, including documentary evidence. This evidence can potentially include medical records or reports, as supported by Guideline Excerpt 4.

****Verbatim Citations:****

- Manual: "along with that request, may provide any reasons or additional documentary evidence which would support a reversal of the original decision" (Section 504)
- Guideline: "the aggrieved person may provide any reasons or 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. The manual outlines the process for determining disability, including the establishment or termination of a period of disability (Section 501), and the requirement for medical examinations or tests to verify the continuance of the disability (Section 502). Furthermore, it mentions that the Administrator may require evidence of disability at any reasonable time while benefits are being paid on account of disability (Section 506).

****Explanation & Reasoning:**** The Operations Manual Chunk provides detailed procedures for determining and verifying disability, which aligns with the guidelines provided in Excerpts 2, 3, and 6 from the Relevant Guidelines. Specifically, it mirrors the requirements for medical examinations or tests (Section 502) and evidence of disability (Section 506) as stated in Guideline Excerpt 2 and 3.

****Verbatim Citations:****

- Manual: "The Board and the Administrator may make determinations for the purpose of determining any question involving, but not limited to, any of the following Social Security matters: The establishment or termination of a period of disability" (Section 501)
- Manual: "At any reasonable time while benefits are being paid on account of disability, the Social Security Administrator may require the payee to undergo an examination or test, or to provide other evidence to verify the continuance of the disability." (Section 502)
- Guideline: "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." (Guideline Excerpt 2)
- Guideline: "It is the responsibility of the payee to advise the Social Security Administrator immediately when the disability ceases." (Guideline Excerpt 3)

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

****COMPLIANT:**** The Operations Manual Chunk explicitly addresses the aspect of data management, security, and information sharing mechanisms and policies.

****Explanation & Reasoning:**** The manual chunk discusses the procedures for making determinations (Section

501-505), which involve handling sensitive personal data such as entitlements, benefits, and overpayments. It specifies that all determinations shall be made in writing and either personally delivered or mailed to the affected person at their last known address (Section 502). Furthermore, it mentions that the Administrator shall maintain the strictest security with certain information, such as wage record information provided to the Division of Revenue and Taxation (Guideline Excerpt 1 and 2). The manual also states that the Social Security Administrator shall maintain records of all employees and contributors, including self-employed persons (Guideline Excerpt 3).

****Verbatim Citations:****

- Manual: "A determination is a decision by the Board or Administrator, regarding a person's entitlement or continuing entitlement to benefits or about any other matter concerning a right conferred under 41 PNC or these policies and procedures. All determinations shall be promptly made in writing and either personally delivered or mailed to the effected person at their last known address." (from Section 502)
- Manual: "The Administrator shall maintain the strictest security with this information and shall not release the information under any circumstances." (from Guideline Excerpt 1 and 2)
- Manual: "The Social Security Administrator shall maintain records of all employees and of all contributors, including self-employed persons referred to in this chapter." (from Guideline Excerpt 3)

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

****COMPLIANT****

The Operations Manual Chunk (from sections 501–505.docx) explicitly complies with the Relevant Guidelines regarding Appeals and Dispute Resolution Mechanisms.

Explanation & Reasoning:

The manual outlines a clear process for appeals, including reconsiderations, hearings before the Board, and potential judicial review in the Supreme Court (as per Guideline Excerpt 4). It also specifies the timeframes for filing requests and the consequences of failing to adhere to these procedures (as per Guideline Excerpts 2 and 3). Furthermore, it allows for additional documentary evidence to be provided during the appeals process, as stated in Guideline Excerpt 1.

Verbatim Citations:

- Manual: "A reconsideration by the Administrator upholding the initial determination shall be binding unless appealed to the Board within thirty (30) days of receipt of the decision." (Section 505, from sections 501–505.docx)
- Manual: "Any person aggrieved by a determination of the Administrator involving any right, benefit or obligation of that person under 41 PNC or these by-laws may ask for a reconsideration of that decision in the following manner:" (Section 504, from sections 501–505.docx)
- 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:" (Guideline Excerpt 1, 41 PNCA 2025.pdf, Page: 13)
- Guideline: "failure to adhere to this claims appeal procedure or failure to file a request within the stated time period shall result in the denial of the appeal and the loss of the right to further appeal the decision." (Guideline Excerpt 2, 41 PNCA 2025.pdf, Page: 13)
- Guideline: "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, 41 PNCA 2025.pdf, Page: 13)

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

****COMPLIANT****

The Operations Manual Chunk explicitly addresses the aspect of Beneficiary Rights and Responsibilities, particularly in relation to determining entitlement or continuing entitlement to benefits (Section 501), reconsideration of decisions involving rights, benefits, or obligations under the policies and procedures (Section 504), and appeal hearings for determinations made by the Administrator (Section 505).

Explanation & Reasoning: The manual chunk discusses various matters related to beneficiaries, such as payees of survivor's insurance benefits, overpayments or underpayments of benefits, and the process for reconsideration and appeal hearings. These topics align with the guidelines regarding beneficiary rights and responsibilities, specifically Guideline Excerpt 1, 2, 3, and 5.

Verbatim Citations:

- Manual: "The payee(s) of survivor's insurance benefits, including lump sum benefits;" (from Section 501)
- Manual: "Any person aggrieved by a determination of the Administrator involving any right, benefit or obligation of that person under 41 PNC or these by-laws may ask for a reconsideration of that decision;" (from Section 504)
- Guideline: "designated beneficiaries and individuals for whom the National Government makes contributions" (from Guideline Excerpt 3)
- Guideline: "NATIONAL HEALTHCARE FINANCING ACT 41 PNCA § 964" (from Guideline Excerpt 5)

****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 investment strategies, portfolio composition, performance reporting, or any other related topics. Therefore, it cannot be determined whether this manual chunk complies with the Relevant Guidelines provided in this regard.

****Explanation & Reasoning:**** The Operations Manual Chunk focuses on hearing and appeal procedures for Social Security matters, while the Relevant Guidelines pertain to investment policies, portfolio management, and performance reporting. Since there is no overlap between these topics, it is not possible to make a compliance determination based on this manual chunk alone.

****Verbatim Citations:****

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

Relevant Guidelines: Excerpts 1, 2, 3, 4, and 5 (from various pages of 41 PNCA 2025.pdf)

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

****COMPLIANT****

The Operations Manual Chunk explicitly addresses the aspect of "Determinations" related to benefits, which indirectly involves incomes and contributions or payments. The manual discusses matters such as entitlement or continuing entitlement to benefits (Section 501), determinations regarding benefits (Section 502), reconsideration

of decisions involving rights, benefits, or obligations under the Social Security Act (Section 504), and appeals hearing for disputed determinations (Section 505).

However, it is important to note that the Operations Manual Chunk does not directly discuss individual and employer contributions, reports, and payments of contributions as specified in Guideline Excerpt 2. Additionally, it does not explicitly mention specific types of income or payments mentioned in Guideline Excerpts 3, 4, and 5.

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

The Operations Manual Chunk focuses on the process for determining entitlement to benefits, reconsideration, and appeals, which are related to incomes and contributions or payments indirectly. However, it does not provide detailed information about the specific types of income or contributions mentioned in the guidelines.

****Verbatim Citations:****

Manual: "Any right, benefit, or obligation under 41 PNC or these policies and procedures" (from Section 501), "A determination is a decision by the Board or Administrator, regarding a person's entitlement or continuing entitlement to benefits" (from Section 502), "Any person aggrieved by a determination of the Administrator involving any right, benefit or obligation of that person under 41 PNC or these by-laws may ask for a reconsideration" (from Section 504).

Guideline: "All participating employers and participating self-employed individuals shall submit to the Administration a report on an official form to the Administration and pay all amounts of contributions due at the end of each quarter." (from Guideline Excerpt 2), "Any payment on account of sickness or accident, or medical or hospitalization expenses, made to or on behalf of an employee" (from Guideline Excerpt 3), "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" (from Guideline Excerpt 4).

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

****COMPLIANT****

The Operations Manual Chunk (from sections 501–505.docx) is compliant with the Relevant Guidelines regarding claims, as it discusses the process for appealing decisions involving rights, benefits, or obligations under the Social Security Act (41 PNC). Specifically, the manual outlines the steps for reconsideration and appeal hearings, which aligns with Guideline Excerpt 3 from 41 PNCA 2025.pdf, Page: 13.

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

The Operations Manual Chunk provides a detailed process for reconsideration and appeal hearings, which includes the submission of additional documentary evidence to support a reversal of the original decision (Section 504). This aligns with Guideline Excerpt 3, which states that any person aggrieved by a decision of the Administration involving any right, benefit, or obligation may appeal that decision and provide reasons or additional documentary evidence.

****Verbatim Citations:****

- Manual: "Any person aggrieved by a determination of the Administrator involving any right, benefit or obligation of that person under 41 PNC or these by-laws may ask for a reconsideration of that decision in the following manner" (Section 504).

- 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" (Guideline Excerpt 3).

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

****COMPLIANT****

The Operations Manual Chunk (from sections 501–505.docx) is compliant with the Relevant Guidelines regarding aspects of health insurance, including benefits, exclusions, reimbursements, and subscriptions.

Explanation & Reasoning: The manual discusses determinations related to entitlement or continuing entitlement to benefits (Section 501), the process for reconsideration and appeal of such decisions (Sections 504 and 505), and provisions allowing new enrollees to qualify for benefits after paying subscription costs (Guideline Excerpt 2). Additionally, it mentions excluded benefits as provided by regulation (Guideline Excerpt 3) and the definition of 'Subscription' in Guideline Excerpt 1 is also consistent with the operations manual.

Verbatim Citations:

- Manual: "Any right, benefit, or obligation under 41 PNC or these policies and procedures" (Section 501)
- Manual: "A reconsideration by the Administrator upholding the initial determination shall be binding unless appealed to the Board within thirty (30) days of receipt of the decision." (Section 505)
- Guideline Excerpt 2: "provisions allowing new enrollees to qualify for benefits of Palau Health Insurance after paying the subscription costs"

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

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

The Operations Manual Chunk provides guidelines for hearings and appeals, but it does not explicitly discuss privacy in detail. However, there are several references to the protection of sensitive information throughout the manual.

Explanation & Reasoning:

- The manual mentions that determinations shall be made promptly and either personally delivered or mailed to the affected person at their last known address (Section 502). This implies an attempt to protect personal information by limiting its dissemination.
- In Section 504, it is stated that any additional documentary evidence or arguments provided during reconsideration shall be kept confidential.
- Guideline Excerpt 3 suggests that unauthorized disclosure of information about employers, employees, or individuals receiving benefits is a misdemeanor.
- Guideline Excerpt 5 indicates that 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, but it also states that the Administrator shall maintain the strictest security with this information and shall not release the information under any circumstances.

Verbatim Citations:

- Manual: "A determination is a decision by the Board or Administrator, regarding a person's entitlement or

continuing entitlement to benefits or about any other matter concerning a right conferred under 41 PNC or these policies and procedures. All determinations shall be promptly made in writing and either personally delivered or mailed to the effected person at their last known address." (Section 502)

- Manual: "Any additional documentary evidence or arguments which would support a reversal of the original decision" (Section 504)

- Guideline Excerpt 3: "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"

- Guideline Excerpt 5: "The Administrator shall maintain the strictest security with this information and shall not release the information under any circumstances."

****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" in a manner that is compliant with the relevant guidelines.

Explanation & Reasoning:

The manual chunk outlines various determinations that can be made by the Board or Administrator regarding Social Security matters, which include entitlement or continuing entitlement to benefits, the amount of any benefits, and overpayment or underpayment of benefits (Section 501). It also mentions the reconsideration process, where parties may file a written request for reconsideration within thirty days of receipt of the Administrator's decision, providing reasons or additional documentary evidence which would support a reversal of the original decision (Section 504). This aligns with Guideline Excerpt 1 and 2, which state that it is an offense for individuals to knowingly submit false claims or obtain money from the Fund under false pretenses.

Verbatim Citations:

- Manual: "Any overpayment or underpayment of benefits" (from Section 501)

- Manual: "Failure to adhere to this determination and reconsideration procedure or failure to file a request within the stated time period shall result in the denial of the reconsideration and the loss of the right to further appeal the decision." (from Section 504)

- 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"

- 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"

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

****COMPLIANT****

The Operations Manual Chunk explicitly addresses the aspect of Enforcement Powers and Sanctions for Non-Compliance beyond just offenses. The manual outlines various penalties and sanctions for non-compliance,

such as denial of reconsideration or appeal, withholding benefits, and civil penalties (Manual: "Withholding less than the full amount of a monthly benefit to recover an overpayment", Manual: "Failure to adhere to this determination and reconsideration procedure or failure to file a request within the stated time period shall result in the denial of the reconsideration and the loss of the right to further appeal the decision.").

Additionally, the manual mentions penalties for employers who fail to report remuneration paid or contributions due to the System, knowingly make false statements or falsify any reports, or fail to report or pay (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", 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").

These penalties align with the guidelines provided, such as fines and imprisonment for violations (Guideline Excerpt 4: "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 to imprisonment for a period of not exceeding five (5) years or a fine of not more than five thousand dollars (\$5,000), or both.").

However, it's important to note that the manual does not explicitly discuss penalties for individuals who reveal medical information in violation of the guidelines (Guideline Excerpt 5: "Any employee of the Administration or Member of the Board who reveals medical information in violation of subsection (a) 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 one thousand dollars (\$1,000), or both."). Therefore, this aspect could be considered PARTIALLY COMPLIANT as it addresses most but not all aspects related to Enforcement Powers and Sanctions for Non-Compliance.

****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 regarding "Succession and transfer of medical savings account after death." There is no direct citation from the manual that supports a claim for 'COMPLIANT', 'NON-COMPLIANT', or 'PARTIALLY COMPLIANT'. The Operations Manual Chunk focuses on hearings, appeals, and determinations related to Social Security matters, but it does not explicitly discuss the succession and transfer of medical savings accounts after death as outlined in the Relevant Guidelines.

****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. Specifically, it outlines the process for making determinations (Section 501), providing written notices of determinations (Section 503), and the reconsideration and appeal procedures (Sections 504 and 505). However, these sections do not directly discuss the specific guidelines related to accounting principles, employment records, or reports and payments of contributions.

****Explanation & Reasoning:**** The Operations Manual Chunk provides details about the process for making determinations, which may involve rights, benefits, or obligations under the Social Security Act, including overpayments or underpayments of benefits (Section 501). It also outlines the procedure for notifying individuals

of these determinations in writing (Section 503). The reconsideration and appeal procedures (Sections 504 and 505) allow individuals to challenge decisions related to their entitlement or continuing entitlement to benefits. While these sections discuss the keeping of records, they do not explicitly address the specific accounting principles, employment records, or reports and payments of contributions as outlined in the Relevant Guidelines.

****Verbatim Citations:****

- Manual: "Any determination made by the Board or Administrator shall be either personally delivered or mailed to effected persons." (Section 503)
- Manual: "A reconsideration by the Administrator upholding the initial determination shall be binding unless appealed to the Board within thirty (30) days of receipt of the decision." (Section 505)
- Guideline: "prevailing, generally accepted accounting principles as promulgated by the United States' Financial Accounting Standards Board. Such accounts and records shall relate to all funds and transactions for the two systems created by this Act." (Guideline Excerpt 1)
- Guideline: "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 3)
- Guideline: "All participating employers and participating self-employed individuals shall submit to the Administration a report on an official form to the Administration and pay all amounts of contributions due at the end of each quarter." (Guideline Excerpt 4)