This is a Memorandum of Understanding (MOU) between the Department of Defense (DoD) and the Department of Veterans Affairs (VA) and their components (collectively referred to as the “Department(s)”).

1. BACKGROUND AND PURPOSE:

This MOU revises the MOU on “Defining Data-Sharing Between the Departments,” executed in May and June of 2005. The revised language of the title (“Sharing Personal Information”) refers to Protected Health Information (PHI) and other personally identifiable information (PII).

This MOU establishes a framework governing inter-Departmental transfer of PII/PHI of beneficiaries who receive health care and/or other benefits from either Department. To perform their respective missions, including processing of claims and delivery of benefits, each Department needs timely access to PII/PHI held by the other Department. However, sharing of PII/PHI is subject to a number of federal statutes and regulations governing the privacy and security of PII/PHI, including unusually sensitive PII/PHI such as mental health information. In order to clarify how these federal laws govern different components and activities of the Departments, this MOU identifies basic responsibilities, authorities and restrictions applicable to the activities for which sharing of PII/PHI by the Departments is required. However, this MOU is not meant to define specific processes or all applicable rules. This MOU is not intended to require or compel disclosures by either Department that are not otherwise required by legal mandate. This MOU only defines the agreed-upon legal authorities available to the Departments for sharing data when it is mutually determined that data sharing is needed to meet the missions of the Departments or is desirable to better serve Service members, Veterans and their beneficiaries.

This MOU does not supersede separate computer matching agreements, separate DoD-VA data sharing agreements, and other agreements or Department guidance that are required by law or adopted as matter of policy as long as those agreements are based on at least one of the legal authorities contained in this MOU.

2. DEFINITIONS:

For the purposes of this MOU, the following terms and meanings are applied:

“Military Health System” or “MHS” indicates the Health Insurance Portability and Accountability Act (HIPAA)-covered health care provider and health plan functions of DoD, as specified in Chapter 3 of DoD 6025.18-R (which implements the HIPAA Privacy Rule in DoD). Health care provider functions are performed at Military Treatment Facilities (MTFs).
The health plan component of the MHS is TRICARE, managed by the Defense Health Agency (DHA). DHA contracts with managed care support contractors, which have networks of private sector providers who provide care to some MHS beneficiaries. The managed care network providers are HIPAA Covered Entities, but they are not part of the MHS Covered Entity.

"Veterans Health Administration" or "VHA" indicates the HIPAA-covered health care provider and health plan functions of VA, as specified in 38 USC Chapter 17.

"Veterans Benefits Administration" or "VBA" indicates the non-health care benefits and services of VA, such as disability benefits. This organization is not a HIPAA-Covered Entity.

"Veteran" means a person who served in the active military, naval, or air service and who was discharged or released under conditions other than dishonorable. [Ref. 38 USC § 3.1(d).]

"National Cemetery Administration" or "NCA" indicates the memorial and burial services of VA such as interment in a National Cemetery or administration of Memorial Markers. This organization is not a HIPAA-Covered Entity. Its mission is to Honor Veterans and their families with final resting places in national shrines and lasting tributes that commemorate their service and sacrifice to our Nation.

"VA" indicates the combined VHA, VBA and NCA functions of VA.

"Beneficiaries" means individuals who are or were eligible for health care and/or other benefits from DoD and who are or will be eligible for health care and/or other benefits from VA.

"Separated" and "separation" include not only discharge/permanent separation from military service but also a DoD classification of a Service member as Seriously Ill or Injured as defined in DoD Instruction 1300.18, or a written determination from a Service member's commander or health care provider that the Service member is not expected to return to military service due to medical impairment.

"Service member" means active duty members and Reserve or National Guard members of one of the military Services (Army, Navy/Marines, and Air Force) and Coast Guard members.

"U.S. Computer Emergency Readiness Team" means the Department of Homeland Security's U.S. Computer Emergency Readiness Team (US-CERT), which leads efforts to improve the nation's cybersecurity posture, coordinate cyber information sharing, and proactively manage cyber risks to the Nation while protecting the constitutional rights of Americans.

The HIPAA definitions in 45 Code of Federal Regulations (CFR) Parts 160 and 164 apply to this MOU, except that the following HIPAA definition is modified for purposes of this MOU:
"Health care operations" for purposes of this MOU excludes subparagraphs (3), (5) and (6) of the definition in 45 CFR 164.501, because only subparagraphs (1), (2) and (4) are relevant for purposes of 45 CFR § 164.506(c)(4), which states when a Covered Entity may disclose PHI to another Covered Entity for health care operations activities of the entity receiving the information.

3. PRIMARY FEDERAL AUTHORITIES:

3.1. The following are the federal statutes and regulations, primarily relevant to sharing of PII/PHI between the Departments:

- Privacy Act of 1974, 5 USC 552a.
- Health Insurance Portability and Accountability Act (HIPAA), Pub. L. 104-191:
  - HIPAA Privacy Rule, 45 CFR Parts 160 and 164, Subpart E; and
  - HIPAA Security Rule, 45 CFR Parts 160 and 164, Subpart C.
- Health Information Technology for Economic and Clinical Health (HITECH) Act provisions amending HIPAA rules, 42 USC §§ 17921-17939:
  - HIPAA Breach Rule, 45 CFR Parts 160 and 164, Subpart D; and
  - Final amendments to HIPAA Privacy, Security and Breach Rules, 78 FR 5566 (Jan. 25, 2013).
- Veterans’ Benefits, 38 USC:
  - VA-DoD Joint Executive Committee, Section 320;
  - Furnishing of Information by Other Agencies, Section 5106;
  - Confidential Nature of Claims, Section 5701; and
  - Confidentiality of Certain Medical Records, Section 7332.
- Confidentiality of Records [relating to substance abuse], 42 USC § 290DD-2.
- Information Security, 44 USC §§ 3531-3549 (portions of Federal Information Security Management Act (FISMA)).
  - Section 583(a)(1), adding 38 USC § 320 (above); and
  - Section 727 (Joint Program for Development and Evaluation of Integrated Healing Care Practices for Members of the Armed Forces and Veterans).
- Wounded Warrior Act, title XVI of NDAA for FY 2008, Pub.L. 110-181, including:
  - Section 1612(b) (requiring DoD and VA to improve disability evaluations by DoD and VA);
  - Section 1614(b) (requiring DoD and VA to implement procedures for transition of health care responsibilities from DoD to VA, including procedures for HIPAA authorization for transfer of medical records); and
  - Section 1635 (requiring DoD and VA to establish interagency program office responsible for jointly implementing electronic health record systems or capabilities that allow for full interoperability of PHI).

3.2. This subsection summarizes the statutes and regulations most directly relevant to this MOU as applicable to the Departments:
HIPAA Privacy Rule and Protected Health Information:

- **Covered Entities/Functions:** The MHS and VHA are HIPAA Covered Entities that use and disclose PHI in performance of HIPAA-covered health care functions. The MHS and VHA are Covered Entities under the HIPAA Privacy Rule in two capacities: as health care providers and as health plans. Components of the DoD and VA outside of the MHS and VHA are not Covered Entities and are not subject to the HIPAA Privacy Rule (but are subject to the Privacy Act, which protects all PII, not just PHI).
- Disability determinations under the DoD/VA Integrated Disability Evaluation System are not HIPAA Covered Entity functions (but the military discharge exception below permits the MHS to disclose PHI to VHA and VBA for disability determinations).
- DoD conducts certain health care activities outside the MHS that are not covered functions and not subject to the HIPAA Privacy Rule because these functions are outside the covered entity; for example, such non-covered activities are carried out by providers associated with Reserve components practicing outside the authority of MTFs that do not engage in electronic transactions covered by DoD 6025.18-R.
- **General Rule and Exceptions:** The HIPAA Privacy Rule generally prohibits disclosing the PHI of MHS or VHA beneficiaries to the other Department, unless authorized by the patient or an exception applies. The most relevant specifications and exceptions are enumerated in the following paragraphs.
- **Authorization:** An individual may sign a written authorization allowing for disclosure of PHI. Both the MHS and VHA have standard authorization forms satisfying HIPAA requirements. Such standard authorizations do not permit disclosure of “psychotherapy notes” (as defined in the HIPAA Privacy Rule), unless special requirements are satisfied. These standard forms may address requirements of other privacy statutes in addition to HIPAA that are applicable to the respective Departments.
- **Separate Covered Entity Sharing Exceptions:** As separate Covered Entities, the MHS and VHA may disclose PHI to each other under 45 CFR § 164.506(c)(2)-(4):
  - for the treatment activities of the other entity in its provider capacity (the “minimum necessary” rule does not apply to treatment disclosures);
  - for the payment activities of the entity that receives the information; and
  - for “health care operations” activities of the other entity, if the PHI pertains to the relationship, present or previous, between an individual and the MHS and VA, provided that the disclosure is for health care fraud and abuse detection, or for a purpose listed in paragraphs (1) or (2) of the definition of health care operations in 45 CFR 164.501. Those paragraphs include Covered Entity activities such as quality assessment, guideline development, case management and care coordination, evaluation of provider performance, and training. 45 CFR § 164.506(c)(4).
- **Military Command Exception:** VA may disclose PHI of Service members to DoD “for activities deemed necessary by appropriate military command authorities to assure the proper execution of the military mission.” See 45 CFR § 164.512(k)(1)(i) and the DoD Federal Register notice at 68 FR 17357 (April 9, 2003) and the Coast Guard Federal Register notice at 68 FR 22407 (April 28, 2003). Note the following:
  - This “military command exception” to the general HIPAA prohibition of disclosure does not govern VHA disclosures of PHI to DoD providers for treatment purposes,
but it does govern disclosures by VHA to DoD commanders or their designees for military mission purposes.

- The military command exception permits but does not require VHA to disclose PHI to DoD commanders. See section 5.b.vi below.
- Key guidance under the military command exception is DoD Instruction 6490.08, “Command Notification Requirements to Dispel Stigma in Providing Mental Health Care to Service members,” dated August 17, 2011. This DoD issuance does not apply to VHA providers.

- **Military Discharge Exception:** Upon an individual’s separation or discharge from military service, the MHS may disclose the individual’s PHI to VA for the purpose of VA determinations of the individual’s eligibility for or entitlement to VA benefits. 45 CFR § 164.512(k)(1)(ii).

- **Public Benefits Exception:** Because the MHS and VA are government agencies administering public benefit programs, 45 CFR 164.512(k)(6)(i)-(ii) permits the MHS and VA to disclose PHI to the other Department:
  - If sharing of eligibility or enrollment information in a single or combined data system is required or expressly authorized by statute or regulation.
  - When disclosure is necessary to coordinate their health plan and provider functions or to improve administration and management of those functions with respect to similar populations.

**Disclosure of Substance Abuse Information:**

- The MHS is subject to regulations, 42 CFR Part 2, issued under the Alcohol, Drug Abuse and Mental Health Administration (ADAMHA) Reorganization Act, 42 USC § 290dd-2. Disclosure prohibitions under the ADAMHA regulations, however, do not apply to interchange of records between the Armed Forces and VHA. This exemption from ADAMHA is limited to VHA, and does not cover disclosures to VBA for disability benefits determinations. In addition, this exemption from ADAMHA does not affect the HIPAA Privacy Rule, which must be independently satisfied in disclosures of substance abuse records between the Departments. VHA (but not the MHS) is subject to 38 USC 7332, which establishes confidentiality protections for information relating to substance abuse and certain other conditions; however, as specified in the Final Rule, 77 FR 54367 (Sep. 5, 2012), Sharing Information Between the Department of Veterans Affairs and the Department of Defense, §7332(e) authorizes interchange of these records between VHA and the Armed Forces.

**Data Security and Privacy/Security Incident Response Requirements:**

- Both Departments, including but not limited to their MHS and VHA components, are subject to FISMA and Office of Management and Budget (OMB) requirements, including US-CERT reporting within one hour of possible privacy breaches or other computer security incidents.
- The MHS and VA are both subject to the HIPAA Security Rule, which requires covered entities to adopt administrative, physical and technical safeguards to protect the
confidentiality, integrity and availability of electronic PHI (these requirements overlap with FISMA and OMB requirements referenced in the preceding paragraph).
- The MHS and VHA are both subject to the HHS HIPAA Breach Rule, applicable to privacy breaches (as defined) involving PHI.

4. **EXCLUSIONS:**

4.1. This MOU does not govern the following:


4.1.3. Sharing of aggregated data such that no personal information is individually identifiable.

4.2. This MOU does not supersede separate data sharing agreements that are required by law, e.g., computer-matching agreements under the Privacy Act, and data use agreements required under the HIPAA Privacy Rule. Nor does this MOU supersede information sharing agreements that DoD or VA have decided are appropriate as a matter of policy. However, this MOU may be considered in determining how to apply, amend or design such agreements, current or future. It is important to note that the legal authorities to share data between VA and DoD as outlined in this MOU reflect the applicable exception(s) available to make legal disclosures between the Departments. Any agreements for PII sharing between the Departments should be based, at a minimum, on at least one of the appropriate legal exceptions contained in this agreement.

4.3. This MOU does not authorize uses or disclosures of PII or PHI not in accordance with law.

5. **RESPONSIBILITIES FOR INFORMATION SHARING:**

It is critical that the Department components (VHA, VBA, NCA and MHS) carry out information-sharing responsibilities within the authorities indicated below. Some only apply to health care functions covered under HIPAA and some apply to other benefits functions not covered under HIPAA. The Departments may share PHI/PII data when it is determined that data sharing is needed to meet the missions of the Departments or is desirable to better serve Service members, Veterans and their beneficiaries and as permitted by law.

a. **DoD/MHS:**

i. May disclose to VHA providers the PII/PHI they need to undertake medical treatment activities for beneficiaries, including separated/discharged Service members and demobilized Reserve and National Guard Service members, (45 CFR § 164.506(c)(2));
ii. May disclose PII/PHI needed by the VHA for health care payment purposes (45 CFR § 164.506(c)(3));

iii. May disclose PII/PHI needed by the VHA for its health care operations (45 CFR § 164.506(c)(4));

iv. May disclose PII/PHI to VBA upon the separation (as defined in section 2) or discharge of an individual from military service for the purpose of determining eligibility for, or entitlement to, benefits under laws administered by VA (45 CFR §164.512(k)(l)(ii));

v. May disclose PII/PHI to VHA as necessary and appropriate to coordinate the MHS and VHA covered functions or to improve program administration and management relating to covered functions (45 CFR §164.512(k)(6)(ii));

vi. May disclose PII/PHI relating to eligibility or enrollment to VHA where any current or future statute or regulation requires or expressly authorizes sharing or maintenance of the information in a single or combined data system accessible to both Departments (45 CFR §164.512(k)(6)(i));

vii. May disclose PII/PHI to VHA and VBA when disclosure is permitted by the HIPAA "public health" and "health oversight" exceptions under 45 CFR § 164.512(b) and (d). For this purpose, public health and health oversight activities include DoD and VA activities authorized by applicable DoD and VA issuances to carry out functions identified in 45 CFR § 164.512(b)(1) or § 164.512(d). See DoD 6025.18-R, C7.2.3 and C7.4;

viii. May disclose PII/PHI to VHA in the event circumstances make applicable other HIPAA exceptions under 45 CFR § 164.512, including the exceptions under subsections (a) (required by law), (c) (abuse, neglect, domestic violence), (e) (judicial or administrative proceedings, including court-martial proceedings), (f) (law enforcement), (g) (decedents), (h) (cadaveric, organ, eye or tissue donations), (i) (research), and (j) (to avert a serious threat to health or safety);

ix. May disclose PII/PHI to VBA or VHA or as necessary to comply with laws relating to disability compensation for service-related injuries or illnesses or other title 38 benefits (38 USC §§ 5106, 7703) and 164.512(a)(1);

x. May disclose PII/PHI to VBA or VHA in accordance with a written authorization (45 CFR §164.508); and

xi. May disclose PII/PHI to VHA if requested by the VHA to respond to an individual’s request for access to PHI, amendment of PHI or an accounting of PHI disclosures, under 45 CFR §§ 164.524, 164.526, or 164.528.
b. VA:

i. May disclose to MHS providers the PII/PHI they need to undertake medical treat­ment activities for beneficiaries, as described in 45 CFR § 164.506(c)(2);

ii. May disclose PII/PHI to the MHS for health care payment purposes (45 CFR § 164.506(c)(3));

iii. May disclose PII/PHI to the MHS for its health care operations (45 CFR § 164.506(c)(4));

iv. May disclose PII/PHI to the MHS as necessary and appropriate to coordinate the MHS and VHA covered functions or to improve program administration and management relating to covered functions (45 CFR § 164.512(k)(6)(ii));

v. May disclose PII/PHI relating to eligibility or enrollment to DoD where any current or future statute or regulation requires or expressly authorizes sharing or maintenance of the information in a single or combined data system accessible to both Depart­ments (45 CFR § 164.512(k)(6)(i));

vi. May disclose PII/PHI to DoD appropriate military command authorities in accordance with the military command exception under 45 CFR § 164.512(k)(1), but only to the extent consistent with guidance on VA-DoD data sharing from the Health Executive Council (HEC);

vii. May disclose PII/PHI to DoD when disclosure is permitted by the HIPAA “public health” and “health oversight” exceptions under 45 CFR § 164.512(b) and (d). For this purpose, public health and health oversight activities include DoD and VA activities authorized by applicable DoD and VA issuances to carry out functions identified in 45 CFR § 164.512(b)(1) or § 164.512(d). See DoD 6025.18-R, C7.2.3 and C7.4.5;

viii. May disclose PII/PHI to DoD in the event circumstances make applicable other HIPAA exceptions under 45 CFR § 164.512, including the exceptions under sub­sections (a) (required by law), (c) (abuse, neglect, domestic violence), (e) (judicial or administrative proceedings, including court-martial proceedings), (f) (law enforce­ment), (g) (decedents), (h) (cadaveric, organ, eye or tissue donations), (i) (research), and (j) (to avert a serious threat to health or safety);

ix. May disclose PII/PHI to DoD, including all Services, pursuant to prior written authorization by the Service member or Veteran (45 CFR § 164.508);

x. May disclose the determinations as to the service-connected status of veterans, as well as the degree of disability associated with a service-connected disability (38 USC § 7703);
xi. May disclose PII/PHI to DoD if requested by the DoD to respond to an individual’s request for access to PHI, amendment of PHI or an accounting of PHI disclosures, under 45 CFR §§ 164.524, 164.526, or 164.528; and

xii. May disclose military discharge documentation including military separation documents; i.e., DD 214, WD AGO 53-55, and/or retirement certificates and will show name, branch of service, service dates, character of service and valor award (if available) to DoD for NCA coordination with DOD/Military Funeral Honors Units. (NCA Notice 2010-05)

c. Other Disclosure and Compliance Authorities:

i. Each Department shall ensure that appropriate Privacy Act authority exists to make the disclosures covered by this MOU;

ii. The MHS and VHA shall limit the PHI disclosed or requested for other than treatment activities to the minimum necessary for the particular type of disclosure or request, as described in 45 CFR 164.502(b), 164.514(d);

iii. Authority exists under 38 USC §7332, and 42 USC §290dd-2, where applicable, to make the disclosures covered by this MOU;

iv. This MOU recognizes authority for a request by DoD for information from VA under 38 USC §5701(b)(3); and

v. Each Department shall comply with applicable Privacy Act and OMB requirements upon discovery of a possible computer security incident involving PII/PHI. In the event an incident may constitute a privacy breach, the MHS and VHA shall comply with the requirements (assessment, reporting and individual notification) of the HIPAA Breach Rule. Neither Department is required to determine whether a breach or other incident involves PII/PHI received from the other Department. Each Department shall comply separately and independently with data security and incident response requirements, provided that the Departments may enter into further agreements for cooperation and/or joint compliance in the event of an incident involving joint operations such as the North Chicago Federal Health Care Center or the Virtual Lifetime Electronic Record (VLER).

d. Other Parties:

Persons or entities such as Veterans Service Organizations that request the PII/PHI of Service members may not receive PHI unless a HIPAA-compliant authorization is completed by the individual Service member or beneficiary and provided to VHA or MHS, or unless other legal authority for the disclosure exists.

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6. ADDITIONAL RESPONSIBILITIES:

a. DoD:

i. Shall, through the privacy official for each of the Services as the point of contact (POC) for each Service, facilitate coordination of Service-specific issues; the DHA Privacy and Civil Liberties Office Chief shall keep the VHA Privacy Officer informed of the current list of Service POCs;

ii. Shall ensure that VA receives data included on the DD Form 214 (Discharge) or its equivalent, for all Service members who have served in a Theater of Operations so that VA will be able to readily document all Service members who are eligible for VA's special five-year treatment authority for certain combat veterans and facilitate prioritized processing of claims for VA benefits.

b. VA:

i. Shall, through the VA/DoD Collaboration Service, ensure that VHA, VBA and NCA identify points of contact from each Administration to facilitate coordination with DoD on issues related to the benefit application and discharge planning processes;

ii. Shall coordinate the role of VHA in the rapid processing of Service members being medically retired/separated; and

iii. Shall provide reports to DoD on Veterans' health care issues and the number of Service members treated.

7. RELATION OF THIS PRESENT MOU TO OTHER VA/DOD DATA-SHARING AGREEMENTS:

This present MOU is only intended to identify the legal authorities (or exceptions) that allow for the sharing of PII/PHI between the Departments as defined in applicable privacy laws and regulations governing PII/PHI. This MOU does not detail the terms of the Departments' various current specific data-sharing initiatives, nor does it necessarily anticipate future data-sharing endeavors and the terms of those arrangements. This present MOU does not direct the specific parameters for each of these disparate sharing arrangements and does not serve as the agreement for these arrangements.

Therefore, except as provided below, it is necessary for the Departments to have separate agreements as appropriate, governing the terms of each specific data-sharing initiative pursued between the Departments. These separate agreements should address sharing of PII in accordance with joint guidance (including model language) from the Departments. These agreements may be in the form of an MOU or a Data Use Agreement and should contain such elements as purpose of the arrangement, identification of responsible parties, specific data transfer provisions, security provisions and other elements as shown in the joint Departmental web page guidance. The PII sharing must be based on at least one of the legal exceptions addressed in this present MOU.
Where the two Departments have regulatory requirements common to both, these do not have to be defined in a separate agreement, as they are already imposed on both Departments by law. Examples of these requirements are: Privacy Act, HIPAA, ADAMHA, OMB Memoranda, FISMA, Federal Records Act and National Archives and Records Administration, etc.

If a PII PHI sharing initiative is governed by one of the authorities identified in this present MOU and/or associated external guidance, then the data sharing may be conducted without a separate agreement. For example, the VLER and the VA-DoD Integrated Electronic Health Record initiatives are or may be governed by external program guidance sufficient to make separate agreements unnecessary. However, there may be situations where a separate agreement may be helpful to address logistical or technical components of the initiative.

8. COMPLIANCE ISSUE RESOLUTION:

Throughout the course of this agreement, issues such as scope of coverage of this MOU, interpretation of its provisions, unanticipated technical matters, and proposed modifications can be expected. The Departments designate the following POCs to determine a means of resolution to conflicts that may arise in a manner that is fair, equitable, and supportive of the objectives of VA/DoD information sharing.

The POC for the DoD is the Chief, DHA Privacy and Civil Liberties Office. Issues related to this sharing agreement with respect to the Department of Defense shall be sent to:

Defense Health Agency
Chief, Privacy and Civil Liberties Office
7700 Arlington Boulevard, Suite 5101
Falls Church, VA 22042-5101

The POC for VA/VHA is the VHA Privacy Officer. Issues related to this sharing agreement with respect to the Department of Veterans Affairs shall be sent to the VHA Privacy Officer at:

Veterans Health Administration (VHA)
Privacy Office (10P2C)
810 Vermont Avenue, NW
Washington, DC 20420

9. REVIEW:

A review of this MOU will be conducted when deemed necessary by the Departments.

10. MODIFICATION AND TERMINATION:

a. This MOU may be modified at any time by written agreement of the parties.

b. Either party may terminate this agreement if the party terminating the agreement provides sixty days written notice to the other party of the intent to terminate the MOU.


**Effective Date:**

This agreement becomes effective upon completion of the signatures of all parties to the agreement. The agreement may be modified with the mutual consent of all parties.

**11. Approval:**

**Department of Defense**

SIGNED

By: Jessica L. Wright
Under Secretary of Defense
(Personnel and Readiness)

March 14, 2014
(Date)

**Department of Veteran Affairs**

SIGNED

By: Sloan D. Gibson
Deputy Secretary

March 13, 2014
(Date)