



Child Support Report

OFFICE OF CHILD SUPPORT ENFORCEMENT

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Team Spirit in Oklahoma State CSE Automates Workers' Comp Intercept Process



The practice described in this article exemplifies State efforts to increase collections and reduce and prevent arrears—a goal of the national Project to Avoid Increasing Delinquencies (PAID). For information about PAID, visit www.acf.hhs.gov/program/cse, and click on “Dear Colleague Letters” (DCL-07-06), or see the March 2007 issue of Child Support Report.

The Oklahoma Child Support Enforcement Division’s (CSED) Center for Coordinated Programs has automated its Workers’ Compensation (WC) intercept process. The process works through data exchanges with three States and a vendor, and with liens automatically printed statewide.

By consolidating multiple data sources into one comprehensive collection process, the State agency has saved money, time, and effort. In 2006, WC collections increased to more than \$3.1 million, compared to \$1 million each year before automation.

Recently, the team responsible for the success of the intercept process received two separate awards from the State. (See photo on page 2.)

Team Gets Going

To get started, Oklahoma formed the WC Process Improvement Team, including experts from child support, data services, Oklahoma University Center for Professional Management, CSED Center for Coordinated Programs, and CSED Center for System Technology.

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*Child Support Report online:
www.acf.hhs.gov/programs/cse*

Charting the Course

OCSE Commissioner Margot Bean joined a plenary panel to discuss the future of the national child support enforcement program during ERICSA’s (Eastern Regional Interstate Child Support Association) 44th annual conference, “Navigating the Changing Tides,” May 6-10, in Norfolk, VA. The Commissioner included details about the new Project to Avoid Increasing Delinquencies (PAID), an OCSE initiative to concentrate technical assistance on State activities that will increase collections and reduce arrears, and ultimately ensure that ordered support is getting to children. Bean encouraged child support professionals to take advantage of new opportunities for improving automation through such projects as QUICK and e-payment technology.



National CSE Program Preliminary FY 2006 Statistics

Preliminary FY 2006 data, as reported by States, shows:

- \$24 billion in child support collections (4 percent increase over FY 2005);
- 1.7 million paternities established or acknowledged (3.8 percent increase over FY 2005); and
- 77.3 percent of the national caseload had orders established (1.2 million child support orders were established).

Of the 9.66 million cases with orders being processed (excludes arrears-only cases):

- 7.04 million contained medical support orders; and
- 1.9 million were cases in which medical support was ordered and provided.

The Preliminary Data Report is available on the OCSE Web site at: www.acf.hhs.gov/programs/cse/pubs

OKLAHOMA, *from page 1*

Representatives coordinated with State officials at Compsource (a State WC fund for small- and middle-sized businesses), Workers' Compensation Court, and the State Insurance Commission.

Compsource sends data to CSED weekly. The WC Court sends data monthly. Then, every day CSED sends data to the Child Support Lien Network (CSLN). The contract with CSLN allows CSED to intercept WC personal injury claims for obligors with child support debts of \$50 or more.

The team met twice a month over 2 years. Two months before statewide rollout in January 2006, the team chose two child support offices to test the lien automation process. Before

implementation, team members conducted training for all child support offices.

Project Totals

Start-up costs for the project ran about \$300,000, which covered the cost of computer programming so the different systems could share data. The continuing costs of the program run \$55 per match with CSLN, which ends up costing the State about \$6,000 to \$7,000 per month.

Given that the match is bringing an additional \$150,000 to \$200,000 per month in child support collections, agency officials feel the cost is well worth it.

For more information, contact Ronald D. Smith in the Oklahoma CSED at 405-522-2576 or Ronald.Smith@OKDHS.org. CSR



States' Electronic Payments Extend Beyond Forecast

By Nancy Benner
OCSE

Increasing electronic child support payments is an important part of OCSE's efforts to streamline collections and get money to families more quickly.

Periodically, States provide statistics on their percentage of collections that employers remit electronically (including interstate payments, but not federal tax offset payments). In 2004, the States averaged an electronic collections rate of 20.6 percent. By the end of 2006, this average had risen to 33.1 percent; an increase of more than 60 percent. This increase was significantly higher than the expected annual increase of 10 percent nationally.

Promoting E-Payments

OCSE promotes electronic payments (e-payments) for child support through letters to large, multistate employers; presentations at conferences; and outreach to payroll software developers. OCSE's e-payments activities began in 1999 at a time when States were in the midst of implementing their federally mandated State Disbursement Units. States had to master the technical aspects of electronic payments, and quickly discovered that e-payments were the cheapest, fastest, safest, and most accurate way to send and receive child support payments.

The challenge, however, was to convince employers of the advantages of submitting withholdings in this manner. Employers often were not familiar with e-payments except for direct deposit of their employees' paychecks. Even when an employer wanted to convert to e-payment, there was another obstacle—pay-

roll accounting software that did not support the functionality for sending child support payments electronically. Consequently, results from the employer outreach process were steady, but slow.



The big break came when a few States began to mandate that employers send e-payments. Employers realized that they would have to remit their payments electronically, and software developers realized that they would have to develop the functionality for EFT (electronic funds transfer) or lose market share. Currently, eight States—California, Florida, Illinois, Indiana, Massachusetts, Oregon, Pennsylvania, and Virginia—have mandated e-payments either through legislation or through administrative rule.

Partnering With Businesses

Over the years, OCSE and the States have worked together with several business partners to promote e-payments.

NACHA—The Electronic Payments Association helped OCSE produce a guide to using electronic payments. The American Payroll Association has helped us reach large employers by including a session on e-payments at their annual conferences. OCSE worked with the Department of the Treasury's Financial Management Service to convert Federal agencies, which now send 95 percent of Federal employees' child support payments electronically. OCSE is working with benefit agencies, such as the Social Security Administration, to convert benefit payments for child support to e-payments.

*For more information, contact Nancy Benner, 202-401-5528 or nancy.benner@acf.hhs.gov. **CSR***



By Joe Bodmer
OCSE

Don't Lose It

Last year the State of Alaska's Department of Revenue learned a hard lesson, or as my son would say, they got "schooled." And though it was probably a painful one, I fear it is only a matter of time before one of us skips our homework and ends up on the stool, in the corner, wearing the pointy cap.

The lesson: Have a good disaster recovery and backup plan. So, what happened? Well, with a few poorly struck keystrokes by a computer technician who was formatting a computer disk drive for the Department, the State of Alaska found that an oil-funded account that contained \$38 billion, money intended for residents of the State, had been obliterated. How is that possible you ask? It is a whole lot easier than you might think, as Alaska came to learn.

The crisis, which occurred last July, became more difficult to resolve when the State discovered that the same technician had apparently also reformatted a backup drive. Surely, you might say, there had to be backup tapes. Yes, there were, and guess what? That's right, the tapes were found to be unreadable.

Ever find yourself in crisis mode? Imagine the looks of utter horror on the faces of staff in the data center that day. The story, obviously, ended well, but not before a lot of sweatshop-level data-entry work occurred. After hundreds of hours over several months of tedious data reentry from paper records—a re-keying of information that previously existed in the system before being lost—the crucial financial information was restored. Nevertheless, hundreds of thousands of dollars were spent because there was no reliable backup plan.

In child support, we have a significant number of State programs that receive operational support for their information systems through interagency cooperative agreements with Departmental data centers; services not under the direct control of the IV-D program. Over the years, however, I have seen very few of these agreements be specific about such things as periodic testing of business continuity and contingency procedures, or demonstrating system backup and recovery.

Tech Talk

In both Federal regulations at 45 CFR 95.621(f), and, for child support specifically, in an Action Transmittal OCSE issued in 2003 (AT-03-03), requirements for State human services programs to document and exercise risk analysis and disaster recovery plans are prescribed. In fact, in AT-03-03, issued in the wake of 9-11, we mandated that all States submit to us for review their "Biennial Security Review," a biennially updated compilation of a State's risk analysis report, disaster recovery plan, business continuity and contingency plan, and overall security plans and procedures.

We found then, and how can I say this delicately, a lot of less-than-optimally-prepared State child support agencies.

Hopefully we've made progress since then. If anything, recent natural disasters such as Hurricanes Katrina and Rita provide renewed reminders of the need to maintain certain vigilance about disaster recovery. Have you thought about what you would do in the event a natural or man-made disaster struck your agency's headquarters, a field office, or your data center? It may not be easy to prepare, but unless you have experience playing the lottery, successfully, it is probably time to dust that disaster recovery plan off and brush up. **CSR**

Just How Vital Are Vital Records?

By Shar-on Johnson
OCSE

Repeatedly, States have pinpointed the exchange of data with their Vital Records (VR) agencies—getting timely and accurate birth records and “acknowledgements of paternity” records—as one of the most critical processes to help improve paternity establishment rates.

In coordination with the State Information Technology Consortium, OCSE recently conducted research with nine States concerning State IV-D and Vital Records relationships and data-exchange processes. The purpose of the research was to identify successful (or promising) practices and lessons learned to help other States to improve paternity establishment rates.

The research demonstrates that States face common barriers:

- Confidentiality of vital records
- Communications between agencies
- Data integrity
- Technology challenges
- Funding and resource issues
- Need for standardized data and systems for sharing vital event data

With these limitations in mind, the surveyed States provided a list of proven automation practices, as well as information about system changes underway to address the exchange of vital records information. The solutions range from simple read-only access to extensive data exchanges between IV-D and Vital Records systems.

“Child Support Enforcement and Vital Records Data Exchange Guide” shares:

- State automation solutions for accessing vital records information;
- State recommendations for improving automation, improving relationships with vital records agencies, and overcoming barriers that prevent success in the exchange of vital records data; and
- Resources and pending legislation that may interest States pursuing automation improvements in this area.

To view the guide, see Information Memorandum 07-05, dated April 10, 2007, available on the OCSE Web site, www.acf.hhs.gov/programs/cse. [CSR](#)

Story Behind the Numbers

OCSE has published three new reports in its “Story Behind the Numbers” series:

- “The Impact of Nonmarital Birth Data on the Child Support Enforcement Program’s Performance”
- “Impact of Modification Thresholds on Review and Adjustment of Child Support Orders”
- “Effects of Child Support Order Amounts on Payments by Low-Income Parents”

To view these brief reports, visit www.acf.hhs.gov/programs/cse, then click on Information Memoranda (IM-07-04); to request print copies, contact the OCSE Reference Center at 202-401-5605 or mdbutler@acf.hhs.gov.

Walking the Thin Blue Line Bond with Law Enforcement Pays Off in Savannah

By David Lowe

Chatham County Child Support Office

In 1995, the Child Support Office in Savannah, GA, developed a strategy to establish and maintain close relationships with local law enforcement agencies. This strategy has proven valuable, helping the office to increase collections from \$9.2 million in 1995 to \$30.33 million in 2006—a 230 percent increase.

The Payoff

Our relationship with local law enforcement agencies has led to a tremendous increase in our capabilities.

The sheriff's department provides the office with access to its arrest and booking system. Known as Phoenix, the system provides a photo, address, employment information, and a criminal history on every person arrested in Chatham County. Five computers in the child support office are Phoenix-capable.

Phoenix assists in providing locate information and also has led to the creation of Operation Gray Bar Hotel, a project that uses Phoenix to identify noncustodial parents (NCPs) who require service for court. Once identified, service paperwork is prepared and the NCPs are served in jail for a future court date. If the NCP has bonded out and requires service, they are served in court at their arraignment. The program is immensely successful, leading to the service of hundreds of hard-to-locate NCPs.

Police departments provide an opportunity for child support agencies to conduct 24-hour operations. It is important to know the key leaders and maintain contact with them, especially precinct commanders. Most midnight shifts are slow after 2:00 a.m., and police supervisors are often looking for missions to keep officers busy. Coordinate with precinct commanders using information you have (i.e., new address from a custodial parent) to arrest NCPs with warrants.

Operation Search and Seize is our program to seize license plates. Perhaps no program better



Officers remove a license plate in Chatham County, GA, under partnership project "Operation Search and Seize."

illustrates the cooperation and support we receive from law enforcement. NCPs who are not paying are sent a warning letter about possible plate seizure; if they fail to respond, a seizure packet is forwarded to DA investigators for plate seizure. The plate is removed and a

bright orange sticker is placed on the driver's-side window informing the NCP of what they need to do—pay their support. On the day this article was written, an NCP paid \$8,000 to get his plate back.

Finally, I would encourage agencies to conduct a professional Law Enforcement Appreciation Ceremony on an annual basis to honor officers who have supported the agency's efforts. Invite local politicians, police leaders, and the press. Professional plaques or trophies go a long way

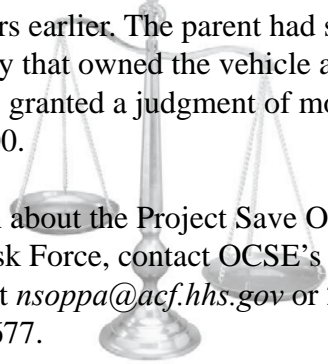
See **GEORGIA**, next page

Success in South Dakota

Two South Dakota teenagers received overdue child support after their father paid the full arrearage of \$19,000 in April. Members of the national Project Save Our Children task force had arrested the non-custodial father last December in Utah, where he was residing and working in construction.

In another South Dakota case, a noncustodial father recently paid full arrearage of \$17,000 for his teenage child. He was arrested last November in Mississippi, where he was working as a welder. During the investigation, a newspaper article was spotted that showed the parent had been involved in a vehicle accident several years earlier. The parent had sued the company that owned the vehicle at fault and was granted a judgment of more than \$625,000.

To learn about the Project Save Our Children Task Force, contact OCSE's Nick Soppa at nsoppa@acf.hhs.gov or 202-4401-4677.



Save the Date!



OCSE 17th National Child Support Enforcement Training Conference

September 10-12, 2007

**Omni Shoreham Hotel
Washington, DC 20008
202-234-0700**

**Conference Chairperson:
Kimberly Mitchell-Harley
202-205-3496**

Kimberly.MitchellHarley@acf.hhs.gov

For registration information, log onto the OCSE Web site (www.acf.hhs.gov/programs/cse), then click on the icon for the 17th National Training Conference.

GEORGIA, *from previous page*

toward making the ceremony first class.

The Future

A plan approved by voters calls for the building of an eight-bed diversion center for child support offenders. An alternative to jail, it will require offenders to work, pay their support, and also pay a daily facility fee while being incarcerated in a minimum security environment during nonworking hours.

We are also working on a license plate “hot

sheet” that will be provided to police officers on patrol. The one-page sheet will list plates eligible for seizure.

We’ve established dozens of other programs with law enforcement; space prevents listing all of them. The bottom line is child support agencies have a valuable partner in the effort to collect support. Invest the time and build that relationship, and the children will benefit.

For further information, contact Chatham County Director David Lowe at DWLowe@chathamcounty.org. CSR

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Health and Human Services**

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Child Support Report

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MCP Offers Grant Opportunity

ACF's Mentoring Children of Prisoners program (detailed in the April 2007 *Child Support Report*) is accepting applications through June 26, 2007, for a Service Delivery Demonstration Project. The MCP Project will provide for a cooperative agreement with an agency to ensure the national distribution of mentoring service vouchers to families and caregivers of children whose parent(s) are incarcerated.

The Project provides vouchers for mentoring services to children of prisoners and their families through a mentoring support agency. Vouchers enable the family to choose a mentoring program that meets quality standards, and enable mentoring organizations to serve children closer to where they live and throughout the United States.

Mentoring services include the recruitment of caring adult mentors who will interact with mentees on a regular and consistent basis to provide support, encouragement, and advice; provide opportunities for mentees to gain new skills and interests; and expand their experiences. Successful mentors do not try to take the role of a parent, but act as a trusted friend, guide, and role model for mentees.

For complete information about this grant opportunity, see the ACF Web page: <http://www.acf.hhs.gov/grants/open/HHS-2007-ACF-ACYF-CV-0030.html>.