

CALIFORNIA DEPARTMENT OF CHILD SUPPORT SERVICES

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Reason for this Transmittal

- State Law or Regulation Change
- Federal Law or Regulation Change
- Court Order or Settlement Change
- Clarification requested by One or More Counties
- Initiated by DCSS

January 30, 2002

LCSA LETTER: 02-01

ALL IV-D DIRECTORS

SUBJECT: REPORT ON DCSS "BEST PRACTICES" VISITS

The Department of Child Support Services (DCSS) is pleased to share with you a brief report on the findings from site visits to four local child support agencies that achieved high scores on the five federal performance measures during federal fiscal year 2000. This effort is one of many activities intended to contribute to development of the Quality Assurance and Program Improvement Initiative for the child support program. You may find this information useful to your current thinking relative to quality assurance and program improvements.

Family Code section 17306(b)(5) and (6) directs DCSS to "Evaluate the best practices for the establishment, enforcement, and collection of child support, for the purpose of determining which practices should be implemented statewide in an effort to improve performance by Local Child Support Agencies (LCSAs). In evaluating the best practices, the director shall review existing practices in better performing counties within California..."

Consistent with this requirement, DCSS initiated site visits to identify business practices contributing to good performance in the selected counties and to document these practices for general information sharing with other counties. In addition to good performance, the LCSAs were selected for visits based upon caseload size and consortia in an attempt to include a variety of demographics. The four counties visited were Amador, Alameda, San Luis Obispo, and Santa Barbara. Attached to this letter is a complete report documenting the team's findings.

You will note a common finding relative to the importance of staff awareness about the five federal performance measures and their role in impacting the measures. Drilling down the five federal performance measures to better reflect tasks and activities will help in achieving staff awareness and is central to the Quality Assurance and Program

DCSS-RP-2002-LCS-0001



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Improvement (QAPI) effort. In the near term you may find useful the attached DCSS developed summary of the performance measures that we have shared with our staff .

DCSS plans to incorporate the information gathered from these reviews into the QAPI efforts we have recently undertaken to stimulate continuous improvement of the statewide child support program. I encourage you to consider and incorporate within your offices as appropriate the ideas described. Please communicate with your Regional Administrator regarding suggestions you have for sharing other best practices information with all counties.

Sincerely,

CURTIS L. CHILD

Director

Enclosures

cc: Regional Administrators

Report on Best Practices Visits

Background: *This report documents four visits targeting counties performing well on federal performance measures. In addition to good performance on the federal measures, the counties were selected for visits based on caseload size, consortia, and geographic location in an attempt to include a variety of demographics. The purpose of the project was to identify business practices that seem to correlate to good performance on the five federal performance measures. The counties selected were Alameda, Amador, Santa Barbara, and San Luis Obispo. Prior to the visits, DCSS staff collaborated to compile a comprehensive list of questions to ensure that the same information was collected from each county. The data from each review was then documented and assembled to produce this report.*

County:	Alameda	Amador	Santa Barbara	San Luis Obispo
Director:	Maureen Lenahan	Faye Thomas	Karin Roser	Phil Lowe
Date of Visit:	August 30, 2001	July 3, 2001	September 6, 2001	September 7, 2001
Consortia:	BEST	CASES	STAR/KIDS	CASES
Transition Status:	July 1, 2002	Dec. 31, 2001	Dec. 21, 2000	July 1, 2002

Performance Management: Three out of the four Local Child Support Agencies (LCSA) interviewed believe that direction from Department of Child Support Services (DCSS) regarding performance goals has been clear and that they have been able to pass this information down to staff through regular formal and informal communications such as email and meetings. When asked why they feel they have been so successful in exceeding performance goals, each county gave the greatest share of the credit to their staff, citing first and foremost their dedication, but also mentioning their experience, conscientiousness and creativity. These qualities seem to be fostered through the deep commitment of the management teams to staff development activities such as holding regular meetings and inviting staff participation, encouraging staff to enroll in training sessions, and forming focus groups of representatives from all levels to develop ways to solve problems and streamline processes. Increased focus on staff development seemed to correlate to higher morale and lower turn over, which may indirectly lead to smaller and more manageable caseloads. Flexible, user-friendly computer systems were also mentioned as a key to success. All four counties were pleased with their respective consortium, and reported being diligent about regularly monitoring statistical reports. For example, the management team in Santa Barbara reviews statistical reports that can be broken down by branch and caseworker on a monthly basis, and follows up with a meeting to discuss the findings. The capability of CASES to produce ad hoc reports is highly valued by both Amador and San Luis Obispo counties.

The use of process improvement teams, focus groups, and total quality management techniques to involve staff at every level in making decisions regarding policies and procedures was a common theme in each of the offices visited. The high level of staff involvement seemed to contribute to increased dedication, commitment, and job satisfaction.

Another common theme was the practice of identifying difficult or complex cases early in the process, and redirecting those cases to a special unit or caseworker for more intensive services. In San Luis Obispo this effort is accomplished through the Early Intervention Project. The policy is to obtain support orders in three months instead of six, and Family Support Officers (FSO) have small establishment caseloads.

Communication: Supervisors and managers are kept abreast of new policies and procedures via management team meetings and/or email depending on the nature and complexity of the issue(s) at hand. The information is then communicated to the staff by their supervisors via email and/or memos, followed by unit meetings to allow time for discussion. Frequency of meetings varies from weekly to monthly, and are scheduled more often as needed. For example, unit meetings may be held weekly and all staff meetings monthly, but if a major policy change occurs, a meeting may be held immediately specifically to accommodate questions and allow for adequate discussion, even if another staff meeting recently took place. All offices reported being flexible regarding meeting schedules and agendas, often encouraging staff to determine the topics discussed and offering time for an open forum during meetings to answer questions.

Maintaining good communication and cooperative relationships with many local agencies and community-based organizations such as Probation, Social Services, schools, family law facilitators, drug court, and the Private Industry Council were reportedly an important part of each office's outreach activities. These partnerships enable the LCSAs to refer clients to a wide variety of needed services such as drug counseling and employment training. The offices also reported good rapport and ease of communication with IV-A staff.

Staff Training and Development: New employees in each of the four offices receive intensive on the job training initially. In Santa Barbara, "New Caseworker Training" is given incrementally by two trainers who follow a comprehensive lesson plan they developed in-house. The extensive training in child support processes includes several customer service components. The other three offices arrange one-on-one on-the-job training for new employees who are closely monitored by supervisors or senior staff for an average of about eight weeks before being allowed to independently take charge of a caseload. Monitoring continues for four to six more months depending on the skill level of the employee. FSOs are usually sent to FSO College at the earliest opportunity. Three of the four LCSAs offer extensive training to their employees (aside from on-the-job training), and encourage staff to take advantage of the variety of

courses available such as customer service, computer applications, leadership, and conflict resolution. In the three offices that offer out-service training, employees are able to take between 20 and 50 hours annually, depending on the needs of the office and the interests of the employee. In all cases, supervisors or senior staff are responsible for monitoring employee performance once training has been completed.

Case Management: Of the four offices reviewed, two use the “cradle to grave” method of organizing the workload, and two use the “functional” method. All have tried an alternative, but believe their current philosophy works best for their particular county, indicating that neither method of workload organization is a factor in achieving good performance. All four LCSAs have written procedures, compliance guidelines, and regulation information available to staff, and three of the four offices have this information available on-line. Each LCSA reported some degree of difficulty in filling vacancies, particularly clerical positions, depending upon economic conditions.

Intake Process and Forms: Each office reviewed uses a different process for intake. Two LCSAs input the information directly into the computer system, while the other two use forms developed in-house or from the consortia. Santa Barbara and Amador try to interview all custodial parties (CPs) in person and feel strongly that this approach is best as it establishes rapport and allows the interviewer to read nonverbal cues. Alameda conducts most interviews by telephone, and the San Luis Obispo LCSA interviews clients using teleconferencing equipment which they find works quite well. Two of the offices see intake as a data entry function and have clerical staff assigned to this task, although all four LCSAs have experienced FSOs conduct the interviews after intake is complete. Santa Barbara is the only one of the four LCSAs co-located with all IV-A offices in the county (there are three). Because of the number of IV-A offices are spread throughout Alameda County and San Luis Obispo County, they report that co-location in all of them is problematic due to the number of positions co-location would require. Amador is not co-located due to the lack of office space available in the rural county. Instead, someone from the LCSA drives the short distance to the IV-A office to pick up clients who need transportation.

Locate: Each office states that locate activities begin immediately after the case is opened. All have access to the Income and Eligibility Verification System (IEVS) and the Criminal Law Enforcement Technology System (CLETS). The other locate tools used (such as local area networks, the internet, nationwide telephone directory, and Data Base Technology) by the LCSAs varied, as well as opinions about the usefulness and cost effectiveness of each tool. The Santa Barbara LCSA is currently experimenting with Merlin, a vendor used for locate purposes. They have been pleased with it so far, and found it to be relatively inexpensive. Alameda has relied on interface with the welfare system, but will lose this valuable source of information in the near future as the new IV-A system will no longer be able to share case numbers with IV-D under the CalWIN system.

Paternity Establishment: All four LCSAs state that they review Paternity Opportunity

Program (POP) forms prior to issuing the Summons & Complaint (S&C), and that they do not consider paternity an issue if the POP form is valid. Amador, Santa Barbara and San Luis Obispo stipulate to genetic testing if the noncustodial parent (NCP) disputes paternity and will delay default even if the NCP fails to file a response. Alameda will only stipulate and delay default without an answer if the NCP is indigent. Amador and Santa Barbara attempt to contact the NCP prior to issuing the S&C. Alameda and San Luis Obispo report having tried this in the past, but found it was not cost effective.

Order Establishment: The LCSAs reported similar processes with regard to establishing child support orders. All four LCSAs attempt to locate NCP assets and income prior to issuing the S&C. Generally, the S&C is generated after the NCP has been located, usually within two to three weeks. Three out of four offices use their computer system for tracking purposes. In Santa Barbara, the FSOs use a tickler system. Staff in each of the LCSAs have the ability to serve a S&C in the office. Subservice of the S&C is allowed only on a very limited basis, and all four offices report high rates of personal service. None of the four counties report routine use of the Minimum Basic Standard of Adequate Care (MBSAC), and in fact will only use it as a last resort. It was reported that every effort is made to locate some kind of asset and income information on which to base the initial order.

Enforcement: In each LCSA wage assignments are reportedly sent as soon as a match with information from the Employment Development Department (EDD) is identified. Tools used for enforcement are generally the same as those used for the locate function (above). These include: New Employee Registry (NER); CLETS; Merlin; IEVS; information from the custodial parent; Order of Exam (OEX); State Licensing Match (SLM); Penal Code 270; liens, and the Franchise Tax Board (FTB) to writ bank accounts. San Luis Obispo County has a special group called the Criminal Enforcement Unit which is used to manage nonpaying cases, and this approach has proved to be very successful in collecting support in difficult cases.

Case Closure: In each of the four offices the consortia identifies cases meeting the criteria for closure and compiles a list, which is then distributed and worked. Each office reported that supervisors or senior staff do the actual work of closing cases on the system.

Customer Service: Each LCSA has an interactive voice response unit (IVRU), that allows clients to access their case and payment information and leave messages for FSOs 24 hours a day, seven days a week. FSOs make every effort to retrieve messages and return all calls as soon as possible. In each office, people walking in without an appointment are accommodated, although appointments are encouraged. The four offices reported giving high priority to complaints and making every effort to resolve complaints at the lowest level possible. Local cable channels and newspapers are used as part of the outreach efforts in all four counties. Especially noteworthy to the review team from DCSS was the lobby of the Santa Barbara LCSA. It is furnished with attractive but "homey" tables and chairs. The focal point is an enormous, colorful

wooden tree from a Winnie the Pooh display that was donated by a local Sears store. The overall effect is very comfortable and inviting. Another unique customer service feature was discovered in the Amador County LCSA. The program manager is stationed in the lobby as the receptionist and takes all telephone calls. Her warm and sincerely friendly personality lends itself perfectly to this position. As the program manager she is very knowledgeable about the program and able to answer almost any questions a caller might have. She is able to quickly establish a good rapport with both CPs and NCPs, freeing the FSOs from interruptions, and satisfying customers.

Medical Support: Processes regarding medical support varied from office to office. Generally if insurance coverage is verified, a health insurance coverage assignment (HICA) is sent. Once medical coverage is obtained, the custodial party is notified by letter. The CASES consortium generates a tickler for follow up in Amador and San Luis Obispo. The other two LCSAs use a manual tickler system. Responses by the LCSAs in the event of a lapse in coverage depend upon the reason for the lapse. For example, if the NCP has changed jobs, efforts are made to reestablish medical coverage through the new carrier.

Did You Know...



Federal Performance Measures in a Nutshell

DCSS has the responsibility for implementing the new incentive funding system based on program performance as required by The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA). The Child Support Performance and Incentive Act of 1998 enacted significant changes in the way federal incentives are paid to states. The methodology changed from being based on cost-effectiveness only, to five federal performance measures implemented over a three year period, beginning October 1, 1999. The federal Office of Child Support Enforcement's (OCSE) Action Transmittal 01-01, dated January 3, 2001 contains the federal regulations that govern the new system. Beginning with Federal Fiscal Year 2000, states are evaluated for federal incentive funds based on five performance measures:

1. Paternity Establishment Percentage

The "IV-D Paternity Establishment Percentage" measures the total number of children in the IV-D caseload for whom paternity has been established or acknowledged during the fiscal year compared to the total number of children in the IV-D caseload who were born out-of-wedlock in the preceding federal fiscal year; OR

The "Statewide Paternity Establishment Percentage" measures the total number of children born out-of-wedlock for whom paternity was acknowledged or established in the fiscal year compared to the total number of children in the state born out-of-wedlock during the preceding fiscal year.

IV-D PEP

Minimum threshold 50% + 3% increase annually

California FFY 2000 60.40%

California FFY 2001 69.05%

Statewide PEP

Minimum threshold 50% + 3% increase annually

California FFY 2000 179.42%

California FFY 2001 139.62%

2. Percent of Cases With a Child Support Order

This data element measures cases with support orders as compared with the total caseload. Support orders are broadly defined as all legally enforceable orders, including orders for medical support only, and zero support orders.

Minimum threshold 50% or 5% increase annually

California FFY 2000 69.09%

California FFY 2001 71.86%

3. Current Collections Performance

This performance standard measures the amount of current support collected as compared to the total amount of current support owed, expressed as a percentage.

Minimum threshold 40%

California FFY 2000 40.02%

California FFY 2001 41.03%

4. Arrearage Collections Performance

This performance standard measures cases with child support arrearage collections as compared with cases owing arrearages.

<i>Minimum threshold</i>	40%
<i>California FFY 2000</i>	53.43%
<i>California FFY 2001</i>	56.26%

5. Cost Effectiveness Performance Level

This measure compares the total amount of distributed collections to the total amount of expenditures for the fiscal year.

<i>Minimum threshold</i>	\$2.00
<i>California FFY 2000</i>	\$3.23
<i>California FFY 2001</i>	\$2.60

Data Reliability

In addition to meeting these performance goals, for purposes of incentives and penalties, data must meet a 95 percent standard of reliability beginning in the fiscal year 2001. The notice of proposed rule making published in the Federal Register on October 8, 1999 added this standard to the definition of data reliability. Reliable data means the most recent data available found by the Secretary to be reliable for the purposes of computing each of the Federal performance measures. Data must be found to be sufficiently complete and error free to be convincing for their purpose and context. Federal auditors are required to conduct audits to assess completeness, reliability, and security of the data, and the accuracy of the reporting systems used in calculating performance indicators.

Phase In Period

Beginning in FFY 2000 the incentive system is used to reward states for their performance in running the IV-D program. The state incentive payment is dependent not just on California's performance, but on the performance of all states since the incentive pool is a capped amount. The new incentive system is being phased-in over a three-year period during which both the old system (based on collections and cost-effectiveness only) and the new system will be used to determine the amount a state will receive. Also beginning in FFY 2001, the penalty system is used to penalize states that fail to perform at acceptable levels, or fail to submit complete and reliable data.

Failure to meet the five federal performance goals, or the 95 percent data reliability standard puts California at risk of losing eligibility for incentive funds and incurring significant penalties if no improvement is made during the year. If the state falls below one or more of the performance measures, or does not meet the data reliability criteria, an automatic corrective action period of one year will ensue. If not corrected during that period, then at the end of the year the penalty will be imposed. For example, the corrective action period for the data reliability audit done for FFY 2001 ends September 30, 2002. If the state fails the audit in FFY 2002, the penalty is imposed in FFY 2003. States are required to submit reliable data for all performance measures, however, penalties for unreliable data will ALSO result in loss of incentives.

Penalties

The penalty level by which payments will be reduced is one to two percent of the TANF grant for the first finding; two to three percent for the second consecutive finding; and three to five percent for the third or a subsequent consecutive finding. Total penalties may not exceed 25 percent of the TANF grant.