

**CALIFORNIA DEPARTMENT OF CHILD SUPPORT SERVICES**

P.O. Box 419064, Rancho Cordova, CA 95741-9064

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

July 23, 2002

CSS LETTER: 02-16

ALL IV-D DIRECTORS  
 ALL COUNTY ADMINISTRATIVE OFFICERS  
 ALL BOARDS OF SUPERVISORS

SUBJECT: CALIFORNIA INSURANCE INTERCEPT PROJECT

The Department of Child Support Services (DCSS) has received approval to move forward with the California Insurance Intercept Project (CIIP).

This letter is provide you with background on what the CIIP is and how this will impact the Local Child Support Agencies (LCSAs).

This past year, DCSS has been in contact with the State of Rhode Island regarding a program they developed to increase child support collections by intercepting personal injury claims. The Child Support Lien Network (CSLN) was developed by the State of Rhode Island, in partnership with a vendor (Maximus), as an innovation pilot sponsored by the federal Administration for Children and Families (ACF). CSLN provides a repository of awarded personal injury claims that can be secured for child support obligations. Based on the success of CSLN, the State of Rhode Island has made this program available to other states. Currently, thirteen states - Rhode Island, Connecticut, Maine, Vermont, South Dakota, Alaska, Arkansas, New Hampshire, Tennessee, and New Jersey, Texas, Florida and Georgia - have joined the insurance intercept program and all have achieved the expected increased revenues.

The California Insurance Intercept Project is a high priority for DCSS. This project is expected to generate increased collections for California's children. The cost to implement this project is minimal in comparison to the revenues that will be received.

DCSS-SY-2002-CTY-0381



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How it Works - DCSS will provide a match file to the CSLN system via the Integrated Database (IDB). CSLN will match California child support cases against the nationwide claims database and notify the LCSA when a match has been identified. Data submission and receipt will take place on a monthly basis.

A budget year enhancement exists to modify consortia systems to accept match data from CSLN electronically. LCSAs will also receive notification via the Internet, where they can track the progress of a claim (intercept) and gather report data. A "Child Support Enforcement Notice of Lien" will automatically be generated by CSLN and notification will be made to the appropriate LCSA. Insurers will issue payments to the LCSA after settlement of the case.

LCSAs will contact insurance adjusters regarding the intercept and coordinate balances due at the time of payment. LCSAs will also respond to attorney inquiries to answer any questions they may have in regards to the client/obligor and the amount of child support he/she owes.

Claim recipients will provide valid addresses to insurance companies as to where to send the settlement. CIIP will also be an excellent locate tool that will benefit LCSAs in locating child support obligors.

DCSS is very excited about the California Insurance Intercept Project. We look forward to working with the LCSAs in getting this project off the ground and increasing financial support to the children of California.

On July 30, 2002, DCSS will meet with consortia leads to define the requirements of this new intercept interface. As soon as our implementation schedule is established, we will notify the LCSAs of the status.

If you have any questions, please contact Robert Silvey, Child Support Intercept Chief, at (916) 464-5369.

Sincerely,

JOAN OBERT  
Assistant Deputy Director  
Technology Services Division