CALIFORNIA DEPARTMENT OF CHILD SUPPORT SERVICES
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CSS LETTER: 06-19

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

SUBJECT: DUPLICATE CASE TRANSFER POLICY UPDATE FOR STATEWIDE
            SERVICES VERSION 1 IMPLEMENTATION 1.3

REFERENCE: Child Support Services Letter 05-30, Duplicate Case Transfer Policy
            Child Support Services Letter 06-13, Verification of Unreimbursed
            Assistance Pools

This letter supersedes portions of the duplicate case transfer policy letter previously
issued through CSS 05-30, Duplicate Case Transfer Policy Update (DCT), dated
October 21, 2005. This policy update provides local child support agencies (LCSAs)
with changes that will occur with implementation of the California Child Support
Automation System (CCSAS) Version *1.3 implementation (V1.3).* These changes are in
the areas of: 1) Case Construct; 2) Case Management Responsibility; 3) Statewide
Services V1.3 Payment Allocation; 4) Collection and Distribution; and 5) Unreimbursed
Assistance Pool Balance Verification and Recoupment. Additionally, this letter provides
clarification regarding Duplicate Case reporting and DCT processing of Foster Care
cases.

In order to reduce the impact on cases during with V1.3 implementation, priority should
be given to cases that have multiple LCSA financial obligations and are being enforced
by two counties. Failure to resolve these cases by transfer will impact payments owed
to these accounts after the implementation of V1.3.

CASE CONSTRUCT

DCSS policy regarding case construct as set forth in FSD Letter 99-04 has not changed
and is consistent with federal regulations. Per California Code of Regulation (CCR)
110099, a IV-D case is defined as a parent (mother, father, or putative father) who is
now or eventually may be obligated under law for the support of a child or children
receiving services under the Title IV-D program.

If both parents are absent, and liable or potentially liable for support of a child or children receiving services under the IV-D program, each parent is considered a separate IV-D case. For DCT purposes, a case consists of the same CP, NCP, and child(ren) in common.

For CCSAS implementation, SWS will link IV-D cases with the same CP/NCP combination. Caseworkers will need to review these linked cases to determine if there are children in common and a duplicate case exists. In some instances workers may find that although there are children in common, the child(ren) of one case has emancipated and an arrears only case exists. This would not be a DCT scenario; however, these cases will appropriately merge in SWS after implementation of V1.3; therefore one case will need to be transferred.

Foster Care and Kin-Gap Cases

As previously stated in CSS Letter 05-30, regular foster care (FC) cases are not subject to the DCT process because after the dependent child (or children) moves from one county to another, the case construct changes as a result of the new county's designation as the new CP. With the change to the CP, the case is no longer a duplicate of the original case and therefore not subject to DCT.

A Kin-Gap case is a hybrid foster care case and results in two different scenarios, one which is subject to DCT and another which is not subject to DCT. The CP in a Kin-Gap case is a caretaker-relative and not the county which is providing aid.

If a child moves from regular foster care in County A to a Kin-Gap situation with a caretaker-relative as the new CP, there is no duplicate case. This situation is not subject to the DCT process as there is no duplicate case (no identical case construct).

Example:	Transitions to	Two Non-DCT Cases .
County A = CP FC		Caretaker–relative = CP (Kin Gap)
Absent Father = NCP		Absent Father = NCP1
Child One		Child One
	and	
County A = CP FC		Caretaker–relative = CP
Absent Mom = NCP2		Absent Mom = NCP2
Child One		Child One

However, once a Kin-Gap case is created in County A with a caretaker-relative as the CP and the caretaker-relative and child then move to County B, the resulting case is subject to DCT because the new case construct will be identical in County B.

Example:

County A	Transitions to	County B
Caretaker–relative = CP		Caretaker–relative = CP
Absent Father = NCP		Absent Father = NCP1
Child One		Child One
	and	
Caretaker–relative = CP		Caretaker–relative = CP
Absent Mom = NCP2		Absent Mom = NCP2
Child One		Child One

Because the case construct is identical from one county to the next, this scenario is subject to the DCT process.

DUPLICATE CASE TRANSFER PROCESSING REPORTS

A Duplicate Case Transfer Detail Report has been created in V1.2.5 and will be available to assist the LCSAs with the DCT process. Until the report is available in SWS, it will be posted on the Local Child Support Agency (LCSA) Secured Website every Friday on a weekly basis. The report is county specific and will be able to be generated on demand. The report will show all open LCSA county cases within the reporting county that have merged in SWS with other LCSA county cases. Once the report has been generated it will be downloadable from SWS for 30 days. A Duplicate Case Transfer Summary Report was also created to assist DCSS in monitoring the monthly DCT progress in each LCSA.

The Duplicate Transfer Detail report should be used to assist in the identification of duplicate cases. If a case has not reported on these lists for any reason, but has been identified as a duplicate case it should be transferred per existing duplicate case transfer policy.

LCSAs are expected to continue the DCT process for any case that meets transfer criteria in preparation for conversion to CCSAS Version 2 (V2).

CASE MANAGEMENT RESPONSIBILITY POLICY

Case management responsibility will continue to be determined by the rules presented in CSS 05-30. The sending county that is relinquishing Case Management Responsibility (CMR) will continue to transfer the case and financial management responsibility to the managing LCSA (receiving county). However, enforcement activity will not end in the sending county until they receive acknowledgement from the receiving county that they have registered the order.

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The case closure process may be initiated once the sending county receives confirmation from the receiving county that the transfer is complete. SWS has also been enhanced in V1.2.5 with an override capability that reassigns CMR to another LCSA. This functionality allows the LCSA caseworker to manually select the designation of the managing LCSA.

This functionality requires a specific security role and only users with this security role will be able to invoke the reassignment. Information was given to LCSA Wave Coordinators at the April 2006 Training for Trainers (T4T) workshop regarding V1.3 SWS User Profiles and their security roles. As indicated at the workshop, LCSAs should decide, within their local agency, who will specifically receive this security role for designation of CMR reassignment to another LCSA. The LCSA Directors also received from DCSS recommendations as to who the security profiles should be assigned to within their agency. However, it shall be the responsibility of the receiving county, during a duplicate case transfer, to change the reassignment of CMR once the order has been established and is being enforced in the receiving county. CMR should not be switched without first **immediately** notifying the sending county that the assignment is being changed. The system feature is necessary to allow the managing LCSA to be the county with the active and enforceable order until the wage assignment is coordinated between the receiving/sending counties and the employer and/or the registration process occurs.

FINANCIAL MANAGEMENT RESPONSIBILITY POLICY

Accounting Records

The sending LCSA will continue to include the minimum requirements established by CSS Letter 05-30, for accounting records during the DCT process. All new forms created and established by CSS Letter 05-30, with the exception of unreimbursed assistance pool (UAP) information, shall continue to be used by LCSA's during the case transfer process. The receiving county shall not refuse a transfer as long as the minimum requirements for accounting records have been met. The receiving county shall continue to verify the accounting of arrears, including interest, when appropriate.

When a case is transferred, the arrears are also transferred to the receiving LCSA. The sending LCSA must provide to the receiving LCSA the following financial information including, but not limited to:

- The amount of arrears and the amount of interest owed by specific account type
- A month-through-month outline of the accrual time periods for the totals provided (e.g., January 1, 2003 through June 30, 2003= $3,000)

The sending LCSA is required to certify that the accounting records or payment histories are true and correct to their knowledge at the time of transfer, but is not required to perform an account reconciliation or audit at the time of transfer. The receiving county is not required to audit or reconcile the sending LCSA's accounting records. If a discrepancy in the accounting records from the sending LCSA is discovered by the receiving county, the case should not be rejected. Form DCSS 0420, Duplicate Case Transfer Information Request, should be used to request additional information from the sending county as needed to clarify the discrepancy. The sending county should respond to the receiving LCSA within 20 business days after receiving the request.

If the receiving LCSA is required to provide an audit to the court commissioner, e.g., for registration of an order or an action regarding arrears balances, the sending LCSA is required to submit the audit within 20 business days of the request to the receiving LCSA. Form DCSS 0420 can also be used to request an audit.

The sending county should respond to a request for an audit within 20 business days after receiving the request. If necessary, the receiving LCSA's DCT Coordinator may subpoena the DCT Coordinator from the sending LCSA to respond to the action. The sending LCSA shall use the DCSS 0419 (08/17/05), DCT Notification form to transmit accounting records with the transfer. This form includes a month-through-month obligation charged per child to assist in identifying any double billing that may have occurred.

The sending LCSA shall calculate all interest prior to completing this form. When interest is not calculated, the sending LCSA's DCT Coordinator shall send a cover letter to the receiving LCSA's DCT Coordinator explaining why interest cannot be calculated.

For example, accounts may be on hold, pending research of payments, to avoid disbursing an overpayment; or in the case of an order from another state, an interest calculation or re-calculation may be necessary.

STATEWIDE SERVICES V1.3 PAYMENT ALLOCATION

With the implementation of V1.3 and statewide allocation, LCSAs will be unable to send a payment to another county. Monies that are collected by the State Disbursement Unit (SDU) will be sent to the managing county identified in SWS. The result is that a receiving DCT county cannot forward payments back to the sending DCT County for reimbursement of the UAP balance and a sending DCT county cannot send payments to the receiving DCT County during the processing of a transfer. Effective with V1.3 implementation, all LCSAs shall discontinue the practice of setting

Uniform Reciprocal County (URC) accounts, Uniform Initiating County (UIC) accounts and DCT Participant accounts (PAC). Currently, an automated program is being created by the Automated Child Support Replacement System (ARS) and the Computer Assisted Support Enforcement System (CASES) that will preclude payments from these accounts being forwarded to other California counties. There will also be some manual clean up efforts required by the LCSAs. The following is a list of actions that will start to be taken by the consortia and LCSAs to assist with implementation:

ARS (Service Request 89395)

- Queries will be written to identify all PACs with non-Local California Federal Information Processing Standard (FIPS) Codes. An update program will be written to change the processing code to the managing LCSA's FIPS.

- No accounts will need to be closed or converted by the LCSAs.

- If multiple assisted or never assisted accounts exist on the same case after changing the other California FIPS to the local FIPS, ARS will automatically combine the balances of the two accounts before doing allocation and distribution calculations. No combining of account records by the LCSAs is required.

- ARS consortia will create an automated event within the system that records the local UAP amount from the sending county.

- A training bulletin will be issued by the ARS consortium prior to implementation of this process to assist the LCSAs with changes in DCT account processing.

- ARS consortia will create a report of the UAP amounts for future use that have been impacted by this conversion.

- After all DCT FIPS are changed to local FIPS, ARS consortia will modify the account profile screen to restrict workers from entering the FIPS of another California county.

- In the past, DCT cases were set up with "Care Of" addresses to send warrants to other California LCSAs. A manual clean up effort may be required, by LCSAs, to inactivate these addresses or change them to the CP's mailing address if the account does not have a verified address for the CP.

CASES (Service Request 8103-P6)

- CASES will write an automated conversion program for URC accounts that will close and convert them to local accounts.

- If a Permanently Assigned URC account is closed, the program will add the balance to a local Permanent Assigned account for the CP if one exists.

- If no local Permanently Assigned account exists, an attempt will be made by the consortia to create a local Permanently Assigned account based on the UAP in the managing county.

- If there is no UAP balance in the managing county, the URC Permanently Assigned account will be converted to a Never Assigned account owed to the families.

- If converting or closing a Never URC account, the balance will be added by the consortia to the local Never Assigned account if one exists for the CP. If no local Never Assigned account exists, one will be created. Any payments collected by the managing county would be sent to the family by the SDU as instructed by SWS.

- The AC1 accounting screen will be modified by the consortia to prevent new URC accounts from being added by the LCSAs.

- For all, an event will be created with the balance of the converted URC account, the conversion account, and the information from the AC1 accounting screen in the CASES system that may be used at a later date.

- The consortia will report the accounts that can't be converted by the automated programming.

- Cases that have multiple CP's, another jurisdiction as the CP or differences between the numbers of children on the original URC account will not be automatically converted. A list will be created for LCSAs to review and manually convert the account or attempt to resolve the differences.

COLLECTION AND DISTRIBUTION

V1.3 implementation changes the payment processing for duplicate case transfers. This section explains how the changes affect LCSA handling of collections during the DCT process.

LCSAs shall use the following guidelines for processing payments:

Sending LCSA

1) The sending county shall continue to send the minimum accounting requirements, excluding any UAP information, to the receiving LCSA to initiate the transfer.

2) The sending LCSA shall be responsible for all collections until the receiving LCSA has completed the transfer and notified the sending LCSA that case management responsibility now lies with the receiving county.

3) The sending LCSA shall **discontinue** the practice of forwarding payments to the receiving county, while the duplicate case is being processed by the receiving county.

4) The sending LCSA shall maintain responsibility for processing the billing statement until it has been notified by the receiving LCSA that the DCT process is completed.

5) The sending county shall create an event in the CASES and ARS system indicating the assigned arrears balance(s) that is being transferred to the receiving LCSA.

6) The sending LCSA shall initiate the case closure process upon receipt of the DCSS 0514, Duplicate Case Transfer Acknowledgment, and indicating acceptance of the transfer.

7) The sending LCSA shall send an updated payment history to the receiving LCSA after the transfer process has been completed.

8) The sending LCSA shall not physically close the case until it has received verification as follows: DCSS 0514, email notification or telephone contact from the receiving county indicating that the case transfer has been completed.

NOTE:
If both LCSAs have financials, then the sending LCSA shall terminate all integrated Data Base (IDB) enforcement actions and the NCP billing statement. The Order/notice to Withhold Income (ONTW) for collection of support and liens shall be left in place until the receiving county acknowledges completion of the transfer.

Receiving County

1) The receiving LCSA shall send the DCSS 0514, to the sending LCSA acknowledging receipt and acceptance of the transfer.

2) If the receiving LCSA is already enforcing existing accounts, use form DCSS 0514 to notify the sending county of the enforcement actions immediately.

3) The receiving LCSA shall be responsible for the collection of all arrears that have been transferred to that LCSA. The sending LCSA shall maintain responsibility for the UAP accrued in that county.

4) During processing of the duplicate case transfer, the receiving LCSA shall not set up Voluntary Payment Accounts (VPA) for payment processing.

5) Criteria for the receiving LCSA to deem the case transfer completed are the following: registration or establishment of an order in the receiving county, an issued ONTW for collection of support, initiated IDB enforcement actions by the receiving county, liens filed by the receiving LCSA and setting of case management responsibility in Statewide Services (SWS) pursuant to established DCSS policy.

6) Once the transfer has been completed, the receiving LCSA shall notify the sending LCSA **immediately** before switching the case management indicator in SWS.

7) The receiving LCSA will have responsibility of the billing statement once it has acknowledged the transfer is complete and case management responsibility has been set in SWS.

During the first week of implementation of V1.3, LCSAs should continue to review all payments that are identified as interstate payments. If the payment is associated with an intercounty case take the following actions:

1) Determine if payment is an Interstate case or Intercounty case.

2) Review the case in ARS or CASES and view the image in the State Disbursement Unit Collection Engine.

3) If the payment source is associated with an interstate payment then no change is needed.

4) If the payment source is associated with an Intercounty payment, change the payment source from the forwarding source in the ARS and CASES systems to the original collection payment source.

5) The ARS and CASES systems will process the payment according to the changed payment source.

UNREIMBURSED ASSISTANCE POOL (UAP) BALANCE VERIFICATION AND RECOUPMENT

The sending LCSA shall cease indicating a UAP balance on page four of the DCSS 0419 (08/17/05), DCT Notification, when transferring cases with assigned arrears balances. Effective with V1.3 implementation, the practice of receiving an Intercounty payment to satisfy a sending county's UAP balance is discontinued.
Once the receiving LCSA has assumed case management responsibility, they will enforce and collect the arrears. The receiving LCSA will recoup assigned arrears for the UAP expended in the receiving county. After the receiving LCSA's UAP has been recouped, any excess shall be paid to the family. The receiving county will discontinue the practice of forwarding the excess monies back to the sending county for application to the sending LCSA's UAP balance.

This change is necessary as once V1.3 is implemented, LCSAs will be unable to send the payment required for UAP recoupment due to statewide allocation. Effective with the implementation of V1.3, the paragraph entitled Unreimbursed Assistance Pool (UAP) Balance Verification, on page 11 CSS Letter 05-30, is no longer applicable. The sending LCSA will no longer be required to specify a UAP balance amount on page four of the DCSS 0419 (08/17/05), DCT Notification form.

As previously noted in CSS Letter 06-13, it is a requirement of the V2 system to calculate and maintain information on UAP for statewide tracking purposes. Thus, it is imperative that the UAP information provided to ARS and CASES by the LCSAs is accurate and verified prior to V2 conversion. If a case is missing the aid paid amount(s) or the aid paid amount(s) were derived (an aid paid amount is assumed to have been paid), the LCSA needs to request aid paid information from the local welfare department using their existing verification process. If the county welfare department fails to respond within 90 business days from the LCSA's request, the unverified aid paid amounts(s) can be excluded from the UAP calculation. Each county is responsible for maintaining an accounting record of its own UAP.

The sending LCSA should keep a record of the UAP balance associated with all permanently assigned arrears that have been transferred.

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Collection of the UAP balances will occur when the sending LCSA transitions onto CCSAS V2 and the verified UAP balance has been converted into the system. As counties convert to V2, the UAP associated with their county's welfare serial number will be converted to CSE along with the appropriate aid history. This will include cases closed one year prior to the LCSA's conversion to V2.

If you have any questions or concerns regarding this matter, please contact Trish Salveson, Manager, Financial Management Policy Unit at (916) 464-5226, or Jon Cordova, Manager, Case Initiation Unit at (916) 464-5216.

Sincerely,

/os/

GRETA WALLACE
Director