

PRESENTATION TO THE 2022 INTERIM BUDGET COMMITTEE

Child Support Services Division

Economic Security Services

Department of Public Health and Human Services

THE FOLLOWING TOPICS ARE COVERED IN THIS REPORT:

- **Overview**
- **Summary of Major Functions**
- **Highlights and Accomplishments during the 2023 Biennium**
- **Efficiencies and Cost Savings**
- **Funding and FTE Information**
- **Change Packages**

OVERVIEW

The Child Support Services Division (CSSD) establishes and enforces child support and medical support orders. Any parent (custodial or non-custodial) or a caregiver with custody of a child who needs help to establish, modify, or enforce a child support order may apply for child support services. Having a case with Child Support Services creates a record of all child support payments, provides a neutral go-between for parents, and can help both parents avoid court and assist with navigating the child support system. Child Support Services staff act in the public interest and do not represent either side of a child support case. Child support is designed to ensure a child's basic needs are covered, such as shelter, food, clothing, school expenses, or medical expenses. Currently, CSSD has over 30,756 cases providing services to over 48,635 children.

SUMMARY OF MAJOR FUNCTIONS

PRIMARY SERVICES

The division offers the following services to the public:

- Location of non-custodial parents
- Establishment of paternity
- Establishment of child support obligations
- Modifications of child support obligations
- Establishment and enforcement of medical support obligations
- Collection of child support

These services are offered throughout Montana with five locations open to the public in Billings, Butte, Helena, Missoula, and Great Falls. In addition to visiting one of the offices, individuals can apply for support by paper application, online at childsupport.mt.gov, or by calling 1-800-346-5437.

Child Support Services Division Regional Offices



Location of non-custodial parents

Before a child support order can be made, both parents of the child or children must be located. CSSD helps locate noncustodial parents, putative fathers, and custodial parties to establish paternity and child support obligations. Location services also assist with the enforcement and modification of orders for child support, custody, and visitation. CSSD uses a variety of electronic and manual tools to find where an individual may live or work.

Establishment of paternity

CSSD offers services, including genetic DNA testing, to establish paternity of children for child support obligations. Established paternity may provide the child one or more of the following benefits:

- Access to social security benefits, medical insurance, and biological information
- Verification of tribal enrollment status
- Facilitation of important interactions and relationships with both parents that have long-term benefits to the well-being and development of the child

In FY 2021, CSSD resolved 449 paternity cases and established child support obligations for those children. Annually, the CSSD caseload of children with established paternity regularly exceeds the federal paternity establishment percentage (PEP) standard of 90%. This performance standard is the ratio of the total number of children in the caseload with paternity established or acknowledged at the end of the fiscal year, to the total number of children for the preceding year. In FY2021, the PEP for CSSD was 100%.

Establishment and modification of child support obligations

CSSD establishes new child support obligations and, when appropriate, modifies current support obligations. Monthly obligations are set through a calculation consistent with the Montana uniform child support guidelines to:

- Meet the basic needs of children and prevent or reduce child poverty
- Allow parents to meet their own basic needs so they can maintain employment
- Provide additional resources to grant children a higher standard of living by developing skills, abilities, and interests
- Recognize costs incurred for parenting or visitation with children in a state with the geographic size of Montana

In FY 2021, CSSD established 1,272 new child support obligations. In addition, staff reviewed 1,439 previously established support orders for modification. This resulted in 90% of the CSSD caseload having a child support order in place. On an annual basis, the CSSD caseload regularly exceeds the federal support order performance standard of 75%, which is a determination of whether there is a support order for each case in the caseload.

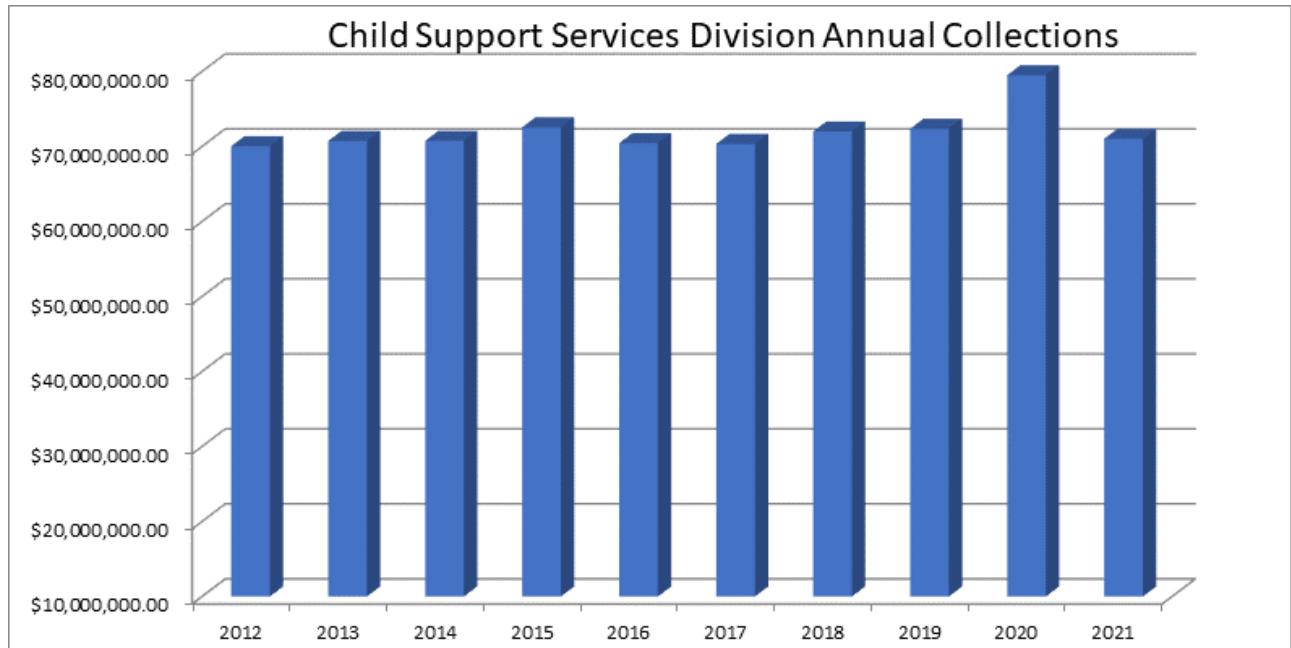
Establishment and enforcement of medical support obligations

Any established or modified order of support must include provisions for health coverage. Enforcing health insurance obligations for children provides healthcare stability for families. At the end of FY 2021, CSSD successfully verified medical support obligations for 12,852 children.

Collections

In FY 2021, CSSD collected over \$71 million in child support. Federal economic stimulus and pandemic unemployment payments contributed to the increased collections recorded for FY 2020. CSSD utilizes the following types of collection methods:

- Income withholding
- Offsets through the Department of Revenue offset program (including state tax refunds)
- Collection from unemployment and workers' compensation
- Offsets against U.S. Treasury payments (including federal tax refunds)
- Liens against property
- Credit reporting
- State-issued license suspension
- Garnishment of funds held in financial institutions
- Collection of lottery winnings



EXPANDED ONLINE SERVICES

Employer outreach and services

CSSD's employer outreach liaison works with businesses to answer questions and assist with online services, including electronic orders to withhold income, new hire reporting, and online payments. CSSD partners with the Montana Department of Labor and Industry to advertise and promote the benefits of online employer services during annual clinics for businesses. In addition to employer outreach, CSSD regularly updates the employer services section of its website to help employers answer questions and learn about electronic services.

Electronic orders to withhold income

The electronic income withholding orders (e-IWO) service saves time and money for families, employers, and CSSD. Employers may also report lump sum payments, such as bonuses, or employee terminations through the e-IWO process, through the federal Office of Child Support Enforcement employer services portal, or directly to CSSD. In 2021, 2,672 employers took advantage of the option to receive and process income withholding orders electronically

New hire reporting program

The new hire reporting program gives employers the option to submit new hire information online. This service is free to employers and is a quick and efficient way to meet the reporting requirement by reducing the time it takes to generate income withholding orders from months to days. Employers also maintain the option to provide updates by fax, phone, or mail. With the help of the employer liaison, web-based new hire reporting increased by 23% in 2021.

Online application

An online application is also available for parents seeking to open a child support case in Montana. In 2021, 1,674 parents opened a child support case electronically. For these families, this eliminates postage costs, saves time, and results in quicker receipt and initiation of the application for services.

Online payment services

A new online payment portal went live on July 27, 2021. This service allows an individual to make a child support payment quickly and easily. It also allows an employer to make a payment on behalf of their employees at no cost to the employer. A parent can also look up payments made or received and the arrears balance on their case using the online payment lookup service.

Highlights and Accomplishments during the 2023 Biennium

TRIBAL RELATIONS

CSSD continues to increase collaboration with Tribes across Montana to improve child support services available for all Montanans. Strengthening relationships and working together helps both the state and the Tribe enforce orders. Four tribes run their own successful tribal child support program in Montana:

- Chippewa Cree
- Blackfeet
- Confederated Salish and Kootenai
- Fort Belknap

Current collaborations are focused on developing a more transparent and efficient process for transferring cases from the state to a tribal program.

SYSTEM MODERNIZATION

SEARCHS

SEARCHS (System for the Enforcement and Recovery of Child Support) is CSSD's case management and accounting automated system. This mainframe system has been in use since 1993. In May 2018, State Information Technology Services Division decommissioned the state's mainframe, necessitating a transformation of SEARCHS from a legacy, mainframe-hosted environment to a mid-tier virtualized environment. The transformed SEARCHS went live in a mid-tier environment on October 12, 2021. CSSD will continue to modernize its automated system to enhance efficiencies and reporting capabilities, as well as improve performance monitoring.

Document management system

Current business processes rely on paper-based case files, which results in inefficient management of the workload statewide. CSSD intends to shift to electronic document management, which will lead to improved consistency and more efficient and effective case processing. Over 30,000 hard files will be converted into an electronic format.

IMPROVING AND ENHANCING CUSTOMER SERVICE

Customer service

Enhancing customer satisfaction is a primary focus for CSSD. Finding innovative ways to communicate and reach out to families will help staff better serve Montanans. CSSD specialists are now asking both custodial and non-custodial parents about the service they receive and what can be improved. Moving forward, CSSD intends to implement satisfaction surveys at the end of each call. Using this information will identify gaps in training, timeliness issues, and case accuracy and guide future DPHHS customer service improvement activities.

Written communications

A project to review and improve standard communications is underway. Clear, concise correspondence is key to improving customer service. The federal and state laws, regulations, and guidelines governing child support are complicated. Related confusion can cause processing delays, incorrect documentation, or inaccurate determinations.

Create a consistent training platform

Child Support specialists and supervisors must be well trained in order to complete accurate and consistent casework. CSSD is developing and implementing a standardized training platform that can be delivered in person or virtually. Consistent training will lead to better customer service and case decisions statewide. Some examples of trainings that will be available this year are:

- New hire training
- Tribal relations training
- Motivational interviewing
- Safety science
- De-escalation practices

EFFICIENCIES AND COST SAVINGS

Centralized printing

In July 2021, CSSD implemented centralized printing for nearly all case generated correspondence. Previously, all documents were printed and mailed from each of CSSD's five regional offices. These documents are now automatically sent to the state's print and mail services bureau for processing based on the appropriate mail type (regular, certified, or registered). This process takes advantage of the efficiencies provided by centralized services and allows CSSD staff to focus on child support services rather than printing documents and preparing them for mailing.

Centralized mail unit

CSSD created a centralized mail unit in Helena which began processing the division's mail and returned mail in 2020. This unit has also assisted in purging case files of duplicate and unnecessary documents in anticipation of moving to an electronic document management system.

FUNDING AND FTE INFORMATION

	FY 2022	FY 2023
	BUDGET	BUDGET
CHILD SUPPORT SERVICES DIVISION		
FTE	129.81	129.81
Personal Services	\$ 9,472,799	\$ 9,786,210
Operating	1,932,064	1,942,623
Equipment	21,456	21,456
Local Assistance	-	-
Grants	-	-
Benefits and Claims	-	-
Transfers	-	-
Debt Services	28,549	17,990
TOTAL COSTS	\$ 11,454,868	\$ 11,768,279
General Fund	\$ 3,220,374	\$ 3,384,529
State Special Fund	363,312	363,312
Federal Fund	7,871,182	8,020,438
TOTAL COSTS	\$ 11,454,868	\$ 11,768,279