

DHHS

Statewide Conference Call

August 5, 2014

Division of Social Services
Child Support Services Section

Daisie Blue, Chief

General Assembly Evaluation

- **Report Title:**

*Revising State Child Support Incentive System
Could Promote Improved Performance of
County Programs*

- **Evaluation Team:**

Jim Horne, Evaluation Lead

Meg Kunde, Evaluator

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Evaluation Goals

- Describe the NC Child Support Services Program
- Identify factors affecting performance
- Investigate programs used by other states to overcome performance issues
- Recommend improvements at state level for oversight of county programs

Finding 1:

- The NC CSS program ranks 24th among all states and is not improving in federal performance measures
- NC Child Support Services program ranks 5th among the 8 states with state-supervised, county-administered child support programs

Federal Performance Measures

- Performance Measures Used for Ranking:
 - Current collections
 - Past-due payments
 - Paternity establishment
 - Cases under order
 - Cost effectiveness

- All performance measures except for cost effectiveness have increased or decreased less than 1%

Incentive Award for FFY2012

- NC CSS received \$14.4 million federal incentive payment award for Federal Fiscal Year 2012
- A state's total incentive payment is primarily based on its performance on the five federal performance measures
- *Federal regulations require that incentive payments must supplement (not supplant) expenditures for child support services*

Finding: 2

- The methodology used by Child Support Services to distribute federal incentive payments does not promote improved county program performance
 - State established incentive goals are not connected to incentive payments
 - State performance results do not improve when county goals are not met

Finding: 3

- CSS has not established specific spending guidelines and does not track incentive payment expenditures
 - Relies on federal regulations as guidance to county programs/incentives must supplement not supplant expenditures
 - Uses federal maintenance of effort
 - Does not track county incentive expenditures

Finding: 4

- The State Office's provision of centralized child support services is hindered by limited resources
 - ACTS is in need of an upgrade or replacement
 - Central Registry does not have sufficient staff to complete a comprehensive review of interstate case requests
 - Budget and staff reductions have affected the level of services

Recommendation: 1

- The General Assembly and CSS should promote improved performance of the program by making changes to the incentive system
 - Revise methodology for distributing payments to include 3 pools
 - State portion
 - County employee bonuses
 - County payments for meeting incentive goals
 - Require counties to document how incentive payments are reinvested to improve the program

Recommendation: 2

- The General Assembly should require counties to maintain county expenditures for child support services
 - Establish State Maintenance of Effort for counties
 - Require counties to maintain expenditures per the MOE
 - Waiver allowed for economic factors

Legislative Committee Decision

- Report presented July 16, 2014
- Subcommittee formed to review the report
- Senator Randleman is Chair of the subcommittee
- Instruct staff to draft legislation based on results of the review due in January 2015

SFY2014 Program Performance

Incentive Goals

- Current Support Collected
 - Goal: 66%
 - Actual: 65.60%

- Total Collected
 - Goal: \$709,176,676
 - Actual: **\$700,556,076**

Incentive Goals Continued

- Cases Under Order
 - Goal: 84.45%
 - Actual: 86%

- Paternity Established
 - Goal: 97.40%
 - Actual: 99%

- Cases paying toward arrears
 - Goal: 65.36%
 - Actual: 65.07

Self Assessment Results

- Establishment (65.95%) reflects a 1.45% increase over last year
- Interstate (78.93%) reflects a decrease of 1.17%
- Review and Adjustment Needed (84.52%) reflects a decrease of 1.56%.
- All other categories reflect increases or decreases of less than 1%.

Child Support Related Legislation

- SB 794 - The new provision revises G.S. 50-13.4 to state that the Conference of Chief District Court Judges duty to establish guidelines for the determination of child support which includes establishment of retroactive support for periods prior to the effective date of a new child support obligation. Case law supports only the option using actual expenses.
- HB 1133 is a technical correction bill but it includes the provision that the address of the custodial parent and/or the child has to be provided in IV-D cases. Amending G.S. 110-136.3(a) and G.S. 50-13.4(c1).

Child Support Related Events

- August is Child Support Awareness Month
- Child Support Conference in Concord, August 27-29, 2014
- NC Workforce Development Conference 2014 is October 15, 2014.
- Congress approved the Workforce Innovation and Opportunity Act (WIOA); it awaits President Obama's signature. The bill reauthorizes the workforce development and education programs—key strategies that help lift people out of poverty—and modernizes the Workforce Investment Act of 1998.

Questions



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