



Health & Human Services Agenda Request

2A
Agenda Item #

Requested Meeting Date: December 20, 2022

Title of Item: Child Support Presentation

<input checked="" type="checkbox"/> REGULAR AGENDA	Action Requested:	<input type="checkbox"/> Direction Requested
<input type="checkbox"/> CONSENT AGENDA		<input checked="" type="checkbox"/> Discussion Item
<input type="checkbox"/> INFORMATION ONLY		<input type="checkbox"/> Hold Public Hearing* <i>*provide copy of hearing notice that was published</i>
		<input type="checkbox"/> Approve/Deny Motion
		<input type="checkbox"/> Adopt Resolution (attach draft)

Submitted by: Paula Arimborgo	Department: H&HS Administration
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Presenter (Name and Title): Julie Herbst, H&HS Child Support Supervisor	Estimated Time Needed: 15-20 minutes
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Summary of Issue:
Child Support Presentation

Alternatives, Options, Effects on Others/Comments:

Recommended Action/Motion:

Financial Impact:
Is there a cost associated with this request? Yes No
What is the total cost, with tax and shipping? \$
Is this budgeted? Yes No *Please Explain:*

Child Support

Federal Fiscal Year 2021

Minnesota Vision and Mission



The division strives to allow children to depend on their parents for the support they need. In carrying out its vision, workers promote children’s well-being and family self-sufficiency by delivering quality child support services. Its work reflects the division’s core mission and values and shows commitment to:

- Children
- Quality Customer Service
- Integrity, Respect and Ethics
- Innovation and Excellence
- Collaborative Relationships

Performance measures

The five performance measures are:

- Paternity establishments
- Child support order establishment
- Collections on current support
- Collections on arrears
- Program cost effectiveness

Minnesota's Federal Performance Measures		
	FFY 2021	FFY 2020
Paternities Established	98.83%	100.14%
Orders Established	86.50%	87.47%
Collections On Current	75.75%	75.41%
Collections on Arrears	72.30%	79.65%
Cost Effectiveness	\$3.09	\$3.26

Federal Performance Measures: County Results

County	Paternities Established Measure FFY2021 (%)	Orders Established Measure FFY2021 (%)	Collections on Current Measure FFY2021 (%)	Collections on Arrears Measure FFY2021 (%)	Cost Effectiveness Measure FFY2021 (\$)
Aitkin	101.58	93.48	71.83	67.17	3.10
STATEWIDE	98.83	86.50	75.75	72.30	3.09
Federal Requirements**	90.00	80.00	75.00	50.00	5.00

** This number reflects the percentage to receive the maximum amount of incentive funds. As numbers decline, less incentive money is received.

Aitkin County Results: Orders Established & Paternities Established

County	Open Cases with Orders Established FFY2021	Open Cases FFY2020	Federal Performance Measures: Orders Established	
			FFY2021 (%)	FFY2020 (%)
Aitkin	559	598	93.48	95.29
STATEWIDE	168,079	194,313	86.5	87.47

County	Children in Open IVD Cases with Paternities Established FFY2021	Children in Open IVD Cases not Born in Marriage FFY2020	Federal Performance Measures: Paternities established	
			FFY2021 (%)	FFY2020 (%)
Aitkin	514	506	101.58	100.56
STATEWIDE	162,651	164,572	98.83	100.14

Aitkin County Results: Collections on Current & Collections on Arrears

County	Current Support Disbursed FFY2021	Current Support Due FFY2021	Federal Performance Measures: Collections on Current	
			FFY2021 (%)	FFY2020 (%)
Aitkin	1,155,337.42	1,608,521.53	71.83	72.50
STATEWIDE	415,580,853.86	548,633,442.44	75.75	75.41

County	Cases with Arrears Disbursed FFY2021	Cases with Arrears Due During FFY2021	Federal Performance Measures: Collections on Arrears	
			FFY2021 (%)	FFY2020 (%)
Aitkin	358	533	67.17	72.92
STATEWIDE	107,023	148,024	72.30	79.65

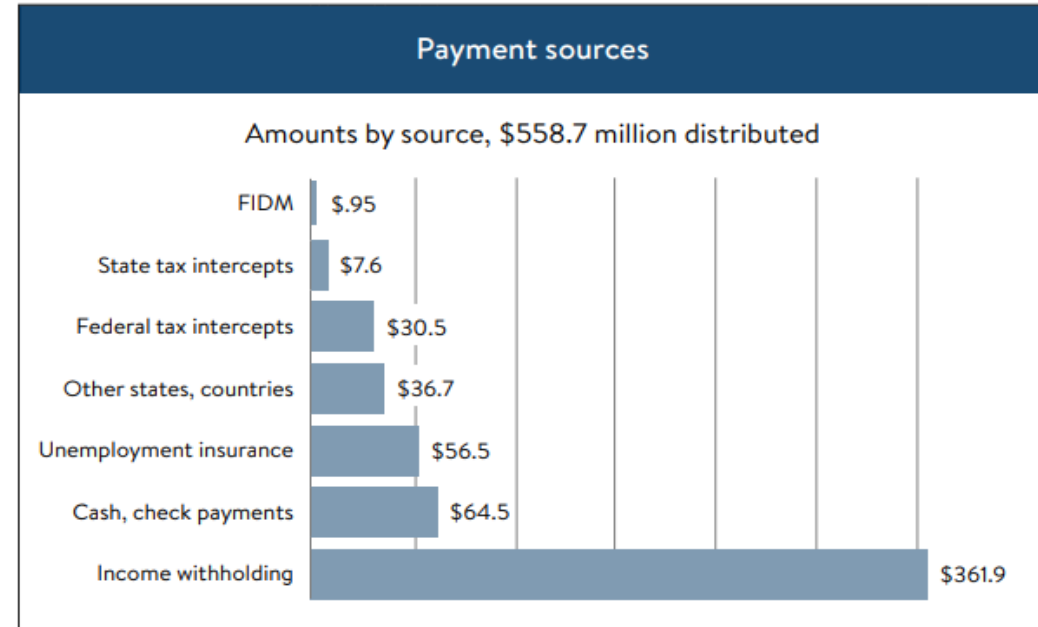
Aitkin County Results: Cost Effectiveness

County	Collections Disbursed FFY2021	Expenditures FFY2021	Federal Performance Measures: Cost Effectiveness	
			FFY2021 (\$)	FFY2020 (\$)
Aitkin	1,552,365	501,325	3.10	3.52
STATEWIDE	551,379,045	183,682,948	3.26	3.14

Payment Sources

Minnesota's child support program in FFY 2021:

- Served 220,345 children; fewer than 11% of them received public assistance in the form of cash, as of Sept. 30, 2021.
- Distributed \$558.7 million, including:
 - \$361.9 million from employers withholding child support from parents' paychecks
 - \$64.5 million from cash and check payments
 - \$56.5 million from unemployment insurance
 - \$38.1 million through tax intercepts
 - \$36.7 million received from other states' and countries' collections
 - \$1 million from financial institution data match levies.



County	Collection FFY2021	Income Withholding	Re-employment	Federal Tax	State Tax	Other States	Other Countries	Other Sources (cash, Checks)	FIDM*
Aitkin	1,580,021	1,039,538	153,988	100,101	37,624	103,699	0	145,072	2,813
STATEWIDE	558,733,227	361,944,723	56,477,943	30,461,344	7,637,747	36,596,644	139,512	65,475,313	951,281

MN County Disbursements, Total Expenditures and Incentives

County	Collections Disbursed FFY2021	Expenditures FFY2021	Cost Effectiveness Ratio FFY2021	Collections Disbursed FFY2020	Expenditures FFY2020	Cost Effectiveness Ratio FFY2020	Federal Incentives FFY2021*	State Incentives FFY2021	Total Incentives FFY2021
Aitkin	1,552,365	501,325	3.10	1,734,246	492,622	3.52	35,308	4,551	39,859
STATEWIDE	551,379,045	178,421,028	3.09	597,919,970	183,682,948	3.26	11,704,049	1,543,089	13,247,138

*Federal incentives are based on program performance two years prior.

Source: CSD InfoPac QQ640201: Quarterly OCSE34A Collect and Disburse - Summary and DHS Financial Operation Report, Division Operations - Quarterly County Admin. Reports

Guide to Performance Data

- **IV-D** –Established under Title IV-D of the Social Security Act, the Child Support Enforcement (CSE) program is charged with locating noncustodial parents, establishing paternity, and obtaining and enforcing orders for support owed by noncustodial parents to their children. This Federal legislation places responsibility for the program at both the Federal and State levels.
- **PATERNITY ESTABLISHMENTS** – the number of open Title IV-D cases with paternity established during the federal fiscal year divided by the number of children in open Title IV-D cases born outside of marriage during the prior federal fiscal year.
- **CHILD SUPPORT ORDERS ESTABLISHMENT** – the number of cases open at the end of the federal fiscal year with support orders established divided by the number of cases open at the end of the federal fiscal year.
- **COLLECTIONS ON CURRENT SUPPORT** – the total amount of support disbursed as current support during the federal fiscal year divided by the total amount of current support due for the federal fiscal year.
- **COLLECTIONS ON ARREARS** – the number of total cases with support disbursed as arrears during the federal fiscal year divided by the number of total cases with arrearages due during the federal fiscal year.
- **PROGRAM COST EFFECTIVENESS** – for the federal fiscal year, the amount of collections forwarded to other states plus total collections disbursed, including fees retained by other states divided by total Title IV-D dollars expended during the federal fiscal year.

Calculating performance measures	
Paternities established	Children in open Title IV-D cases with paternity established ¹ ÷ children in open Title IV-D cases born outside of marriage ¹ in previous year
Orders established	Cases open at the end of fiscal year with support orders established ² ÷ cases open at end of fiscal year ²
Collections on current support	Total amount of support disbursed as current support during fiscal year ² ÷ total amount of current support due for the fiscal year ²
Collections on arrears	Total cases with support disbursed as arrears during fiscal year ² ÷ total cases with arrearages due during fiscal year ²
Cost effectiveness	Collections forwarded to other states + total collections disbursed + fees retained by other states ³ ÷ total Title IV-D dollars expended ⁴

Sources: ¹QQ320920, ²QQ320921, ³QQ640201, ⁴Department of Human Services Financial Operations Division Report

2021 Child Support: More Money for Families

COLLECTIONS*

In FY2021, the child support program collected **\$32.7 billion**

66% of child support was collected by income withholding from an employee's paycheck (34% other sources)

96% of child support collected went to families (4% reimbursed public assistance dollars)

The child support program served **13.2 million children** **1 in 5 children** in the U.S.

Child support nearly doubles the average income of recipients below the poverty line — lifting 750,000 people out of poverty**



COST-EFFECTIVENESS

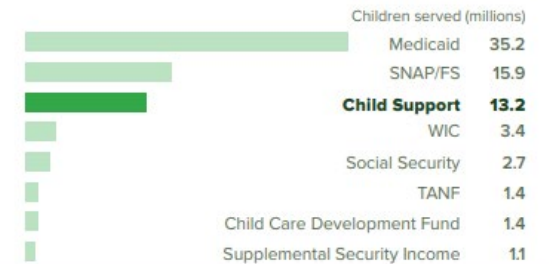
One of the most cost-effective government programs

\$5.27 collected by the child support program for every **\$1.00** spent



CASELOAD COMPARISON

Children served compared to other programs***



Source: Office of Child Support Enforcement

* Includes IV-D and non-IV-D payments.

** Characteristics of Custodial Parents and Their Children, 2018. (hhs.gov)

*** Combined CHIP Enrollment Total Report and Form CMS-64.EC, 2021; FY 2019 Supplemental Nutrition Assistance Program Participation and Costs; WIC Program Monthly Data – State Level Participation, FY 2021; Social Security Annual Statistical Supplement, Dec. 2020; TANF: Total Number of Child Recipients, FY 2021; CCDF Preliminary Data Table 1, 2019; SSI Annual Statistical Report, 2020.



ADMINISTRATION FOR
CHILDREN & FAMILIES
Office of Child Support Enforcement

Office of Child Support Enforcement
330 C Street, SW, Washington, DC 20201
<https://www.acf.hhs.gov/css>

Information provided by

- 2021 Child Support Performance Report by the Minnesota Department of Human Services

<https://edocs.dhs.state.mn.us/lfserver/Public/DHS-4252V-ENG>

- 2021 Child Support: More Money for Families by U.S. Dept of Health & Human Services Office of Child Support Enforcement

https://www.acf.hhs.gov/sites/default/files/documents/ocse/2021_infographic_national.pdf

- MN DHS Child Support Terms Glossary

<https://secure.childsupport.dhs.state.mn.us/mcso/participants/Glossary.request>