

Senate Bill 2012

Senate Appropriations Committee Senator Brad Bekkedahl, Chairman

Child Support Section | January 16, 2023

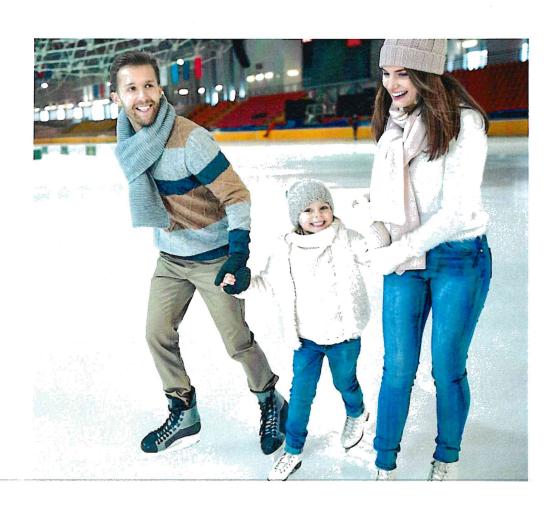


Health & Human Services

#### **Child Support Program Purpose**

The purpose of the Child Support program is to help parents meet the needs of their children by securing appropriate and sustainable child support.





#### Who we serve

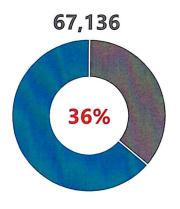
As of 2022, the Child Support section delivers programs and services to:

- 67,136 children
- 86,050 parents
- 53,318 cases
  - Full service. 32,797
  - Limited service 20,521
- Employers 79,176



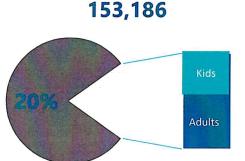


#### Child Support Who we serve



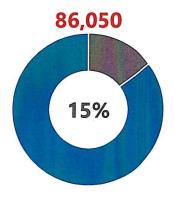
#### 1 in 3 ND kids

In 2022, 67,136 children received child support services. That is more than 1 of every 3 children under age 18 in the state.



#### 1 in 5 North Dakotans

153,186 people received child support services in North Dakota in 2022.



#### 1 in 7 ND adults

In 2022, 86,050 parents received child support services. That means nearly 1 of every 7 adults (age 18+) in the state has a connection to the child support division.



#### Meet Bobbi Jo & Tanner



Bobbi Jo is 22 years old and lives in Devils Lake. She used to live with the father of her two-year old son Tanner.

Tanner's father acknowledged his paternity in the hospital when Tanner was born but broke up with Bobbi Jo when Tanner was a baby.

Bobbi Jo has a part-time job at a local convenience store. She is receiving health coverage for herself and Tanner under the Medicaid program.

She is struggling to make ends meet, but currently makes too much income to be eligible for SNAP or TANF.



## Child Support What we do – Full Service and Limited Service

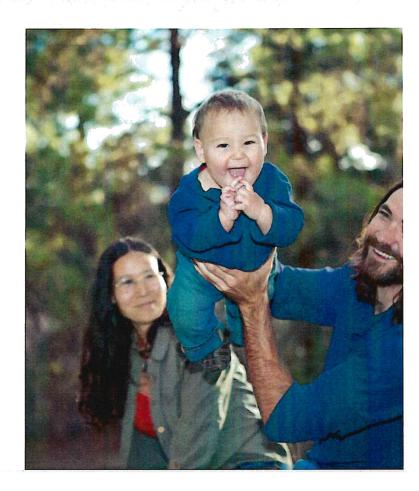
#### All Cases

- Customer service
- · Income withholding
- Account management

#### **Full-Service Cases**

- Establishment of paternity
- Establishment of a child support and medical support order
- Other enforcement actions such as tax refund offset and license suspension
- Employment services
- Periodic review and modification of child support obligation





## Child Support section provides services that promote family self sufficiency



#### **Customer Service**

- 24/7/365

   information on website and interactive phone system
- Customer service call center
- Appointments



#### **Establish paternity**

- In-hospital paternity acknowledgment program
- Genetic tests
- Paternity judgment



# Establish and modify court orders for child and medical support

- Child Support guidelines
- Periodic reviews



#### **Enforcement**

- Income withholding
- Tax refunds
- License suspension
- Employment assistance



#### Account Management

- Receive payments
- Maintain payment ledger
- Disburse payments



### Child Support Opening a Full-Service case

- TANF Referral
- Medicaid Referral
- Foster Care Referral
- Referral from another state or tribal or international child support program
- Application by a parent



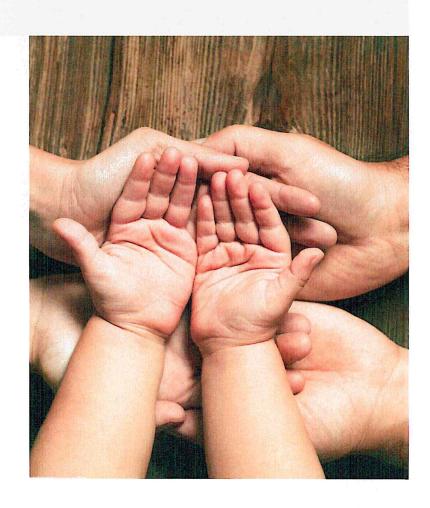


#### How we measure success Collection of payments owed

When child support is received, the child is able to grow up in a more secure and stable environment.

Studies have shown that for every \$1 a family receives in child support, \$0.19 is saved in reduced need for TANF, SNAP, Medicaid and other programs.





#### Child Support Return on Investment

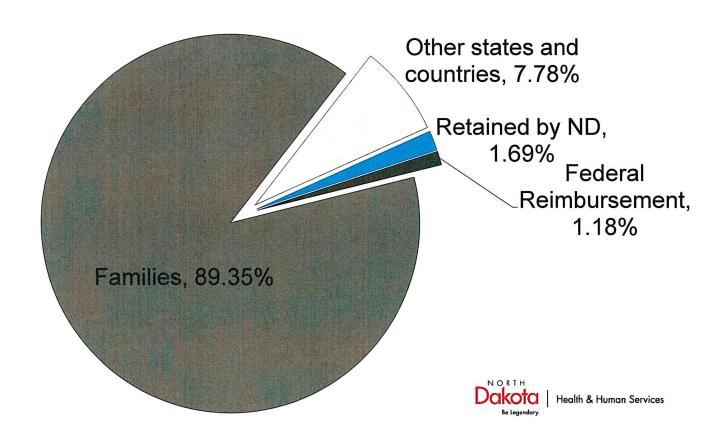
- Every \$1.00 spent on Child Support generated \$6.31 for family recipients
- Every \$1.00 in state General Funds
   spent on Child Support generates
   \$18.55 in support for family recipients





#### Collections - Where the money goes

Child support agencies work collaboratively, across state lines, to ensure that families receive the child support they are owed regardless of where they live.



#### Child Support Partners



- Employers
- Judges
- Clerks of court
- Sheriffs
- ND state and local government agencies

- Other state and tribal child support programs
- Private attorneys
- Car dealers
- Gaming operators



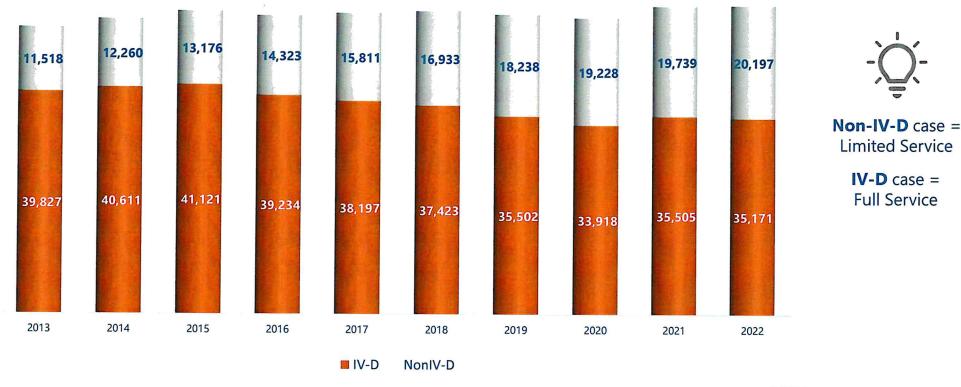
#### Child Support Tribal Partnerships

- "Lack of jurisdiction" cases are excluded from federal performance measures
- Partnership with Three Affiliated Tribes and Standing Rock Sioux Tribe child support programs
- Bring actions in Turtle Mountain and Spirit Lake tribal courts
- Host Tribal Offset Partnership so tribes can access federal offset services





### Child Support caseload is stable



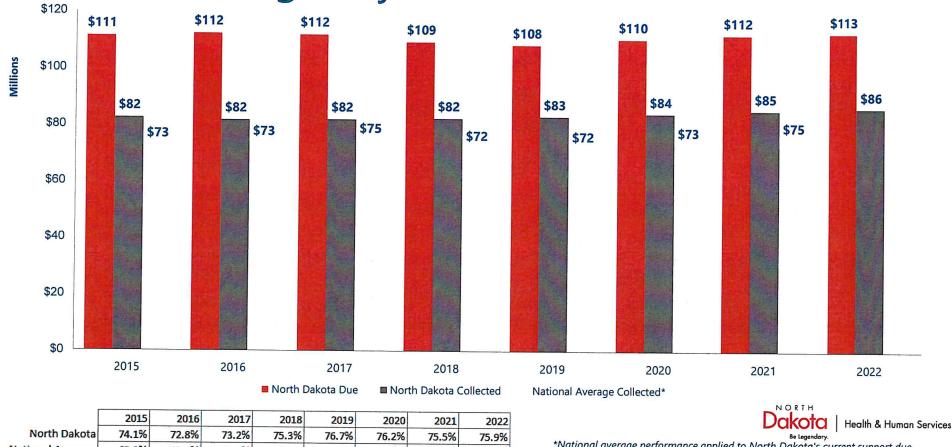


#### Child Support Performance Measures

	Orders Established	Paternity Established	Current Support	Cases with Arrears Collection	Cost Benefit
ND FFY 2022	90.09%	108.66%	75.88%	67.34%	\$6.31
ND FFY 2021	90.38% (20)	104.67% (7)	75.45% (5)	67.72% (28)	\$6.26 (13)
#1 State	94.83%	165.33%	84.33%	86.33%	\$11.80
#5 State	94.44%	110.95%	75.45%	75.28%	\$7.92
#10 State	93.14%	101.75%	71.33%	73.16%	\$6.43



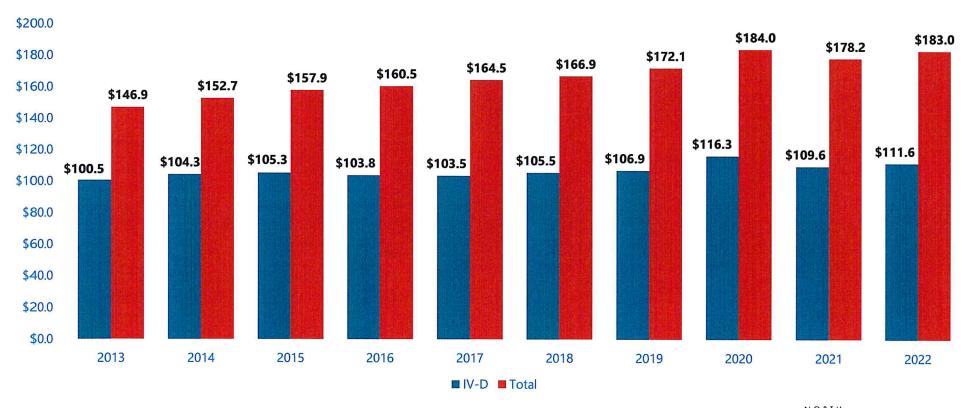
### ND child support collections typically exceed national averages by about 10%



National Average 65.2% 65.4% 66.6% 65.8% 66.2% 66.3% 67.0% N/A

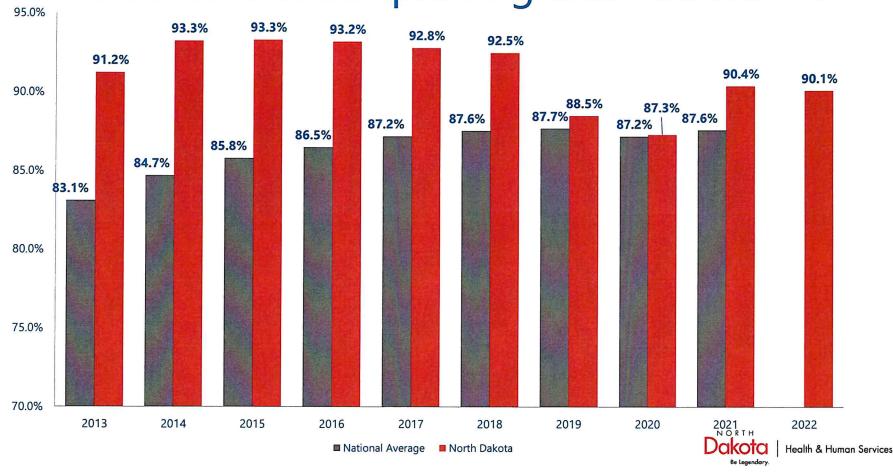
\*National average performance applied to North Dakota's current support due.

#### Collections continue to increase

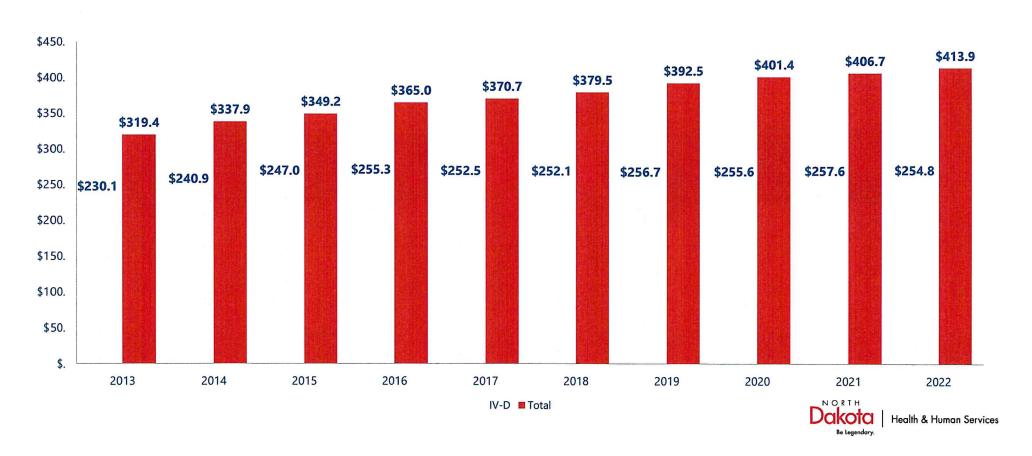


Dakota | Health & Human Services

### Order establishment improving after COVID-19



## Unpaid support in full-service cases is being contained



#### How do customers reach us?

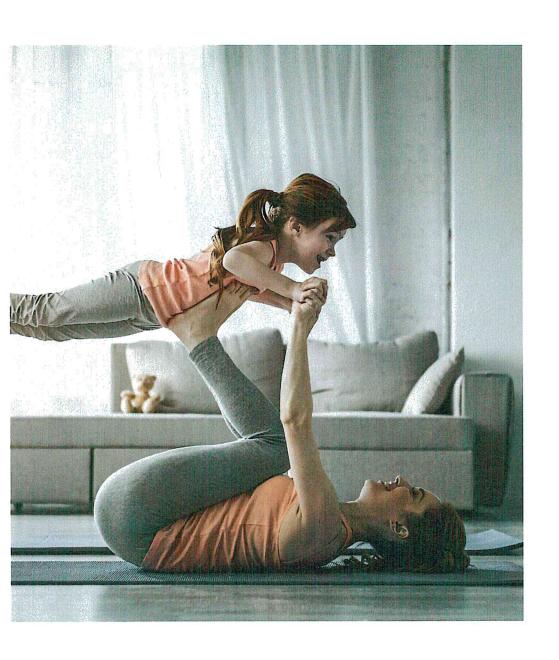


childsupport@nd.gov



(800) 231-4255





## A future of continued progress

2023-2025 is the biennium to complete modernization of the child support program as a component of economic health and delivery of comprehensive human services





### 2023-2025 Budget request

The program, systems and workforce support necessary to continue to serve North Dakotans



### HHS Child Support: Overview of budget changes

Description	2021	- 2023 Budget Base	In	crease/ (Decrease)	202	3 - 2025 Executive Budget
Salaries and Benefits	\$	27,413,957	\$	2,733,526	\$	30,147,483
Operating		3,461,249		(917,645)		2,543,604
IT Services		99,555		27,600		127,155
Capital Asset Expense		-		<u>-</u>		<u>-</u>
Capital Assets		-		<u>-</u> i		
Grants				British In 25		
Total	\$	30,974,761	\$	1,843,481	\$	32,818,242
		9.496.110	¢.	090 350	e e	0.466.360
General Fund	\$		\$	980,259	\$	9,466,369
Federal Funds		18,465,044		973,254		19,438,298
Other Funds		4,023,607		(110,032)		3,913,575
Total Funds	\$	30,974,761	\$	1,843,481	\$	32,818,242

161.20

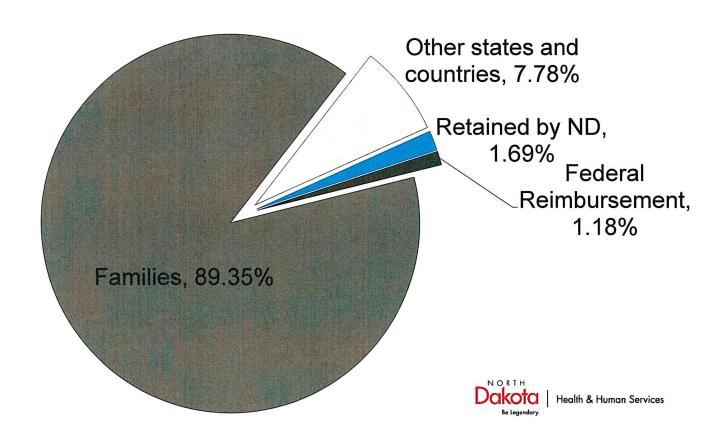
Full Time Equivalent (FTE)



161.20

#### Collections - Where the money goes

Child support agencies work collaboratively, across state lines, to ensure that families receive the child support they are owed regardless of where they live.



#### **Child Support Partners**



- Employers
- Judges
- Clerks of court
- Sheriffs
- ND state and local government agencies

- Other state and tribal child support programs
- Private attorneys
- Car dealers
- Gaming operators



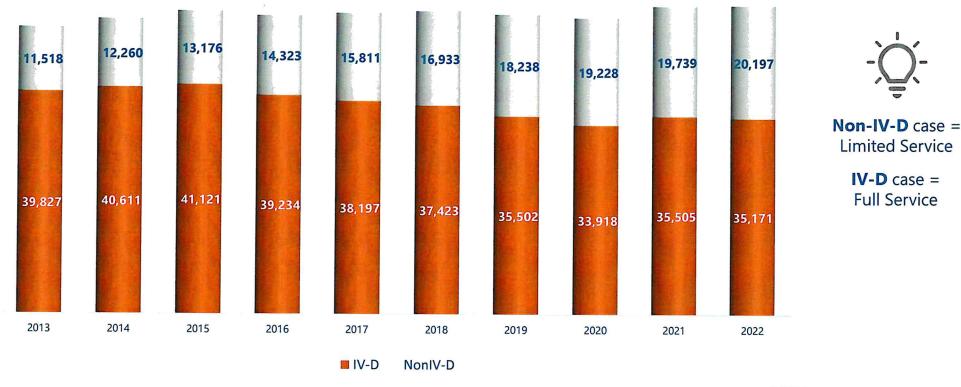
#### Child Support Tribal Partnerships

- "Lack of jurisdiction" cases are excluded from federal performance measures
- Partnership with Three Affiliated Tribes and Standing Rock Sioux Tribe child support programs
- Bring actions in Turtle Mountain and Spirit Lake tribal courts
- Host Tribal Offset Partnership so tribes can access federal offset services





### Child Support caseload is stable



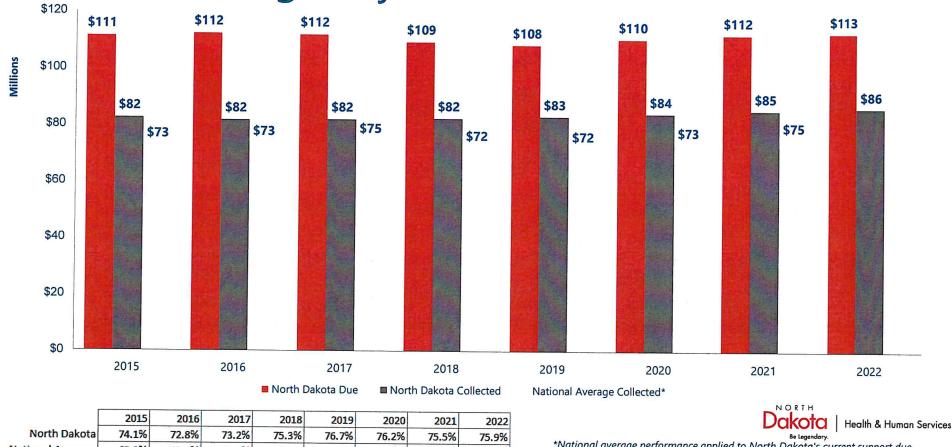


#### Child Support Performance Measures

	Orders Established	Paternity Established	Current Support	Cases with Arrears Collection	Cost Benefit
ND FFY 2022	90.09%	108.66%	75.88%	67.34%	\$6.31
ND FFY 2021	90.38% (20)	104.67% (7)	75.45% (5)	67.72% (28)	\$6.26 (13)
#1 State	94.83%	165.33%	84.33%	86.33%	\$11.80
#5 State	94.44%	110.95%	75.45%	75.28%	\$7.92
#10 State	93.14%	101.75%	71.33%	73.16%	\$6.43



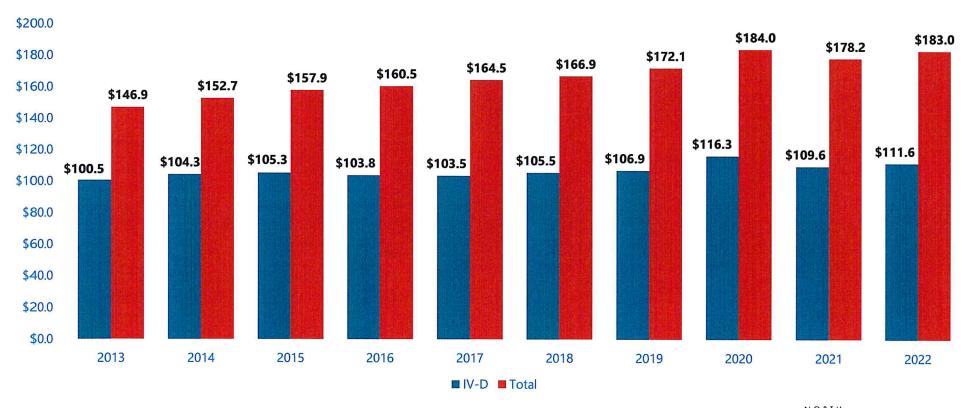
### ND child support collections typically exceed national averages by about 10%



National Average 65.2% 65.4% 66.6% 65.8% 66.2% 66.3% 67.0% N/A

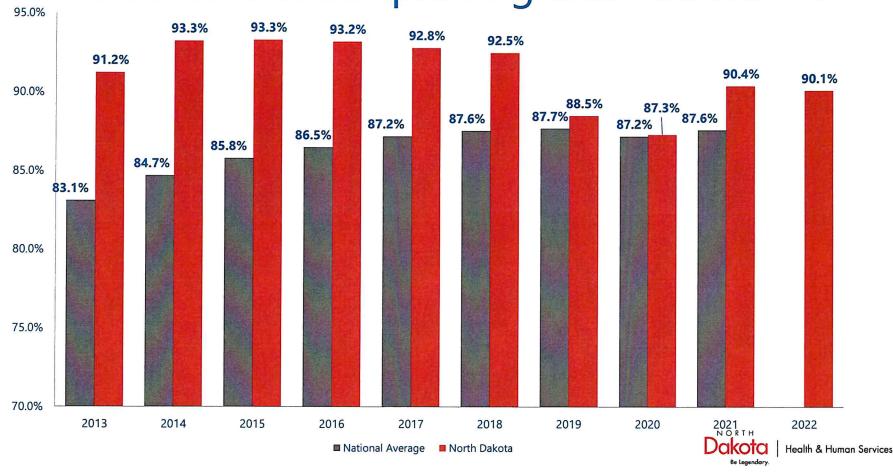
\*National average performance applied to North Dakota's current support due.

#### Collections continue to increase

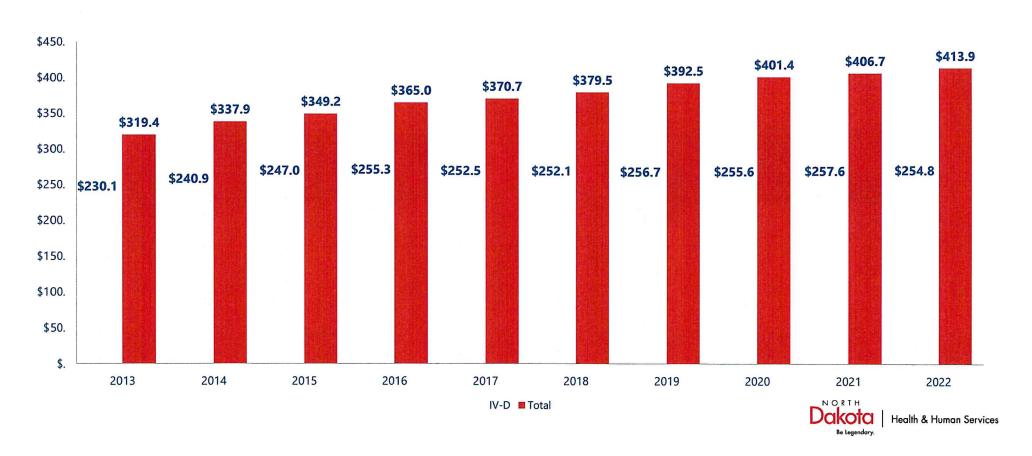


Dakota | Health & Human Services

### Order establishment improving after COVID-19



## Unpaid support in full-service cases is being contained



#### How do customers reach us?



childsupport@nd.gov



(800) 231-4255



### HHS Child Support: Overview of budget changes

Description	2021	- 2023 Budget Base	In	crease/ (Decrease)	202	3 - 2025 Executive Budget
Salaries and Benefits	\$	27,413,957	\$	2,733,526	\$	30,147,483
Operating		3,461,249		(917,645)		2,543,604
IT Services		99,555		27,600		127,155
Capital Asset Expense		-		<u>-</u>		<u>-</u>
Capital Assets		-		<u>-</u> i		
Grants				British In 25		
Total	\$	30,974,761	\$	1,843,481	\$	32,818,242
		9.496.110	¢.	090 350	e e	0.466.360
General Fund	\$		\$	980,259	\$	9,466,369
Federal Funds		18,465,044		973,254		19,438,298
Other Funds		4,023,607		(110,032)		3,913,575
Total Funds	\$	30,974,761	\$	1,843,481	\$	32,818,242

161.20

Full Time Equivalent (FTE)



161.20

## Child Support Supporting Family Stability & Economic Health

20,000

Over 20,000 families who are owed child support are not receiving the program's full services

\$27 million

More than \$27 million in child support per year is not received in the month when it is due

\$250 million

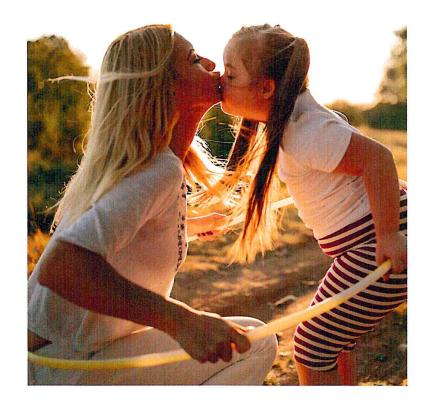
More than \$250 million is owed in past-due support in full-service cases and nearly \$414 million total in all cases



#### Summary and key takeaways

- Program efficiency continues to improve
- Revised referral strategies will further improve program integration
- Program performance is strong but has further room for improvement
- **Service improvements** depend on legislative support for a modern case management system





## Child Support Supporting Family Stability & Economic Health

20,000

Over 20,000 families who are owed child support are not receiving the program's full services

\$27 million

More than \$27 million in child support per year is not received in the month when it is due

\$250 million

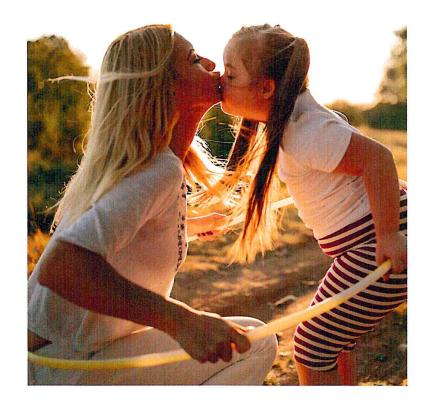
More than \$250 million is owed in past-due support in full-service cases and nearly \$414 million total in all cases

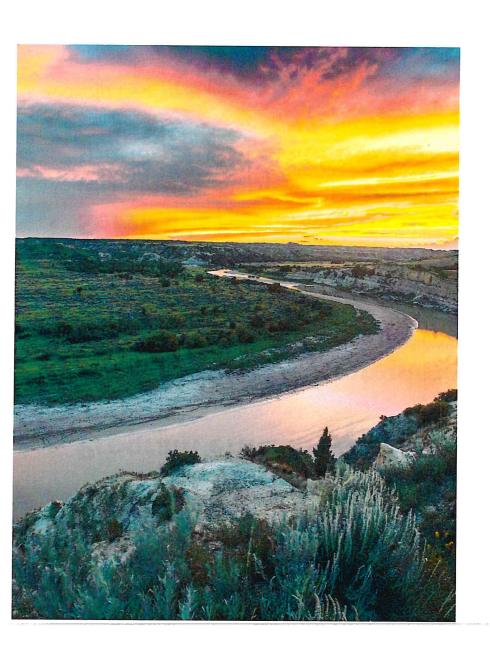


#### Summary and key takeaways

- Program efficiency continues to improve
- Revised referral strategies will further improve program integration
- Program performance is strong but has further room for improvement
- **Service improvements** depend on legislative support for a modern case management system







#### Contact information

## Jim Fleming

Director, Child Support Section jfleming@nd.gov

www.hhs@nd.gov

