Child Support Enforcement

Legislative Sub-Committee Presentation
June 20, 2014

Presented By:
Michael J. McMahon, DWSS Administrator
and
Louise Bush, Chief, Child Support Enforcement

EXHIBIT G - CHILDWELFARE
Document consists of 23 pages.
Entire exhibit provided.
Meeting Date: 06-20-14

Introduction to CSE

- The child support program is a partnership of the federal, state, tribal and local governments and others to promote parental responsibility so that children receive support from both parents when they live in separate households.

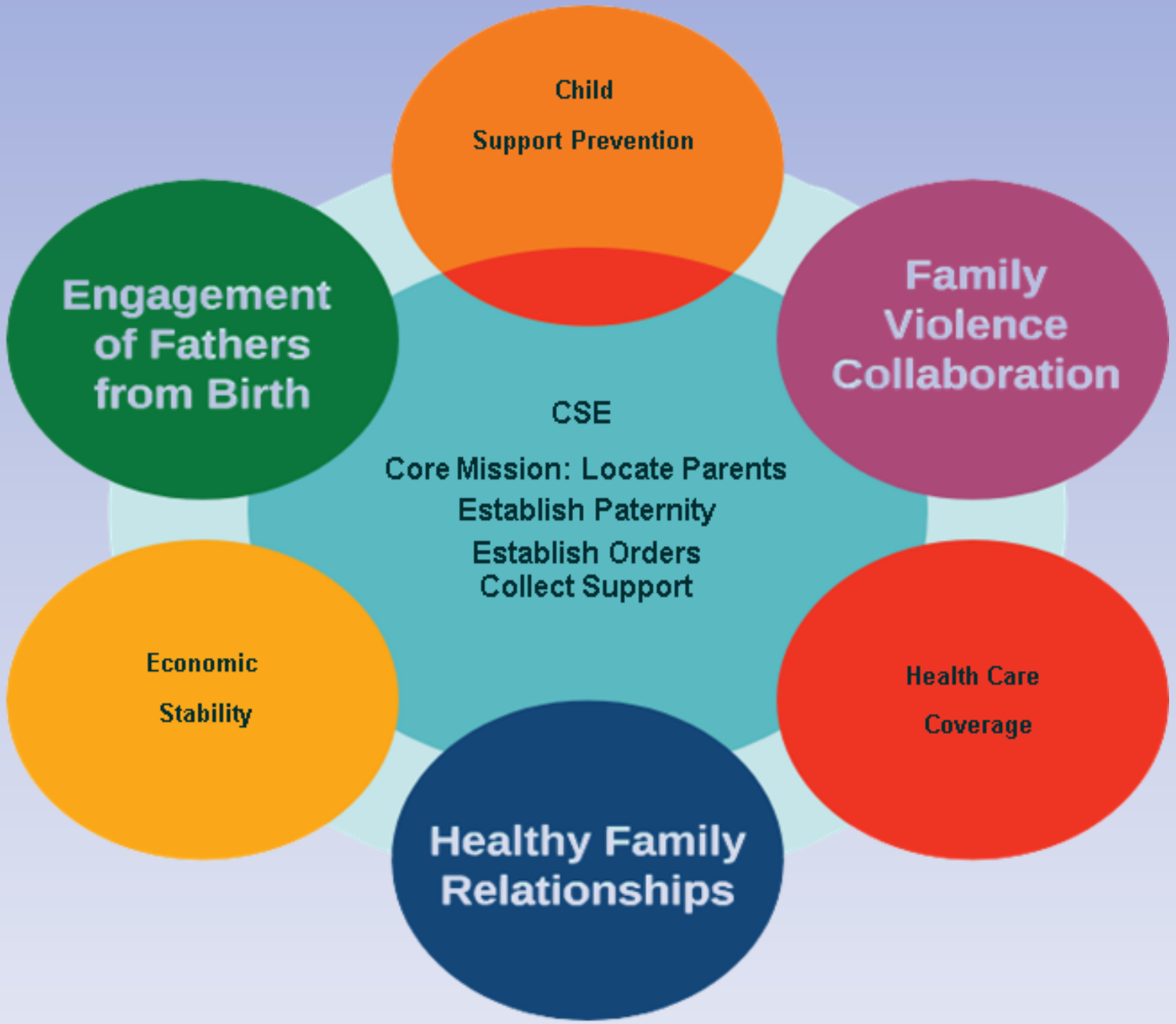
- The national child support program is one of the largest income-support programs for families, contributing money to family budgets to help pay for the basics – shelter, food, clothing, child care, transportation, education, etc.

- Child support makes a big difference to children by supplementing and stabilizing family income, increasing self-sufficiency and avoiding public assistance costs.

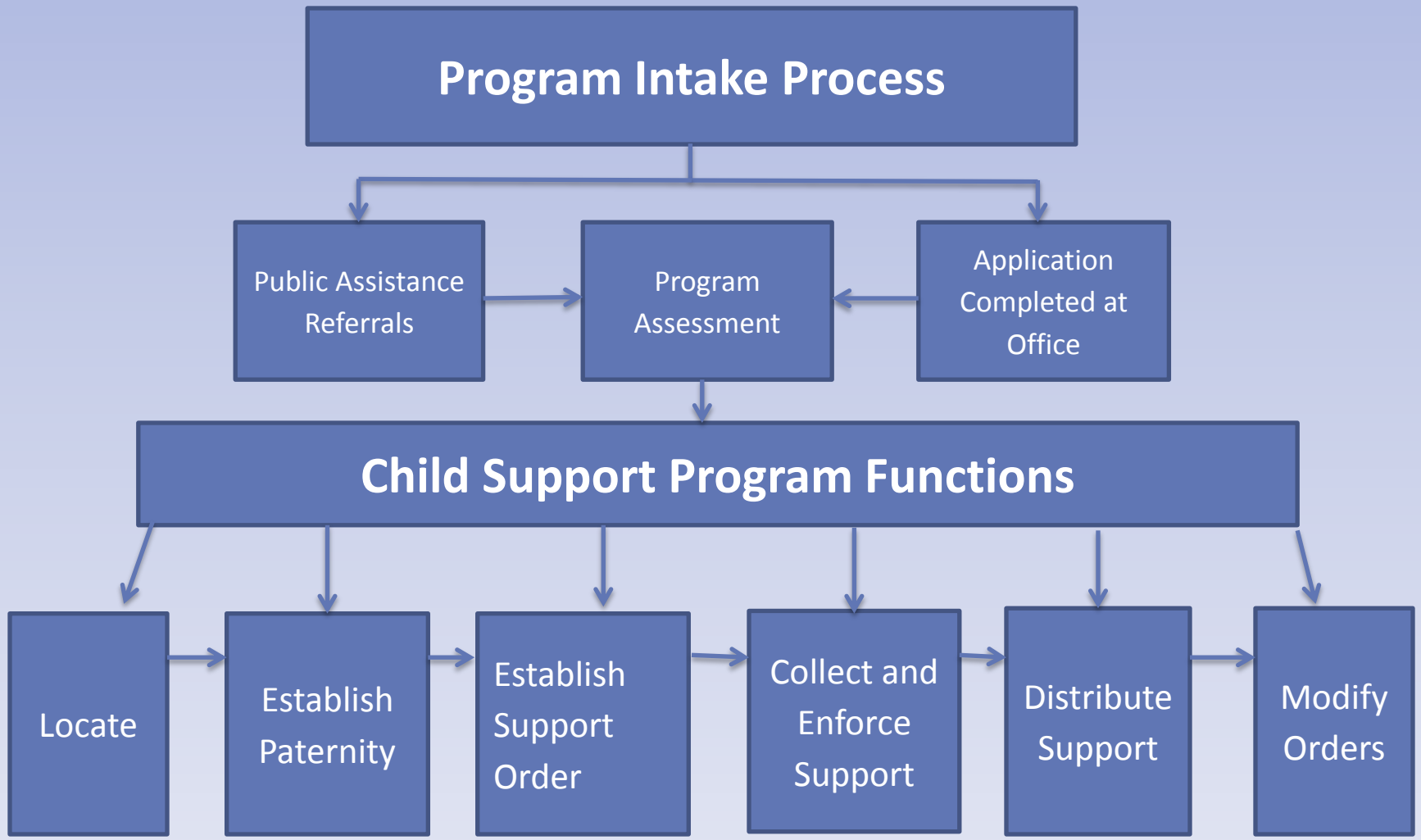
Why It Started

- The child support program was designed for cost recovery of state and federal outlays on public assistance and for cost avoidance to help families leave welfare and avoid turning to public assistance.
  - Title IV-D of the Social Security Act in 1974 established the federal Office of Child Support Enforcement within HHS.

- The program has evolved over the course of its existence with new laws and requirements as well as changes in emphasis.
  - In 1996, Welfare Reform laws expanded the role of technology and ensured children receive more support paid by their parents.
  - In1998, Congress began funding part of the child support program based upon its performance in five key areas.
  - Focus has changed from primarily cost recovery to a family-centered program providing services to children and their parents.


Child
Support Prevention
Engagement of Fathers from Birth
Family Violence Collaboration
CSE
Core Mission: Locate Parents
Establish Paternity
Establish Orders
Collect Support
Economic
Stability
Health Care
Coverage
Healthy Family Relationships

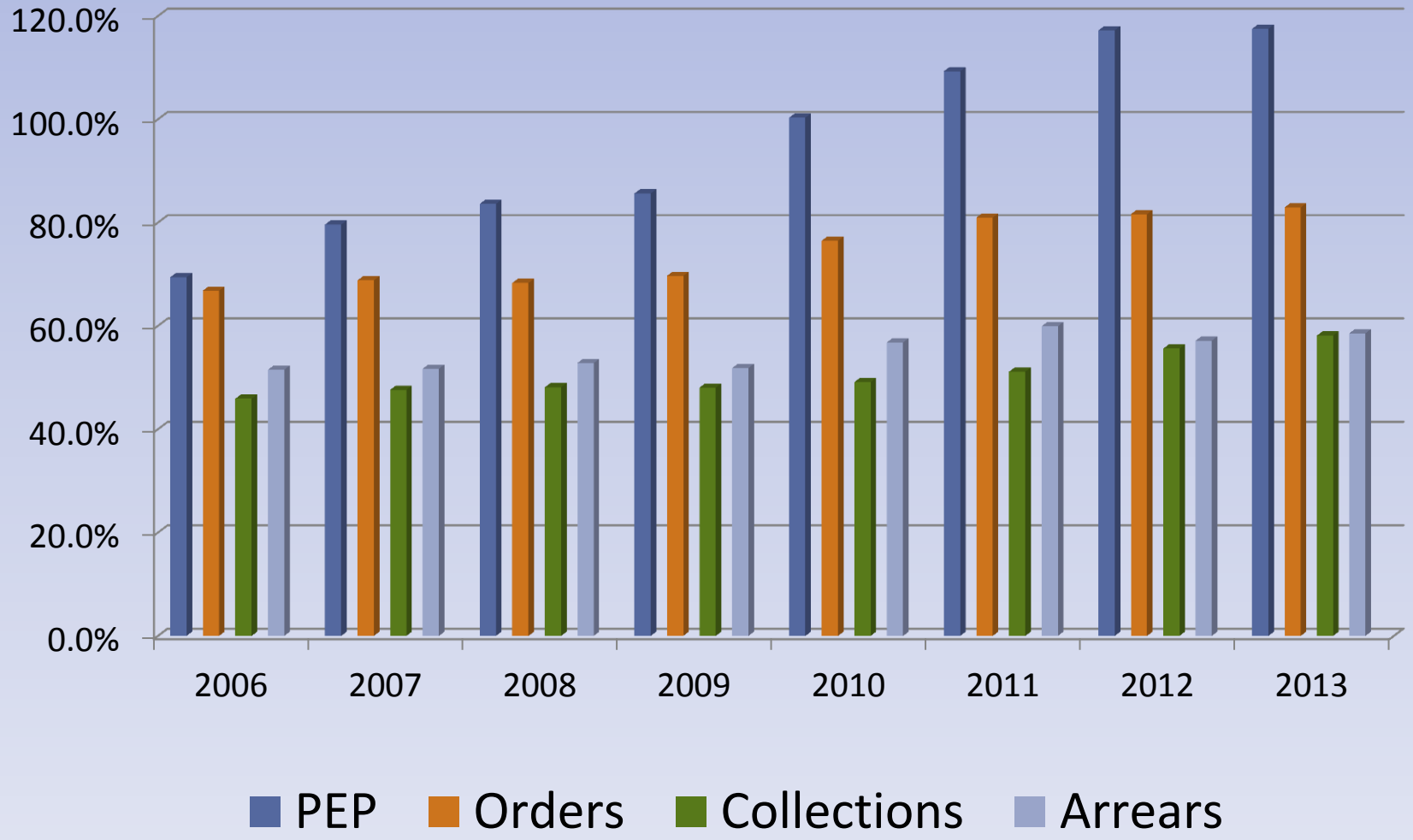
CSE Business Process



CSE Performance Measures

	2006	2007	2008	2009	2010	2011	2012	2013
PEP	69.4%	79.6%	83.6%	85.6%	100.3%	109.3%	117.2%	117.5%
Orders	66.8%	68.8%	68.3%	69.7%	76.5%	81.0%	81.6%	82.9%
Collections	45.9%	47.6%	48.1%	48.1%	49.1%	51.1%	55.6%	58.1%
Arrears	51.5%	51.7%	52.8%	51.8%	56.8%	59.9%	57.1%	58.6%
Cost-Effectiveness	$3.34	$3.51	$3.49	$3.88	$2.92	$3.98	$4.05	$3.90

CSE Performance Trend



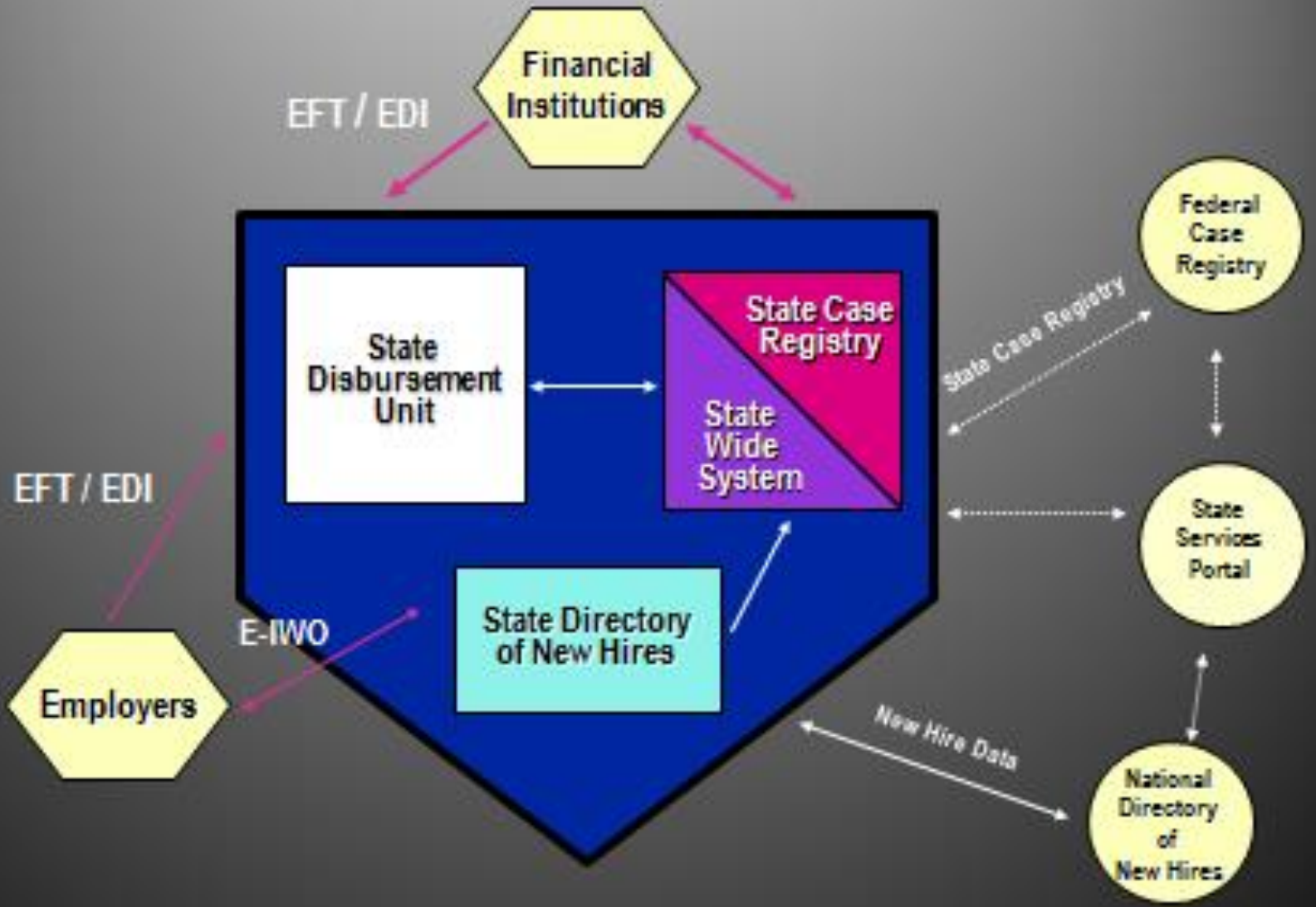
Child Support Systems

State CSE System Requirements
Modernization
Implementation
Future IT Directions

State CSE Systems

- Each state must operate a single statewide automated data processing and information retrieval system that meets federal requirements, security requirements, and is capable of required data exchanges.
- Purpose
  - To manage the CSE program efficiently, effectively and securely
  - To maintain and calculate performance measures for reporting to OCSE
  - To provide a record of collections and disbursements
- Need and Functionality
  - Case processing and management
  - Reporting requirements
    - Annual performance; quarterly collections and expenditures
  - Data exchange (TANF, SNAP, Child Care, ESD, IRS, etc.)
  - Payment processing (State Collection and Disbursement Unit)
- State and tribal CSE programs must follow specific policies and procedures to receive funding approval to plan, design, develop, implement and operate automated child support systems.

The Big Picture - State Level



CSE System Modernization

- States looking to modernize their child support systems to technologically current automation often strive for increased automation of:
  - Routine processing;
  - Maximized integration with other agency systems;
  - Better support for operations and maintenance;
  - Improved customer access to services; and,
  - Greater service accessibility for employers.
- In addition to boosting the “user friendliness” of the system for child support workers, an updated statewide system can bring many benefits:
  - Increased collections through improved processing.
  - Efficiency, system effectiveness, and productivity.
  - Increased customer and worker satisfaction.
  - Increased management information.
  - Improved system operations, maintenance, and updating.
  - Lower costs for system operations and maintenance.

System Replacement Projects

California *CCSAS* *	$1.75B	Certified – Jun 2008
New Jersey *NJKiDS*	$146M	Certified – Jul 2010
Florida *CAMS*	$250M	Certified – Aug 2013
South Carolina *SCCSES*	Est. $120M	TBD
Oklahoma *MOSAIC*	Unknown	TBD
Delaware *DACSES*	$65M	Spring 2014
Indiana	Unknown	TBD
Oregon	Est. $77M	TBD

*This is the first statewide system for California not a replacement.

Incremental System Projects

Texas	$70M	In-Development 2017
Massachusetts	$96M	In-Development 2016
Maine	$35M	In-Development 2014
Colorado	$ UNK	Re-platform Completed 2013
Pennsylvania	$105M	On-Hold 2016
Kentucky	$39.1M	Redefined as Major Enhancement 2015

Planning Phase Projects

Illinois	Exploring Replacement including EA
Kansas	Planning Phase FS Stage, On-Hold for $$
Pennsylvania	Planning Phase TBD
Mississippi Exploring	Options for EA, etc.
New Mexico	Planning Phase TBD
Tennessee	Planning Phase TBD
Nevada	Planning Phase (FS in progress)
Vermont	Planning Phase TBD
Guam	Planning Phase (RFP for FS)
Louisiana	Incremental Planning for an EA solution
Arkansas	Planning Phase (early stage)
Alaska	Planning Phase (early stage)

Definitions: EA – Enterprise Architecture; FS – Feasibility Study; RFP – Request for Proposal

Systems Planning and Funding

- Whether it is creating a new system or modification to an existing one, states must prepare an Advance Planning Document (APD) to receive federal funding for system acquisition and operating costs.
  - The purpose of the APD is to provide the federal government with the data required to determine funding for a state project and to provide high level data for monitoring the progress of the project.
- To acquire a new/replacement system, states must also conduct a thorough **feasibility study** that includes:
  - an analysis of alternatives and
  - cost benefit analyses.

CSE System Feasibility Study

This is a federally required study to identify the scope and feasibility of keeping CSEP systems viable in support of current/future critical business requirements.

- Planning Advanced Planning Document (PAPD)
  - In-depth system analysis that includes NOMADS modernization, transfer systems from other states, project and ongoing maintenance costs, and timely implementation
  - Clearly identify the proposed NOMADS solution
    - NOMADS modernization, build from scratch, transfer system or hybrid
  - Identify the project costs associated – Planning, design, development, implementation and evaluation
  - Identify the next step for federal procurement
  - Foundation for approval of the project implementation

Status of Feasibility Study

- DWSS received legislative approval to fund the feasibility study in SFY 2014-15.
  - MAXIMUS was awarded the contract.
- The feasibility study is the first step in the federal procurement process.
  - The federal government expects the State move to the implementation phase upon completion of the study.
  - The State must commit to funding the system upgrade or replacement based upon the results of the feasibility study or risk losing credibility and future federal funding for a future study.
- The study is underway with an aggressive timeline.
  - Building onto and updating the *NOMADS CSE System Maintenance Plan & Modernization Roadmap* (October 6, 2011).
  - Anticipate funding needs will be identified in October.
  - Scheduled completion date is in the Spring of 2015.

Needs Assessment Conclusion

The obsolete code base of the mainframe system, which provides the vast majority of the system's functionality, has always been inadequate to efficiently and accurately support the IV-D caseload in Nevada.

The basic architecture has significant flaws:

1. The green screen user interface is both inefficient and inconsistent in its support of standard child support functions.
2. The overall complexity of the code base and lack of documentation make basic maintenance a major challenge.
3. The lack of adequate code source control poses severe risks to code enhancement.

System Limitations

The current CSEP system meets the minimal federal requirements for program automation. However, it does not meet the CSEP needs for a technically modern child support system that efficiently and effectively supports the needs of program managers, case workers and customers.

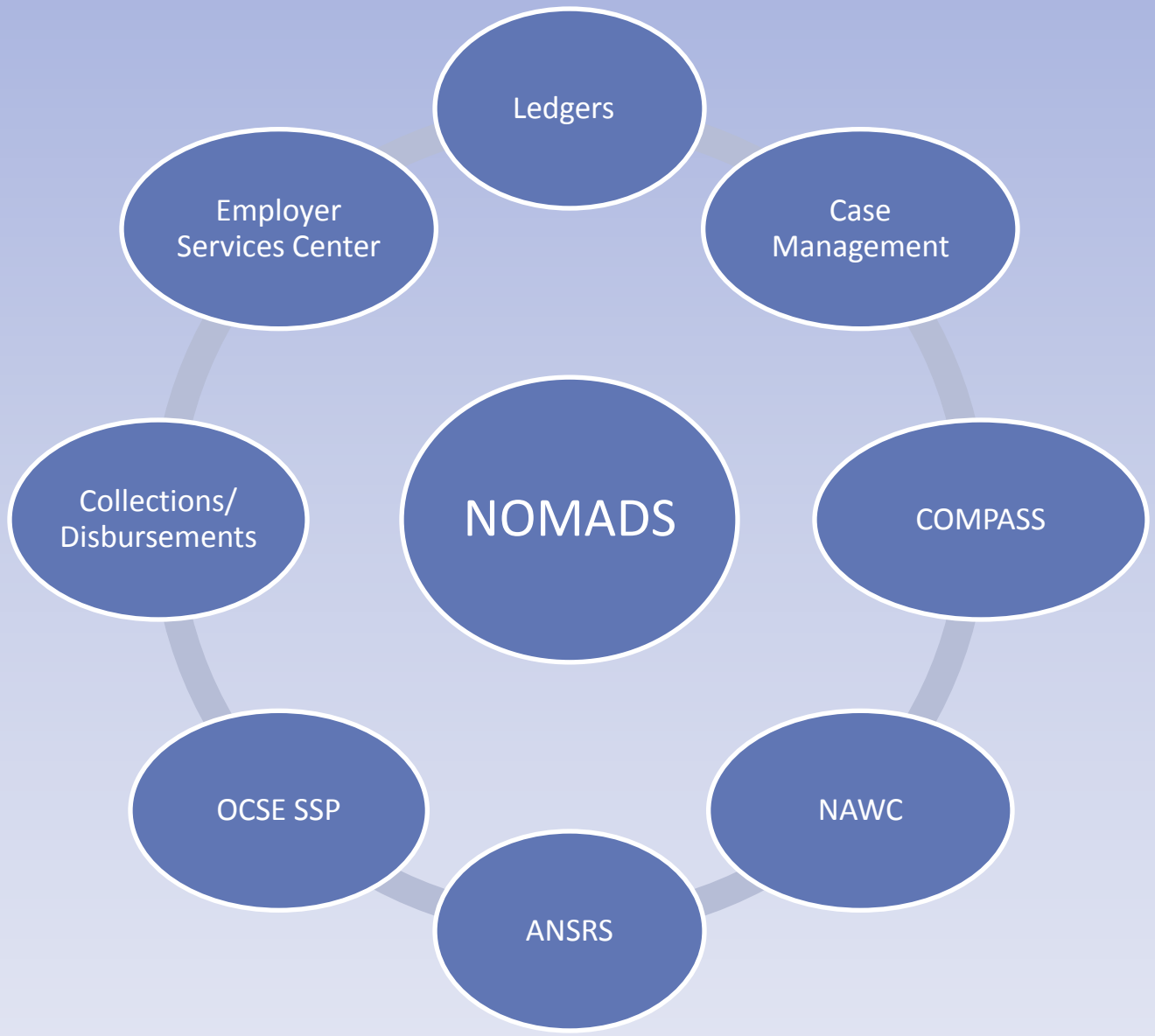
EXAMPLES of current system limitations include:

- Data Management – Allows for conflicting views of the same information and sometimes allows unverified data to overwrite verified data.
- System Design – No robust workflows.
- Financial Management – Needs to automate the allocation and disbursement of receipts based upon rules for receipt types and case information.
- Security – The system was not designed with current IRS rules for data security; protecting and auditing access to Personally Identifiable Information (PII) and Federal Income Tax Information (FITI); etc.
- NOMADS Architecture – Exhibits a monolithic architecture, where each COBOL screen-module or batch program handles all aspects of user and database interaction itself instead of relying on common modules to perform those tasks. This produces a "brittle" system where changes in one area necessitate other "ripple" changes, making system maintenance more time consuming, expensive and risky.
- Database Structure – NOMADS has not taken advantage of its relational database. Instead, the DB2 database effectively mimics a "flat" database where the programming code manages all the relationships.

Why Modernize the CSE System?

- **The need for system changes/redesign has reached a critical point.**
  - The CSE legacy system (NOMADS) has been modified and patched to accommodate changing business rules in support of federal/state mandates.
  - The overall technical architecture has reached maturity and requires modernization to adequately and timely support future business needs.
- **The cost and complexity to maintain and/or enhance the CSE system to comply with business and legislative changes and reporting requirements are increasing.**
  - Ongoing operational costs and facility charges are estimated at approximately $2M per year to run the CSE portion of the NOMADS software application.
  - The demand for improved services continues to increase requiring adjunct supporting applications to be added to the overall architecture.
  - Data integration and control is beginning to suffer as add-on components contain more and more critical data elements external to the core applications; reporting and data integrity issues occur more frequently.

Current CSE Systems Experience



Implementation Phase

- Secure Funding for System Modernization
  - Funding may expand over several biennia
- Submit Implementation Advance Planning Document
- Publish Request for Proposal
  - System Modernization
  - Independent Verification & Validation (IV&V)
  - Independent Contract Manager
- Select Vendors
- Begin System Modernization

QUESTIONS?