



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.



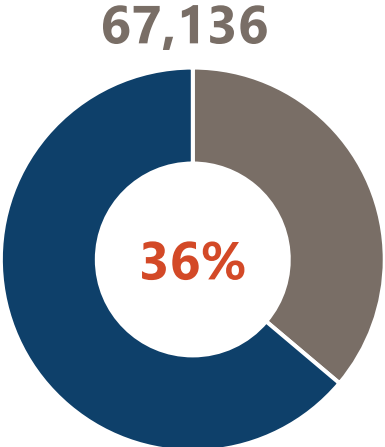
Who we serve

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

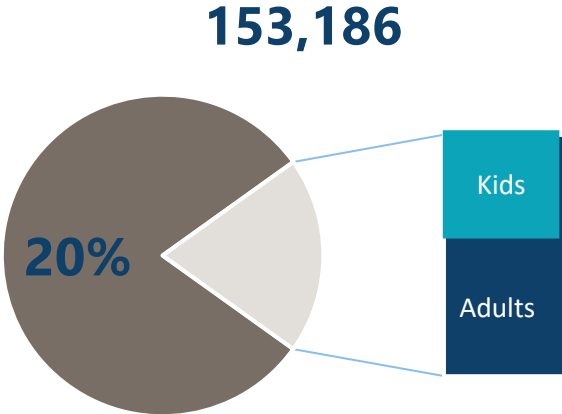


Child Support Who we serve



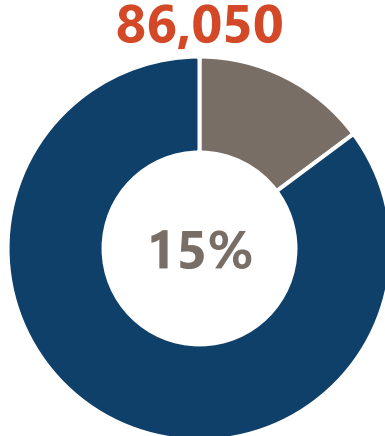
1 in 3 ND kids

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.



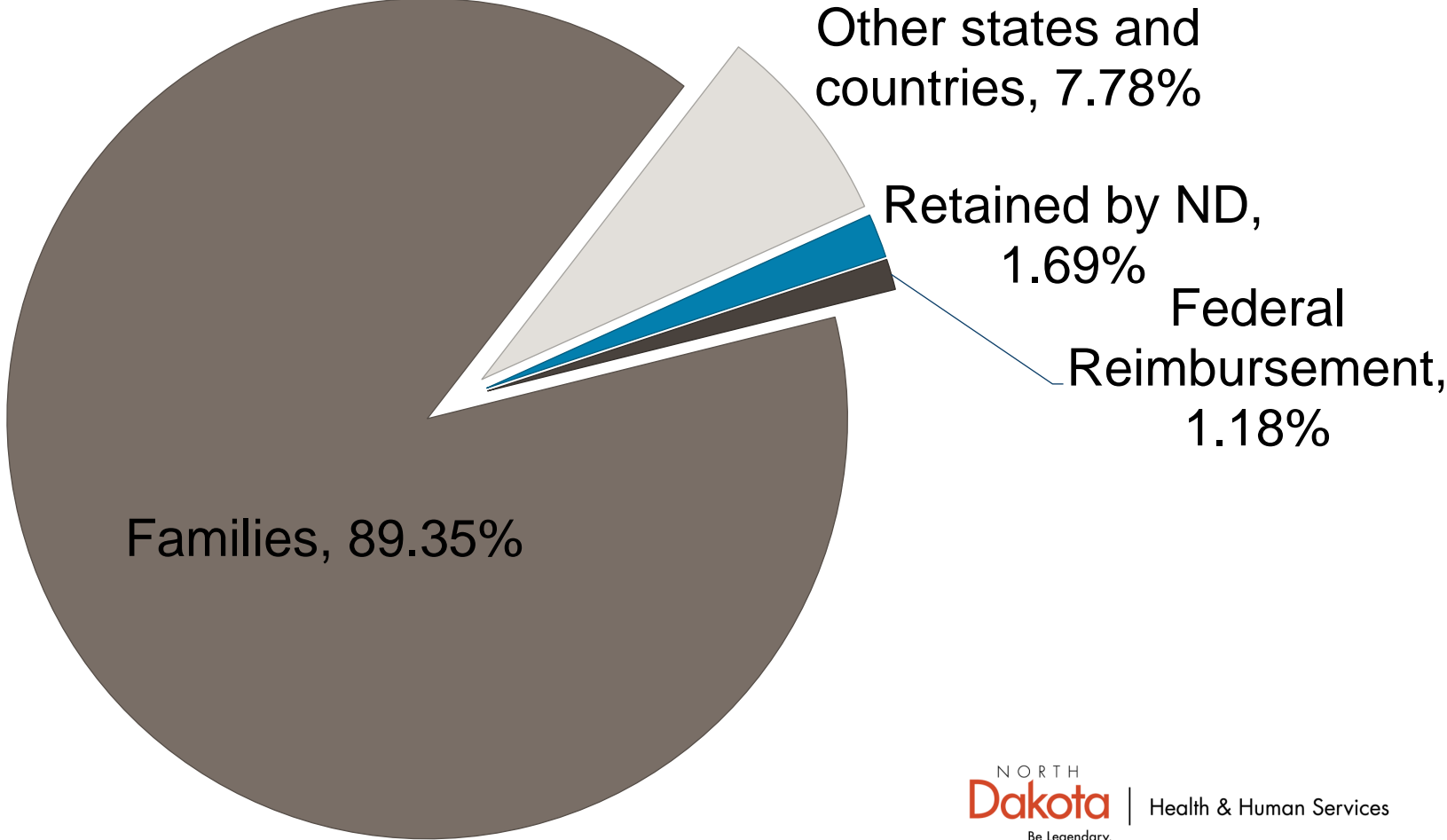
Child Support Return on Investment

- 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.



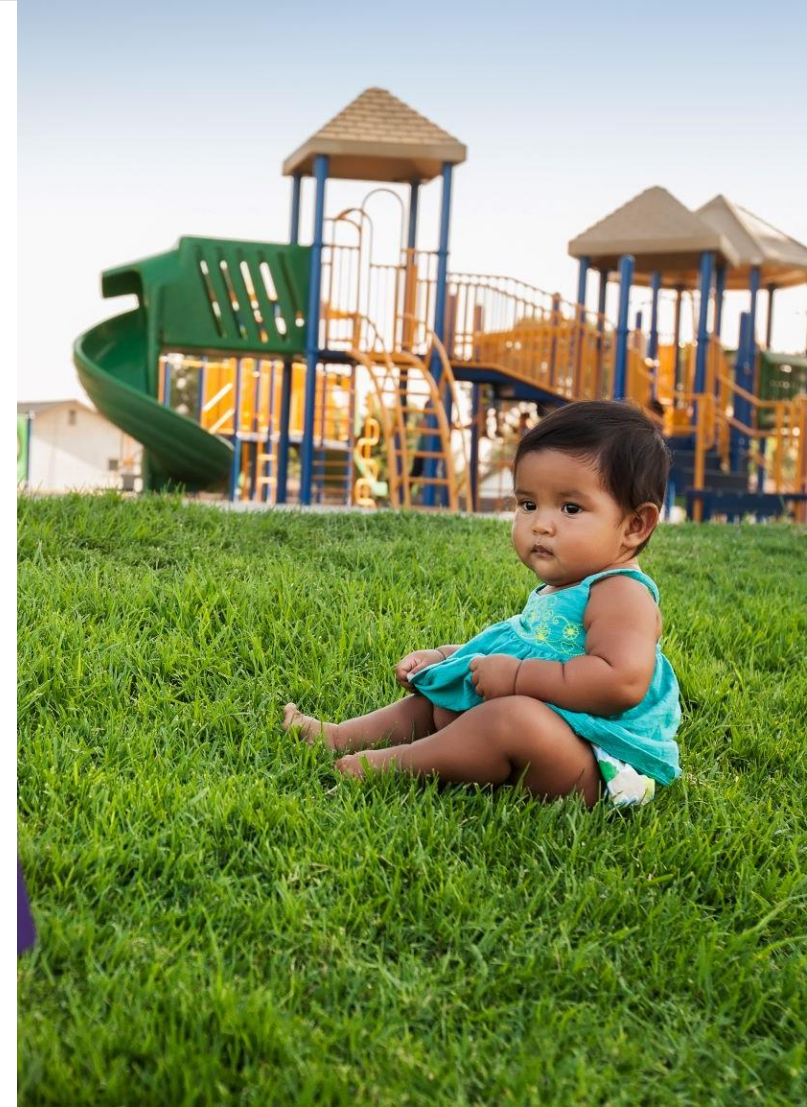
Child Support Partners



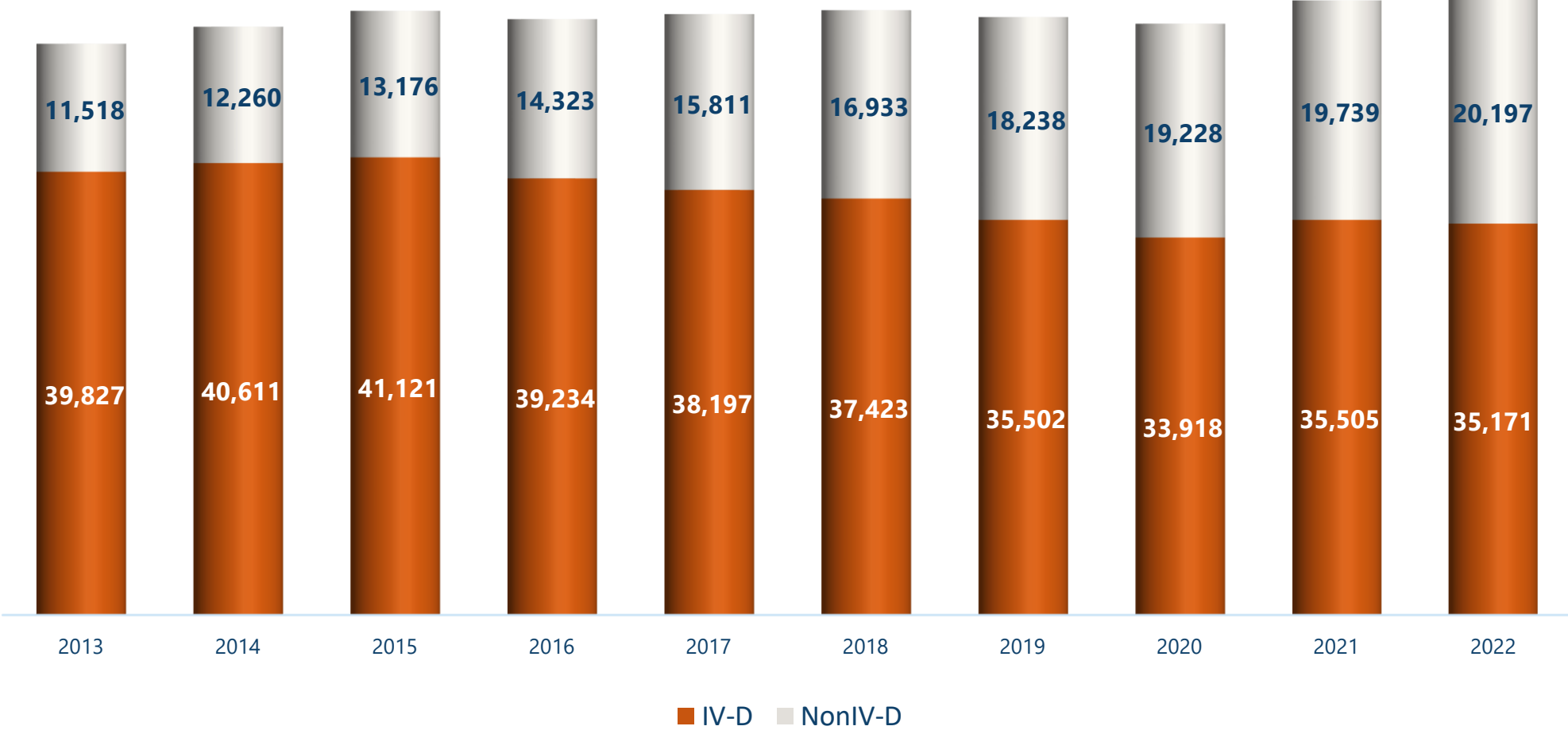
- Employers
- Judges
- Clerks of court
- Sheriffs
- ND state and local government agencies
- Other state and tribal child support programs
- Private attorneys
- Car dealers
- Gaming operators

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



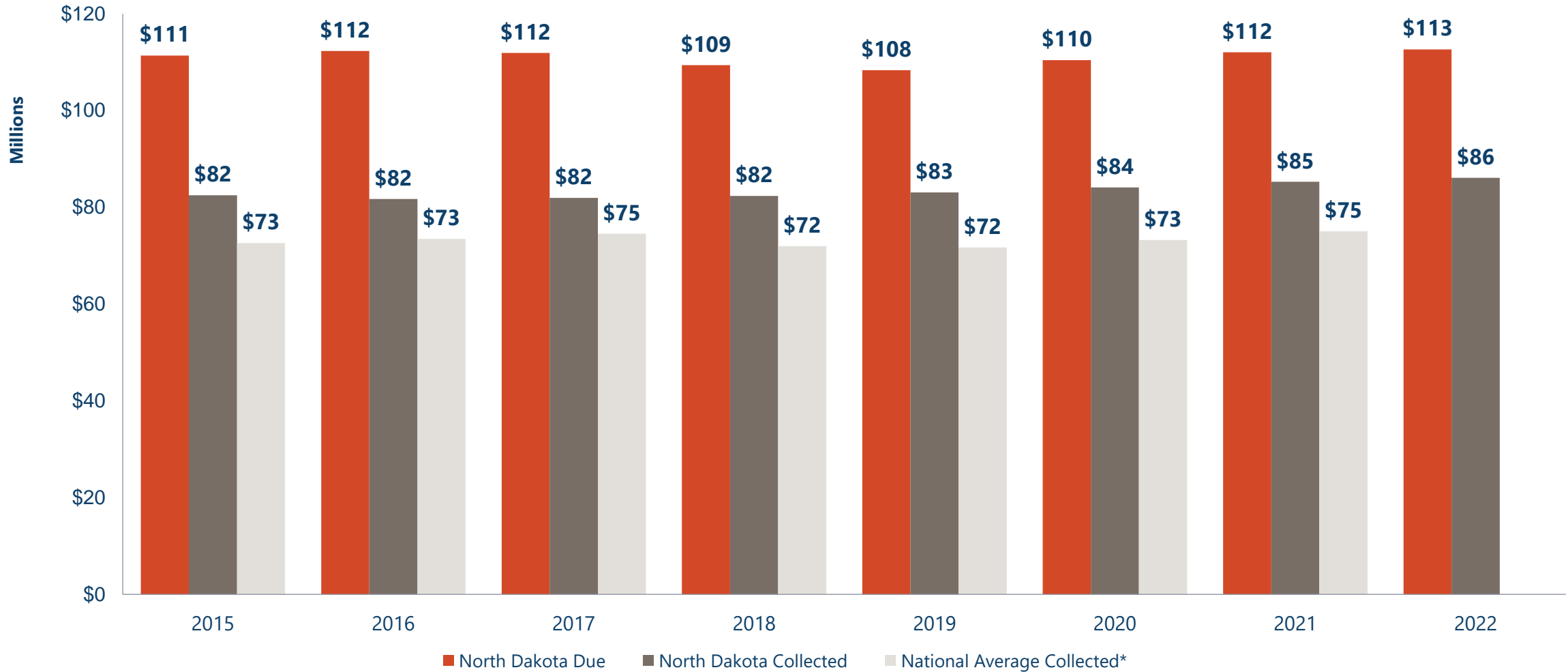
Non-IV-D case = Limited Service

IV-D case = Full Service

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 |

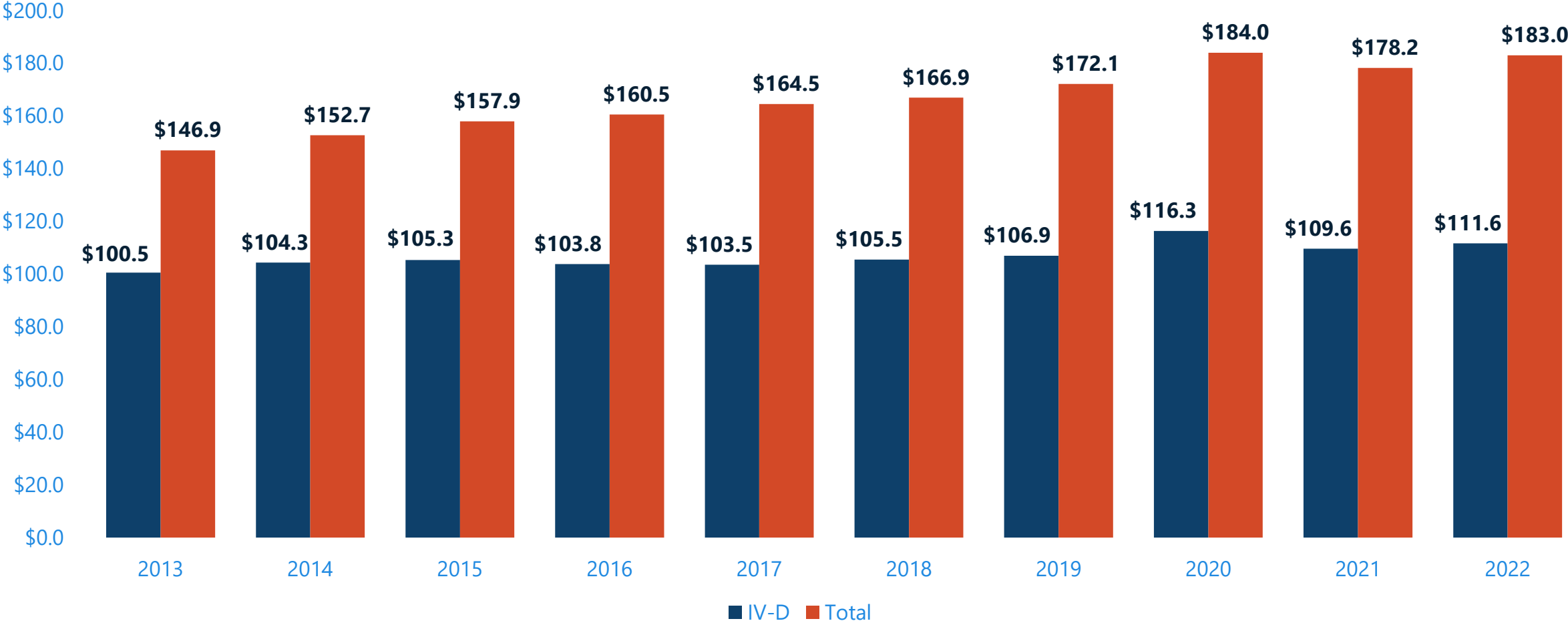
ND child support collections typically exceed national averages by about 10%



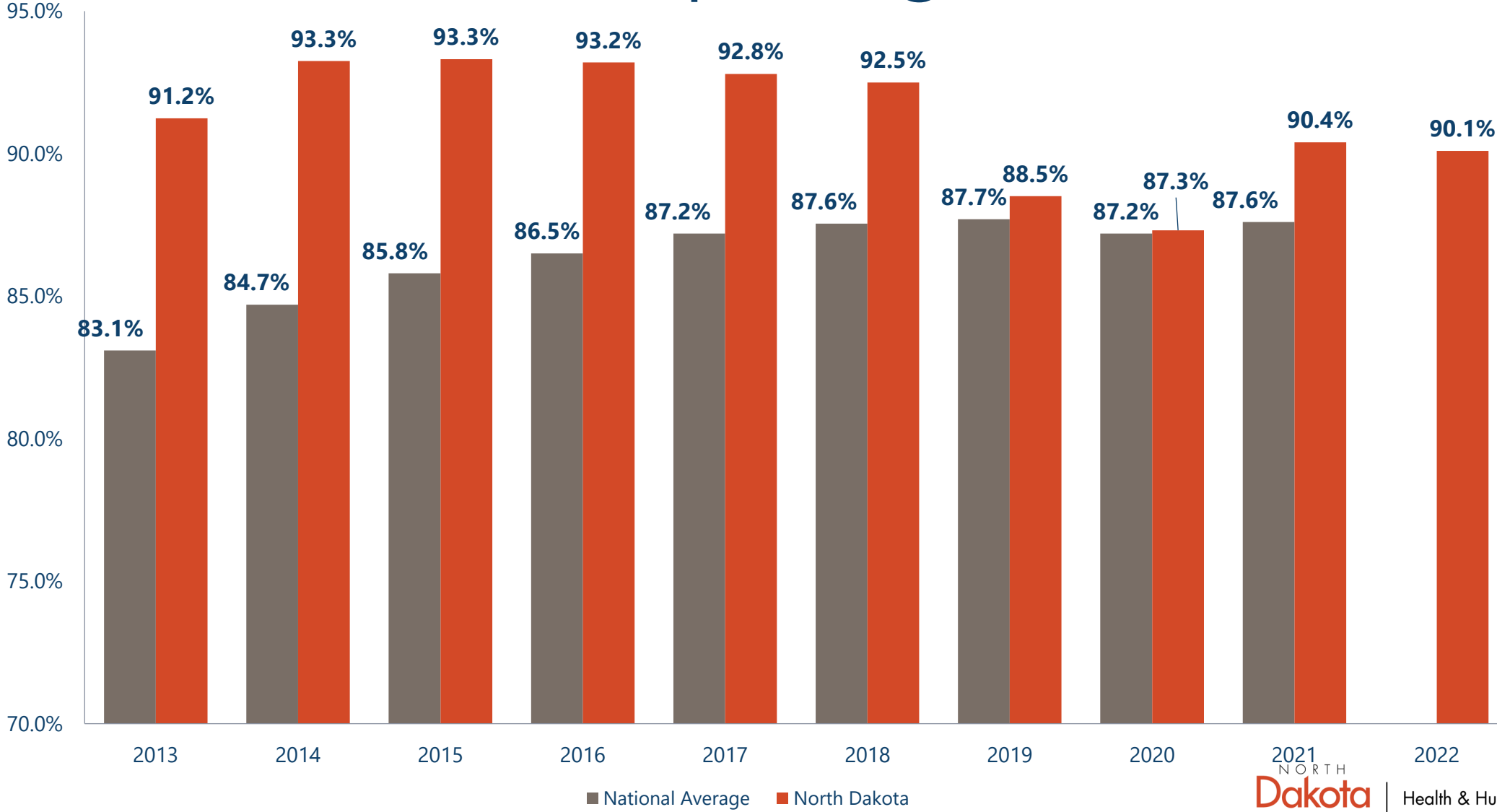
| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|------------------|-------|-------|-------|-------|-------|-------|-------|-------|
| North Dakota | 74.1% | 72.8% | 73.2% | 75.3% | 76.7% | 76.2% | 75.5% | 75.9% |
| National Average | 65.2% | 65.4% | 66.6% | 65.8% | 66.2% | 66.3% | 67.0% | N/A |

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

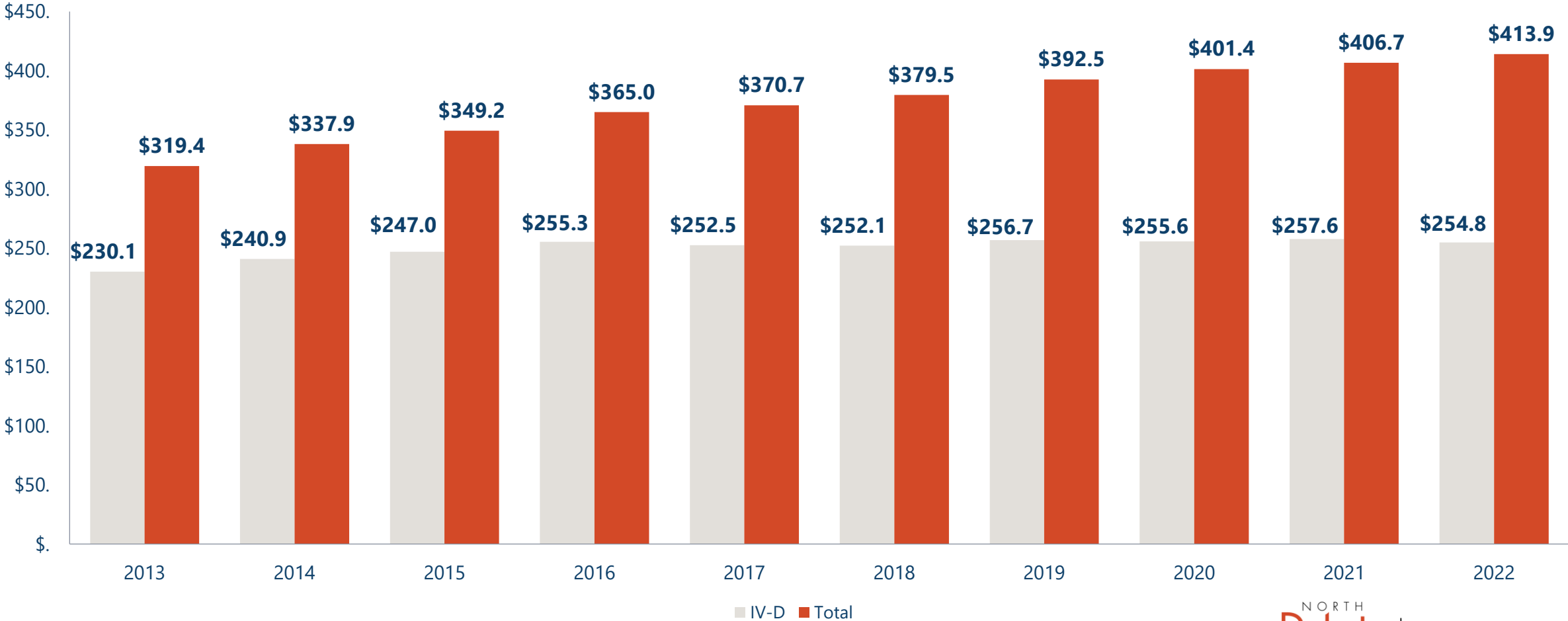
Collections continue to increase



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 | Increase/ (Decrease) | 2023 - 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 | - | - | - |
| Capital Assets | - | - | - |
| Grants | - | - | - |
| Total | \$ 30,974,761 | \$ 1,843,481 | \$ 32,818,242 |

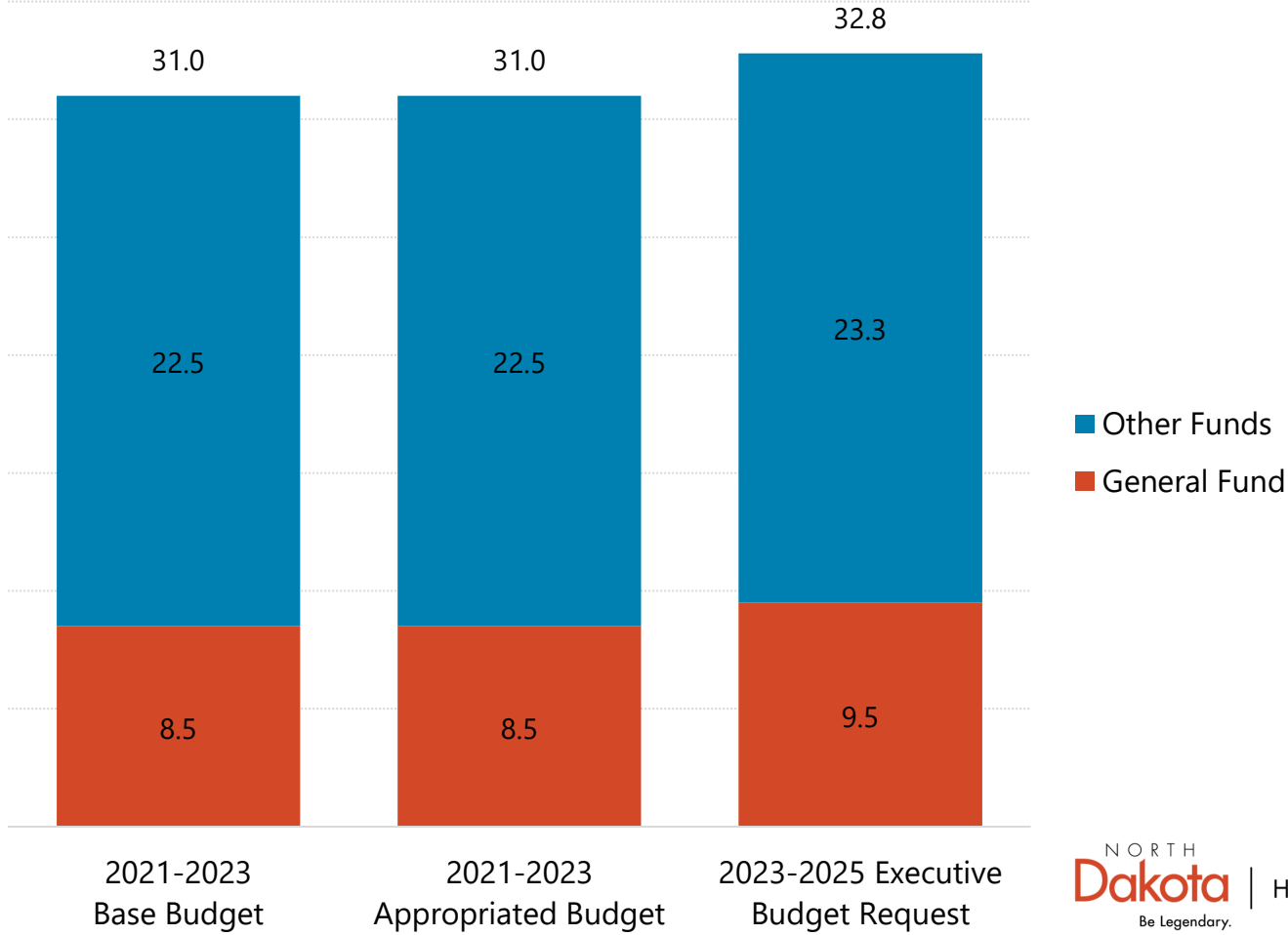
| | | | |
|----------------------|----------------------|---------------------|----------------------|
| General Fund | \$ 8,486,110 | \$ 980,259 | \$ 9,466,369 |
| Federal Funds | 18,465,044 | 973,254 | 19,438,298 |
| Other Funds | 4,023,607 | (110,032) | 3,913,575 |
| Total Funds | \$ 30,974,761 | \$ 1,843,481 | \$ 32,818,242 |

| | | | |
|----------------------------|--------|---|--------|
| Full Time Equivalent (FTE) | 161.20 | - | 161.20 |
|----------------------------|--------|---|--------|

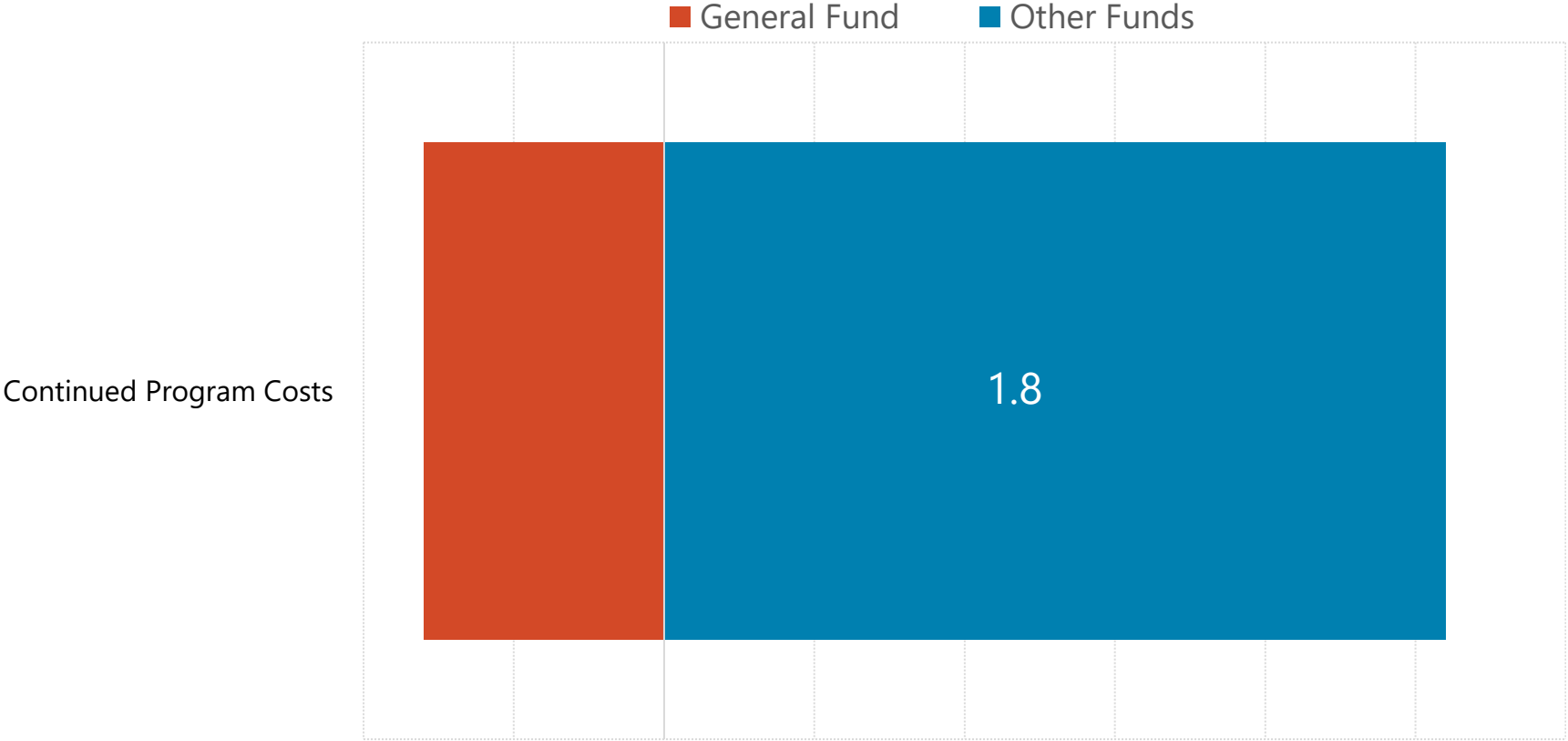
Child Support: Overview of budget changes (IN MILLIONS)

INCREASE FROM BASE TO EXECUTIVE RECOMMENDATION
\$1.8 MILLION

- Highlights:
- Remote customer service
 - Transition to Telework
 - IT request for new case management system



Overview of budget changes (IN MILLIONS)



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

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