



## Interplay Between Child Support and Public Assistance

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## TOPICS FOR TODAY'S PRESENTATION

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General Background on the Child Support Program

Intersection of Public Assistance and Child Support

Importance of Communication and Collaboration

New Initiatives in Child Support

# Overview of the MN Child Support Program

- Federally mandated
- Established Under Title IV-D of the Social Security Act
- State Supervised and County Administered
- Purpose: *Every child needs financial and emotional support and every child has the right to support from both parents. Minnesota's child support program benefits children by enforcing parental responsibility for their support.*

# Child Support Services

- Locate Alleged Fathers and Non-custodial Parents - using information provided by the parent opening the case and through access to multiple state and national databases
- Paternity Establishment – so both parents have a legally established relationship with the child (court and a non-court option)
- Establish and Modify Child Support Obligations - which determine how much the NCP will pay and what the payment structure will be
- Collect and Distribute Child Support – which often includes income withholding
- Enforce Child Support Obligations - adhering to a number of enforcement policies mandated by the federal government to collect payments

# MN Tribal Child Support Agencies

- There are also 4 Tribal IV-D programs in MN: Red Lake Band, White Earth Leech Lake Band of Ojibwe and Mille Lacs Band of Ojibwe
- They provide the same basic child support services counties do
- DHS, MN counties and MN Tribal IV-D Agencies also work together to coordinate services on shared interest cases

# Services that Child Support Does Not Provide

- Provide legal advice
- Obtain a divorce or property settlement
- Obtain or modify (change) a custody or parenting time order
- Obtain an order to provide college expenses



PA Children:  
24,294

NPA Children:  
197,204

Collected and  
Disbursed \$550  
million in FFY 21:

\$415 in ongoing cs

\$9.7 to families on  
MFIP

**Who Does  
the Child  
Support  
Program  
Serve?**

# Overlap in Child Support and TANF Programs

- Nationally, over **60 percent** of the total IV-D caseload is comprised of either current or former public assistance cases (18 and 46 percent, respectively).
- In some states, as much as **86 percent** of the caseload is comprised of current and former assistance recipients.

# 2021

## CHILD SUPPORT PERFORMANCE REPORT



Failure to adhere to CS State Plan requirements can result in reductions to TANF block grants

Failure to meet cs performance standards can result in reductions to TANF block grants

CS compliance and performance can affect TANF program funding

# Common Goals of Both Programs

## **Promote self-sufficiency and economic stability of families**

- Child support income is particularly important for low-income households. For custodial families living below the poverty line, child support constitutes a substantial share of overall income. According to the most recent Census data, child support payments account for 57.1 percent of the mean personal income of poor custodial parents who receive full child support payments (the total amount ordered)  
(<https://www.census.gov/content/dam/Census/library/publications/2020/demo/p60-269.pdf>)

## **• Improve overall well-being**

- Participation in the Child Support program is associated with better educational outcomes for children, reduced likelihood of child maltreatment, increased involvement of non-custodial parents with their children, and higher rates of employment and better-quality jobs among single, custodial mothers.  
([https://www.acf.hhs.gov/sites/default/files/documents/ocse/family\\_centered\\_innovations.pdf](https://www.acf.hhs.gov/sites/default/files/documents/ocse/family_centered_innovations.pdf))

## **• Provide safe services**

# Collaboration and Communication Tip #1

## **Know and help explain the benefits of child support to PA recipients**

- Know and understand what the basic child support services really are and who is eligible
- Offer resources – DHS Child Support Website or establish and use county child support contacts

# Assignment and Cooperation – Minn. Stat. § 256.741, subd. 2 & 5

- **Assignment:** the legal process by which a custodial parent (CP) receiving public assistance agrees to turn over to the state any right to child support. This includes arrears that accrue while the person receives public assistance. To qualify for MFIP, the CP must assign their support rights to the state.
- **Cooperation:** public assistance recipients, as a condition of continued eligibility for assistance, must cooperate opening a case against the absent parent and working with the child support agency to determine parentage (if necessary) and establish, modify, or enforce a support order.

# Full Child Support Services Versus Medical Only Services

- If on either or both MFIP and/or child care assistance, the public assistance recipient must accept full child support services
  - The court order will address child support, medical support and child care support (if applicable)
  - The court order may also address past support
- If Medical Assistance (MA) Only, the public assistance recipient may request medical support services only
  - Only an obligation to pay towards MA or provide health insurance or make a contribution toward health insurance will be included in the court order

# When does an assignment end?

- The assignment of child support (cs) ends on the day that the individual ceases to receive or is no longer eligible to receive public assistance – at this point the former recipient can elect to close their cs case.
- Notice of Continued Services
  - Federal regulations and Minnesota Statutes require that this form be sent within 5 days of public assistance closing
  - Notices the participant that child support services will continue unless the participant requests services stop
  - Provides information about available services, fees, and payment distribution

# What Happens with Child Support When Assistance Closes?

- A parent can decide to close their child support case, but closing a child support case does not stop a court order for support.
- A child support officer should inform both parents that they:
  - should make arrangements with the other parent to continue collection of current obligations
  - have the option to apply for income withholding-only services
  - either parent may apply/reapply for child support services at any time

# Collaboration and Communication Tip #2

**Assignment and cooperation are very difficult concepts as we don't want a participant to be surprised when they are contacted by the child support office upon referral from a public assistance program**

- Be able to explain to a participant that they have options with regard to child support when their public assistance closes – know there is a medical services only option when all PA but MA closes
- Understand that an order for child support continues even if a person closes their child support case with the county

# Passthrough and Disregard

- The Deficit Reduction Act of 2005 (DRA, P.L. 109-171, enacted February 8, 2006) provided incentives for states to allow more of the child support collected on behalf of TANF and former TANF families to go to the family (be passed through) without a reduction in assistance (disregarded).
- Under the DRA, effective in October 2008, the federal government shares the cost of passing through up to \$100 per month for a family with one child, and up to \$200 per month for a family of two or more children, of collected child support to TANF families.
  - “Family first” policy is intended to help former TANF families stay self sufficient and to encourage cooperation with child support enforcement efforts by CPs and NCPs

# Passthrough and Disregard Across the Country

- Half of states have chosen various ways of passing through child support without reducing the family's TANF assistance. Some states pass through up to \$50. In others, the pass through is \$100-\$200 based on the number of children - the maximum amount the federal government is willing to pass through to families without requiring the state to backfill the financial loss. CO has 100% passthrough.
- In order to give those families full child support payments, the states have to find a way to make up for the revenue that child support collections bring in, plus send the federal government a check for its portion

# Passthrough and Disregard in Minnesota

- Through assignment, you get all of your cash benefits from the benefit program and
- Through 100% passthrough of current support, you get all the current support paid (whether or not you are currently receiving cash benefits).

## **BUT**

- Unpaid support that accrues while you are on benefits, gets assigned to the State. The State then gets all of the assigned past-due support that is paid even if you no longer get cash benefits when it is paid
- So when non-custodial parents fall behind on their child support payments and accumulate debt, those with family public assistance histories often find that the state owns some portion of their child support debt

# Collaboration and Communication Tip #3

## **Have a basic understanding of passthrough and disregard:**

- Help dispel the myth that child support collected while a participant is on public assistance goes to the State
- Understand and explain to participants when they might accrue public assistance support arrears
- Explain the limit on assignment to participants – the State can never keep more child support than the total amount of public assistance expended

# Good Cause (Exception to Cooperation)

- PRISM receives good cause information via an interface from MAXIS for MFIP participants but good cause information only interfaces with the initial referral
- A pending or granted good cause claim has significant implications for the child support program
  - the CP is considered cooperating with the Child Support Agency
  - the Child Support Officer (CSO) must stop any establishment or enforcement activity
  - the CSO must terminate any income withholding in place

# Safety Protections Other Than Good Cause

- Safety Concerns Indicator
  - Child support will protect all of the participant's address and location information
    - Safe at Home address
    - Alternative address
    - Court order protecting their address and location information in a public court file
  - Child support can provide other modifications to help ensure support is established and collected safely
    - Security escort at court hearings
    - Option for a telephone court hearing, etc.

# Collaboration and Communication Tip #4

**Some public assistance recipients have suffered abuse and fear that engagement with the Child Support agency will put them at risk – they need to know how to pursue a good cause exemption**

- Good cause is a difficult concept and should be explained to participants in detail whenever possible (rather than relying on a form)
- Good cause information does not always get effectively transmitted through the MAXIS to PRISM interface so communication of changes is very important

# Collaboration and Communication Tip #5

**County programs should coordinate and provide a consistent response to domestic violence (DV) and have available resources to offer**

- Know about available resources
- The child support office tracks DV concerns that do not rise to the level of good cause and can modify services to help keep participants safe and this can be communicated to help reassure participants

# CS Process Upon Receiving a Referral

- An automatic referral is sent from MAXIS to PRISM if at least one parent is absent from the IV-A assistance unit
  - It is important the public assistance worker gathers information on the absent parent and fills out the absent parent panel and **ATTACHES IT TO THE CHILD IN MAXIS!**
- Child Support Officer has 20 days to process the referral
  - Look for an existing case OR
  - Build a new case
  - This includes matching or adding participants to PRISM, adding or updating demographic data on participants, beginning locate efforts, if necessary, adding court order information, if an order exists, noticing participants of their obligation to pay support

# Process for Tribal Shared Interest Cases

- The State maintains on the child support computer system but stops all enforcement and collection activities on the case
- The Tribal IV-D Agency is the primary case manager
- The Tribal IV-D Agency forwards all payments made to public assistance arrears to the State for processing

# Child Support's Access to Data

- The child support (cs) program has access to a number of state and national databases.
- The cs program has statutory authority to request information from: all state agencies or political subdivisions of this state, (2) employers, utility companies, insurance companies, financial institutions, credit grantors, and labor associations doing business in this state.
- MAXIS data on mom and child(ren) overrides child support data so entry of data is so important as well as the need to be responsive to contacts from the cs program

# Importance of Legal Paternity Establishment

- A child support order cannot be established without the establishment or acknowledgement of paternity (Recognition of Parentage (ROP)).
- A father named on a birth certificate does not necessarily mean he is the legal father.
- We provide paternity establishment services as part of a child support action, but if parties live together, the case should not be referred.
- If a participant opts for a paternity establishment through the court rather than a ROP, the paternity order must address custody and parenting time

# Collaboration and Communication Tip #6

## **Help a participant understand the child support referral process and case opening process**

- Understand the 2 different ways to establish paternity in MN and be able to explain this to participants and know that custody and parenting time can be addressed through the paternity court process
- Ask the participant and provide the child support office with all the information you have on alleged fathers
- Be responsive to contacts from child support, especially when they involve locate information

# Child Support Orders

- If a referral is made and **there is** an existing order, child support may just restart collection but the child support office should also review for modification
- If a referral is made and **there is not** an existing order, child support will establish an order through court action
  - Orders must address basic, medical and childcare support
  - Orders may address past support
    - Minnesota law allows reimbursement for past support up to two years before the date the legal action was served on the last party or the date of the child's birth, whichever is more recent.
    - If direct payments are being made, the child support agency needs to know about them!

# Child Support Legal Process

- Aims to set child support that ensures that the family primarily responsible for raising the child has adequate funds and that is collectible from the non-custodial parent.
- County's **unique** position: the county only represents the interests of the public authority (which is best understood as a combination of the state and county).
  - The child support officer makes the decisions about the county position on child support payments, paternity, and arrears forgiveness.
  - The county attorney represents the child support office. This is a normal attorney client relationship.

# The Expedited Child Support Process

- Only available for child support IV-D cases
- More user-friendly rules and requirements
- More streamlined process

# Role of the Child Support Office in Legal Proceedings

- The child support officer acts to support the county attorney. For example, child support officers draft pleadings and prepare and sign affidavits concerning the facts of the case as they are known to the public authority. County Attorneys review and sign all pleadings.
- The child support officer is authorized to require a case participant to meet with them or give the county evidence concerning their child support case even though the county does not present the participant's interests and the county's interests may be adverse to the participant's interest.

# Collaboration and Communication Tip #7

## **Understand and explain that the legal process is used for establishing and modifying child support**

- Dispel the myth that the county attorney represents the custodial parent in a child support action
- Understand that there is a streamlined process specifically for child support hearings

# Payments After a Child Support is Entered

- When a child support order is entered, all child payments are required to be paid through the state Child Support Payment Center (CSPC). This ensures accurate accounting of payments and correct balances on arrears, and accurate reporting of child support payments to the IV-A agency through the MAXIS interface.
- Payments must be transmitted through the PRISM-MAXIS interface so to the extent they are not disregarded, they are budgeted as unearned income and factored into the CP's MFIP grant.
- Direct payments need to be discouraged!

# When Direct Support Is Reported

- Pre Order
  - The Child Support Officer has to verify with parents
  - Will impact a request for past support
- Post Order
  - The Child Support Officer has to verify with the parents and then do an adjustment on the case (only 1 adjustment)
  - The CSO has to notice both parents of consequences of continuing to make/accept direct payments
  - Could ultimately lead to a finding of non-cooperation

# Collaboration and Communication Tip #8

## **When it comes to direct payments:**

- It is helpful if public assistance workers can instruct parents to pay the state Child Support Payment Center once a child support order is entered
- It is important that public assistance workers report direct or voluntary payments that they are aware of to child support once a referral is made – may affect past support

# What Can Child Support Do to Better Communicate and Collaborate with TANF?

Please use your best judgment

# New Child Support Initiatives

- Federal Legislation that would have absolved states of having to pay the federal government and given low-income parents 100% of child support payments failed in Congress in 2020 but may get more traction in upcoming year
- SAVES Domestic Violence Grant
- Child Support Employment Services Initiative
- Arrears Management Initiatives
- The parenting expense adjustment and the increase in parents with 50/50 parenting time

# Thank You!

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