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Illinois Department of
Healthcare and Family Services

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May 16, 2023

Lisa Marks, Regional Program Manager
Department of Health and Human Services
Administration of Children and Families
Office of Child Support Enforcement
233 North Michigan, Suite 400
Chicago, Illinois 60601

Re: Exemption Not to Implement a Procedure

Dear Lisa Marks:

466 (d) of the Social Security Act. allows for exemptions through the Secretary of Health and Human Services. 466 (a)(7) requires mandatory reporting of arrearages to credit bureaus. The purpose of this letter is to request an exemption not to implement reporting arrearages to credit bureaus. In Illinois, this is described as the Consumer Reporting Agencies (CRA) enforcement process. Review of the CRA process reveals that existing procedures make the mandatory process unnecessary. Illinois will provide evidence that implementation of reporting arrearages to credit burueas will not increase the efficiency or effectiveness of the child support enforcement program.

Description of existing method of operation or existing procedures that make the mandatory procedure unnecessary:

CRA enforcement was suspended on 11/1/2020 due to COVID-19 Global Pandemic. The unit that oversees CRA enforcement utilized the staff assigned to CRA to bolster their lien collections. During the time staff were working liens instead of the CRA process, data supports that there is more value in working the liens and not working the CRA process. When comparing the collections from the CRA enforcement process to collections from the lien process, data revealed Illinois families are far better served utilizing resources on the lien process. Utilizing staff serving and collecting on liens at an annual average collections per worker of $1,608,597.64 is a much larger return on investment than activating those same staff for the CRA process totaling $172,623.19 over a five year period.

Table 1: Depicts average dollar amount collected per worker derived from the annual total.

Fiscal Year's	17-18	18-19	19-20 -*	20-21	21-22
Lump sum Liens Issued	7761	8311	7098	6106	8343
Average served per month	647	693	592	509	695
Lump sum liens collected	3303	3914	3591	3890	4026
Average Collected per month	275	326	299	324	336
Lump sum liens total $	$12,180,759	$13,260,942	$12,021,771	$9,460,240	$10,700,085
Average Lump sum $ per month	$1,015,063	$1,105,079	$1,001,814	$788,353	$891,674
Lump sum liens average Check $	$3,688	$3,388	$3,348	$2,432	$2,658
Total number of workers	8	8	8	6	6
Avg. per worker Served	81	87	74	85	116
Avg. per worker collected	34	41	37	54	56
Avg. $ amount per worker collected	$1,522,594.88	$1,657,617.75	$1,502,721.38	$1,576,706.67	$1,783,347.50
* -- Icash was added in 11/19					

Evidence that implementation of the CRA enforcement process would not increase the efficiency and effectiveness of the state's child support enforcement program:

Developmental costs specific to implementation of the procedure

Implementation of the CRA enforcement process would not increase the efficiency and effectiveness of the state's child support enforcement program. Looking at a five year period from 2016 through 2020 shows that the cost of the program is more than the collections gained. The CRA process requires two Office Coordinators full time, Child Support Specialists are required to complete account reviews on selected cases, as well as Child Support Specialists 2s required for quality control of the account reviews completed. The average cost for two office coordinators including salary and benefits is $207,479.60 annually. Over a five year period, that equals $1,037,398. The five year cost for the accounting work for the CRA enforcement process is $97,133.34. The combined cost over a five year period is $1,134,531.34. The collections over the same five year period for CRA was 51 payments for $172,623.19.

Operating costs specific to implementation of the procedure compared to any increase or decrease in performance as a result of implementing the procedure

To implement the CRA enforcement process would require the use of two Office Coordinators as well as accounting staff. Currently, that would require two Office Coordinators to stop serving and collecting on liens at an annual average collections per worker of $1,608,597.64 for a process that only brought in $172,623.19 over a five year period.

Change in staffing levels required to operate the procedure

Another option could be to hire two new Office Coordinators including salary and benefits is $207,479.60 annually. Once again, this alone costs more than the CRA collections of $172,623.19 over a five year period.

Average monthly salary by title:

- Office Coordinator - $4,100.00 x 12 = $49,200 x .53 (Retirement) = $26,076. $49,200 x .0765 (Social security) = $3,763.80.
  $49,200 + $24,700 (group insurance) + $26,076 (Retirement) + $3,763.80 (Social security) = $103,739.80. 52 weeks x 47.5 hours = 2470. **$103,739.80/2470 = $41.99 hour**

- Child Support Specialist I - $5,574.00 x 12 = $66,888 x .53 (Retirement) = $35,450.64. $66,888 x .0765 (Social security) = $5,116.93.
  $66,888 + $24,700 (group insurance) + $35,450.64 (Retirement) + $5,116.93 (Social security) = $132,155.57. 52 weeks x 47.5 hours = 2470. **$132,155.57/2470 = $53.50 hour**
- Child Support Specialist II - $5,851.00 x 12 = $70,212 x .53 (Retirement) = $37,212.36. $70,212 x .0765 (Social security) = $5,371.22.
  $70,212 + $24,700 (group insurance) + $37,212.36 (Retirement) + $5,371.22 (Social security) = $137,495.58. 52 weeks x 47.5 hours = 2470. **$137,495.58/2470 = $55.67 hour**

Table 2: Depicts additional costs associated with account reviews for the CRA enforcement process per year.

Year	Account Reviews	Time to Complete Reviews (hours)	Cost for CSS1	Time to QC Review (Hours)	Cost for CSS2	Total per Year
2016	40	300	$16,050.00	80	$4,453.60	**$20,503.60**
2017	40	300	$16,050.00	80	$4,453.60	**$20,503.60**
2018	56	420	$22,470.00	112	$6,235.04	**$28,705.04**
2019	44	330	$17,655.00	88	$4,898.96	**$22,553.96**
2020	13	97.5	$3,419.72	26	$1,447.42	**$4,867.14**
Totals	**193**	**1447.5**	**$75,644.72**	**386**	**$21,488.62**	**$97,133.34**

Compare the effectiveness of its current program to the effectiveness of the program were it to implement the procedure. Explain why and how the required procedure would either increase or decrease these areas:

Average length of time to take an action in a case

If Illinois were to implement the CRA enforcement process the average length of time to take action on a case would increase. At this time we would have to pull two Office Coordinators off working collections on liens to administer the CRA process. In the table 3**,** shows the amount of cases coded UCRA, meaning we have submitted to the collection agencies. The next column, UDCB Cases after UCRA, shows how many that had to be researched to be deleted. This research is conducted when customers make contact to dispute or question the referral to the collection agencies. Most of the CRA process is taking the time reviewing these referrals. Out of the 262,345 CRA referrals only 51 payments were received over a five year period. Table 3**,** depicts the number of cases that end up on line 29 of the OCSE 157 report showing a payment has been made towards the arrearage of a case that has become past due. The data shows that with only 51 payments over a five year period most of the cases that are coded for CRA enforcement actually do not receive a payment, but still end up with a payment on line 29 improving the arrears collection key performance indicator from another collection remedy or regular payments made by the noncustodial parent. This supports that the CRA enforcement process does little to positively impact the overall arrearage collections, but could decrease the affectiveness of overall arrearage collecitons by taking staff from utilizing liens collecitons which is clearly provides a positive impact for collecting on arrearages. Even taking the path of hiring new staff would not pay for the staff hired and would be a net loss in relationship of staff to collections obtained.

Table 3: Depicts total CRA cases with payments and total dollar amount collected.

FFY	UCRA Cases	UDCB Cases after UCRA	Cases with Payments	Collected	Cases with UCRA on Line 29 FFY 2019	Cases with UCRA on Line 29 FFY 2020	Cases with UCRA on Line 29 FFY 2021	Cases with UCRA on Line 29 FFY 2022
FFY 2016	20,532	5,629	11	$25,772.85	10,288	10,637	8,341	4,844
FFY 2017	18,992	2,742	6	$59,819.01	10,252	10,995	8,639	4,907
FFY 2018	17,933	4,629	3	$5,221.57	10,755	11,316	9,897	7,737
FFY 2019	187,778	13,531	31	$81,809.76	101,340	109,944	97,478	77,252
FFY 2020	17,084	6,101	0	$0.00	9,762	13,007	11,336	8,872
FFY 2021	26	26	0	$0.00	15	14	13	16
Total	**262,345**	**32,658**	**51**	**$172,623.19**	**142,412**	**155,913**	**135,704**	**103,628**

*CRA was suspended on 11/1/2020 due to COVID-19 Global Pandemic.

Number of support orders enforced

If the CRA enforcement process were to be implemented Illinois Child Support would collect on approximately 51 cases over a five year period based on our past data and assuming CRA collection rates remained the same.

Amount of collections

Collections would be a fraction of the cost of administering the program at a five year collection of $172,623.19. This supports that implementing the CRA collections process would decrease Illinois Child Support's effectiveness collecting support for families.

If you have any questions, please contact me at (217) 782-1820 or Allen Nosler (217) 558-6017

Thank You.

Sincerely,

Bryan Tribble, Administrator

Child Support Services