



STATE OF MICHIGAN

DEPARTMENT OF HUMAN SERVICES
LANSING

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IV-D MEMORANDUM 2013-017

TO: All Friend of the Court (FOC) Staff

FROM: Erin P. Frisch, Director
Office of Child Support

DATE: July 30, 2013

SUBJECT: Early Notification of Unemployment Income Withholding
Improvements and Pre-Release Preparation Activities

UPDATE(S):

Manual

Form(s)

RESPONSE DUE: September 30, 2013

POLICY EFFECTIVE DATE: Upon receipt

PURPOSE:

This IV-D Memorandum announces upcoming improvements to the interface between the Michigan IV-D program and the Michigan Unemployment Insurance Agency (MUIA). The improvements will affect income withholding of unemployment benefits as well as IV-D staff workflows and responsibilities. This IV-D Memorandum identifies the impacts associated with the improvements and prepares IV-D staff for implementation of the changes.

The Office of Child Support (OCS) is planning additional interface-related communications, outreach, and policy updates for IV-D staff. These communication plans are outlined in this memorandum.

DISCUSSION:

Withholding unemployment benefit income is an important component of enforcing support obligations.¹ The Program Leadership Group (PLG) identified improvements to the interface between the Michigan Child Support Enforcement System (MiCSES) and MUIA's system as a program priority.² OCS, MiCSES, and MUIA staff have been working together to develop interface enhancements. In addition, MUIA's upcoming

¹ Ref: [income withholding documentation](#) on mi-support.

² Ref: [PLG Program Priority List](#) on mi-support.

system replacement will provide an opportunity to implement changes in the interface. The improvements discussed in this memorandum will:

- Increase the accuracy and number of matches between unemployment claimants and IV-D members;
- Allow the IV-D program to enforce support against all unemployment claims;
- Allow the IV-D program to track more closely to actual unemployment benefit time frames instead of automatically ending income withholding activities one year after a claimant's benefit year begin date; and
- Significantly reduce manual intervention.

A. Interface Improvements

The upcoming IV-D and MUIA system releases will include the following improvements:

1. Member Matching – Enhanced Match Criteria and Additional Data

The IV-D program will begin matching Michigan unemployment claimants using the same criteria that are used for matching Bridges referrals.³ The IV-D program and MUIA will begin exchanging additional IV-D member and unemployment claimant demographic information. Specifically, the MUIA will provide a claimant's full name, date of birth, address, and MUIA's unique claimant identifier called a Michigan Identification Number (MIN). MUIA will use the MIN, Social Security number, and docket information to match income withholding notices (IWNs) to unemployment claimants.

2. Unemployment Claimant/IV-D Member Associations

The MiCSES 8.5 Release (September 9, 2013) will add functionality to the *Resolve Referral* (RESR) screen and assign two new roles to all IV-D staff with the Enforcement Caseworker role. The UIA Resolver and UIA Matchmaker roles will allow IV-D staff to work unemployment claimant/IV-D member associations on the RESR screen.

The new functionality on the RESR screen will give IV-D staff the ability to:

- View MINs associated with IV-D members;
- Maintain IV-D member/MIN associations; and
- Manually review and work potential IV-D member/MIN matches (exceptions).⁴

3. Unemployment Claim Extensions – Additional Data and Automated Processing

³ Ref: [Michigan IV-D Child Support Manual, Section 2.05, "Referrals and Applications"](#) for details regarding the member match process. MUIA unemployment claimant information will not create new IV-D members or cases.

⁴ The IV-D members will include both non-custodial parents (NCPs) and custodial parties (CPs).

The IV-D program will begin receiving and automatically processing unemployment benefit extension information from MUIA. Specifically, the IV-D program will receive benefit claim types and additional claim dates associated with the various claim extensions.⁵

4. Enforcement Monitoring

The IV-D program will monitor unemployment income withholding beyond one year from a claimant's benefit year begin date if MUIA notifies the IV-D program that a claimant is receiving a benefit extension.⁶ The time frames for monitoring unemployment withholdings will change based on the additional dates MUIA will provide for the various types of claims and claim extensions.

B. MiCSES/MUIA Release and Implementation Dates

The MiCSES 8.5 Release (September 9, 2013) will implement new functions for the MiCSES/MUIA interface, and screen changes will be visible to IV-D staff.⁷ However, IV-D staff will not see or be able to work on any IV-D member/MIN associations or member exceptions for unemployment claimants until MUIA implements its new system on September 30, 2013. MiCSES will activate the new functionality with the September 30, 2013 MUIA implementation when MUIA begins sending the additional claim information.⁸

C. Pre-Implementation Shut-Down

MUIA may have a shut-down period before implementing its new system. OCS does not currently know if this shut-down will occur, when it will occur, or the extent of the shut-down. A shut-down might entail MUIA not sending claims information to the IV-D program and/or MUIA not receiving or processing IWNs – possibly for a one-week period before MUIA's system implementation.

⁵ Benefit claim types include regular unemployment benefits, Disaster Unemployment Assistance, and the various extensions such as Extended Benefits and Emergency Unemployment Compensation, as well as Trade Adjustment Assistance and Trade Readjustment Allowances. Ref: [Fact Sheets and UIA Publications](#) on MUIA's public website for information regarding the different types of unemployment benefits.

⁶ OCS and MUIA have identified notification of benefit exhaustion and IWN acknowledgments as potential interface enhancements, but these will not be included in the MiCSES/MUIA interface improvements or in MUIA's new system.

⁷ The MiCSES/MUIA interface improvements and MUIA's new system will not include changes to MUIA's remittances to the Michigan State Disbursement Unit (MiSDU), although MUIA and the MiSDU are planning to test remittances from MUIA's new system.

⁸ MUIA has indicated September 30 as the implementation date for its new system; however, there may be a short delay before MUIA resumes transmitting the claim information daily. OCS will communicate further details as soon as they are known.

OCS will communicate further details regarding a shut-down period to IV-D staff as soon as the details are known. Refer to the “Communication Plan” subsection of this memorandum for the avenues through which the details might be communicated.

D. Initial IV-D/MUIA Unemployment Claim and IWN Synchronization

On September 30, 2013, MiCSES will receive a synchronization file from MUIA.⁹ The file will include all of MUIA’s active claims and claim extensions.

Upon receipt of this data, the IV-D program will:

1. Process the active claims through member matching;
2. Associate MINs to the matched IV-D members;
3. Record IV-D member/MIN associations and member match exceptions on the RESR screen;
4. Initiate unemployment withholding (UNEM activity chains) for newly matched members who did not already have active unemployment withholding;¹⁰
5. End all existing unemployment withholdings for which a MIN was not associated to a IV-D member through the synchronization; and
6. Resend IWNs (as originals, not as amended IWNs) to MUIA for all unemployment withholdings remaining active with a MIN associated to the IV-D member.¹¹

The last two steps will be unique to the synchronization. After synchronization, the IV-D program will continue to receive claim information from MUIA on a daily basis – the first four steps will be the same, but actions on existing unemployment withholding will be different.

As of preliminary synchronization testing in June and July 2013, OCS anticipates MUIA will send approximately 90,000 active claims for the synchronization, of which approximately 10 percent will result in potential matches (i.e., RESR exceptions for manual review), 45 percent will match to an existing IV-D member without a need for manual intervention, and 45 percent will not match to IV-D members (automated or manual action is unnecessary). OCS does not have an estimated breakdown of the anticipated numbers or percentages of MUIA claim extensions, new member matches, or potential NCP vs. CP or dependent member matches.

⁹ This date is subject to change. MUIA might send the synchronization file and MiCSES might process it the weekend before September 30, 2013. OCS will communicate further details as soon as they are known.

¹⁰ The IV-D program will calculate the IWN withholding amount(s) for these new UNEM activity chains in the same manner as withholding amounts were calculated before the interface improvements, and the IV-D program will send a copy of the IWN to the NCP.

¹¹ When the synchronization reissues existing IWNs to MUIA, the IV-D program will not recalculate withholding amounts or send a copy of a reissued IWN to the NCP. OCS estimates approximately 55,000 UNEM activity chains will exist at the time of the synchronization.

E. IV-D Staff Actions and Policy

MiCSES will require a MIN to be associated with a IV-D member to help ensure that an IWN is issued to MUIA for the correct claimant. However, MiCSES will allow IV-D staff to manually issue a termination IWN to MUIA without a MIN associated to a IV-D member. This requirement will have a direct impact on IV-D staff who work with unemployment withholding because the MIN will be an integral component of the new member matching, exception handling, IWN issuance, synchronization, and ongoing MUIA interface processes. IV-D staff will need to take the following actions to prepare for and respond to these processes:

1. Actions Before September 30, 2013

a. Review Member Match Process, Criteria, and Guidelines

OCS will not require staff certification and authorization for either of the new UIA roles.¹²

However, all IV-D staff working on unemployment income withholding will need to be familiar with the member match process, match criteria, and guidelines for manually associating unemployment claimants' MINs with IV-D members. IV-D staff should review Section 2.05 of the *Michigan IV-D Child Support Manual* and [Exhibit 2.05E1, Member Match Matrix](#). This is particularly important for IV-D staff who are assigned the RESR Resolver and/or Referral Matchmaker roles and will have these roles along with the UIA Resolver and/or UIA Matchmaker roles.

b. Assign/Unassign UIA Matchmaker and UIA Resolver Roles

Local Options Administrators (LOAs) will have the ability to assign/unassign the UIA Matchmaker and UIA Resolver roles to/from IV-D staff any time after the MiCSES 8.5 Release. OCS recommends LOAs review role assignments and assign or unassign roles before the September 30 MUIA system release as appropriate for their FOC office's workflow.

c. Change IWN Print Option

OCS anticipates the synchronization will initiate approximately 5,000 to 10,000 unemployment IWNs statewide for newly matched members. OCS will not change any FOC offices' print options before, during, or after the MiCSES release.

¹² Ref: Subsection A(2) in this memorandum and [Section 3.03, "Case Updates and Member Demographics"](#) in the *Michigan IV-D Child Support Manual*.

FOC offices that choose to continue on-demand (local) printing will need to manually generate a larger than normal volume of unemployment IWNs resulting from the initial exchange/synchronization.¹³ If an on-demand print FOC office does not manually generate the IWNs from the synchronization, new IWNs resulting from newly matched members will not be automatically transmitted to MUIA.

Therefore, OCS recommends FOC offices that currently use on-demand (local) printing for IWNs consider switching temporarily (or permanently) to the central print option. FOC offices choosing to temporarily use central printing will switch to central print either during the shut-down period or prior to the initial exchange/synchronization. After the initial exchange/synchronization, the FOC office may switch back to on-demand (local) printing.

Note: The print option an FOC office chooses for IWNs applies to unemployment IWNs as well as IWNs for other sources of income.

2. Resolve Exceptions On and After September 30, 2013

The initial synchronization will result in a higher volume of MUIA claimant exceptions than will normally occur on a daily basis after synchronization. IV-D staff will review MUIA claimant exceptions and, if confirmed and appropriate, will associate or disassociate MINs to the appropriate IV-D members.

IV-D staff will review and resolve these exceptions as soon as feasible following the synchronization and thereafter. If IV-D staff do not promptly resolve exceptions and associate a MIN to the NCP where appropriate, MiCSES will not issue an IWN to MUIA for the NCP. Consequently, the NCP's unemployment benefit will not be withheld for his/her support obligation, and the NCP will receive his/her full benefit amount. The due date for exceptions will not identify the earliest time by which IV-D staff must resolve an exception. Instead, it will identify the maximum amount of time for the claim to be active and for the exception to remain available for IV-D staff to resolve.

IV-D staff must be diligent and exercise caution when manually associating a MIN to a IV-D member to ensure an IWN is not sent to MUIA for the wrong person. Likewise, manually disassociating the correct MIN from a IV-D member will cause a termination IWN to be sent to MUIA.

F. Communication Plan

OCS is planning to communicate further details regarding the interface improvements and gather feedback from IV-D staff through the following:

¹³ Ref: [Section 6.03, "Income Withholding" of the Michigan IV-D Child Support Manual](#) and question 3.C. in [IV-D Memorandum 2010-009, Income Withholding for Michigan Unemployment Benefits](#).

- Work Improvement Team (WIT) meetings – July 9, 2013;¹⁴
- MiCSES BERG – July 30, 2013;
- FOC User Group – August 1, 2013;
- Help Desk Notification(s) – August 8, 2013 (or as necessary);
- Webinar conference call/presentation – August 16, 2013;
- MiCSES System Documentation (mi-support) – August 30, 2013;
- *Michigan IV-D Child Support Manual* updates – September 16, 2013;
- Training, web-based training, simulations, etc. – to be determined;
- Michigan Family Support Council Fall Conference – October 9-11, 2013; and
- Post-Release webinar conference call/presentation – October 25, 2013.

This plan and the dates are tentative and subject to change.

NECESSARY ACTION:

Retain this IV-D Memorandum until further notice.

REVIEW PARTICIPANTS:

Enforcement Work Improvement Team
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SUPPORTING REFERENCES:

Federal
Social Security Act, Section 303
Social Security Act, Section 454
Social Security Act, Section 466

45 Code of Federal Regulations (CFR) 302.65

¹⁴ OCS presented information on the MiCSES/MUIA interface improvements at the July 9, 2013 Case Management and Financials WIT meetings.

45 CFR 303.100

State

Michigan Compiled Law (MCL) 421.11

MCL 421.27

MCL 552.602

MCL 552.609

ATTACHMENT(S):

None

EPF/CT