STATE OF MICHIGAN
DEPARTMENT OF HEALTH AND HUMAN SERVICES
LANSING

RICK SNYDER
GOVERNOR

NICK LYON
DIRECTOR

IV-D MEMORANDUM 2016-027

TO: All Friend of the Court (FOC) Staff
All Prosecuting Attorney (PA) Staff
All Office of Child Support (OCS) Staff

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

DATE: August 5, 2016

SUBJECT: Review of the Retooling Michigan Child Support Enforcement
Program Grant (Retooling Grant) Pilot Programs[1]

UPDATE(S):
☐ Manual
☐ Form(s)

RESPONSE DUE: None

POLICY EFFECTIVE DATE: Upon receipt

PURPOSE:

This IV-D Memorandum provides a high-level review of the Retooling Grant findings. The Retooling Grant began on September 1, 2011, and completed on August 31, 2015.

Policies and forms used during the Retooling Grant pilot programs are available on the Retooling Grant page under the Central Activities tab on mi-support. The documents will remain there for review until December 2017.

DISCUSSION:

A. Overview of Retooling Grant and Pilots

The federal OCSE awarded OCS and the University of Michigan School of Social Work (UM-SSW) a *Partnering to Strengthen Families: Child Support Enforcement (CSE) & University Partnership* grant to study Michigan's child support data.

---

[1] This publication is supported by Grant Number 90FD018101 from the federal Office of Child Support Enforcement (OCSE). Its contents are solely the responsibility of the Michigan Office of Child Support and do not necessarily represent the views of OCSE. This project is financed solely by Grant Number 90FD018101.

The Advisory Committee for this grant was the Program Leadership Group (PLG) for the Michigan child support program. The PLG includes representatives from OCS, the State Court Administrative Office, the Friend of the Court Association, and the Prosecuting Attorneys Association of Michigan.

1. Goals and Outcomes

   The goals of the Retooling Grant were to:

   - Increase the number of current support collections;
   - Increase the amount of current support collections;
   - Reduce arrears; and
   - Assist caseworkers and decision-makers in becoming more knowledgeable about non-custodial parents' (NCPs') characteristics and life situations.

   The project outcomes expected from the grant-supported activities included, but were not limited to:

   - Improved research on current data to support an evidence-driven selection of approaches to child support collection;
   - Sophisticated development of a "tool kit" of current strategies and new piloted strategies; and
   - Dissemination of both research and successful pilot strategies to enable greater success in child support collection.

2. Pilots, Timeframes, and Activities

   During the Retooling Grant, FOC offices conducted two pilots:

   - Compromise Arrears in Return for On-Time Support (CAROTS); and
   - Predictive Modeling (PM).

   Originally a three-year project, the grant was extended to four years. The following chart outlines the timeframes and the activities performed during the Retooling Grant.

Grant Year	Date	Task
Phase I:[2] Grant Year 1: September 2011 – August 2012	September 2011-August 2012	Literature review, preliminary data analysis

---

[2] Phase I was intended for research, data analysis, identifying and prioritizing research questions, and designing the pilots.

Grant Year	Date	Task
Phase II:[3] Grant Year 2: September 2012 – August 2013	September 2012 – January 2013	Completed policy, protocols, training and monitoring tools
	February 2013	Conducted kick-off meeting and training, and began pilots
	February 2013 – August 2013	Monitored CAROTS pilot using data and worker diaries
	February 2013 – August 2013	Monitored PM pilot using data and worker diaries
	August 2013	Provided PM mid-pilot status to PLG and published it to mi-support
Phase III:[4] Grant Year 3: September 2013 – August 2014	September 2013 – August 2014	Monitored PM pilot using data and worker diaries
	September 2013 – August 2014	Monitored CAROTS pilot using data and worker diaries
	March 2014	Provided CAROTS mid-pilot status to PLG and published it to mi-support
Phase III: Extension Year 4 (September 2014 – August 2015)[5]	September 2014 – April 2015	Monitored CAROTS pilot using data and worker diaries
	July 2015	UM-SSW Research Symposium
	February 2015 – August 2015	Analyzed MiCSES[6] database Analyzed PM pilot for statewide impact Analyzed CAROTS pilot for statewide impact

IV-D Memorandum 2012-032, *Invitation to Participate in Pilot: Retooling Michigan Child Support Enforcement Program Grant (Retooling Grant)*, introduced the Retooling Grant and invited FOC participation in the two pilots being implemented.

IV-D Memorandum 2013-008, *Retooling Michigan Child Support Enforcement Program Grant (Retooling Grant) Pilot Programs*, provided an overview of the grant, identified the FOC offices participating in the pilots, provided an anticipated timeline, introduced the Retooling Grant interim policies for the pilot programs, and provided tools for pilot counties' use.

During the extension (fourth) year, UM-SSW completed an analysis of enforcement activity effectiveness in MiCSES. UM-SSW also completed analyses of both pilot programs (across 11 FOC offices) for effectively improving the financial well-being of children. Additionally, UM-SSW held a symposium to share findings with other UM-SSW research staff, Retooling Grant pilot staff, and

---

[3] Phase II consisted of implementing and testing the pilots.
[4] Phase III was intended for analyzing the pilots to determine possibilities for statewide implementation.
[5] The CAROTS pilot is complete, but the CAROTS program is still running in the CAROTS pilot counties until the NCP completes the CAROTS program or is terminated from the program.
[6] MiCSES is the Michigan Child Support Enforcement System.

interested PLG members. Refer to the sections below for further discussion. Links to UM-SSW's full analysis reports are provided in each section.

B. MiCSES Enforcement Activity Analysis

During the extension year, UM-SSW conducted an analysis of MiCSES data. The data that OCS provided to UM-SSW consisted of three years of enforcement and payment history for all cases in MiCSES. The intent of the analysis was to identify which enforcement activities provided the most improved payment performance.[7] While UM-SSW could not tie payments to specific enforcement activities,[8] the analysis did link existing enforcement activities to the likelihood of payment.

1. Filtering of MiCSES Data

   a. To analyze the data, UM-SSW divided the three-year slice of data into three time periods:

      - Pre-activity period – The first six-month period of the three-year data slice;
      - Activity period – The middle 24 months of the three-year data slice; and
      - Post-activity period – The last six-month period of the three-year data slice.

   b. Additionally, UM-SSW wished to identify the NCPs who were non-compliant in the pre-activity period. UM-SSW applied additional filters to ensure a comparable database for pre- and post-activity periods. Therefore, UM-SSW filtered the three-year slice of data for NCPs who:

      1. Received at least one major enforcement activity during the activity period;
      2. Had at least one obligation in the pre-activity period;
      3. Had at least one obligation in the post-activity period;
      4. Had at least one receipt (receipt/obligation ratio greater than zero) in the pre-activity period;
      5. Had at least one receipt (receipt/obligation ratio greater than zero) in the post-activity period; and
      6. Were non-compliant during the pre-activity period. "Non-compliant" was defined as those NCPs who failed to pay at least 80 percent of their obligations during the pre-activity period.
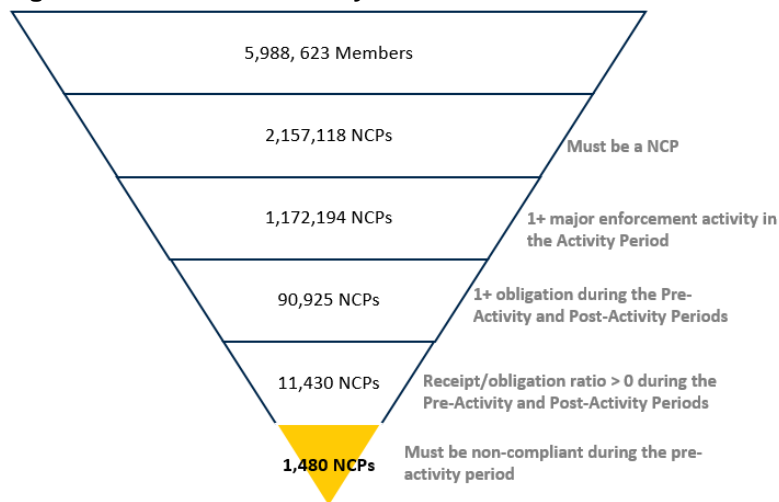
   This filtering resulted in 1,480 NCPs in the study. See Figure 1 below.

---

[7] Payment performance is the monthly payment amount divided by the monthly obligations amount. OCS had asked UM-SSW to analyze enforcement activities and any corresponding payments in order to identify which enforcement activities resulted in increased payment performance.
[8] Because the data did not provide full case histories, numerous activities may have occurred simultaneously, or subsequent activities may have been influenced by preceding activities, UM-SSW was able to provide a classification tree (decision tree) analysis rather than a conclusive analysis.

Figure 1: Filtering of data for MiCSES analysis[9]

5,988, 623 Members	
2,157,118 NCPs	Must be a NCP
1,172,194 NCPs	1+ major enforcement activity in the Activity Period
90,925 NCPs	1+ obligation during the Pre-Activity and Post-Activity Periods
11,430 NCPs	Receipt/obligation ratio > 0 during the Pre-Activity and Post-Activity Periods
1,480 NCPs	Must be non-compliant during the pre-activity period

2. Data Analysis

Through the classification tree analysis, UM-SSW identified the most used enforcement activities in relationship to payments received for the non-compliant NCPs. Then UM-SSW identified the activity most likely to result in payments meeting the obligation.

At a summary level, the following two classification trees show the likelihood of enforcement activities taken during the activity period[10] that resulted in payments of at least 80 percent of the obligation during the post-activity period.[11] The tree also shows those activities that appear less likely to result in this type of payment. A "NO" in front of the activity name indicates that the activity was not found. Because of the size of Wayne County, the analysis was divided between Wayne County and the rest of the state. Wayne County data showed a different trend than the rest of the state for enforcement activities and the likelihood to meet obligations.

For example, in Figure 2, of the 157 Wayne county non-compliant NCPs in the study, those with insurance enforcement as recorded in MiCSES were 32 percent more likely to pay 80 percent or more of their obligation during the post-activity period. However, in Figure 3, of the 868 non-compliant NCPs in the study living outside of Wayne County, those who had an income withholding recorded in MiCSES were 63 percent more likely to pay 80 percent or more of their obligation during the post-activity period.

---

[9] All figures in Section B of this memorandum are from UM-SSW's analysis report, *Re-Tooling Michigan's Child Support Enforcement Program MiCSES Enforcement Activities Analysis Report*.
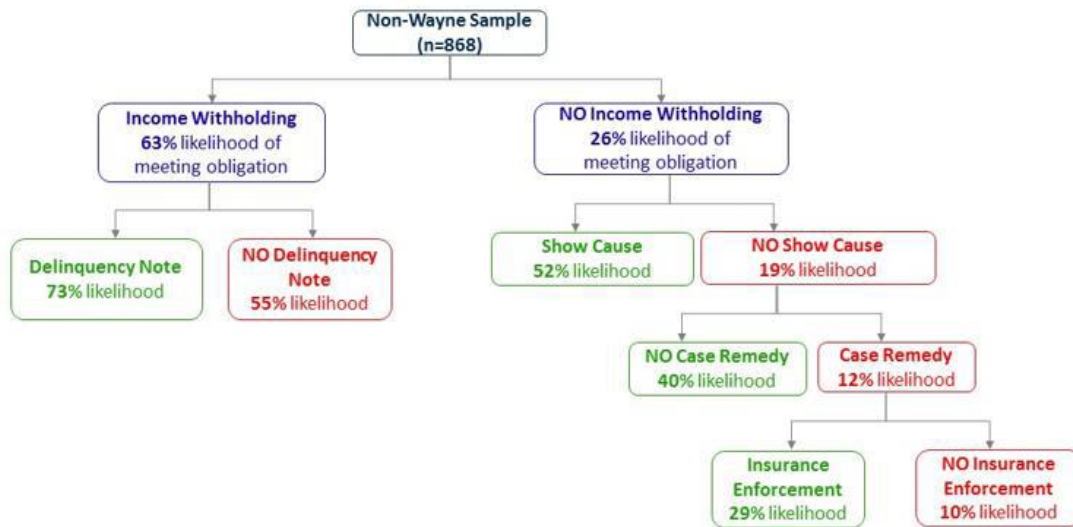[10] Ref: Section B(1)(a) of this IV-D Memorandum.
[11] Ref: Section B(1)(a) of this IV-D Memorandum.

Figure 2: Classification tree analysis results among Wayne County NCPs
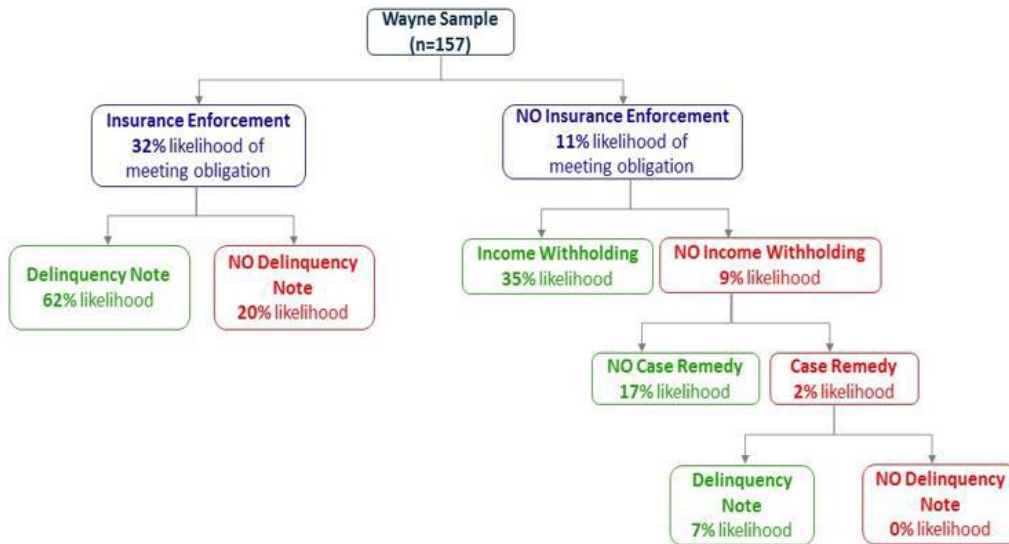
Figure 3: Classification tree analysis results among non-Wayne County NCPs

C. CAROTS Pilot

FOC offices selected for the CAROTS pilot were:

- Genesee;
- Macomb;
- Marquette; and

- Tuscola.[12]

1. Conducting the CAROTS Pilot

   The major goals of CAROTS were to improve the consistency of support payments and reduce the amount of uncollectible state-owed debt. Participants were NCPs with an overwhelmingly large amount of state-owed debt, which is viewed as a deterrent for making a support payment.

   Additionally, CAROTS aimed to help the NCP form habitual payment behavior that would contribute to the well-being of his/her family. NCPs eligible for CAROTS had to have an inconsistent payment history, an inability to pay all of their arrears, and an income.[13] CAROTS targeted NCPs who were willing to make child support payments but unable to pay the entire amount of current support and arrears.

   The CAROTS program worked at the "NCP level," meaning that it included all of the NCP's orders, rather than at the single/separate court order level. FOC CAROTS pilot staff conducted reviews and modifications to ensure all of the NCP's orders were right-sized before drafting a CAROTS payment plan.

   FOC CAROTS pilot staff developed a CAROTS payment plan for the NCP that the NCP signed. The CAROTS payment plan defined a monthly payment amount that included all of the NCP's current support obligations and a support arrears amount. Additionally, CAROTS payment plans identified five payment periods, each of which covered several months, over the course of two years. If the NCP complied with the CAROTS payment plan, his/her state-owed arrears were incrementally discharged at the conclusion of a payment period. If the NCP successfully completed all five payment periods, (s)he would have no state-owed arrears remaining at the conclusion of the fifth payment period.

2. CAROTS Pilot Results

   The study showed that NCPs in CAROTS demonstrated significant increases in current support and arrears collections. When the NCP stayed engaged with CAROTS through the first payment period (first three months), (s)he was more likely to remain in CAROTS until completion.[14]

   UM-SSW used random selection to place approximately half of the CAROTS NCPs into an "Outreach Group." FOC CAROTS pilot staff provided these NCPs monthly payment reminders (if needed), payment slippage consequence

---

[12] Only Genesee and Macomb FOC offices successfully enrolled NCPs into CAROTS. Together, Genesee and Macomb counties enrolled approximately 220 NCPs.

[13] Eligibility for CAROTS included other criteria. Ref: Exhibit 2013-008E1*: Retooling Grant Policy for Pilot Friend of the Court Staff* for an additional discussion of eligibility.

[14] About 75 percent of the CAROTS NCPs remained in CAROTS after the first payment period.

reminders (as needed), or payment "thank yous." NCPs in the Outreach Group showed no significant compliance increase compared to those NCPs who did not get monthly contact.

Figures 4 and 5 below display the amount of support the CAROTS NCPs paid before the CAROTS pilot, and during the CAROTS pilot (as of April 30, 2015). All NCPs received some portion of arrears discharge as a matter of being in CAROTS. The figures below display in parentheses the number (n) of CAROTS NCPs for each condition displayed. There were 118 NCPs who were not assigned to the Outreach Group; 101 NCPs were assigned to the Outreach Group.

CAROTS agreements required NCPs to pay their entire current support amount and an arrears amount on all of their orders.[15] However, some NCPs had payment gaps during CAROTs. Consequently, the "During CAROTS Pilot" percentages in Figures 4 and 5 are not 100 percent.

Figure 4 below shows that the 118 NCPs who were in CAROTS (but not in an Outreach Group), paid an average of 53.3 percent of their obligation *before* the pilot but increased the average to 76.5 percent of their obligation *during* the pilot. This is a 23.3 percentage point increase in obligation compliance.

**Figure 4: Non-Outreach-Group NCPs' average percentage of obligation paid before and during CAROTS**[16]

Arrears Discharged (n=118)

53.3%   76.5%

Before CAROTS Pilot   During CAROTS Pilot

---
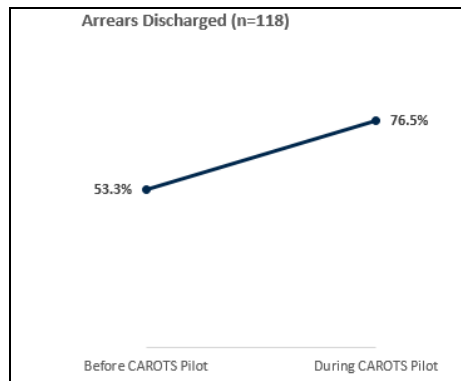
[15] Ref: IV-D Memorandum 2013-008 for further information.
[16] All figures in Section C of this memorandum are from UM-SSW's analysis report, *Re-Tooling Michigan's Child Support Enforcement Program Compromise Arrears in Return for On-Time Support (CAROTS) Pilot Final Report*.

Figure 5 shows the payment percentage increases due to the type of outreach activity the NCPs received. Outreach activities included thanking NCPs for providing a payment (Thank You), payment reminders (Reminder), and explaining the consequences of missing payments (Gap Consequences); these usually were provided between three and five days before the end of each month as needed (3-Day). During the pilot, some NCPs told FOC CAROTS pilot staff that they could not make their payment. The bottom-right percentages in this figure depict this condition. The number of NCPs receiving the outreach activity is shown in parentheses following the activity description. Some CAROTS NCPs received multiple types of outreach.

Figure 5: Outreach-Group NCPs' average percentage of obligation paid before and during CAROTS
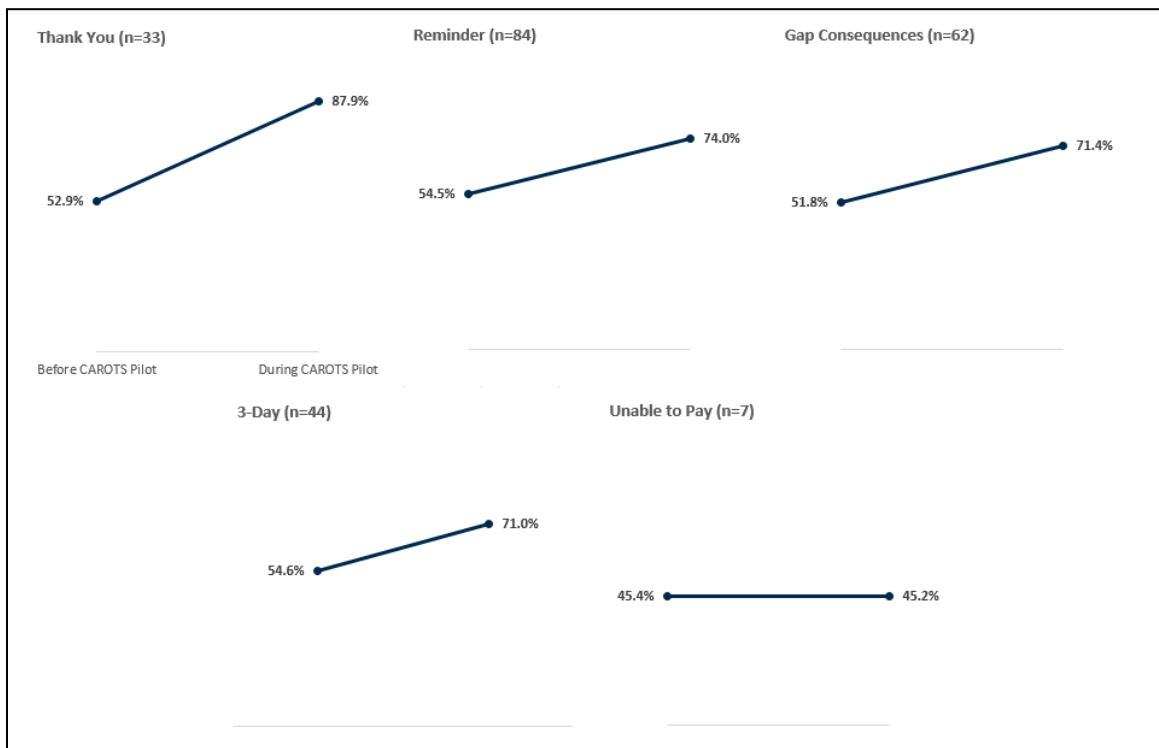
FOC CAROTS pilot staff manually monitored the CAROTS NCPs' monthly payment compliance, and manually performed outreach to the NCPs in the Outreach Group. In addition to increased collections from CAROTS NCPs, FOC CAROTS pilot staff also noted a great improvement in customer relations with CAROTS NCPs. CAROTS NCPs often contacted the FOC CAROTS pilot staff to ensure compliance.

Because monitoring and outreach activities were so labor-intensive, OCS will modify MiCSES to automate monitoring and outreach activities before OCS offers CAROTS statewide. Based on the improved payments and engagement of CAROTS pilot NCPs, OCS intends to offer CAROTS as a statewide strategy in the next fiscal year.

D. Predictive Modeling (PM) Pilot

FOC offices selected for the PM pilot were:

- Cheboygan;
- Isabella;
- Kent;
- Monroe;
- Van Buren;
- Washtenaw; and
- Wayne.

1. Conducting the PM Pilot

   The major goal of the PM pilot was to use predictive data to assist FOC PM pilot staff in determining what intervention (interaction or enforcement activity) to use with the NCP to increase the NCP's support order compliance.

   The PM pilot was conducted in two phases.

   a. Phase I

      During Phase I, FOC PM pilot offices recruited NCPs for the pilot. NCPs choosing to participate completed a survey. The survey collected data about the NCP that was not already available in MiCSES.[17] Based upon survey data and the NCP's payment performance rating,[18] the NCPs were given a PM Predictor score of 1 to 4.[19] The PM Predictor score, which paired payment history with NCP characteristics, was to provide guidance to FOC PM pilot staff in predicting payment compliance. Based on the PM Predictor score, the FOC PM pilot staff selected various non-adversarial interventions and supportive contacts with NCPs (e.g., thanking NCPs for their payment, assisting parents with parenting time issues, and offering arrears management strategies).[20]

---

[17] Ref: *Paper Survey – Additional Predictors* to view the survey questions and content.
[18] An NCP payment performance rating, or case stratification, was 1 to 4, depending upon the NCP's payment compliance. A PM Predictor score of 1 meant the NCP paid 0-29 percent of his/her order, while a PM Predictor score of 4 meant the NCP was paying 80 percent or more of his/her order. Ref: Exhibit 2013-008E1 for more information on PM Predictor and case stratification scoring.
[19] UM-SSW identified characteristics that were the same or similar for NCPs who fell into the same case stratification area. These were determined to be the Michigan PM Predictors.
[20] Ref: Exhibit 2013-008E1 for additional suggested interactions.

Figure 6: Michigan PM Predictors identified during Phase I[21]

Increases Likelihood to Meet Obligation	Decreases Likelihood to Meet Obligation
Have a college degree*	**NCP ever been to jail or prison***
Currently employed*	Higher number of issues: depression, social anxiety, generalized anxiety, substance abuse*
Ever married to or lived with custodial party (CP)*	
On unemployment benefits	**On public assistance**
On SSI or disability	**Higher number of addresses**
Higher monthly income	**Higher number of jobs**
	Higher number of child support cases

*Indicates a strong predictor
Bold indicates national predictor

    b. Phase II

In Phase II, in addition to working with Phase I NCPs, FOC PM pilot staff recruited new NCPs[22] to complete a revised survey to collect just the Michigan PM Predictor data. Then, using PM Predictor scoring, the new NCP was given a PM Predictor score. Throughout Phase II, FOC PM pilot staff were to interact with Phase II NCPs in the same manner as they interacted with Phase I NCPs. Based on the NCP's PM Predictor score, Phase II NCP interactions could occur even before a payment was missed.

2. PM Pilot Results

During the PM pilot, FOC PM pilot staff were to record their interactions in an access database called the MS Access Retooling Grant Database (MARGD). However, UM-SSW found that the data recording was incomplete and pilot actions were insufficient. Despite these drawbacks, UM-SSW identified the following key findings in their report, *Re-tooling Michigan's Child Support Enforcement Program Predictive Modeling Pilot Executive Summary*:

Which PM activities worked well? Based on MARGD data analysis and anecdotal experiences of Pilot Leads and workers, the following activities conducted as part of the PM pilot were identified as useful or effective:

- The Michigan Predictors
- Supportive Contacts
- E-mail
- Payment Thanks

---

[21] All figures and direct quotes in Section D of this memorandum are from UM-SSW's analysis report, *Re-tooling Michigan's Child Support Enforcement Program Predictive Modeling Pilot Executive Summary*. Ref: the *Retooling Michigan's Child Support Enforcement Program Predictive Modeling Final Report* for UM-SSW's full analysis report.

[22] New NCPs were those NCPs who had new child support orders without previous orders in the FOC PM pilot office. Participation in Phase II, like Phase I, was voluntary.

Which PM activities did not work well? Based on MARGD data analysis and anecdotal experiences of Pilot Leads and workers, the following activities that were conducted as part of the PM pilot were identified as not effective:

- Counseling/Mediation
- Follow-Ups for NCPs with a Predictor Score 4[23]

What were the barriers to implementing the PM pilot? Based on anecdotal experiences of the Pilot Leads and workers, the following barriers were identified to the work conducted as part of the PM pilot:

- Difficulty making contact with NCPs
- Duplicating work between MiCSES and MARGD
- Time needed to implement the pilot
- Lack of referral sources in the community
- Limited training for workers

What facilitated the implementation of the PM pilot? Based on anecdotal experiences of the Pilot Leads and workers, the following factors facilitated the implementation of the PM pilot in counties:

- Dedication and innovation of the FOC staff who worked on the PM pilot
- Smaller counties, with a lower worker-to-case ratio, reported having an easier time connecting with NCPs

UM-SSW concluded that to make a PM approach effective for statewide roll-out, FOC philosophy may need to shift from a "collection approach" to a "customer service, holistic approach." Additionally, in order to make a holistic approach attainable, collaboration between the FOC offices and community resources outside of child support (such as counseling centers, education services, job skills training, etc.) must be in place. Without resources for NCPs to use to improve their ability to make child support payments, holistic interactions targeting improved payment performance may be limited.

E. UM-SSW Symposium

In July 2015, UM-SSW hosted a symposium for UM-SSW research staff, FOC Retooling Grant pilot staff, and members of the PLG. The symposium shared findings from the Retooling Grant as well as two other studies that target the well-being of families:

---

[23] A PM Predictor Score of 4 meant that the NCP was paying 80 percent or more of his/her court-ordered obligation.

- *Using Case Stratification to Better Understand Ability and Willingness to Pay Child Support Obligations: Re-Tooling Michigan's Child Support Enforcement Program*, presented by Sue Ann Savas, Director; Laura Sundstrom, Evaluation Associate; and Meredith Philyaw, Evaluation Associate, Curtis Center Program Evaluation Group;
- *Expediting Paternity and Engaging Families: The Genesee County ADAPT Program*,[24] presented by Anthony McDowell, Staff Attorney, Genesee County Friend of the Court; and
- *Technology as a Tool to Engage Dads*, presented by Shawna Lee, PhD, Associate Professor, University of Michigan School of Social Work.

Additionally, UM-SSW researchers facilitated symposium attendee discussions regarding an NCP's willingness and ability to pay child support as depicted by four quadrants. See Figure 7 below.

Figure 7: "Willingness to pay" quadrants[25]
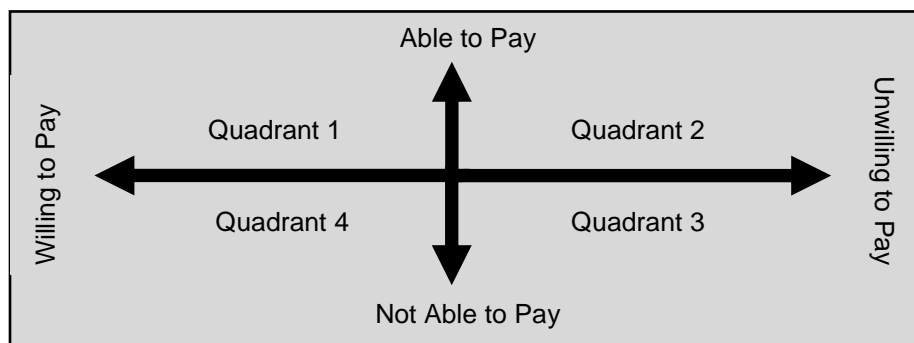
UM-SSW recorded the attendees' discussions about NCP characteristics and suggested interactions for each quadrant. Refer to the [UM-SSW Retooling Grant Symposium Report](#) for additional information about the symposium, including notes from the facilitated discussions.

NECESSARY ACTION:

Retain this IV-D Memorandum until further notice.

---

[24] ADAPT is an acronym for "Acquiring DNA and Paternity Timely" and is a pilot program being conducted in Genesee County.

[25] Initially, the PM pilot was going to use these quadrants for NCP scoring purposes. However, OCS and UM-SSW could not develop a reliable way to determine "willing and able." Instead, the PM Predictor score compared NCP characteristics to the NCP's obligation/payment percentage. PM Predictor scores and the quadrants are further explained in IV-D Memorandum 2013-008.

REVIEW PARTICIPANTS:

FOC Pilot Leads
PLG

CONTACT PERSON:

Jan Merkle
OCS Re-engineering Specialist
(517) 241-5067
merklej@michigan.gov

CC:

Laura Lein, UM-SSW
Sue Ann Savas, UM-SSW

SUPPORTING REFERENCES:

<u>Federal</u>
None

<u>State</u>
Michigan Compiled Law (MCL) 552.517(1)(f)
MCL 552.605c(2)

2013 Michigan Child Support Formula 4.02(B)(3)

ATTACHMENTS:

None

EPF/JEM