

Michigan IV-D Child Support Manual
Michigan Department of Health and Human Services

Publication/ Revision Date: July 17, 2023	Chapter Number: 3.0	Chapter Title: Case Management
	Section Number: 3.85	Section Title: Agency Placement – Case Management

Table of Contents

1. Overview..... 1

2. Determination of Agency Placement Relevance for IV-D Cases..... 2

3. Agency Placement (AGP) IV-D Case Notifications..... 3

 3.1 Recipient of Support Information 3

 3.2 Agency Placement Referrals and Referral Update Alerts 4

 3.2.1 Agency Placement Referral Alert for FOC Staff 4

 3.2.2 Agency Placement Referral Alert for SS Staff 4

 3.2.3 Agency Placement Referral Updates 5

 3.2.4 MDHHS Custody Ended 6

 3.2.5 Parental Rights Termination and Notice of a Permanent Ward Status..... 6

 3.3 SS, PA and FOC Agency Placement Alert Criteria..... 7

 3.3.1 Support Specialist (SS) Alert Criteria 7

 3.3.2 Prosecuting Attorney (PA) Alert Criteria – (EST Case Worker Role in MiCSES) 7

 3.3.3 Friend of the Court (FOC) Alert Criteria – (FIN Court Order Modification Worker Role in MiCSES)..... 8

4. Agency Placement IV-D Case Closure Actions 8

 4.1 Dependent Leaves MDHHS Care and Custody..... 8

 4.2 Adoption or Termination of Parental Rights and Responsibilities 9

 4.3 Closure As Requested by the Children’s Services Administration (CSA) Worker 9

 4.4 Case Closure Action for an Existing Pre-Placement IV-D Case 9

 4.5 Case Closure Action Due to Deceased Parent or Child 10

 4.6 Case Closure Action Due to Inappropriate Agency Placement Referrals 10

1. Overview

When a child is placed under the care and supervision of the Michigan Department of Health and Human Services (MDHHS)¹ and there is an existing child support order for the child, the support under that order must be assigned to MDHHS.² If the child is placed with an unlicensed caregiver (also known as an “unlicensed provider”), support may be redirected to that provider.

If an active child support order does not exist for a child on an agency placement referral, the IV-D program will not initiate action to pursue an order(s) to establish a

¹ In Michigan, the Title IV-E agency is the MDHHS Children’s Services Administration (CSA). Foster care cases in which a child is under the care and custody of MDHHS are referred to as “agency placement” cases in the Michigan Child Support Enforcement System (MiCSES).

² Ref: Michigan Compiled Law (MCL) 552.605d(6).

charging support obligation. If paternity is not established for the child, the IV-D program will initiate action to establish paternity without accruing support. Once paternity is established, IV-D staff will close the agency placement case.³

This manual section discusses case management for agency placement IV-D cases, including the interface between Michigan's IV-D system (MiCSES) and the child welfare system (the Michigan Statewide Automated Child Welfare Information System [MiSACWIS]). It provides details regarding case information and alerts for establishment or enforcement. It also provides case closure information for a child support order as required for agency placement cases.

2. Determination of Agency Placement Relevance for IV-D Cases

As discussed in Section 2.85 of the *Michigan IV-D Child Support Manual*, MiSACWIS will generate an electronic referral to MiCSES for an agency placement case both when an initial placement is completed and when there are updates during the life of the agency placement IV-D case. Upon receipt of the referral from MiSACWIS, MiCSES will determine relevance for the individuals on the case. "Relevance" is the association of an assistance case and its members with a pre-existing IV-D case in MiCSES. The IV-D program uses relevance in applying new, incoming referral, and assignment information from MiSACWIS to MiCSES.

When assistance is relevant to a MiCSES case, the effects of that assistance (e.g., cooperation requirements, assignment of support) occur to that MiCSES case. There are two types of relevance that are identified in MiCSES when a child is placed with MDHHS: pre-placement relevance⁴ and placement relevance.

MiCSES automatically determines relevance between MiSACWIS and MiCSES cases; however, IV-D workers may need to manually apply or change pre-placement relevance in MiCSES for agency placement cases. IV-D workers should know the rules of placement and pre-placement relevance and any automatic actions that occur as a result of relevant assistance.⁵

³ Ref: [Section 2.85, "Agency Placement – Case Initiation," of the Michigan IV-D Child Support Manual](#) for a detailed discussion regarding CSA's request to not establish support obligations for agency placement referrals.

⁴ The term "pre-placement relevance" describes an open IV-D case where the custodial party (CP) on that IV-D case is the person from whose home a child was removed to be placed in MDHHS's care and custody. The identification of a pre-placement case helps determine if arrears are to be assigned, or if current support may be redirected to the agency placement IV-D case.

⁵ Relevance is discussed further in [Section 5.85, "Agency Placement – Financial," of the Michigan IV-D Child Support Manual](#).

3. Agency Placement (AGP) IV-D Case Notifications⁶

MiSACWIS will generate an electronic referral to MiCSES for an agency placement case when an initial placement is completed. MiSACWIS will also transmit case updates to MiCSES during the life of the agency placement IV-D case.⁷

MiCSES will alert IV-D staff when action needs to be taken as the result of an initial or updated referral. These agency placement (AGP) alerts are directly related to the relevant IV-D case where the AgP Person⁸ in the referral file is an active dependent. AGP alerts notify IV-D staff if there is a new or changed recipient of support or support assignment.

When MiCSES generates an AGP alert, it goes to the appropriate IV-D worker in the functional area where the IV-D case exists (support specialist [SS], Prosecuting Attorney [PA], Friend of the Court [FOC]).

3.1 Recipient of Support Information

The *Pay To* indicator referred from MiSACWIS provides the name/entity to whom support will be directed. MiCSES uses the *Pay To* indicator to assign or end the assignment of support obligations and to alert IV-D staff to take additional manual action. The following *Pay To* values are displayed on the SCWS screen in MiCSES:

- STATE;
- COUNTY;
- PROVIDER;
- LEFTCARE; and
- UNDETERMINED.

When a previously received *Pay To* indicator is changed from one value to another as the result of an updated MiSACWIS referral, there may be changes to assignment that require both automatic and manual actions. MiCSES will send an alert to IV-D staff when the *Pay To* indicator changes.

Note: MiSACWIS does not send a *Pay To* indicator of COUNTY to MiCSES because MDHHS pays agency placements eligible for Child Care Fund (CCF) services directly from MiSACWIS. MiSACWIS referrals contain a

⁶ Ref: the MiCSES training handout [Public Assistance Alerts](#) for alerts and recommended actions for agency placement cases.

⁷ Ref: Section 2.85 of the *Michigan IV-D Child Support Manual* for information about referrals and updates.

⁸ The referred child and other persons (typically relatives) associated with the referred child on the MiSACWIS case are known as AgP Persons in MiCSES. The AgP Person information is located in the *Case Persons* section of the *SACWIS Case Information* (SCWS) screen in MiCSES.

Pay To indicator of STATE for foster care maintenance payments by MDHHS for CCF services.

3.2 Agency Placement Referrals and Referral Update Alerts

There are four primary alerts for agency placement cases:

- AGP_ON;
- EVMCW;
- AGP_CHANGE; and
- AGP_OFF.

These alerts and the conditions in which SS, PA, and FOC staff will receive the various AGP alerts are described below.

3.2.1 Agency Placement Referral Alert for FOC Staff

MiCSES generates the **AGP_ON** alert when an initial MiSACWIS referral is received for an active dependent on a IV-D case with a *Pay To* other than UNDETERMINED and LEFTCARE. This alert indicates that the dependent is now in agency placement.

FOC staff will work this alert immediately, review the details of the placement of the child, and determine if there is a child support obligation for the non-custodial parent (NCP).

Note: As part of the IV-D services on the agency placement case, FOC staff will not seek to establish a support order or seek a modification of an existing support order that attempts to obtain support from the other parent (the former payee of the existing order). MDHHS, the entity that referred the case to the IV-D program, has requested that the former payee not be required to pay support. Consequently, no open IV-D case exists with the former payee as the NCP.

Once FOC staff make a determination, they will take the necessary action to assign or redirect the existing support obligation.

3.2.2 Agency Placement Referral Alert for SS Staff

MiCSES creates a new agency placement IV-D case or adds a newly referred child(ren) to an existing agency placement IV-D case based on the information received in the MiSACWIS referral. When MiSACWIS provides *Pay To* information indicating that assignment or redirection of

child support is warranted, MiCSES starts the SS workflow for case initiation.

The SS will not receive the AGP_ON alert for an agency placement referral. Instead, MiCSES will notify the SS using the *Evaluate Michigan Child Welfare (EVMCW)* action alert. SS action on this alert is due in 20 days.

The SS must:

- Review the IV-D case information for accuracy;
- Conduct research to see if there are any existing IV-D cases for the child and the NCP listed on the agency placement case;
- Verify whether paternity has been established;
- Verify whether a child support order has been established; and
- Refer the agency placement IV-D case(s) to the PA or the FOC, as appropriate, or close the agency placement IV-D case(s) if applicable.⁹

When no action is taken on the EVMCW alert within the required 20-day timeframe, MiCSES will escalate the IV-D case to the SS supervisor through a *No Action IV-D Case (NAIVD)* alert.

3.2.3 Agency Placement Referral Updates

MiCSES generates the **AGP_CHANGE** alert when MiSACWIS sends an update to a referral for an active dependent on an open agency placement IV-D case because conditions affecting the recipient of support have changed (e.g., a change in the *Pay To* information or *Pay To* effective date).

IV-D staff must work this alert immediately. PA staff must continue to process the IV-D case, unless a change in jurisdiction requires additional action.

FOC staff will review the details of the changed placement or funding for the child and determine if manual steps are required to ensure that support is directed to the appropriate recipient.

If the recipient of support changed to an unlicensed provider, MiCSES will automatically create or update an Other Party (OTHP) record for the

⁹ Ref: Subsection 4.6, "Case Closure Action Due to Inappropriate Agency Placement Referrals," in this manual section.

identified provider.¹⁰ IV-D staff must take the appropriate steps to redirect child support payments to that individual.

3.2.4 MDHHS Custody Ended

MiCSES generates an **AGP_OFF** alert when MiSACWIS sends an update to a referral to indicate that MDHHS is no longer making foster care maintenance payments and the child's living arrangement is either Absent without Legal Permission (AWOL) or Parental Home.¹¹

The AGP_OFF alert indicates a *Pay To* of LEFTCARE in MiCSES. LEFTCARE may also apply when the child's MiSACWIS case closed because the child is no longer under MDHHS care and custody, or when parental rights have been terminated.

MiCSES will stop the disbursement of support payments to agency placement cases when MiSACWIS sends a *Pay To* of LEFTCARE. IV-D staff must work the AGP_OFF alert immediately to ensure any ordered support is directed to the appropriate recipient. IV-D staff must determine next actions based upon the location of the child and the IV-D case conditions.¹²

MiSACWIS may provide the last court order¹³ (terminating MDHHS custody, adoption, etc.) and the legal status of the child's placement.¹⁴ This information may help IV-D staff determine the location of the child.

3.2.5 Parental Rights Termination and Notice of a Permanent Ward Status

The Michigan Supreme Court determined in December 2012 that the termination of a parent's rights does not terminate the parent's responsibility (obligation) to support his/her child unless a court

¹⁰ An unlicensed provider is not currently licensed by the State of Michigan to provide care for a child in foster care. An unlicensed provider is not receiving foster care maintenance payments. Ref: [Section 3.16, "Other Parties," of the Michigan IV-D Child Support Manual](#) for information about OTHP records for unlicensed providers.

¹¹ When a child has returned to the parental home, MiSACWIS will include the name, address, and MiSACWIS ID of the parent with whom the child is living in a referral to MiCSES.

¹² Ref: Section 5.85 of the *Michigan IV-D Child Support Manual* for more information on FOC actions for AGP_OFF alerts.

¹³ The most recent court order and legal status are located on the *Orders* tab of the SCWS screen in MiCSES.

¹⁴ There are multiple legal status values in MiSACWIS that indicate that parental rights have been terminated for at least one parent; these include 41 - Permanent Court Ward; 44 - State Ward MCI - Act 220/296; and 52 - MCI Ward/44 and Act 150/46. For additional processing information and values, refer to the training document [Unique Case Scenarios for Agency Placement IV-D Cases](#).

specifically modifies or terminates that support obligation.¹⁵ When FOC staff receive an AGP_OFF alert and parental rights are terminated, they must review the court order to determine if the obligation for child support has also been terminated. FOC staff will manually remove the LEFTCARE record from the *Member Address History* (MAHI) screen in MiCSES as appropriate to allow assignment to continue when they receive a court order that orders parental responsibility to continue.

Before initiating case closure, IV-D staff must determine if there is a continuing obligation for current support and/or arrears.

If the agency placement IV-D cases for the child whose parents' rights have not been terminated are in the SS functional area, FOC staff will contact the SS to process these cases and send referrals, as appropriate.

SSs are not required to process referrals in the SS functional area for agency placement IV-D cases received with a subsequent *Pay To* of LEFTCARE unless requested by FOC staff as the result of a court order.

3.3 SS, PA and FOC Agency Placement Alert Criteria

SS, PA and FOC staff will receive the various AGP alerts under certain conditions. These are listed below.¹⁶

3.3.1 Support Specialist (SS) Alert Criteria

The SS will receive the AGP_CHANGE or AGP_OFF alert for informational purposes when the following conditions exist for the referred child on the agency placement IV-D case:

- No open *Support Order Entry* (SORD) record; and
- No active or established court action referral (CAR).

3.3.2 Prosecuting Attorney (PA) Alert Criteria – (EST Case Worker Role in MiCSES)

The PA will receive AGP_ON, AGP_CHANGE, or AGP_OFF alerts when the following conditions exist for the referred child on the agency placement IV-D case:

¹⁵ *In re Beck*, 488 Mich 6 (2012); Ref: [IV-D Memorandum 2011-021, Termination of Parental Rights – Michigan Supreme Court Decision](#). Subsection 4.2 of this manual section also discusses the termination of parental rights and responsibilities.

¹⁶ When an office does not have a IV-D worker with the identified MiCSES role, the alert will be sent to the Default Worker role for the SS, PA or FOC, as appropriate.

- No open SORD record exists for the agency placement IV-D case; and
- An active/open CAR exists.

3.3.3 Friend of the Court (FOC) Alert Criteria – (FIN Court Order Modification Worker Role in MiCSES)

The FOC will receive AGP_ON, AGP_CHANGE, or AGP_OFF alerts when any IV-D case with an open docket for the referred child has pre-placement or placement relevance for the current month on the MAHI screen.¹⁷

If there are no IV-D cases with pre-placement relevance or placement relevance, MiCSES will send the AGP alert for the associated IV-D cases with open dockets for the referred child.

4. Agency Placement IV-D Case Closure Actions¹⁸

4.1 Dependent Leaves MDHHS Care and Custody

Upon receipt of an AGP_OFF alert, IV-D staff will complete the associated actions for this alert and consider the agency placement IV-D case for closure. When a child does not reside with the CP (in this instance, MDHHS is the CP) on the IV-D case, IV-D staff must mark the child(ren) with an “N” in the *In CP Home* field on the *Case Member Details* (CASE) screen.

IV-D staff must manually close the IV-D case using the “PG – Child Does Not Reside With or Under Supervision of the CP” reason code when:

- There have been no payments in the last six months;
- The current IV-D arrears are less than \$500; and
- All children on the IV-D case have an “N” in the *In CP Home* field on the CASE screen.

If the case conditions do not allow manual closure of the IV-D case with the PG reason code, MiCSES will consider the IV-D case for automatic closure when it meets the criteria for another closure reason code.

¹⁷ Pre-placement relevance and placement relevance are identified on the *Case Assistance and Assignment* section on the MAHI screen in MiCSES. Pre-placement relevance details are located on the *Pre-Placement Relevance* tab of the MAHI screen’s *View/Update AgP Details* pop-up window for the period of placement.

¹⁸ Ref: [Section 3.50, “Case Closure,” of the Michigan IV-D Child Support Manual](#) for more information.

4.2 Adoption or Termination of Parental Rights and Responsibilities¹⁹

When parental rights and responsibilities are terminated, and there is not a continuing obligation for current support and/or arrears, IV-D staff must consider the IV-D case for closure. The adoption of a child is another circumstance that requires case closure.

There are two manual case closure reason codes that may apply, depending on the case conditions:

- If paternity has been established, the child(ren) has been adopted, and the parental rights and responsibilities have been terminated, IV-D staff must manually close the IV-D case by using the manual reason code “NS – No Viable IV-D Services”;²⁰ or
- If paternity is not established because it would not be in the best interests of the child to establish paternity when legal adoption proceedings are pending or final, IV-D staff must manually close the IV-D case by using the manual reason code “PT – Adoption Pending / Final.”²¹

If the case conditions do not allow the manual closure of the IV-D case with the NS or PT reason codes, MiCSES will consider the IV-D case for automatic closure when it meets the criteria for another closure reason code.

4.3 Closure As Requested by the Children’s Services Administration (CSA) Worker

In rare circumstances, the CSA worker may contact the SS or PA when (s)he determines there is good cause and does not want the IV-D program to initiate or continue paternity establishment. The SS or PA will enter an “E” for “Good Cause Granted, End Action” in the *Good Cause Status* field on the CASE screen.²² The SS or PA will also enter a note on the MiCSES *Notes Processor* (NOTE) screen to document the good cause determination and action taken. As a result of these actions, MiCSES will consider the IV-D case for closure as appropriate.

4.4 Case Closure Action for an Existing Pre-Placement IV-D Case

A child may be a member of an existing pre-placement IV-D case in which the CP is not MDHHS. However, the case may be eligible for closure because the

¹⁹ Ref: IV-D Memorandum 2011-021 for more information on the termination of parental rights and responsibilities, and the [State Court Administrative Office \(SCAO\) Administrative Memorandum \(ADM\) 2012-07, *When Child Support Stops and When It Continues*](#) for information on when a court order for support should end.

²⁰ Ref: Section 3.50 of the *Michigan IV-D Child Support Manual* for more information.

²¹ Ref: Section 3.50 of the *Michigan IV-D Child Support Manual* for more information on closing cases when adoption is pending or final for a child.

²² Ref: [Section 2.15, “Cooperation/Noncooperation/Good Cause,” of the Michigan IV-D Child Support Manual](#) for information on the manual processing of cases when good cause is determined.

child no longer resides with the CP. If the child does not reside with the CP on the IV-D case, IV-D staff must mark the child with an “N” in the *In CP Home* field on the CASE screen.

Once the *In CP Home* field is updated to “N,” if there have been no payments in the last six months and the current IV-D arrears are less than \$500, IV-D staff must manually close the IV-D case using the “PG – Child Does Not Reside With or Under Supervision of the CP” reason code.

If the case conditions do not allow the manual closure of the IV-D case with the PG reason code, MiCSES will consider the IV-D case for automatic closure when it meets the criteria for another closure reason code.

4.5 Case Closure Action Due to Deceased Parent or Child

When the parent of the child or the child becomes deceased on an agency placement IV-D case, IV-D staff must enter the deceased date on the *Member Demographics* (DEMO) screen. This will allow MiCSES to close the IV-D case in accordance with IV-D case closure policy.

4.6 Case Closure Action Due to Inappropriate Agency Placement Referrals

The CSA determines when a referral warrants IV-D services. Federal regulation permits the IV-D program to close agency placement IV-D cases resulting from inappropriate referrals from the CSA.²³

An inappropriate referral includes agency placement IV-D cases where paternity is already established and there is no support order established for the child(ren).

When the SS determines paternity is established for the child(ren) on an agency placement IV-D case and there is no existing support order, (s)he will close the case using the reason code “MZ – Case Merged/Opened in Error.” IV-D staff will also enter a note on the MiCSES NOTE screen indicating why the IV-D case closed.

SUPPORTING REFERENCES:

Federal

Section 471(a)(17) of the Social Security Act
42 United States Code (USC) 654(4)(A)
654A(f); 654(29)
42 USC 671
42 USC 671(a)(17)
42 USC 675(4)
45 CFR 302.31
45 CFR 302.52

²³ 45 Code of Federal Regulations (CFR) 303.11(b)(20)

45 CFR 302.52(b)(3)
45 CFR 303.2(a)(2) and (b)
45 CFR 303.11(b)(20)
45 CFR 303.30
45 CFR 1355.20(a)
45 CFR 307.10(b)(1)(2)(10)(13) and (14)

Office of Child Support Enforcement (OCSS)
Action Transmittal (AT) 99-09
OCSS Information Memorandum (IM)-07-06
OCSS IM 99-01
OCSS Policy Interpretation Question (PIQ) 07-03

State

MCL 552.23(2)
MCL 552.454
MCL 552.605
MCL 552.605d(6)
MCL 400.115b
MCL 552.451b
MCL 400.10
MCL 400.117a-g
MCL 701.1 – 713.6
MCL 712A.2
MCL 712A.18(2) – (6)
MCL 722.714(4) and (10)
MCR 3.926(B)(3)
MCR 3.973(F)(5)

Administration for Children, Youth and Families
(ACYF) Children's Bureau IM 99-02

SCAO ADM 2008-01
SCAO ADM 2012-07

In re Beck, 488 Mich 6 (2012)

REVISION HISTORY:

[IV-D Memorandum 2023-011](#)
IV-D Memorandum 2019-016
IV-D Memorandum 2016-010
IV-D Memorandum 2013-011
IV-D Memorandum 2010-018