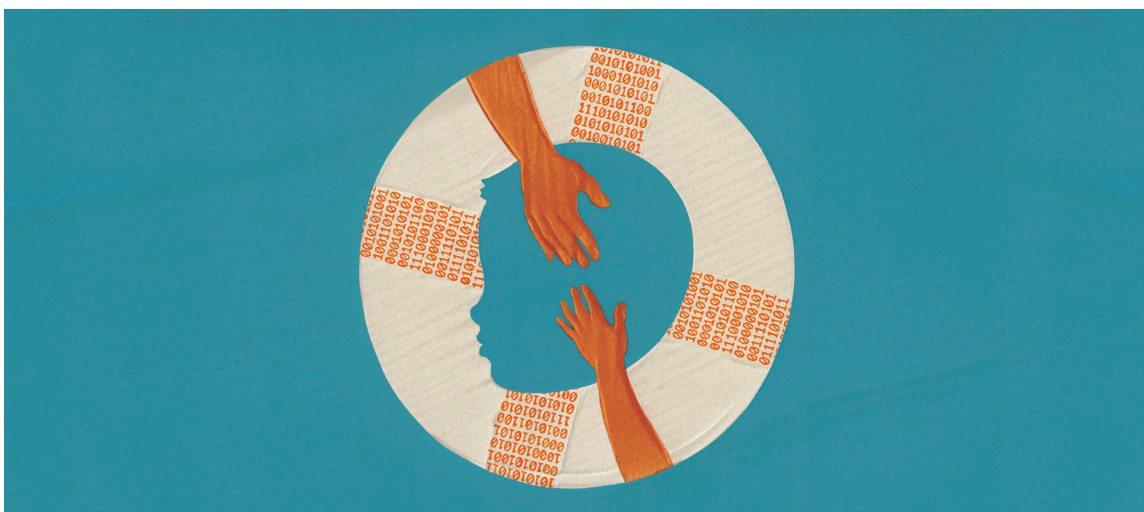


Next-gen child support

Improving outcomes for families



ARGUABLY ONE OF the most effective federal programs of all time, child support now faces new challenges—arising from dramatic changes in our society—that threaten its future success.

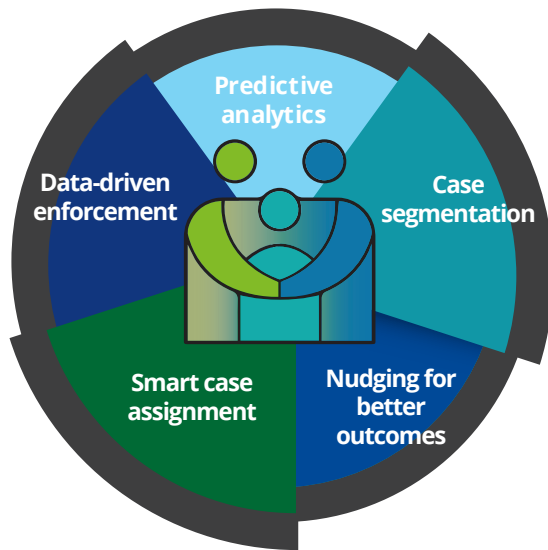
Changing family structures and circumstances, rising incarceration rates, and a challenging economy all make it harder than ever for child support programs to collect payments. Many state programs rely on outdated mainframe computer systems to support their operations, lack the resources for costly upgrades, and struggle to attract and retain high-performing employees—especially technical employees—needed to bring the program into the future.

To succeed in the coming years, the child support program will need to embrace new ways of operating (figure 1), including:

- New technologies that tap into data within agencies, maximizing the outcomes of communication and enforcement strategies
- A renewed purpose that ensures that the program meets parents and families where they are today, recognizing the changing social landscape
- New approaches to workforce optimization to help create a better employee experience for the child support workforce

FIGURE 1

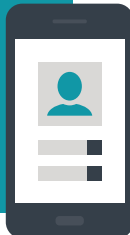
Next-gen child support



Child support 2.0: The data revolution

America's child support agencies possess a treasure trove of historical data on the cases they manage. If truly put to use, this data can be leveraged to unleash significant value. Taken together, a suite of techniques—from predictive analytics to matching cases to the right caseworkers to employing behavioral nudges—form a holistic, data-driven approach to improving child support outcomes for all parties.

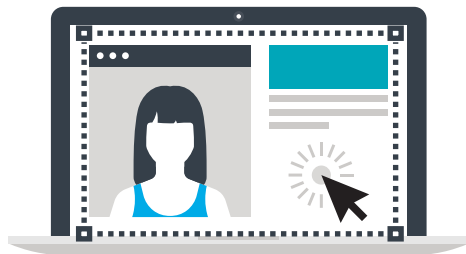
- Order right-sizing
- Workforce development programs
- Convenient payment methods
- Connection to community-based supports



Child support as a service: Modern enforcement

The push for better customer service is critical for delivering better outcomes for the families the program serves. Program leaders have an opportunity to improve performance by meeting people where they are:

- Connecting parents to services that can help them provide for their children
- Modifying support orders for struggling parents, particularly the incarcerated
- Making it easier for parents to meet their obligations



Modernizing the employee experience: Boosting workforce engagement

Highly effective organizations recognize that people ultimately drive performance. Understanding employees' needs, taking steps to address pain points that might be unique to a certain group (for example, new hires or seasoned staff), along with empowering caseworkers with modern tools and technologies can all boost engagement, satisfaction, and, in turn, performance.

Source: Deloitte analysis.

Child support 2.0: The data revolution

America's child support agencies possess a treasure trove of historical data on the cases they manage. Typically, this data is accessed only after a parent has fallen significantly behind, often on an ad hoc basis to retroactively determine what went wrong and why. If truly put to use, however, it can be proactively leveraged to unleash significant value.

Thanks to advances in data analytics, caseworkers can make use of this data to craft solutions that are tailored to the unique needs of cases and also have the best chance of succeeding. Consider Florida's Child Support Program.

The Florida Child Support Program uses data to guide team members; its goal is to select the compliance actions that will result in the greatest return on investment (ROI) for the program. This is accomplished by using a predictive model based upon two specific parameter groups: the financial compliance levels of cases, and the indicators of the parents' ability to pay (criminal history, employment, institutionalization status, and disabilities).

Based on the outcome of the predictive analytics model and the ROI of each potential remedy, Florida's system identifies the best course of action for a case. The model prioritizes remedial actions that have the largest ROI—bringing in the most collection money when compared with the costs—and are therefore likely to be the most effective and efficient.

“Florida uses a tailored enforcement approach,” explains Ann Coffin, the director of Florida's Child Support Program, noting that the system automatically analyzes data and then applies business rules set by the program. Since some enforcement actions, such as contempt proceedings, can be very expensive and

time-consuming, the use of analytics helps prioritize the action that has the greatest chance of success.¹

Child support as a service: Modern enforcement

When parents have little or no steady income, they may not have the financial means to regularly pay child support.

“The next frontier for the federal child support program is this: How do we work with the hardest to serve?” says Frances Pardus-Abbadessa, executive deputy commissioner of New York City's Office of Child Support Enforcement (NYCOCSE).²

For Pardus-Abbadessa, child support enforcement goals have to go beyond mere collection to helping children stay out of poverty and strengthening families. This is no easy task. Unlike the performance boosts that have come from greater interstate cooperation, automated payments, and expanded enforcement measures, efforts such as job training and other life skills programs can be much more labor-intensive and variable in their impact.³

Nonetheless, Pardus-Abbadessa sees a gap that needs filling. “We believe most parents want to support their children, but there isn't much in the program today to help those parents who are struggling to make their payments,” she says.⁴ “This is a challenge, but it is also an opportunity. Child support is one of the few programs that works with both parents. We could use the program to help connect fathers to work and to ensure their connection to their children stays strong.”⁵

One thing that doesn't help anyone is an unrealistically high support order and the unsustainable debt that soon follows. “Massive debt can have a lot of negative impacts,” says

Pardus-Abbadessa. They include driving parents to under-the-table work, driving a wedge between parents and their children, and fostering a feeling of despair—which leads to giving up. It also creates a lot of negative attitudes toward the child support program.⁶

To help parents pay off their debt, NYCOCSE sponsored a “Pay It Off” program in 2016, which offered a US\$2 credit for each dollar of debt payment received from qualifying parents. The program reduced debt by nearly US\$4 million, or about US\$7,000 per participating parent—an amount that can make a huge difference for people of limited means. Other programs, including an effort to right-size orders, saw the percentage of low-income parents making their payments increase from 41 percent to 62 percent.⁷

Modernizing the employee experience: Boosting workforce engagement

Twenty-five percent of graduating college students rank government as one of the top three industries where they want to work, yet a much smaller percentage actually decide to launch a career in the public sector.⁸ And while attracting new talent remains a challenge, retaining an agency's current workforce and keeping them engaged and motivated can be equally daunting. Given that replacing an employee costs an agency an average of US\$150,000 in addition to the salary of the new hire, improving the employee experience and retaining staff is increasingly top of mind for many child support directors.⁹

When it comes to helping employees feel more connected to the workplace, even small efforts can go a long way. Consider the case of Arizona's Department of Child Support Services (DCSS), part of the US Department of Economic Security.

DCSS launched a colleague engagement initiative that takes a “people first, people always” approach. The initiative emphasizes three behaviors: contribution, teamwork, and growth. Staff members win recognition for going above and beyond, for length of service, or for positive customer feedback, and they are encouraged to nominate colleagues for awards. The agency implements weekly huddles to keep open lines of communication, maintain focused goals, and increase team spirit. Also, the Department of Economic Security Mentor Program helps employees identify their strengths, weaknesses, needs, priorities, and career goals through coaching and professional networking.

At its heart, Arizona's colleague engagement initiative is really about checking in with people and hearing their stories. It's about giving each employee a buddy to hold them accountable for professional and personal goals, recognizing employees for good work, and creating the right conditions to build better connections in the workplace.

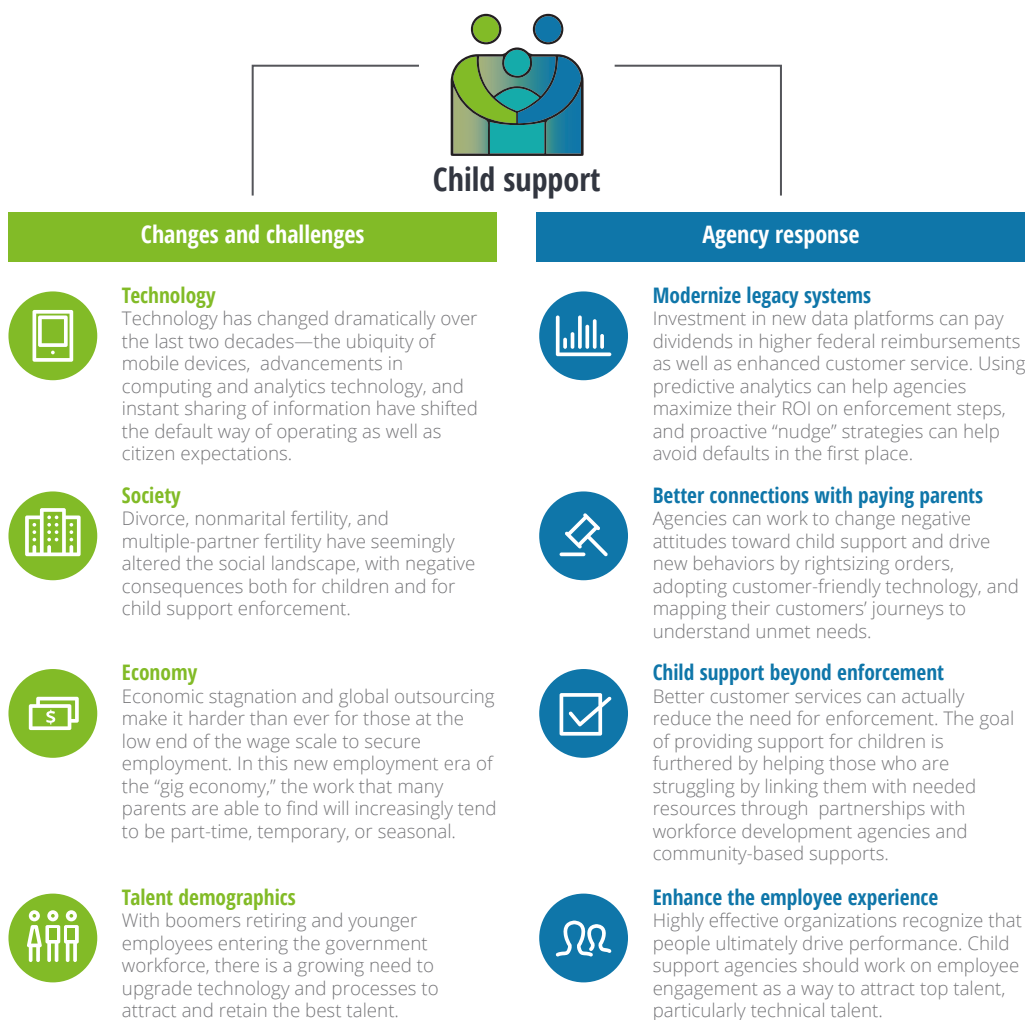
As a result of these efforts, the Arizona Department of Economic Security saw a five-fold increase in its overall employee engagement ratio in just one year.¹⁰

Looking ahead

Throughout its history, the child support program has adapted successfully to changing circumstances. When it comes to ensuring that parents with means contribute to the upbringing of their children, the program is now quite successful. To sustain this success and even improve in the future, the program must continue to evolve, embracing new technologies and new approaches to service, and improving workforce engagement (figure 2). The welfare of millions of children depends on the ability of child support agencies to deliver the best possible service.

FIGURE 2

Evolving child support for the modern age



Source: Deloitte analysis.

Endnotes

1. Ann Coffin (director of Florida’s Child Support Program), interview, August 26, 2016.
2. Frances Pardus-Abbedessa (executive deputy commissioner, Office of Child Support Enforcement, Human Resources Administration/Department of Social Services, City of New York), interview with the authors, September 8, 2016.
3. Ibid.

4. Ibid.
5. Ibid.
6. Ibid.
7. OCSE Monthly Update, "Pay It Off brings \$3.9 million in DSS debt relief to noncustodial parents," July 2016.
8. Max Meyers et al., *Employees as customers: Reimagining the employee experience in government*, Deloitte University Press, May 31, 2016.
9. NSCEA Leadership Symposium 2016, "What's in it for me? Strategies for employee engagement in social services agencies," August 3, 2016.
10. Ibid.

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