

Increasing Child Support Collections from the Hard to Collect: Experimental Evidence from Washington State

Robert Plotnick, University of Washington
Asaph Glosser, MEF Associates
Kathleen Moore, University of Washington
Emmi Obara, MEF Associates

Final Report

Prepared for the
Washington State Division of Child Support
Department of Social and Health Services
February 12, 2015

Acknowledgements: We thank Connie Ambrose, Bryan Enlow, Cindy Guo, Tammie Hazlett, Kirsten Jenicek, Wally McClure, Glenda Nelson, and other staff members of the Washington State Division of Child Support for their contributions to all phases of this study. The research reported here was supported by a University Partnership Grant (Section 1115 grant) from the U.S. Office of Child Support Enforcement to the Washington State Department of Social and Health Services.

Table of Contents

Executive summary	iii
Introduction	1
Background and related research on compliance with support orders	2
The interventions and experimental designs	6
How similar are the treatment and control groups?	15
Outcomes examined in the analysis	16
Methods for estimating impacts	16
Findings on impacts – TANF 16 intervention	18
Findings on impacts – Statement intervention	21
Conclusions	22
References	25
Tables	27
Appendix A	33
Appendix B, Analysis of TANF 16 implementation	36
Appendix C, Findings on control variables	51

Increasing Child Support Collections from the Hard to Collect: Experimental Evidence from Washington State

Executive Summary

Under a University Partnership grant awarded by the federal Office of Child Support Enforcement, a team of academic and applied researchers worked with officials in the Division of Child Support (DCS) to develop experimental research designs to test two interventions in the field, monitor implementation of the interventions, and measure impacts based on administrative data. The report discusses the two tests of administrative interventions designed to increase child support collections from hard-to-collect noncustodial parents in Washington State. The interventions varied in the amount of resources and staff time involved as well as in the point in the “life cycle” of a case at which the interventions are aimed. Findings from these experiments add to the meager research literature on “what works” at the street level of the child support enforcement system.

The interventions: The “TANF 16” intervention targeted noncustodial parents (NCPs) at a late stage of their involvement with DCS. It sought to collect arrears to reimburse the state for TANF benefits paid to custodial parents (CPs) via the creation of a special unit of caseworkers dedicated to intensively pursuing collections in arrears-only cases with exclusively state-owed debt. By creating a dedicated unit within the agency to focus on these cases, DCS sought to refocus efforts on these cases and improve collections. The report presents quantitative results on the impacts of the team’s first 22 months.

From the full pool of TANF arrears NCPs, DCS randomly assigned 1,955 NCPs to the unit (treatment group) and 2,000 NCPs to the control group in November 2012. As the unit disposed of cases, its caseload was refreshed by randomly drawing further NCPs from those initially unassigned to either the treatment or control group. Four hundred such NCPs were added to the treatment group in June 2013, and a further 1,200 in November 2013.

The “statement” intervention focused on NCPs as they first enter the child support system. It tested whether sending regular billing statements to noncustodial parents new to the child support system and not subject to wage withholding increased the regularity and amount of payment. By sending statements listing the current payment order and any arrears, the intent was to raise the likelihood that new NCPs meet their child support obligations, thereby increasing the amount of current support collected on behalf of families.

Beginning in March 2013, DCS randomly assigned NCPs meeting these criteria to receive a monthly statement or no statement. Because new NCPs meeting the sample criteria accrued gradually, it required nine months to reach the full sample size. There were 1,384 NCPs in the treatment group and 1,386 in the control group. The report presents findings on the impacts of this intervention, which lasted 18 months.

How similar are the treatment and control groups?: For practical purposes the treatment and control groups in the TANF 16 experiment are comparable. There were small but statistically significant gender and age differences. Surprisingly, the mean monthly order amounts statistically differ at the .01 level. In the statement experiment the treatment and control groups were statistically identical on all variables, except treatment NCPs had lower mean order. Multivariate methods allow the analysis to control for such differences across samples when estimating impacts.

Outcomes: The primary objective of both interventions was to increase the amount and consistency of payments. Thus, the analysis focused on three outcomes in both experiments: 1) whether the NCP ever paid support during the observation period, 2) the number of months when an NCP paid support and 3) the total amount paid. For the TANF 16 analysis, we examined a fourth outcome: the percentage reduction in arrears. For the statement analysis we examined a different fourth outcome: the average percentage of the current support obligation that was paid.

Findings, TANF 16: The analysis found that **the TANF 16 intervention improved collections of TANF-arrears**. During the observed intervention period the efforts of the unit raised the likelihood of an NCP ever paying by 25 percent compared to the control group. This is a substantial improvement. This increase in ever paying

led to an absolute increase in the number of months with a payment of .48 and in actual payments of \$75. While modest, these effects respectively represent a 23 and 17 percent improvement over the control group. Among NCPs who paid something, the increase was a more substantial \$152. The intervention led to a modest reduction in total arrears of 3.4 percent. While small, this is a 20 percent improvement over the control group. Among NCPs who paid something, the reduction was 4.4 percent. The intervention only affected payment behavior of NCPs with in-state cases. It had no significant impacts on interstate cases.

Findings, Statements: Sending regular statements to NCPs new to the child support system and not subject to withholding **did not increase the likelihood of making at least one payment, the number of months with a payment, total payments, nor the percent of current support paid.** It may be that sending statements antagonized or otherwise dissuaded NCPs from meeting the requirements of their support order. Alternatively, it may be that this approach added to the confusion of the NCPs in the treatment group. Given the proportion of the sample that cycled in and out of employment over the course of the intervention, it is possible that receipt of statements was not always directly aligned with a given NCP's current employment (and wage withholding status). The associated delay may have resulted in a hesitancy to make payments at the appropriate time. These explanations are not mutually exclusive.

Regardless of the specific interventions examined by this study and the results, the two tests demonstrate the value that rigorous research can play as state child support agencies seek to improve the efficiency of their operations. The experimental designs were relatively low cost and provide DCS management with strong evidence on the impact of these interventions.

Increasing Child Support Collections from the Hard to Collect: Experimental Evidence from Washington State

Introduction

In recent years Washington State has collected about 65 percent of current support due.¹ With millions of support dollars going collected, there is a premium on efficient use of staff time in pursuing child support collections. In spite of the up-front costs associated with implementing new approaches, state child support agencies have incentives to find innovative ways to do their work. Given limited resources, agencies need to understand whether the interventions in which they plan to invest are effective.

This report discusses two experimental tests of administrative interventions designed to increase child support collections in Washington State. Under a University Partnership grant awarded by the federal Office of Child Support Enforcement, a team of academic and applied researchers worked with officials in the Division of Child Support (DCS) to develop experimental research designs to test two interventions in the field, monitor implementation of the interventions, and measure impacts based on administrative data.

The tested interventions reflect the need for DCS, as well as child support agencies in other states, to increase collections and maximize their performance on behalf of custodial parents and their children as well as with respect to federal performance standards. The interventions varied in the amount of administrative resources and staff time involved as well as in the point in the “life cycle” of a case at which the interventions are aimed. The primary objective of both interventions was to increase the amount and consistency of payments.

The **first intervention** targeted arrears-only cases with exclusively state-owed debt. DCS created a special unit of caseworkers dedicated to intensively pursuing collections from these cases’ noncustodial parents (NCPs). Collections from arrears-only cases go directly to the state and reimburse it for Temporary Assistance to Needy Families (TANF) benefits paid to the custodial parent (CP). According to DCS’s

¹ The national average is about 63 percent. National and state figures are from Office of Child Support Enforcement (2014) tables P-83 and P-84.

estimates at the time it made the funding request of the legislature, this unit was expected to be cost effective within 18 months of its formation. The report presents results on the impacts of the team's first 22 months.

The **second intervention** attempted to clearly and consistently inform new NCPs of their support obligations. Currently, NCPs in Washington State receive written notification of their child support obligations when the order is established, but in most cases they do not receive a routine reminder to pay each month. The intervention tests whether sending regular billing statements – “nudges” – to NCPs not subject to wage withholding increases the regularity and amount of payment. Unlike the special arrears-only unit that relies on intensive case work and a substantial investment on the State's part, the generation and distribution of the monthly statements can be largely automated and relatively low cost. The paper provides findings on the impacts of the intervention, which lasted 18 months.

The next section summarizes related research on child support enforcement. We then describe the two interventions in more detail and the experimental designs used to test them, and present the findings from both experiments.

Background and related research on compliance with support orders

In the years since the inception of the Child Support Enforcement Program (Title IV-D), researchers have documented the benefits of child support enforcement. When paid in full, child support payments account for almost half of the income for custodial parents (CPs) below the federal poverty level (Heinrich, Burkhardt, & Shager, 2011). Research suggests that child support payments stabilize incomes, despite payment irregularity (Ha, Cancian, & Meyer, 2011), and that women who receive child support are more likely to leave welfare and less likely to return (Huang & Han, 2012). Stronger child support enforcement systems are associated with decreased non-marital teenage fertility (Plotnick et al. 2004; Hao, Astone, & Cherlin, 2007), as well as decreased non-marital fertility generally (Garfinkel, Huang, McLanahan, & Gaylin, 2003; Plotnick et al. 2007) and lower abortion rates (Crowley, Jagannathan, & Falchettore, 2012). Stronger enforcement has also been associated with an increased likelihood that non-custodial parents (NCPs) select partners with higher levels of education (Aizer & McLanahan,

2006). For children, better enforcement is associated with a higher likelihood of living in two-parent families (Jagannathan, 2004), increased school attendance, and improved cognitive outcomes, such as test scores (Knox, Argys, Peters, Brooks-Gunn, & Smith, 1998).

One major challenge for the IV-D program has been enforcing child support orders so that children and their custodial parents receive the portion of the non-custodial parents' income to which they are entitled. To combat large-scale non-compliance, the federal government has created national databases for locating NCPs and provided administrative funding and technical support to the states, while states have implemented a variety of enforcement mechanisms, including garnishing wages, imposing liens, revoking licenses, and contempt. Recently, combined federal and state spending on enforcement has been nearly \$6 billion per year (U.S. Administration for Children and Families, 2013).²

While studies show that strict legislation and high spending on enforcement are associated with better child support performance, many NCPs still fail to comply with support orders (Huang & Han, 2012). In 2011, the latest year for which data are available, only 43.4% of CPs received the full amount of child support they were owed. Roughly three in ten CPs (30.4%) received partial support. The remaining 25.9% of CPs received no payments at all from NCPs. Despite increased enforcement efforts, these percentages have been fairly stable since 1993 (Grall, 2013).

Research on the determinants of NCP compliance with support obligations has examined four broad categories of factors: 1) NCP ability to pay; 2) NCP willingness to pay; 3) the needs of the CP and the child; and 4) characteristics of the child support enforcement system. We focus on the fourth category, which is most closely related to our study.

Most research on the relationship between collections and characteristics of the child support enforcement system has examined indicators of enforcement stringency. Some studies examine specific aspects of the enforcement process, such as

² Federal and state agencies have also sought to improve paternity establishment and rationalize the process of setting order amounts. These aspects of the child support system are beyond the scope of this review.

enforcement expenditures per case, presumptive guidelines, wage withholding or liens (Argys et al. 2001, Bartfeld and Meyer 1994, Beller & Graham, 1991, Garfinkel & Klawitter, 1990, Lin 2001, Sorensen and Hill 2004). Others create indices of enforcement stringency derived from multiple indicators (Freeman and Waldfogel 2001).

A second, limited line of research has addressed how case manager characteristics affect compliance. Support enforcement officers (SEOs) – the street-level bureaucrats of the child support system – possess a wide range of enforcement tools to support compliance. These include extensive data sets for locating NCPs and their income and assets, as well as punitive actions such as revoking licenses, placing liens, and seizing assets, IRS refunds and unemployment benefits. Extensive interviews with Washington SEOs, conducted as part of the project design phase, revealed substantial variation both in how they deploy these tools and in how they generally approach their caseloads. As the street-level bureaucracy literature suggests, much of this variation was a function of differences in either caseload characteristics or individual working styles.

To our knowledge, only two quantitative studies have looked the relationship between case manager characteristics and compliance. Wilkins (2007) finds a relationship between gender and use of time in child support agencies. Huang et al. (2010) indirectly assesses the importance of training and professional knowledge on enforcement effectiveness by comparing exam results before and after a training program. But the study did not examine differences in actual enforcement outcomes among case workers with more or less training.

Another line of research examines administrative interventions that seek to indirectly raise compliance by increasing NCPs' ability or willingness to pay their support obligations. For example, offering Earned Income Tax Credits to NCPs who fully pay their obligations provides extra incentive to comply (Wheaton & Sorensen 2010, Nichols, Sorensen, & Lippold, 2012). Increasing the pass-through amount for NCPs

with CPs who are receiving TANF similarly encourages greater compliance (Cancian, Meyer, & Caspar, 2008; Lippold, Nichols, & Sorensen, 2013).³

The line of research most closely related to our study examines the effect of changes in specific administrative policies and practices that alter how front-line staff manages cases, CPs, or NCPs. For example, treating hard-to-collect NCPs with more highly targeted collection strategies may improve compliance.

There is little research on these types of interventions. While some states have piloted initiatives that allow administrative staff to target cases in unique ways to encourage collections, there has been a dearth of rigorous evaluation of these initiatives.

The one rigorous study of such interventions (Heinrich, Burkhardt, and Shager 2011) examined a gradual debt forgiveness program tested in Racine County, Wisconsin. Participating NCPs with both a large arrears debt and current support obligations were forgiven \$0.50 for each dollar of current support paid.⁴ Forgiveness could apply to either or state-owed or CP-owed debt (if the CP consented to the debt modification). Eligible NCPs could participate in the program for up to two years but lost eligibility if they went two consecutive quarters without making any payment. Results suggest that individuals responded to the program as intended. Participating NCPs paid more toward their child support obligations and arrears, made more frequent child support payments, and reduced their state- and CP-owed child support debt.

In an intervention very similar to one we test in Washington, the Franklin County (Ohio) Child Support Enforcement Agency, in conjunction with MDRC, has tested the impact of different kinds of monthly notifications (written notices, robocalls, clearer messaging, etc.) on collections. At this time the findings are not publicly available.

³ Job training for NCPs seeks to improve earnings capacity and, hence, the ability to pay (Miller & Knox, 2001). Programs to enhance the familial relationships between a CP and NCP parent, and fatherhood programs that encourage ties between a NCP and his children operate on the premise that fathers with stronger relationships with their children and ex-partners are more likely to contribute financial and in-kind resources for their children's well-being (Cowan, Cowan, & Knox 2010, Schroeder & Doughty, 2009). These sorts of interventions may indirectly raise compliance, but are far more complex and ambitious than specific changes to administrative practices and regulations.

⁴ Lump-sum forgiveness is a more common support enforcement intervention.

A recent randomized control trial in the United Kingdom tested the efficacy of a novel communication strategy – text messages – for collecting delinquent fines (Haynes et al. 2013). While not focused on collecting child support from delinquent NCPs, the results of the trial provide evidence of the value of reminding persons to pay delinquent obligations. The trial clearly demonstrated that text messages from a judicial agency greatly increased the average amount paid.⁵ Messages were more effective if they specifically addressed the person by name.

This study adds to the meager literature on “what works” at the street level of the child support enforcement system. It used field experiments to rigorously test the impact of two administrative interventions over a medium length period (18-22 months).

The interventions and experimental designs

This section describes the two experimental interventions and the research designs used to evaluate their impacts on child support payments and arrears.

Intervention 1: Targeting arrears-only cases with exclusively state-owed debt

In April 2012 the Washington legislature approved funding for 16 new FTEs to the Division of Child Support to pursue collections from arrears-only cases with exclusively state-owed debt.⁶ Collections from arrears-only cases go directly to the state and reimburse it for TANF benefits previously paid to the CP. The funding was premised on the expectation that the increase in collections would exceed the cost of operating the new effort.

To carry out this activity DCS established a new unit housed in the Olympia Field Office – dubbed the “TANF 16” team – but with a statewide caseload. After several months devoted to filling the new positions and training staff in intensive collection methods, the unit began operations in November 2012.

⁵ The article did not report how much of the increase reflected a rise in the percentage of delinquent persons who paid something, and how much was due to a rise in the average payment by those who chose to pay.

⁶ A summary of DSHS’s appropriations for 2012, including funding for the TANF 16 unit can be found at <http://leap.leg.wa.gov/leap/budget/lbns/2012dshs.pdf>. Page 20 documents an increase of \$405,000 for funding a unit to focus on retained child support.

Overview of the TANF 16 model

DCS designed the TANF 16 model to concentrate the efforts of a select group of staff on the collection of past due support owed to the state from cases where there is no current support obligation. These are cases where, historically, it has been especially difficult for DCS to make collections. Without a current support obligation and with money owed exclusively to the state, NCPs often have little incentive to make payments. The funds do not go directly to the children of the NCP, and many NCPs may believe that they have already fulfilled their obligation to their child and the CP. Moreover, large debt amounts among this population may make smaller, incremental payments seem futile to NCPs.

SEOs typically carry a mixed caseload that reflects the more general distribution of DCS cases – a large portion are paying regularly through wage withholding, a smaller portion are paying DCS themselves regularly through monthly payments, with the remaining cases paying either sporadically or not at all. TANF arrears cases make up a small portion of an SEO's caseload; overall they represent just 2.2 percent of all DCS cases. Additionally, SEOs handle all aspects of the case, from paternity and order establishment through collections. This means that, when carrying a caseload of roughly 600 to 800 cases, SEOs routinely make decisions about how to prioritize their workload across a wide array of enforcement activities and an equally diverse set of cases.

Given the array of responsibilities facing SEOs and the diversity of their caseload, DCS leadership found that TANF arrears cases were often receiving especially low priority. Conversations with SEOs in two Field Offices reinforced this finding. Staff indicated that their efforts are largely demand responsive and focused on those cases most urgently requiring action. On a typical day this translates into SEOs spending a substantial portion of their time responding to mail and phone calls as well as automatically generated prompts – review codes⁷ – informing them of cases where action is required (e.g., case where collections need to be stopped due to the child

⁷ These are automated prompts that appear at a set interval to trigger future actions based on the circumstances of the case

aging out, wage withholding order received, IRS actions, employer noncompliance with a wage withholding order, notification of a debt write-off). The TANF 16 eligible cases typically are often less active (e.g., there is not a custodial parent contacting DCS to inquire regarding the status of their child support) and therefore end up receiving less attention than the typical case. Moreover, conversations with typical case-carrying SEOs indicated that there is often a perception among staff that these cases are less likely to yield payments and require a greater level of effort. Staff indicated that the data on such cases is more likely to be incorrect or outdated and that there are reduced incentives for NCPs to meet their support obligations.

By creating a dedicated unit within the agency to focus on these cases, DCS leadership hoped to refocus efforts on these cases and to improve collections to the point where the endeavor could be, at the very least, cost neutral.

The approach and composition of the TANF 16 unit differs dramatically from what is typical for DCS. DCS's decision to implement the TANF 16 model necessitated a shift in the agency's typical approach to staffing and caseload management. Under TANF 16, SEOs carry caseloads exclusively comprised of arrears only cases with debt owed only to the state. In addition, SEO's sole responsibility on these cases is collections; the cases do not require any action regarding paternity or order establishment. The end result is a much narrower set of SEO responsibilities that place a premium on skills related to the location of NCPs and the collections of support from individuals with limited payment history and a lack of steady employment that would allow for wage withholding.⁸

DCS decided to staff the unit with a combination of SEOs and Support Enforcement Technicians (SETs). While SETs are typically responsible for more

⁸ In the event that there are changes to the status of a TANF 16 case, the SEO does become responsible for other aspects of the case. For example, if a new case opens where an NCP on the TANF 16 caseload is the father, the TANF 16 SEO would be responsible for paternity and order establishment. More generally, the TANF 16 approach segments the caseload, not the role of staff. While the result of the segmentation is generally that TANF 16 staff focus on only one function – collection of state-owed debt – it does not preclude them from taking on other SEO responsibilities if the status of their caseloads changes.

administrative functions,⁹ DCS saw the TANF 16 as an opportunity to expand their responsibilities to allow more direct support of SEOs. In particular, DCS management believed that the SET skill set would be well-suited to some of the upfront work that helps prepare cases for enforcement. This includes verifying case status, updating contact information, and using various public and proprietary databases to attempt to locate NCPs and their assets.

By increasing the involvement of SETs in the front end of the enforcement process, DCS hoped to allow SEOs to focus on the investigative work, debt calculations, and negotiations associated with collecting on the TANF 16 cases. In addition, it provided an opportunity to more directly expose SETs to the type of work conducted by SEOs as a potential means of supporting staff advancement among those who were interested.

In addition to redefining staff roles to maximize collections efficiency, DCS leadership also sought to standardize the enforcement approach for these cases. While typically SEOs have wide latitude in how they approach these cases, DCS felt that the teaming of SEOs and SETs required a more structured work flow.

After opening the case and verifying that it met the eligibility criteria for the unit (i.e., that it was arrears only with exclusively state-owed debt), DCS sent all NCPs with new cases assigned to the unit a “Welcome Letter.” The letter explained that the NCP’s case had been assigned to the TANF 16 team and urged NCPs to contact the team to avoid more aggressive collections actions. (A sample letter is in Appendix A).

After sending the letter, SETs continued a prescribed set of steps, including:

- Requesting data from Federal Case Registry
- Checking basic identifying information (name/DOB/SSN)
- Reviewing records for valid contact information
- Setting review codes¹⁰

⁹ Examples of typical SET functions include data entry related to support orders and related documents, application processing, coordinating and conducting paternity locate interviews, and provision of general program information to DCS customers.

¹⁰ SETs were instructed to set the initial review code to trigger SEO review 30 days following mailing of the “Welcome Letter.”

SETs were then expected to locate NCPs and their assets through federal and state databases, proprietary databases used to locate individuals and assets, and internet searches.

If a SET is successful in locating a given NCP, he or she will notify the SEO, who can then initiate enforcement actions or attempt to negotiate payments. Given the constraints of the SET job classification, SETs are not able to provide information to NCPs about their cases or to engage in any negotiation regarding payment.

In addition to direct referrals from SETs, SEOs take action when information emerges through automated channels. In particular, DCS's automated system is designed to generate notifications for SEOs when automated tools identify potential assets (e.g., the Financial Institution Data Match).

Core SEO casework responsibilities for every case include:

- Reviewing case history to ensure that the debt amount is correct
- Verifying the integrity of the child support data DCS has on a case
- Reviewing cases for possible legal actions (e.g., license suspension, liens)
- Assessing collectability by becoming familiar with a case's characteristics, including incarceration, employment, credit report, disability, TANF history

Additionally, the SEOs are responsible for initiating collections on cases with identified seizable assets in suspense,¹¹ answering mail, and responding to review codes set on cases.

While we observed a range of enforcement approaches among SEOs, DCS management consistently emphasized that the goal was to secure consistent payments from NCPs, even if the amounts were relatively small. Staff members were encouraged to begin with a positive, non-confrontational approach to collections, especially in those cases where the NCP responded to the initial "Welcome Letter." That being said, SEOs had wider latitude in the specific approach they took after initial contact was made, based on the circumstances of the case.

Appendix B presents observations regarding the implementation of the TANF 16 model. We discuss the challenges and lessons learned associated with the experiment

¹¹ "Suspense" refers to an electronic account where DCS temporarily places payments that cannot be immediately applied to a case.

along with a discussion of how the unit's approach differed from the typical DCS approach to these types of cases. We discuss DCS's experience with staffing the unit, the case workflow, some of the unit's primary enforcement strategies.

Experimental design for the TANF 16 intervention

DCS staff and the research team agreed to conduct a randomized field experiment to determine the impact of the new unit. They recognized that an experiment would avoid bias that might occur if staff attempted to focus on the "more promising" cases and then compared outcomes to the arrears-only cases it did not treat.

DCS estimated there were about 21,000 NCPs with exclusively state-owed debt and no current support obligation in fall 2012. Because the TANF 16 team can work with a limited number of cases at any one time, conducting a randomized experiment was straightforward. From the full pool DCS randomly assigned 1,955 NCPs to the unit (the treatment group) and 2,000 NCPs to the control group in December 2012. Control group cases remained in the caseload of their current support enforcement officers and were subject to the usual enforcement methods for the duration of the experiment.

As the unit completed the initial work flow, its caseload was refreshed by randomly drawing further NCPs from those initially unassigned to either the treatment or control group. Four hundred such NCPs were added to the treatment group in April 2013, and a further 1,200 in November 2013. Thus, some treatment group NCPs were subject to the unit's procedures for longer periods than others. The analysis in this paper includes 22 months of treatment data (December 2012 through September 2014).

Intervention 2: Clear and regular communication regarding current support obligations with noncustodial parents

Currently, NCPs in Washington State receive written notification of their child support obligations when the order is established, but do not receive a routine reminder to pay each month unless they request monthly statements about their obligations.¹² The "statement intervention" provides regular, clear communication with NCPs about their support obligations by automatically sending monthly statements to all NCPs

¹² NCPs may opt to receive monthly statements about their obligations. Generally, these reminders are intended for self-employed NCPs. Additionally, SEOs have the discretion to initiate statements.

without wage withholding, starting the month after a support order is established and continuing until the case closes or the system indicates that wage withholding has been implemented. The key premise of the intervention is that a subset of NCPs without wage withholding have the means to pay support but are non-compliant because they need regular, formal reminders, or are unsure of the payment.

One rationale for this intervention comes from observing the private sector. Credit card issuers and telephone, cable, electric and other utilities routinely send customers monthly (or bimonthly) statements to elicit payments. We assume this practice is beneficial because of its ubiquity. Customers become accustomed to receiving monthly statements and pay in response to the bill instead of proactively making a payment in anticipation of the amount owed. A monthly statement from DCS mimics the process of responding to a company's statement, which most NCPs are already familiar with. In addition, a number of other states currently send statements to NCPs, although none has tested whether statements are effective at increasing collections.¹³

The content of this statement was generated by DCS's management information system and contains information on order obligation amounts (including medical support if any), total arrears, and payment options. Appendix A includes a copy of a blank statement.

Experimental design for the statement intervention

The intervention targeted NCPs with no prior experience with the child support system because such experience may affect their compliance with the new case and their reactions to receiving the statement, a communication from DCS they would not have received for prior cases. DCS chose to exclude NCPs initially subject to automatic wage withholding from the intervention, reasoning that there is no reason to send them a statement and that doing so would not affect their payments. Thus, we restricted the sample to NCPs with:

- New child support orders

¹³ Of the 18 states that responded to a 2012 query from DCS and reported that they send statements, 15 send them monthly, two send them quarterly, and one sends them twice a year. Thus, testing monthly statements provides information about current practice that will interest many states.

- Only one support order in force¹⁴
- No employer at the point of order establishment
- Known addresses, excluding those incarcerated
- Children who will not “age out” of the child support system before the experiment ends. Since we expected the experiment to run for 18 months, the samples only include cases with children age 16.5 or less.

With these sample restrictions, the experimental intervention mimics the one that NCPs would face, should Washington choose to implement it.

Beginning in March 2013, DCS began randomly assigning NCPs meeting these criteria to receive a monthly statement or no statement. Because new NCPs meeting the sample criteria accrued gradually, it required nine months to reach the full sample size. As a result, some treatment group members received a larger dose than others. Ultimately, DCS randomly assigned 1,384 NCPs to the treatment group and 1,386 to the control group. The experiment continued through August 2014, which provides 18 months of data.

If an NCP in the treatment group became an employee subject to automatic withholding, DCS stopped sending statements. If the NCP later lost that job and was no longer subject to withholding, DCS began sending statements again. NCPs who no longer met the sample criteria for another reason were treated similarly. Hence, in every month except the first one (March 2013), the number of statements sent was always less than the number of NCPs in treatment. For example, in November 2013, when assignment to the treatment group ended, 61 percent (839) of the 1,384 treatment group members actually received a statement. In later months, as more NCPs went on withholding, the percent receiving statements steadily decreased and was only 39 percent at the end of the experiment.¹⁵ Treatment NCPs who stop receiving statements remain in the treatment group.

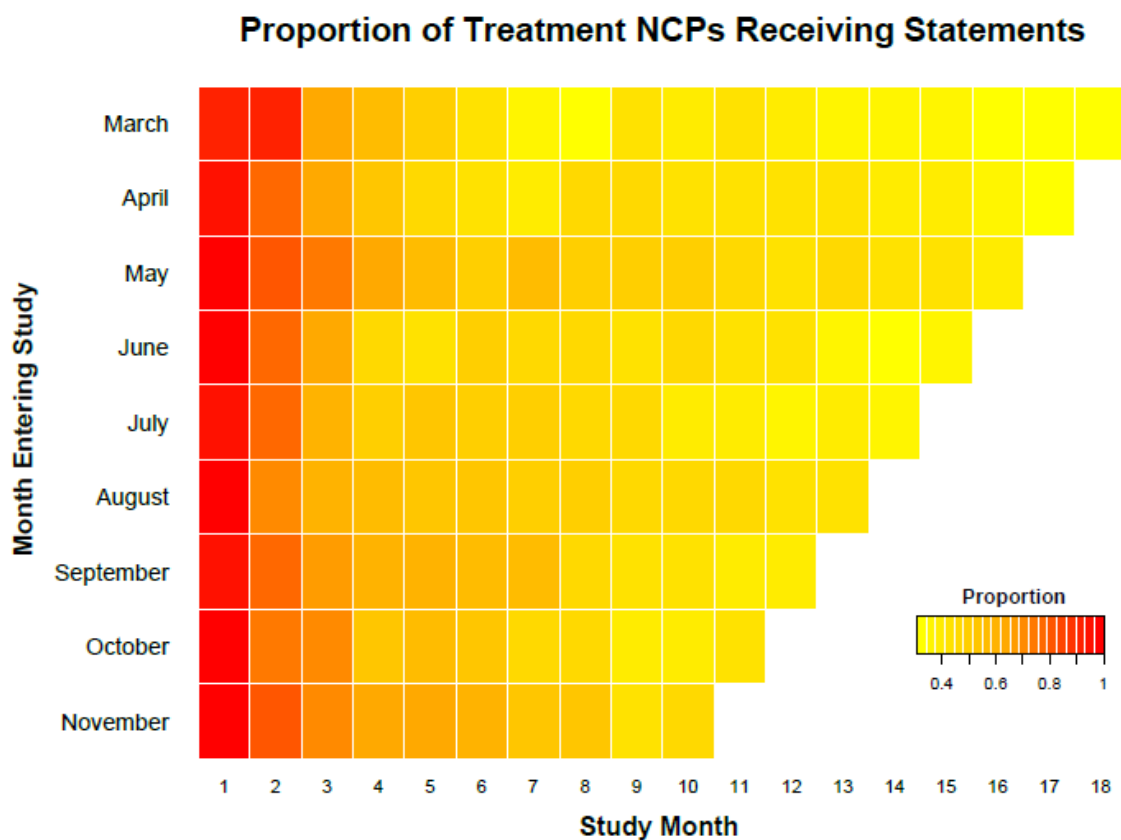
¹⁴ If an NCP already has an order in place, sending statements only about the new order would not test the impact of routinely sending statements for all orders. And sending statements about the old order as well as the new would not test the impact of sending statements soon after each order is issued.

¹⁵ The treatment group cohorts of March-August 2013 received the intervention for at least 12 months. For those cohorts, the percentage still receiving statements after 12 months ranged from 37 to 46, with a mean of 42.

Figure 1 tracks receipt of statements for each monthly cohort of NCPs in the treatment group. It clearly shows for each cohort that the fraction of NCPs receiving statements declined in an irregular manner as time passed.

We observe that not receiving a statement does not constitute attrition. The intervention was designed to operate as if it were part of a permanent system that routinely starts sending statements to all new NCPs not on withholding. In such a system, NCPs who begin withholding would stop receiving statements. That is, stopping is part of the treatment protocol.

Figure 1



How similar are the treatment and control groups?

Before comparing outcomes for the treatment and control groups, we report on the characteristics of both interventions' the treatment and control groups. Because of the randomization process, we expect them to be very similar. The empirical findings here and on the impacts derive from DCS administrative data purged of identifying characteristics and augmented by an indicator for treatment or control status.

TANF 16 experiment: Table 1A shows summary statistics on basic NCP characteristics and arrears balances for the treatment and control groups in the TANF 16 experiment. Treatment group NCPs average 1.34 support cases. The average for control group NCPs is virtually identical – 1.37 cases. Gender is similar across groups: about 75% of NCPs in either group are male and 24-25% are female. The mean age of NCPs is also similar across the two groups. However, statistical tests reject the hypotheses that the gender composition and mean age are the same. The distribution of ethnic origin is statistically identical between the groups. The mean starting arrears balance was \$5,950 for the full treatment group and a statistically indistinguishable \$6,135 for the controls. Though for practical purposes the samples are comparable, the gender and age differences indicate that it may be important to control for both characteristics when estimating impacts.

Summary statistics on case characteristics (not shown) indicate that the treatment and control groups are statistically identical in terms of number of children and whether they were former TANF cases. Oddly, interstate cases are more prevalent among the control group.

Monthly statements experiment: Table 1B reports summary statistics on basic characteristics of NCPs in the monthly statement experiment. Gender, age and ethnic origin are statistically the same between the treatment and control groups. The gender composition is about 62 percent male and 38 percent female. The mean age of treatment NCPs is 31.0, or a statistically insignificant 0.3 years less than the mean for control NCPs. A plurality of NCPs has missing data on ethnicity.

The average number of cases per NCP and number of children per case do not differ between treatment and control groups. Mean starting arrears balances were

about \$1,400 for both groups and did not statistically differ. Surprisingly, the mean monthly order amounts statistically differ at the .01 level. Treatment NCPs had a mean order of \$247, control NCPs a mean of \$276. Hence, controlling for this characteristic may be especially important when estimating impacts.

Outcomes examined in the analysis

The primary objective of both interventions was to increase the amount and consistency of payments. Thus, for both interventions we focused on three outcomes: 1) whether the NCP ever paid support during the observation period, 2) the number of months when an NCP paid support and 3) the total amount paid. For the TANF 16 analysis, we examined a fourth outcome: the percentage reduction in arrears. This is a useful alternative to total amount paid because, for example, an NCP who started with low arrears and fully paid them may still have paid less than an NCP with high arrears who made a partial payment. For a similar reason, we examined a different fourth outcome for the statement analysis: the average percentage of the current support obligation that was paid.

Methods for estimating impacts of the interventions

The simplest way to measure the impact of a randomized experimental intervention is to compute the difference in the mean outcome between the treatment and control groups. The difference is an unbiased estimate of the experimental impact. Regression models with control variables provide a check on the simple differences in means and yield sharper estimates.

For both experiments we need regression based impact estimates for another important reason. In both samples the treatment and control groups are not statistically identical on some observable characteristics that potentially may have affected behavior. In the TANF 16 sample gender, age and interstate status are unbalanced. In the statement sample, the mean monthly order amount differed for treatment and control NCPs. Regression models adjust the impact estimates for such sample differences.

The basic regression model for both treatments is simply a dummy variable set to one for members of the treatment group, and to zero for the controls, plus a constant term. Because there are no other variables, the results will be identical to the simple comparisons of means. The second model added the available demographic and caseload characteristic to the basic model. This expanded model also included baseline arrears for each intervention's analysis, and also current order amount for the statement analysis.¹⁶ Appendix C provides a summary of the relationships between the control variables and the outcomes.

The regression analyses for the ever paid outcome use both logit and linear probability models. Because the findings are similar for both estimators, we present the linear models for ease of interpretation. For the number of months with a payment, the appropriate statistical model is a negative binomial regression.¹⁷ For the total amount paid, the percentage reduction in arrears, and the percentage of the current support obligation that was paid, we use both ordinary least squares (OLS) and Tobit models.¹⁸

In the TANF 16 experiment, the first cohort of treatment NCPs received 22 months of intervention, while the two later cohorts received 17 or 11 months. Since the efficacy of the unit's work likely increases the longer an NCP is under its management, pooling the three treatment cohorts may understate the intervention's impact. To avoid this possible bias, we have compared the 2,000 member of the control group only to the 1,955 members of the original treatment cohort.

The statement experiment required nine months to reach full sample size, so the length of treatment varied from 10 to 18 months. Because treatment and control group

¹⁶ Baseline arrears may affect an NCP's willingness to pay anything because the higher the arrears, the more an NCP may conclude: it is hopeless to ever pay them, so why pay at all? Also, in the TANF 16 intervention, baseline arrears set the upper bound on the amount an NCP can pay. We do not include this variable in the model of percent of arrears paid.

A third specification further added dummy variables for the region within Washington where the NCP lived (or for living out-of-state). The results were essentially identical to the models with only demographic and caseload variables, so we do not report them.

¹⁷ When the outcome is a discrete count, like the number of months with a payment, standard regression models yield misleading results. The negative binomial regression is preferable, but harder to interpret. Because the variance of months paid is much larger than the mean in both interventions, the negative binomial regression yields better estimates than the Poisson regression.

¹⁸ When many observations have a value of zero for the outcome, which is the case with child support payments, the Tobit model is better than OLS.

members were added at the same rate, the differing lengths of treatment are unlikely to create bias.

Findings on impacts – TANF 16 intervention

Comparisons of means

Table 2 presents simple comparisons of means for the four dependent variables for the TANF 16 experiment. For the treatment group, row 1 in the top panel shows that 50.1% ever paid on their arrears. This is a statistically significant 10.1 percentage points higher than for the control group (fully 25 percent greater). Substantively, this is a large impact. The significant positive impact on ever paying is stronger for male NCPs (10.9 percentage points) than female NCPs (7.1 percentage points).

We would expect intensive collection efforts to be more successful for in-state cases, and the impact estimates bear this out. The likelihood of any payment by treatment NCPs without interstate cases is a significant 12.0 percentage points higher than similar control NCPs. For interstate cases there is also a positive impact, but about half as large.

The second panel compares the number of months when an NCP paid any support. The treatment increased months of payment from 2.00 to 2.48. While small in absolute value, the difference is strongly significant and represents a 24 percent increase over the control NCPs. For males the increase is slightly larger – 55 months. For females there is no significant difference. As in panel 1, the increase is significant and larger for in-state cases and insignificant for interstate cases.

The greater likelihood and frequency of paying do not translate into much larger total support payments. Row 1 in the third panel shows that mean total payments by treatment NCPs - \$509 – are a marginally significant \$73 higher (a 17 percent increase) than control NCPs. Among the subgroups the only significant difference is an increase of \$134 for in-state cases (a 34% increase over the controls).

Panel 4 compares the percent of baseline arrears paid. Row 1 shows that treatment group NCPs paid 19.7% of their arrears versus 16.4% for controls. The difference is statistically significant and, in percentage terms, a sizeable 20 percent.

The difference is significant and larger for males and in-state cases, and insignificant for females and interstate cases.

Regression findings

Table 3 reports the impacts of the TANF 16 intervention using outcomes observed over the entire study period for the control NCPs and the initial cohort of treatment NCPs. Row 1 presents estimates of the intervention's impact on ever paying on arrears. Column 1 confirms the finding in table 2 – receiving the treatment raised the likelihood of ever paying by .101. Column 2 shows that adding demographic and caseload characteristics does not affect the estimate.

Row 2 examines whether the intervention affected the number of months that an NCP paid support. Column 1 confirms the finding in table 2 that treatment NCPs paid about half a month more often. Adding controls reduces the estimated impact to 0.4 months.

Rows 3 and 4 report results for the total amount of support paid over the observation period. Column 1 of row 3, which uses the standard linear regression approach (OLS), shows exactly the same estimate as in table 2, as it should – all treated NCPs paid \$73 more on average. Column 2's estimate is nearly identical. Both coefficients are marginally significant.

Given that only 40% of the control group and 50% of the treatment group ever paid, we estimate Tobit models that adjust for the large number of observations at \$0. The Tobit coefficients in row 4 show the effect of the treatment **among NCPs who paid something**. With this modeling approach column 1 shows that, among payers, treatment group NCPs paid \$152 more. Adding control variables yields the same effect. Both estimates are strongly significant.

Rows 5 and 6 contain results for the percentage of starting arrears paid during the intervention. Row 5, estimated over all NCPs using OLS, shows statistically significant but substantively small impact of the intervention – a reduction in arrears of 3.3 or 3.4 percent. The Tobit estimates in row 6 show larger impacts among those who paid – a 4.4 percent reduction.

Were there differences by subgroup? Table 2 suggested that the TANF 16 intervention was more effective for male NCPs. To explore this further, we estimated separate impacts for men and women for the six models in table 3. The point estimates for men were consistently larger. However, statistical tests showed that five of the six differences in estimates were not statistically significant. Among NCPs who paid something, male NCPs paid significantly more (\$462 versus \$142).

Table 2 also showed that the TANF 16 intervention was more strongly associated with compliance among NCPs with in-state cases. To explore whether TANF 16 had stronger impacts on in-state cases, we interacted the treatment dummy with the dummy for being an interstate case for all outcomes. We found that TANF 16 raised the likelihood of every paying arrears by .123 for in-state cases. For interstate cases the estimated impact of .056 was much smaller and not statistically significant. We also found that for interstate cases, TANF 16 had no significant effects on any of the other outcomes.

Conclusion on the TANF 16 intervention: The TANF 16 intervention clearly improved collections of TANF-arrears. Five of the six impact estimates are statistically significant at the .01 level; the sixth is marginally significant. Over 22 months of operation the efforts of the unit raised the probability of an NCP ever paying on arrears by .101, a 25 percent increase over the control group's probability of .40. In practical terms this is a substantial improvement. The intervention raised the number of months with a payment by about .45, and raised average actual payments by about \$75. While these are modest in absolute terms, they respectively represent a 23 and 17 percent improvement over the controls. Among NCPs who paid something, the increase was a more substantial \$152. The intervention led to a modest reduction in arrears of 3.4 percent, a 20 percent improvement over the control group. Among NCPs who paid something, the reduction, of course, was larger – 4.4 percent. The TANF 16 intervention only affected payment behavior of NCPs with in-state cases. There were no significant impacts on interstate cases.

Findings on impacts – Statement intervention

Comparisons of means

Table 4 suggests that the statement intervention had no positive effects on behavior. The likelihood of ever paying was 57 percent for treatment NCPs and a nearly identical 58 percent for control NCPs. On average, treatment NCPs paid support for 3.61 months, or .25 months less than the controls. This difference is not statistically significant. The differences are also insignificant for male and female NCPs considered separately. Treatment NCPs paid an average of \$1,326 over the study period or \$289 (18 percent) less the controls; this difference is statistically significant. This difference is mainly attributable to male treatment NCPs, who paid an average of \$406 less than their controls. Last, we cannot reject the hypothesis that treatment and control NCPs paid the same percent of current obligations (about 20 percent).

Regression findings

Table 5 reports the impacts of the statement intervention using outcomes observed over entire period that each NCP was in the sample. Row 1 presents estimates of the intervention's impact on ever paying on during the study period. The impact estimates with or without demographic and caseload characteristic are statistically insignificant. Row 2 examines whether the intervention affected the number of months that an NCP paid support. Here, too, both estimates are statistically insignificant.

Rows 3 and 4 report results for the total amount of support paid over the observation period. Column 1 of row 3, which uses the standard linear regression approach, confirms table 4's significant estimate that treated NCPs paid \$289 less on average. Including controls, however, reduces the difference to \$84 and it is *not* statistically significant. We believe this is the more valid finding because the model controls for average order amount, which significantly differed between the treatment and control groups.

The Tobit coefficients in row 4 show the effect of the treatment **among NCPs who paid something**. With this modeling approach column 1 shows that among payers,

treatment group NCPs paid \$227 less. Adding control variables reduces the difference to \$72. Both estimates are not significant.

Rows 5 and 6 contain results for the percentage of current obligations paid during the intervention. Row 5, estimated over all NCPs, shows a statistically insignificant reduction of merely 1.1 percent with both models. The Tobit estimates in row 6 show the same impacts among those who paid, and again statistically insignificant.¹⁹

Conclusion on the statement intervention: While DCS and the research team hypothesized that sending statements to new NCPs would help socialize them to their new financial responsibility, there is no evidence that the treatment elicited the expected reaction. Rather than increasing compliance, statements are associated with a lower likelihood of ever paying, fewer months with a payment, lower total support paid, and a lower percentage of the order paid. *All of these associations are statistically insignificant.* Hence, the credible conclusion to draw from the evidence is that the intervention had no impact on NCP compliance.

While receiving a reminder to pay support may encourage compliance, other reactions to statements may have led to less willingness to comply. Perhaps the sending of statements served to antagonize or otherwise dissuade NCPs from meeting the requirements of their support order. Alternatively, this approach may have added to the confusion of the NCPs in the treatment group. Given the proportion of the sample that cycled in and out of employment over the course of the intervention, it is possible that receipt of statements was not always directly aligned with a given NCP's current employment (and wage withholding status). The associated delay may have resulted in a hesitancy to make payments at the appropriate time. These explanations are not mutually exclusive. All may have contributed to the disappointing empirical results.

Conclusions

Washington's Division of Child Support successfully implemented experimental field tests of two new approaches for increasing collections. They varied in the amount of resources and staff time involved as well as in the point in the "life cycle" of a case at

¹⁹ We also estimated separate impacts by gender. For all six models there were no statistically significant differences between the impacts for male and female NCPs.

which the interventions aimed. The TANF 16 intervention targeted NCPs at a late stage of their involvement with DCS and aimed to collect arrears that reimburse the state for TANF benefits paid to CPs. The statement intervention focused on NCPs as they first enter the child support system. By sending regular statements listing the current payment order and any arrears, the intent was to raise the likelihood that new NCPs meet their child support obligations, thereby increasing the amount of current support collected on behalf of CPs' families.

The analysis found that the TANF 16 intervention improved collections of TANF-arrears. Models estimated for the initial treatment cohort of 1,955 NCPs and the control group of 2,000 NCPs show that the efforts of the TANF 16 unit raised payments on arrears modestly in absolute terms but large in percentage terms when compared to the control group. The intervention raised the likelihood of ever paying, the number of months with a payment, and total actual payments, and increased the percentage reduction in total arrears.

Given the structure of the federal performance measures for collections on arrears – the percentage of cases with arrears with any payment – the TANF 16 approach has some potential benefit to the state. The results suggest that there is the potential for marginal improvement in collections for these cases with concerted enforcement efforts. This benefit may be offset by the labor-intensive nature of these collections efforts. A cost-effectiveness analysis of the TANF 16 and the business-as-usual approaches would be informative (but outside the scope of this report). It is also possible that the resources used by the TANF 16 unit to collect on these cases would be better spent enforcing current support orders, both due to the higher potential yield and the more immediate benefit to families.

Sending regular statements to NCPs new to the child support system and not subject to withholding did not change the likelihood of making at least one payment, the number of months with a payment, total payments, or the percent of orders paid. We earlier suggested some mechanisms by which statements could have had no impact. With the data at hand, we cannot discriminate among these, and possibly other, hypotheses.

The findings suggest that sending billing statements should not be the default approach for this population. States considering alternative approaches to regular messaging with NCPs who do not have wage withholding in place may want to consider both the content of this messaging and the timing in light of the current employment situation of a given NCP.

Taken together, these interventions demonstrate the difficulty Washington and other states face in dramatically improving collections from the hardest to serve cases. Despite strong success in collecting current and past due support from NCPs with assets or stable employment, states will continue to struggle to make collections from harder to serve populations. These findings suggest that enforcement efforts alone may be insufficient if states want major gains in collections. Efforts that focus more on assisting NCPs in transitioning to financial stability may generate larger and longer term financial benefits to state child support agencies and the families they serve.

Regardless of the specific interventions examined by this study and the results, the two tests demonstrate the value that rigorous research can play as state child support agencies seek to improve the efficiency of their operations. The experimental designs were relatively low cost and provide DCS management with strong evidence on the impact of these interventions.

References

- Aizer, A., & McLanahan, S. (2006). The impact of child support enforcement on fertility, parental investments, and child well-being. *Journal of Human Resources* 41(1): 28-45.
- Argys, L. M., Peters, H. E., & Waldman, D. M. (2001). Can the family support act put some life back into deadbeat dads?: An analysis of child-support guidelines, award rates, and levels. *Journal of Human Resources* 36(2): 226-252.
- Argys, L., Peters, H., Brooks-Gunn, J., & Smith, J. (1998). The impact of child support on cognitive outcomes of young children. *Demography* 35(2): 159-173.
- Bartfeld, J. & Meyer, D. R. (1994). Are there really deadbeat dads? The relationship between ability to pay, enforcement, and compliance in nonmarital child support cases. *Social Service Review* 68(2): 219-235.
- Beller, A. H. & Graham, J. W. (1991) The effect of child support enforcement on child support payments. *Population Research and Policy Review* 10(2): 91-116.
- Cancian, M., Meyer, D. R., & Caspar, E. (2008). Welfare and Child Support: Complements, not substitutes. *Journal of Policy Analysis and Management* 27(2): 354-375.
- Crowley, J. E., Jagannathan, R., & Falchettore, G. (2012). The Effect of Child Support Enforcement on Abortion in the United States. *Social Science Quarterly* 93(1): 152-172.
- Freeman, R. B., & Waldfogel, J. (2001). Dunning Delinquent Dads: The effects of child support enforcement policy on child support receipt by never married women. *Journal of Human Resources* 36(2): 207-225.
- Garfinkel, I. & Klawitter, M. M. (1990). The effect of routine income withholding of child support collections. *Journal of Policy Analysis and Management* 9(2): 155-177.
- Garfinkel, I., Huang, C., McLanahan, S., & Gaylin, D. (2003). The Roles of Child Support Enforcement and Welfare in Non-marital Childbearing. *Journal of Population Economics* 16(1): 55-70.
- Grall, T. (2013). Custodial mothers and fathers and their child support: 2011. Current Population Reports P60-246. U.S. Census Bureau.
- Ha, Y., Cancian, M., & Meyer, D. R. (2011). The Regularity of Child Support and Its Contribution to the Regularity of Income. *Social Service Review* 85(3): 401-419.
- Hao, L., Astone, N. M., & Cherlin, A. J. (2007). Effects of Child Support and Welfare Policies on Non-marital Teenage Childbearing and Motherhood. *Population Research and Policy Review* 26(3): 235-257.
- Haynes, L.C., Green, D.P., Gallagher, R., John, P. and Torgerson, D.J. (2013). "Collection of Delinquent Fines: An Adaptive Randomized Trial to Assess the Effectiveness of Alternative Text Messages," *Journal of Policy Analysis and Management* 32(4): 718-730.

- Heinrich, C. J., Burkhardt, B. C., & Shager, H. M. (2011). Reducing Child Support Debt and its Consequences: Can forgiveness benefit all? *Journal of Policy Analysis and Management* 30(4): 755-774.
- Huang, C. C., Blake, A., Edwards, R. L., Liu, C. W., Nolan, R. B., Rusen, B., & Thompson, D. (2010). Professional Knowledge of Child Support Staff: Evidence from the New Jersey Child Support Training Program. *Evaluation Review* 34(1): 3-18.
- Huang, C. C., & Han, K. Q. (2012). Child Support Enforcement in the United States: Has policy made a difference? *Children and Youth Services Review* 34(4): 622-627.
- Jagannathan, R. (2004). Children's Living Arrangements from a Social Policy Implementation Perspective. *Children and Youth Services Review* 26(2): 121-141.
- Lippold, K., Nichols, A., & Sorensen, E. (2013). *Evaluation of the \$150 Child Support Pass-Through and Disregard Policy in the District of Columbia*. Retrieved from Urban Institute website: <http://www.urban.org/publications/412779.html>
- Nichols, Sorensen, & Lippold, K. (2012). *The New York Noncustodial Parent EITC: Its Impact on Child Support Payments and Employment*. Retrieved from Urban Institute website: <http://www.urban.org/publications/412610.html>
- Office of Child Support Enforcement. (2014). FY2013 Preliminary Report, <http://www.acf.hhs.gov/programs/css/resource/fy2013-preliminary-report>, accessed December 20, 2014.
- Plotnick, R. D., Garfinkel, I., McLanahan, S. S., & Ku, I. (2004). Better Child Support Enforcement: Can it reduce teenage premarital childbearing? *Journal of Family Issues* 25(5): 634-657.
- Plotnick, R. D., Garfinkel, I., McLanahan, S. S. & Ku, I. (2007). The impact of child support enforcement policy on nonmarital childbearing. *Journal of Policy Analysis and Management* 26(1): 79-98.
- Sorensen, E., & Hill, A. (2004). Single Mothers and their Child Support Receipt: How well is child support enforcement doing? *Journal of Human Resources* 39(1): 20-135.
- U.S. Administration for Children and Families, Office of Child Support Enforcement, 2013. FY2012 Preliminary Report. Accessed 9-27-13 at <http://www.acf.hhs.gov/programs/css/resource/fy2012-preliminary-report>
- Wheaton, L. & Sorensen, E. (2010). Extending the EITC to noncustodial parents: Potential impacts and design considerations. *Journal of Policy Analysis and Management* 29(4): 749-768.
- Wilkins, V. M. (2007). Exploring the Causal Story: Gender, active representation, and bureaucratic priorities. *Journal of Public Administration Research and Theory* 17(1): 77-94.

Table 1A: NCP characteristics in the TANF 16 experiment, by treatment and control groups

		All		Treatment		Control		Is the difference between treatment and control significant?
		#	%	#	%	#	%	
NCP count		5,555		3,555		2,000		
Active case months	All	17.59		17.16		18.37		
	Cohort 1	18.95		19.55		18.37		
	Cohort 2			16.88				
	Cohort 3			13.35				
Cases per NCP Gender		1.35		1.34		1.37		
	Male	4,189	75.4%	2,679	75.4%	1,510	75.5%	
	Female	1,351	24.3%	871	24.5%	480	24.0%	
	Unknown	15	0.3%	5	0.1%	10	0.5%	
Age (as of death or study entry)	Mean	40.5		40.2		41.0		
Ethnic Origin	American Indian	132	2.4%	82	2.3%	50	2.5%	
	Asian	51	0.9%	34	1.0%	17	0.9%	
	Black	535	9.6%	321	9.0%	214	10.7%	
	Caucasian	1,962	35.3%	1,252	35.2%	710	35.5%	
	Hispanic	482	8.7%	315	8.9%	167	8.4%	
	Other	62	1.1%	41	1.2%	21	1.1%	
	Unknown	2	0.0%	1	0.0%	1	0.1%	
	Missing	2,329	41.9%	1,509	42.4%	820	41.0%	
Average starting arrears		\$6,017	\$5,950		\$6,135		-\$186	
Yes **								
No								

****** = $p < .01$

Table 1B: NCP characteristics in the monthly statement experiment, by treatment and control groups

		All		Treatment		Control		Is the difference between treatment and control significant?
		#	%	#	%	#	%	
NCP count		2,675		1,338		1,337		
Cases per NCP		1.04		1.03		1.04		
Gender	Male	1,650	61.7%	836	62.5%	814	60.9%	No
	Female	1,016	38.0%	497	37.1%	519	38.8%	
	Unknown	9	0.3%	5	0.4%	4	0.3%	
Age (as of March 2013)	Mean	31.1		31.0		31.3		No
Ethnic Origin	American Indian	47	1.8%	20	1.5%	27	2.0%	No
	Asian	34	1.3%	18	1.3%	16	1.2%	
	Black	130	4.9%	68	5.1%	62	4.6%	
	Caucasian	591	22.1%	289	21.6%	302	22.6%	
	Hispanic	172	6.4%	95	7.1%	77	5.8%	
	Other	22	0.8%	13	1.0%	9	0.7%	
	Unknown	1	0.0%	0	0.0%	1	0.1%	
	Missing	1,678	62.7%	835	62.4%	843	63.1%	
	Cases per NCP	1.04	1.03		1.04			
Average monthly order amount	\$261	\$247		\$276		<i>t</i>	Yes ** No	
Average starting arrears	\$1,417	\$1,389		\$1,445		<i>t</i>		
Active case months	12.93	12.99		12.88				
Statements sent/Eligible for statement				7.49		7.37		

** = $p < .01$

Table 2: Comparison of mean outcomes between TANF 16 treatment and control groups

Outcome		Treatment	Control	Difference
Percent making payment during study		50.1%	40.0%	10.1% **
Gender	Female	49.8%	42.7%	7.1% *
	Male	50.2%	39.3%	10.9% **
Interstate	Yes	43.8%	37.5%	6.3% *
	No	53.5%	41.5%	12.0% **
Number of months with payment		2.48	2.00	0.48 **
Gender	Female	1.87	1.63	0.24
	Male	2.67	2.13	0.54 **
Interstate	Yes	2.10	2.00	0.10
	No	2.69	2.00	0.69 **
Total payments during study		\$509	\$436	\$73 #
Gender	Female	\$350	\$326	\$24
	Male	\$559	\$473	\$86
Interstate	Yes	\$464	\$494	\$-30
	No	\$534	\$400	\$134 **
Percent of baseline arrears paid during study		19.7%	16.4%	3.3% **
Gender	Female	22.1%	19.9%	2.2%
	Male	18.9%	15.4%	3.5% **
Interstate	Yes	15.5%	12.5%	3.0% #
	No	22.1%	18.8%	3.2% *

= p < .10; * = p < .05, ** = p < .01

Table 3: Impacts of the TANF 16 intervention from regression analysis

Outcome	Regression model	
	Treatment indicator only	Treatment indicator and control variables
1. Probability of ever paying support	.101 **	.101 **
2. Number of months with payment ^a	.48 **	.40 **
3. Amount paid, OLS	\$73 #	\$76 #
4. Amount paid, among payers, Tobit	\$152 **	\$152 **
5. Percent of baseline arrears paid during study, OLS	3.3 **	3.4 **
6. Percent of baseline arrears paid during study, among payers, Tobit	4.4 **	4.4 **

a. The coefficients from the negative binomial models are in logarithmic form. To convey their substantive importance, we converted those estimates to show the change in the number of months attributable to the intervention.

N = 1,955 in treatment group, 2,000 in control group

= p < .10; * = p < .05, ** = p < .01

Table 4: Comparison of mean outcomes between statement treatment and control groups

Outcome		Treatment	Control	Difference
Percent making payment during study		57.3%	58.3%	-1.0%
Gender	Female	45.1%	46.4%	-1.3%
	Male	64.8%	66.0%	-1.2%
Number of months with payment		3.36	3.61	-0.25
Gender	Female	2.04	2.15	-0.11
	Male	4.16	4.55	-0.39
Total payments during study		\$1,326	\$1,615	-\$289 **
Gender	Female	\$450	\$617	-\$167 **
	Male	\$1,853	\$2,259	-\$406 #
Percent of current obligation paid during study period		19.3%	20.4%	-1.1%
Gender	Female	10.5%	11.8%	-1.3%
	Male	24.5%	26.0%	-1.5%

= p < .10; * = p < .05, ** = p < .01

Table 5: Impacts of the Statement intervention from regression analysis

Outcome	Regression model	
	Treatment indicator only	Treatment indicator and control variables
1. Probability of ever paying support	-.009	-.003
2. Number of months with payment ^a	-.25	-.19
3. Amount paid, OLS	- \$289 *	- \$84
4. Amount paid, among payers, Tobit	- \$227	- \$72
5. Percent of current obligation paid during study period, OLS	-1.1	-1.1
6. Percent of current obligation paid during study period, among payers, Tobit	-1.1	-1.1

a. The coefficients from the negative binomial models are in logarithmic form. To convey their substantive importance, we converted those estimates to show the change in the number of months attributable to the intervention.

N = 1,338 in treatment group, 1,337 in control group

* = $p < .05$

Appendix A

Sample letter sent to NCPs in the TANF 16 treatment group



STATE OF WASHINGTON
DEPARTMENT OF SOCIAL AND HEALTH SERVICES
Division of Child Support (DCS) Olympia District Office
P. O. Box 11520
Tacoma, WA 98411-5520
(360)664-6448



DATE

Re:

Dear,

Your case has been reassigned to the Special Collections Team due to the extreme delinquency of your case(s). You haven't made any payments for some time for unknown reasons. This is **your opportunity** to discuss your situation and circumstances with us. Perhaps you have limited income or resources, we can help! We will explore your options and alternatives to avoid a large unreasonable withhold of your pay or even prevent a referral to the Prosecuting Attorney's office on a charge of criminal contempt. We may also be able to release a previously suspended driver's license.

We know the down turn in our economy has left many without jobs or lower paying jobs. I'm anxious to discuss your current situation and work with you to set up a realistic payment plan. A payment of ANY amount shows good faith effort on your part. That can make the difference in releasing the certification on your driver's license or preventing the need for additional more aggressive collection methods. Payments can be made at any time on line by an electronic payment from a bank account or via touch pay at www.childsupportonline@dshs.wa.gov. Or can be mailed to:

Washington State Support Registry (WSSR)
PO Box 45868
Olympia, WA 98504-5868

Be sure to include your social security number and case number on all payments to ensure payment is credited to the proper account.

Please contact me within 20 calendar days to discuss how the Division of Child Support can assist you in making a fresh start and taking the first steps to getting your life back on track. You can reach me Monday –Friday, 8:00AM – 5PM at (360)664-6884.

Sincerely,

Support Enforcement Officer

Appendix A

TANF 16 intervention: Summary of the typical workflow for new cases

SETs are the first to work with new cases brought in to the sample. The TANF 16 manager developed a “scrub” process intended to gather as much relevant information as possible to ready the case for enforcement action. This process includes the following steps:

- Opening cases
- Verifying that it is an arrears-only case
- Requesting data from the national registry
- Checking basic identifying information (name/DOB/SSN)
- Reviewing records for valid contact information
- Setting review codes²⁰

Support enforcement technicians (SETs) then locate NCPs and their assets through federal and state databases, locate programs (CLEAR and Accurant), and internet searches. Once this is completed, SETs send welcome letters and call NCPs to obtain information, determine how compliant and honest the NCP is being, and begin the conversation about collecting payments. However, they may not negotiate payments or send legal papers.

If a SET is successful in locating a given NCP, he or she will notify the SEO, who can then initiate enforcement actions or attempt to negotiate payments. In addition to direct referrals from SETs, SEOs get cases through automated channels. In particular, DCS's automated system is designed to generate notifications for SEOs when automated tools identify potential assets (e.g., the Financial Institution Data Match).

Core SEO casework responsibilities for every case include:

- Review case history to ensure that the debt amount is correct
- Verifying the integrity of the child support data DCS has on a case
- Reviewing cases for possible legal actions (license suspension, liens, etc.)
- Assessing collectability by becoming familiar with a case's characteristics, including incarceration, employment, credit report, disability, TANF history

At the same time, the SEOs are responsible for initiating collections on cases with identified seizable assets in suspense, answering physical and electronic mail, and responding to review codes set on cases.

²⁰ These are automated prompts that appear at a set interval to trigger future actions based on the circumstances of the case.

Appendix B

Analysis of TANF 16 implementation

This Appendix presents observations regarding the implementation of the TANF 16 model. We discuss the challenges and lessons learned associated with the experiment along with a discussion of how the unit's approach differed from the typical DCS approach to these types of cases. We focus on DCS's experience staffing the unit as well as describing some of the unit's primary enforcement strategies.

Implementation of the TANF 16 represented a dramatic shift in how DCS approaches child support collections. The differences associated with the TANF 16 approach are most pronounced in terms of how the unit is staffed, the characteristics of the caseload, and the prescriptive approach to the initial enforcement activities staff undertook on the cases.

Our conversations with TANF 16 staff indicated that they largely followed the prescribed workflow for treatment group cases.²¹ This included following the case intake and scrub process as well as the review of various data sources in service of locating NCPs and their assets. However, as with the typical DCS approach to case work, SEOs within the unit had a fair amount of discretion in terms of how they undertook the collections process once they received the case.

Staffing

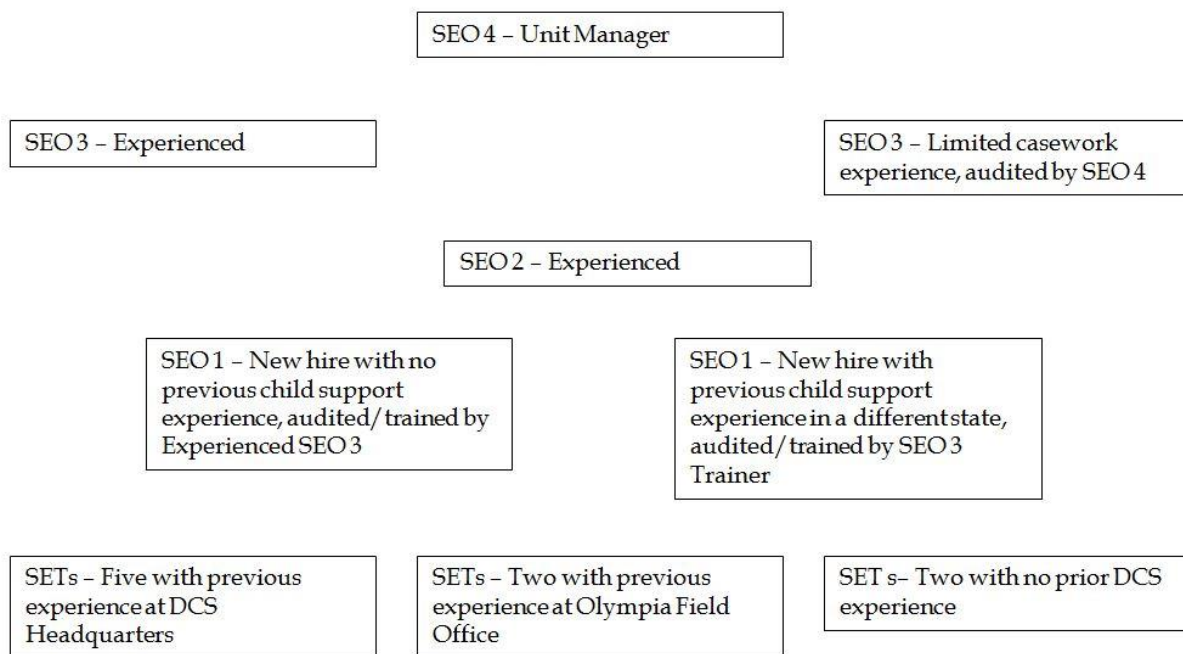
The initial design of the TANF 16 unit called for six case carrying SEOs, nine SETs, and one supervisor. DCS's goal was to have the unit fully staffed by mid-September 2012, to allow for training in advance of November 2012 implementation. Several factors contributed to a more staggered staffing process that resulted in the unit only being fully staffed in late November. Additionally, there were ongoing difficulties in keeping the unit fully staffed throughout the experiment.

²¹ Our findings are based primarily on conversations with DCS staff regarding their enforcement experiences with arrears only cases with exclusively state-owed debt. In addition to speaking with staff from the TANF 16 Unit, we spoke with SEOs in two additional field offices who have regular caseloads, of which TANF 16 eligible cases are only a small proportion.

Our interviews suggested that there was some hesitancy on the part of existing SEOs to apply for the new positions. Initially, DCS had considered having the unit work less traditional business hours, to increase the likelihood of reaching NCPs by phone. This appeared to reduce interest among existing SEOs and SETs. Moreover, several unit staff members indicated that there was some hesitancy on the part of existing SEOs to apply because of uncertainty around the unit. They noted that SEOs were hesitant to apply without knowing who the manager would be, and in some cases there was pessimism among existing SEOs as to the likely collections capability of the unit.

As a result of limited interest among existing SEOs and SETs, the unit was initially composed of a mixture of existing DCS employees and new hires. In addition to hiring several experienced SEOs, the unit ended up hiring individuals with no prior experience with DCS or SEOs with no prior case-carrying experience. Figure B-1 shows the unit's staffing configuration and experience levels as of January, 2013.

Figure B-1: Initial TANF 16 Staffing Structure



While still a challenge, filling the SET positions was not quite as difficult as it was to recruit the desired number of SEOs. There was a stronger response from many existing SETs, both within the Olympia Field Office and from SETs working in DCS's

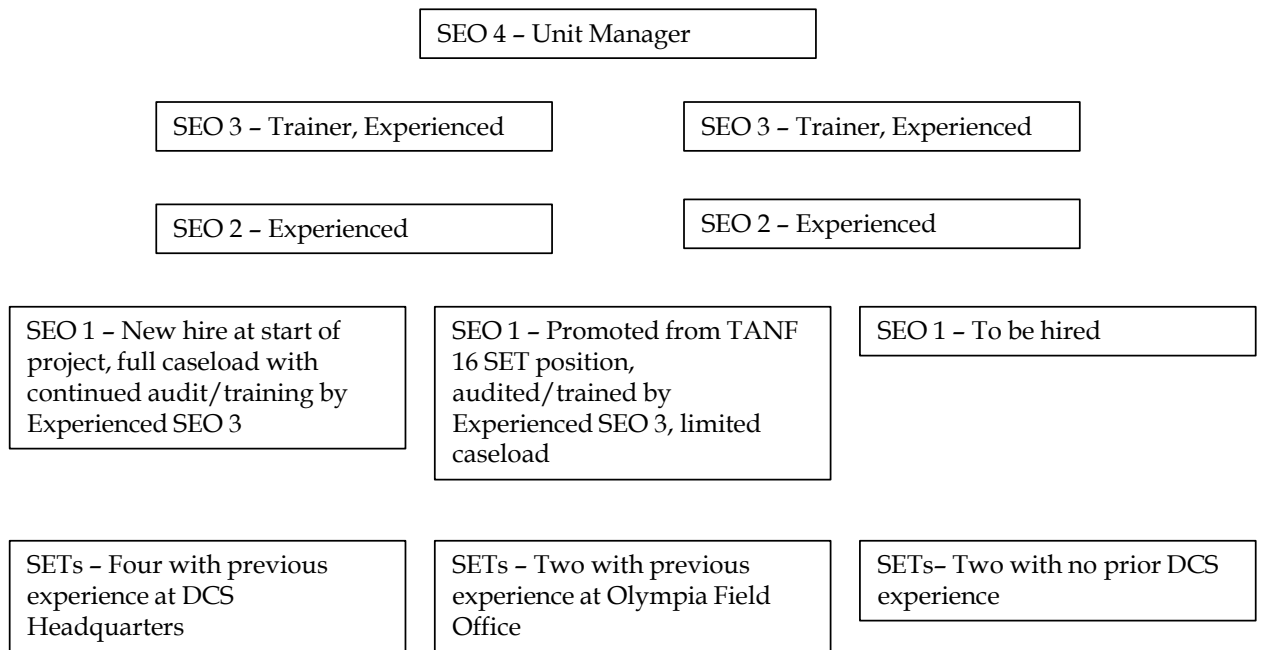
central offices. SETs we spoke with provided a range of explanations for their interest in the new positions. In some cases, they indicated that hiring freezes in the wake of the recession and state budget cuts had limited upward and lateral job mobility, and transferring to the unit was an opportunity to try something new after many years of doing an increasingly rote job. In other cases, the SETs explicitly saw this new position as an opportunity to get a better sense of what the transition to being a SEO might look like. They were enthusiastic about the opportunity for increased responsibility and to learn more about DCS operations. Others noted that they enjoyed the locate function in their prior SET position and hoped that being an SET in the TANF 16 unit would allow them to focus even more time on this aspect of the job. Despite relatively strong interest from current DCS staff, the unit did end up with several new SETs who had no prior experience with DCS.

At both the SET and SEO level there was variation in terms of staff experience. This mix of experience necessitated substantial training for new staff. Early conversations with the majority of SETs and several SEOs suggested that additional training was necessary to master the more complex components of the positions within the unit. For new SEOs this included the need for improved skills with debt calculations as well as more general improvement in caseload management. In the case of the SETs, there were several new screens and workflows that were not part of typical SET responsibilities. It was clear that added training was required to master these new tools and procedures.

An added implication of the need to hire relatively inexperienced staff, especially at the SEO level, was that the more experienced SEOs in the unit had to devote a substantial portion of their time to training the newer staff. As shown in the above figure, one of the SEO 3s carried no caseload and had full time training responsibilities.

Over the course of the first six months of the intervention there were several staffing changes within the unit. Figure B-2 shows how the staffing structure of the unit changed by the summer of 2013.

Figure B-2: Summer, 2013 TANF 16 Staffing Structure



Notably, the casework capacity of SEOs increased dramatically. While SEO 3s retained training roles, it was no longer a full time responsibility. Caseload capacity also increased as the SEO hired at the start of the process was able to handle a full caseload. Additionally, a former SET was able to fill a vacant SEO position. While the near-term benefits were limited as the SEO was early in the training process, her experience as a SET in the unit made the transition to a full caseload quicker.

Staffing of the unit's SETs was more stable. Less turnover meant that even those SETs with less relevant prior experience were able to build their skillsets, complete their work more efficiently, and require less oversight by the SEOs.

Despite some gains in case capacity among SEOs, turnover and a shifting perspective of management regarding the optimal balance between SEOs and SETs resulted in an open SEO position. The added SEO position reflected management's realization that the ratio of SEOs to SETs was creating a backlog in casework.

As noted in the body of the report, DCS management initially hoped that the unit's enforcement model would rely on a larger group of SETs conducting much of the

upfront case preparation– the “scrub” process outlined in the body of the report – with SEOs focusing their efforts on direct contact with NCPs and various other enforcement actions. However, these staffing ratios – especially once SETs became more comfortable with the “scrub” process – resulted in a large case backlog for SEOs. SETs were able to prepare cases for enforcement through locate actions, but the more intensive casework required of the SEOs delayed action on many cases. This was exacerbated in the earlier stages of the process by the fact that a subset of the more experienced SEOs had concurrent training and auditing responsibilities that further constrained their ability to conduct timely casework in response to SETs’ locate actions.²²

As the number of SETs and SEOs became more balanced it was easier for SEOs to keep up with the volume of work generated by the SETs. Increasingly, SEOs were well-positioned to act quickly when a SET located an NCP or identified a potential asset. Staff, both SEOs and SETs, reported that this resulted in quicker enforcement actions (or contacts with NCPs) that increase the probability of collections.

In addition to modification to staffing ratios, the unit supervisor expanded the role of SETs in the unit to further reduce the SEO caseload and allow SEOs to focus on enforcement actions. Added duties that the supervisor gave to SETs included posting mail,²³ conducting manual searches of in- and out-of state unclaimed property websites and preparing the necessary address verifications.²⁴

Conversations with unit staff, suggested that the steep learning curve associated with the operations of the unit was an impediment to full implementation in the early stages. Aside from the SEOs with prior casework experience, all staff in the unit were taking on new responsibilities with systems and processes with which they had limited familiarity. Among the SEOs, both those newly hired and those that transferred from

²² More experienced SEOs – either SEO 3s or SEO 4s – review some portion of all case actions taken by new SEOs. At the outset, the auditor reviews all case actions, as the SEO demonstrates proficiency the level of auditing is gradually scaled back.

²³ SETs were responsible for viewing the digitized version of mail in an SEO’s route box and posting case comments to the management information system.

²⁴ DCS has the ability to request any unclaimed property of NCPs with cases in arrears. Typical SEOs report that this is often a tool they use to generate a collection amount on cases where they are unable to identify other assets. The TANF 16 process called for staff to conduct these searches for all cases.

positions without case carrying responsibility, the training needs were particularly acute. SEO's have a complex set of responsibilities that include (but are not limited to): mastering case work flow, learning the legal terminology and requirements of the position, developing fluency on the numerous automated systems they are either required to use or to which they have access, developing the customer service skills necessary for effective collections, and generally developing the knowledge and expertise required to prioritize and make good decisions about a wide variety of cases and circumstances.

The variation in SEO experience and ability to manage a full caseload likely had implications for the level of attention cases received, especially in the early months of the project. More experienced SEOs managed large caseloads and were able to give them the intended level of attention from the outset. By comparison, staff indicated that less experienced SEOs, even with reduced caseloads, were experiencing more difficulty in fully working all of their cases. For example, if they encountered a particularly complex debt calculation, they struggled to find the time to work their review codes and attend to other case responsibilities.

Due to the fact that staff came in at different times with different levels of experience, the nine SETs on the team received varying amounts of formal training before they began working cases, with some in training for a month and a half and others for just a few days. This formal training was conducted by the SEO 3s and some staff from other successful teams in the Olympia Field office. This included training on phone techniques, using DCS tools to locate NCPs and their assets, and the DCS automated system. The trainings relied on modules from the DCS computer-based training tool (RTI). It followed the general DCS curriculum, but focused more on the aspects relevant to working arrears-only cases. However, staff noted that it would have been preferable to have more hands-on training.

Conversations with the SETs indicated that their training needs were most pronounced around use of DCS's management information system. While a subset of the SETs had used components of this system in their prior positions, the expectations of the TANF 16 position required them to work with new screens and modules with

which they were largely unfamiliar. In particular, SETs indicated that the order (OR) screen to be difficult to navigate. The SETs who were hired closer to the start of implementation or after the unit was up and running were at a greater disadvantage because they received little formal training and were unfamiliar with all the acronyms and procedures DCS uses on a regular basis. Conversations with staff over the course of the project suggested that the trial-and-error of every day work as well as observing how their peers work increased familiarity with DCS systems and processes to the point where conversations with staff in the summer of 2014 revealed no pronounced training needs.

Case Workflow and Focus on Data Integrity

Aside from the singular focus on collections of arrears – as opposed to the more varied array of job responsibilities of the typical SEO²⁵ – one of the main differences between the approach taken by TANF 16 SEOs compared to their counterparts was the specific emphasis on data integrity and the requirement that they conduct a debt calculation for all new cases they received.

Members of the TANF 16 team commonly cited data integrity as one of the primary goals of their work. DCS management and the unit supervisor saw the focus on having valid and up-to-date information entered into DCS's automated system as supporting multiple goals. Of primary importance was insuring that the debt amounts in the automated system were correct. In advance of any collection action, it is the responsibility of SEOs to ensure that they are justified in initiating the collection action and that they know the accurate debt amount. Staff indicated that for older cases that have received little recent attention from SEOs, there is a higher probability of errors and new information that may impact the debt amount.

In addition, the emphasis on data integrity was born out of the belief that it would allow DCS's automated systems to more effectively support the collections process.

²⁵ While all the cases introduced to the TANF 16 team were TANF arrears-only, some of these cases were re-opened for current support. This could happen for two reasons: if there was a new child under 18 to be added to the order or if the custodial parent had previously closed the case and now decided to reopen the case while the child was still underage.

With good information on debt amounts and NCP personal information, staff felt it was far more likely that these systems would identify potentially seizable assets.

While staff acknowledged that the emphasis on data integrity was necessary in advance of commencing enforcement action, they consistently noted how time consuming it was. As the TANF 16 cases tended to be older, SEOs indicated that there was a higher prevalence of incorrect data than the typical DCS case. The case carrying SEO prior to the case being assigned to the unit may have considered these to be “dead cases” and pushed the review code out several years. Over time there have been changes to DCS’s policies and the database; maintaining the status quo and not paying attention to these cases may actually degrade data integrity as these systems changes occur and time passes.

Conversations with TANF 16 staff over the course of the project suggested that SETs largely followed the prescriptive approach to casework developed by DCS management and the unit supervisor. This includes the initial steps outlined in the body of the report as well as checking multiple databases to locate individuals and assets.

SETs described the searching of multiple databases as especially time consuming. These checks include review of multiple state and federal databases to check for incarceration, updated address information, or benefit receipt (e.g., TANF, Unemployment Insurance, Social Security Administration benefits). SETs were also required to check multiple proprietary databases for information that may aid in the location of NCPs or their assets. In addition to facilitating location, these checks also helped build evidence in those cases where case closure was warranted.

Staff indicated that there are clear benefits of the more comprehensive review of available databases conducted by TANF 16 staff. It increases the likelihood of finding information relative to the case and it allows SETs and SEOs to improve the integrity of the data on the case. Additionally, it maximizes the likelihood that DCS’s automated systems will catch future actions that may result in a collection. For example, systematically checking whether a given NCP has applied for SSI or Social Security Disability Insurance (SSDI). Staff noted that, in both cases, the presence of an application, even if denied, suggests an increased likelihood of approval at a later date.

In the case of SSDI, these benefits can be intercepted and applied to child support owed by the NCP.

SEOs were expected to conduct a debt calculation on each of their cases. The SEOs noted that these TANF arrears-only cases tended to have more complicated debt calculations due to their age and the little attention they had received over the years. Compared to SEOs with a more diverse caseload, who had indicated that most of their cases had relatively current debt calculations, the SEOs on the TANF 16 team noted that many of their cases required lengthy debt calculations that could take days to complete.

Targeted Actions Based on Case Characteristics

In addition to regular casework conducted by SETs and SEOs, the unit supervisor occasionally had staff engage in more focused collection activities targeting cases with specific sets of characteristics. For example, data staff within DCS provided the unit with an extract of all cases that had a potential financial institution data match (FIDM), which would suggest there would be money to collect. Instead of SEOs needing to look this up one case at a time, they sorted the list to look at the highest balances and targeted the cases that had the most money. The supervisor also provided lists of:

- Cases where the NCP had a domestic violence indicator, which turns off all automatic SEMS operations. Some of the cases had been incorrectly marked, and some of these NCPs had employers that should have been sent withholds.
- Cases with debt under \$500, which could be targeted for closure
- Cases where NCPs were sent a refund check but had never cashed it, which could be reapplied to arrears
- Cases with phone numbers that were targeted for cold-calling

The unit also took a more targeted approach to enforcement of interstate cases. For example, every unit's caseload has interstate cases, where the parties resided in Washington State and then the NCP moved to another state, putting the case in the jurisdiction of the new state. The TANF 16 unit proactively requested case status information on all these cases and took the case out of this two-state process when it could so that collections would apply to Washington State.

TANF 16 staff also sought to identify those cases that might be eligible for debt forgiveness. Given the characteristics of the cases assigned to the unit, DCS management and the unit's supervisor felt it was more likely that cases would have evidence of either extreme hardship or the especially low probability of ever generating the income necessary to pay off the debt.

TANF 16 staff noted that they pay particular attention to case characteristics that might indicate collectability to identify potential prospects for debt write-offs. They reported examining such indicators as prior work history, how much the NCP had earned during the time the current support was due, and whether the NCP was on public assistance, disabled, or incarcerated.

Debt write-offs are not always for the full debt. TANF 16 members noted that sometimes it could be a negotiation tool; for instance, 20 percent could be written off if the NCP paid the remaining 80 percent in a lump sum, or the debt could be reduced to 50 percent to incentivize payments. TANF 16 staff explained that these are strategies to keep the cost of collections down if it seemed like the cost of collecting the full amount outweighed the benefit.

Not only did SEOs report more systematically pursuing write-offs, but unlike the control condition, the TANF 16 team had a dedicated Conference Board chair. She met with the team at the start of the project and described the case characteristics that would likely make a case eligible as well as the documentation that would be required. Specifically, they needed to do a debt calculation and a verification that the total amount of support that was collected did not exceed the amount of TANF the CP received. While SEOs indicated that usual conference boards could take two to six months to process a debt write-off, having a dedicated conference board chair could mean the process could be done in as little as one day.

Conversations with non-TANF 16 SEOs revealed a far more varied approach to debt write-off, both in terms of the circumstances under which they would pursue this approach as well as the likelihood that the request would be approved by the Conference Board. While some of the SEOs we spoke with indicated that they regularly reviewed non-paying cases for potential debt forgiveness, others indicated that this was

less frequent – either they only brought it up as a possibility if the NCP requested it or they only suggested it if they felt the NCP was deserving. Examples they cited included: NCPs with a permanent disability, cases where the two parents had reconciled and were jointly caring for the children, or mothers who had regained custody of their children after foster care. Additionally, the non-TANF 16 SEOs with whom we spoke indicated that it was often difficult to predict how the claims officer chairing the Conference Board would decide and that the outcome often depended on which claims officer was assigned to the case.

Implications of the Implementation Experience

The design and implementation of the TANF 16 unit diverges substantially from DCS's typical approach to enforcement. The shift was driven by the belief of DCS management that (1) arrears-only cases with exclusively state owed debt represented an under-enforced portion of the caseload that could generate added revenues and (2) that a targeted staffing and enforcement approach would be required to effectively collect on these cases.

Our implementation research identified several operational challenges associated with the staffing approach. There were implementation challenges at each phase of the project: initial hiring, staff training, and managing workflow. These are challenges that would be expected with any pilot program, and reflect less on the specifics of the unit and are more directly related to difficulties that would emerge with the change in job classifications and responsibilities. More importantly, DCS responded quickly as challenges emerged to support existing staff with added training while also making alterations to the initial staffing plan in response to early challenges.

Despite the relatively quick adaptation to challenges, early conversations with staff in the unit suggested that it was several months before most of the cases assigned to the unit were receiving the level of attention DCS initially intended when the unit was created. This delay meant that identified assets went uncollected, NCPs who were located went un-contacted, and the newer staff struggled to adequately prioritize their efforts. As noted in the discussion of unit staffing, management and unit staff indicated that the imbalance between the number of SEOs and SETs was a primary driver of

these delays. By underestimating the amount of time SEO responsibilities would take, the initial staffing design created bottlenecks in the workflow. These bottlenecks were exacerbated by the dual demands on more experienced SEOs of casework and training along with the limited caseload capacity of newer SEOs who were still undergoing training.

Later conversations with staff suggested that many of the startup challenges experienced by the unit receded as DCS adjusted staffing levels and SEOs gained more experience.

Cases flowed into the unit at different points in time. Combined with staffing difficulties, this resulted in cases receiving varying levels of attention depending on when they were assigned. However, conversations with case carrying SEOs suggested that all cases in the treatment group went through the scrub process and received the individualized enforcement attention DCS intended. The primary implication of the staggered assignment of cases into the sample was that the initial treatment sample received a higher level of scrutiny and there has been a longer follow up period. The length of this period may contribute to increased collections as it allows more time for DCS's automated systems to run. More pronounced impacts for the first group of cases assigned to the treatment group, compared to later cohorts, suggests that the upfront scrub process and commitment to data integrity may have longer term benefits that do not immediately materialize.

DCS used the TANF 16 unit as a means to increase staffing in a time of limited resources and target a segment of its caseload that typically receives little attention. Despite struggles to staff the unit and train SEOs and SETs during the early stages, our conversations with unit staff and DCS leadership suggest that cases in the treatment group received at least a minimum level of attention in accordance with the design of the model. Moreover, conversations with typical case carrying SEOs suggest that the level and nature of attention these cases received was fundamentally different than what TANF 16 eligible cases would receive on the typical SEO's caseload.

Below we summarize some specific lessons learned from the TANF 16 experiment.

Specialized unit has the potential to focus attention on a subset of cases that typically receive low priority. The TANF 16 unit effectively refocused attention on a group of cases that represent an especially low priority for the typical SEO. With caseloads hovering between 600 and 800 and workflows that prioritize imminent action, engaged customers (both custodial and noncustodial parents), and relatively easy to identify income sources, the typical SEO rarely has the time or inclination to aggressively pursue collections on TANF 16 eligible cases. By segmenting the caseload and developing a specialized unit to focus on collecting from these cases, DCS dramatically increased the attention these cases receive.

Added attention corrects potential data errors and reassesses collectability of cases. The added attention that the TANF 16 cases received resulted in a more thorough review of the collectability of these cases as well as the quality of the data in the case file. The re-review of these cases that occurred during the initial scrub process revisited assessments regarding the collectability of funds that may have occurred years earlier. This resulted in TANF 16 SEOs identifying cases that were potential targets for more aggressive enforcement action as well as ones that were best suited for closure or at least partial debt write-off. Additionally, the relative lack of attention these cases had received often resulted in these cases having incorrect or outdated data. The systematic scrub process and renewed locate efforts helped update case information, and the new debt calculations reduced the potential for incorrect debt amounts entered on the cases.

Labor intensive upfront process may delay enforcement activity. While the scrub process and debt calculations clearly had benefits for data integrity, it is likely that they delayed active enforcement for at least a subset of the TANF 16 cases. The requirement that SETs be exhaustive in their locate activities and the time consuming nature of debt calculations of old, complex cases means that there were times when active collection efforts on cases occurred long after they were assigned to the unit. While this may have hampered near-term collection activities, staff indicated that these

efforts laid the groundwork for more effective use of automated enforcement tools over the long term.

Streamlined process for requesting debt write-offs. DCS expected an especially high proportion of TANF 16 cases would be eligible for a debt reduction or complete write-off. As a result, the agency facilitated a more streamlined relationship between the unit and a designated Conference Board Chair. The result was an especially clear set of expectations regarding what is required to submit a request and dramatically decreased processing time. Conversations with staff suggested that these two factors contributed to their willingness to aggressively identify potentially eligible cases.

Staffing the unit took time and had substantial upfront training requirements. Despite solid planning in advance of rolling out the unit, DCS encountered delays and difficulties in getting the TANF 16 unit fully staffed. This included challenges in getting qualified internal candidates as well as delivering the necessary training to new hires so that they could fully execute their job responsibilities. None of the challenges we observed were insurmountable, and most are similar to what any organization could be expected to experience when starting a new initiative. However, these delays and challenges, combined with the shift in staffing ratios between SETs and SEOs resulted in a lag between startup and achieving a steady state where the unit was fully operational.

New unit created opportunity for staff development and mobility. At the time DCS was initially staffing the unit the agency was under a hiring freeze and there were very few opportunities for advancement or lateral job mobility among DCS employees. Several TANF 16 staff members noted that one of the main reasons they were attracted to the unit was the opportunity to try a new role and to move out of a position that they had been in for some time. In the case of the SETs, many saw the TANF 16 team as an opportunity for more varied work with the potential for more responsibility. SEOs joining the team also noted that it was an opportunity for a new work environment. While

ancillary to the primary goals of the DCS in starting the unit, it created staff development opportunities that, at the time, were otherwise quite limited.

Appendix C

Relationships between the control variables and the outcomes

This appendix provides a summary of the relationships between the control variables and the outcomes. Though these findings do not provide evidence on the interventions' impacts, they help us better understand the determinants of compliance among the NCPs studied in the two interventions.

The controls in both analyses were age, male (female as the omitted category), child count, and baseline arrears. The TANF 16 analyses also included address type at end of study period (home as the omitted category), interstate case (non-interstate as the omitted category) and whether the case was a TANF case at some point. The statement analysis also included the order amount and whether the case was a current TANF case. Tables C-1 and C-2 summarize the pattern of coefficients on the control variables by showing whether the coefficient was positive or negative, and whether it was statistically significant.

TANF 16 intervention

Table C-1: Results for control variables, TANF 16 intervention

	Outcome					
Control variable	Ever pay	Number months paying	Amount paid, OLS	Amount paid, Tobit	Percent arrears paid, OLS	Percent arrears paid, Tobit
Age	— **	—	—	— **	— **	— **
Male	+ #	+ **	+ **	+ **	+ **	+ *
Child count	—	—	+ #	+	— **	— *
Address = institution	— **	— *	— **	— **	— **	— **
Address = unknown	— **	— **	— **	— **	— **	— **
TANF/former TANF	+	+	+	+	+	+
Interstate	— **	— **	—	— #	— **	— **
Baseline arrears	+ #	+ **	+ **	+ **	Not included	Not included

= p < .10; * = p < .05, ** = p < .01

The relationships in table C-1 between the outcomes and control variables are clear. Older NCPs are less likely to pay on arrears, as are NCPs lacking a home address and NCPs with interstate cases.²⁶ Male NCPs and NCPs with higher baseline arrears are more likely to pay. Child count and whether the case was ever TANF case are not systematically related to paying.

Statement intervention

Table C-2: Results for control variables, Statement intervention

Control variable	Outcome					
	Ever pay	Number months paying	Amount paid, OLS	Amount paid, Tobit	Percent arrears paid, OLS	Percent arrears paid, Tobit
Age	+ **	+ **	+ **	+ **	+ **	+ **
Male	+ **	+ **	+ **	+ **	+ **	+ **
Child count	+		+	+	+	+ #
TANF	— *	—	— **	— **	— **	— **
Baseline arrears	— *	—	—	—	— **	— **
Order amount	+ **		+ **	+ **	Not included	Not included

= p < .10; * = p < .05, ** = p < .01

The relationships in table C-2 between the outcomes and control variables are also clear. Older and male NCPs and NCPs with higher order amounts are more likely to pay current support. NCPs with TANF cases are less likely to pay. NCPs with higher baseline arrears are also less likely to pay, but the strength of this relationship is weaker than the others. Child count is not systematically related to paying.

²⁶ In addition to such NCPs being less likely to pay, the intervention is less effective for such NCPs, as observed earlier.