



Re-Tooling Michigan's Child Support Enforcement Program

Compromise Arrears in Return for On-Time Support (CAROTS) Pilot

Final Report

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SCHOOL OF SOCIAL WORK

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Curtis Center Program Evaluation Group

The Curtis Center Program Evaluation Group trains and professionally prepares students and recent social work graduates in program evaluation by providing evaluation services to a broad range of community-based agencies. Established in September 2011, the Program Evaluation Group at the University of Michigan School of Social Work engages the community to provide professional evaluation services and matches students' educational goals with projects. The Program Evaluation Group uses a utilization-focused approach to evaluation, highlighting the need for stakeholder engagement throughout the evaluation process. The Program Evaluation Group provides high-quality, professional evaluation services through a social work lens.

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Purpose of the Report

This report was written by the Curtis Center Program Evaluation Group at the University of Michigan School of Social Work to provide the results of the final analysis of the Compromise Arrears in Return for On-Time Support (CAROTS) pilot of the Re-Tooling Michigan's Child Support Enforcement Program (Re-Tooling) grant. The CAROTS pilot was implemented from May 2013 to April 2015 with four (4) counties in the State of Michigan. This report analyzes the activities conducted by pilot workers in the CAROTS pilot and the percent of obligation paid from NCPs in the CAROTS pilot.

Results in this report are presented in four main sections: (1) description of the activities used by pilot workers throughout the PM pilot; (2) the impact of CAROTS pilot activities on the percent of obligation paid; (3) arrears discharged; and (4) Pilot Lead experiences with the CAROTS pilot.

Part 1: Background and Context



Grant Overview

In the summer of 2011, the State of Michigan Office of Child Support (OCS) and the University of Michigan School of Social Work (UM SSW) agreed to collaborate on a grant proposal to the federal Office of Child Support Enforcement entitled, “Re-Tooling Michigan’s Child Support Enforcement Program” (Re-Tooling). A federal Office of Child Support Enforcement grant was awarded to the State of Michigan OCS in September 2011. The contract between the State of Michigan OCS and UM SSW was signed effective January 1, 2012.

The expected grant outcomes included: (1) improve research on the current data to support evidence-driven selection of approaches to child support collection; (2) sophisticated development of “tool kit” of current strategies and new piloted strategies; and (3) dissemination of both research and successful pilot strategies to enable greater success in child support collection. These activities are being analyzed to determine the impact on child support collections, collection of arrears, and ultimately to improve the financial wellbeing of children and self-sufficiency of families.

The Re-Tooling grant was originally awarded for three years, September 2011 through August 2014. A no-cost extension was awarded to continue the project for one additional year, through August 2015.

The Re-Tooling grant included three major efforts: analysis of existing child support enforcement activities and two (2) pilot programs: Predictive Modeling (PM) and CAROTS.

Throughout the Re-Tooling grant period, UM-SSW has been analyzing the Michigan Child Support Enforcement System (MiCSES) data. Final analysis of the MiCSES data was completed between February and June 2015. Analysis of MiCSES will be used to document the types of enforcement activities that are used and the effects of the use of these activities on payment of obligation.

The two (2) pilot programs began during the second year of the Re-Tooling grant. The two pilot programs were selected by the OCS Program Leadership Group (PLG), the advisory group for the Re-Tooling grant. County Friend of the Court (FOC) offices volunteered to participate in the Re-Tooling pilots.

Michigan Child Support System

The Michigan IV-D child support program (IV-D program) operates in a judicial state, where services and operations are de-centralized to the county level. Three offices partner in the IV-D program: the Office of Child Support (part of the Michigan Department of Health and Human Services [MDHHS]), the Prosecuting Attorney's Office, and the Friend of the Court office. The Office of Child Support, the Prosecuting Attorney's Office, and the Friend of the Court office have different primary responsibilities in the IV-D program, as outlined below.¹

Though not true for all cases, a majority of cases follow this pathway through the IV-D program:



Child support specialists in the Office of Child Support are responsible for:

- Helping locate a NCP.
- Providing information about voluntary paternity establishment.
- Making a referral to establish paternity and/or obtain a support order.
- Referring an existing support order for enforcement.
- Helping decide what action to take in an interstate case.

The Prosecuting Attorney's office is responsible for establishing court orders for support and helps locate NCPs.

The Friend of the Court office is responsible for:

- Enforcing support orders.
- Modifying support orders.
- Registering Michigan order in other states.
- Initiating interstate income withholding.
- Assisting in locating NCPs.

OCS is the IV-D agency for the state of Michigan and sets the IV-D policy followed by all partner agencies. Each partner has a distinct role within the IV-D program and responsibilities are decentralized to each partner and then to each county.

¹ Understanding Child Support: A Handbook for Parents. State of Michigan Department of Human Services



CAROTS Pilot Description and Context

The objective of the CAROTS pilot was to allow NCPs² who make timely current support and minimal arrears payments to receive state-owed arrears reductions.³ The expected outcomes for FOC offices participating in the CAROTS pilot were: (1) an increase in consistent current support and arrears collections; (2) an elimination of uncollectible debt; and (3) streamlined arrears management.

In addition to improving case management and collections, OCS and UM-SSW anticipated that FOC offices participating in the CAROTS pilot would experience the following outcomes aligned with the Michigan Child Support Strategic Plan:

- Delivery of consistent, innovative, and holistic services
- Improved collections, especially on cases with inconsistent payment histories
- Promotion of healthy relationships through parental engagement
- Families becoming self-sufficient

Planning and Launch

Preparatory work for the CAROTS pilot before in the summer of 2012 and a call for pilot county volunteers was issued in November 2012. The planning phase for the CAROTS pilot took place between January and May 2013. During the planning phase, OCS and UM-SSW collaborated on the development of policies and procedures for the CAROTS pilot. The CAROTS policy described the goals and activities of the CAROTS pilot, as well as the expectations for Pilot Leads, OCS, and UM-SSW.

OCS and UM-SSW co-hosted a launch meeting for all Pilot Leads in February 2013 at Central Michigan University in Mt. Pleasant, MI. The launch meeting was a half-day event for the CAROTS Pilot Leads to provide an orientation to the CAROTS pilot and allow an opportunity for Pilot Leads to ask clarifying questions.

A webinar was held in April 2013 to launch the Microsoft Access Re-Tooling Grant Database (MARGD). As part of this webinar, MARGD job aides were distributed to Pilot Leads. The webinar covered the purpose of MARGD, how to record activities, and how to generate reports.

Pilot Monitoring

Pilot Leads monitored their pilot activities through the MARGD system, as well as in MiCSES. Additionally, OCS monitored the implementation of the CAROTS pilot through monthly

² NCPs in the CAROTS pilot also needed to meet the Arrears Management Policy eligibility criteria.

³ The state-owed arrears that were discharged as part of the CAROTS pilot were considered uncollectable debt based upon the eligibility of the NCP.

teleconferences with Pilot Leads. During the monthly teleconferences, Pilot Leads provided a status of the CAROTS pilot in their county, OCS and UM-SSW communicated any announcements, and Pilot Leads had the opportunity to troubleshoot any challenges they were having in their respective counties. Teleconference agenda topics included: outreach and recruitment, challenges, and the use of outreach activities.

Timeline

The CAROTS pilot was implemented from May 2013 through April 2015. OCS received approval for a no-cost carry-over on the Re-Tooling grant, which allowed for the completion and analysis of the CAROTS pilot. The final timeline for the CAROTS pilot is presented below.

Date	Task
January – May 2013	Publish policy, develop protocols, training, and monitoring tools
February 2013	Kick off meeting and training
April 2013	CAROTS and MARGD training webinar
May 2013	Begin CAROTS pilot
May 2013 – April 2015	Monitor CAROTS pilot
May – June 2015	Analyze CAROTS pilot
July 2015	Report CAROTS pilot results

Recruiting NCPs

NCPs were recruited for the CAROTS pilot in multiple ways. First, UM-SSW team members provided each county with a list of randomly selected NCPs.⁴ From the random sample, pilot workers were encouraged to reach out to these NCPs via mail or phone call to recruit them for the pilot. FOC staff also recruited NCPs who came to the office for other reasons through a flyer in the lobby or talking to NCPs at the front desk.

Genesee County used “Amnesty Days” to recruit NCPs for the CAROTS pilot. During “Amnesty Days,” NCPs were invited to come in to the FOC office to discuss their cases without fear of being arrested on an outstanding bench warrant. In addition, if they came in and discussed their case with FOC staff, the bench warrant would be removed.

The table on the next page outlines the recruitment strategies utilized in each county.

⁴ Marquette and Tuscola counties received a list of all cases in the county that were eligible for the CAROTS pilot as the case volume in those counties were low.



NCP recruitment strategies for the CAROTS pilot in each county.

	Genesee	Macomb	Marquette	Tuscola
Utilize random sample lists	X	X	X	X
Mailed letters to potentially eligible NCPs	X	X	X	X
Called potentially eligible NCPs	X	X	X	X
Office staff follow up with NCP to ensure letter was received (by phone or mail)		X	X	X
Placed flyers in lobby			X	X
Have front desk workers refer potentially eligible NCPs	X	X		
Utilized UM-SSW assistance		X		
Amnesty Day	X			
Phone line dedicated to CAROTS		X		
Email address dedicated to CAROTS		X		
Social media and internet searches				X
Thank you letter after contact from NCPs			X	

In order to enroll in the CAROTS pilot, the NCP had to qualify for the CAROTS pilot⁵ and sign a CAROTS payment plan agreement. In total, Genesee County enrolled 122 NCPs in the CAROTS pilot and Macomb County enrolled 108 NCPs. Marquette and Tuscola counties did not enroll any NCPs in the CAROTS pilot (Figure 1). Marquette and Tuscola counties had low volumes of cases to recruit potentially eligible NCPs from. Further exploration of the difficulties recruiting NCPs for the CAROTS pilot is included in the Pilot Lead Experiences and Lessons Learned and Implications sections.

Figure 1. Total number of NCPs enrolled in CAROTs pilot in each county.



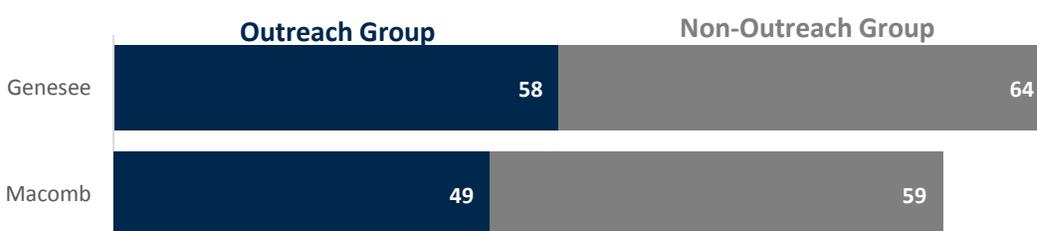
⁵ Eligibility for the CAROTS pilot was the same as the eligibility criteria for the Arrears Management Policy.

Gap Prevention Outreach

As NCPs were recruited into the PM pilot, UM-SSW randomly assigned half of the NCPs in each county into an Outreach Group. Gaps in payments were noted and monitored for all CAROTS NCPs. However, proactive outreach was done with NCPs in the Outreach Group whether or not there was a gap in payment. Pilot staff were expected to conduct gap prevention outreach with Outreach Group NCPs in danger of missing a payment within three business days of the last day of the month.

A total of 107 of the 230 enrolled (47%) NCPs were in the Outreach Group (Figure 2).

Figure 2. Number of NCPs in the Outreach Group per county (n=230).



Arrears Discharge Schedule

As NCPs make consistent, on-time payments of their obligation in addition to a minimal amount towards their arrears, a certain portion of their state-owed arrears⁶ were discharged on the following schedule:

Payment Plan Period	Duration	Amount Discharged
Initial	Upon signing agreement	20%
1	3 months	10%
2	3 months	10%
3	6 months	20%
4	6 months	20%
5	6 months	20%

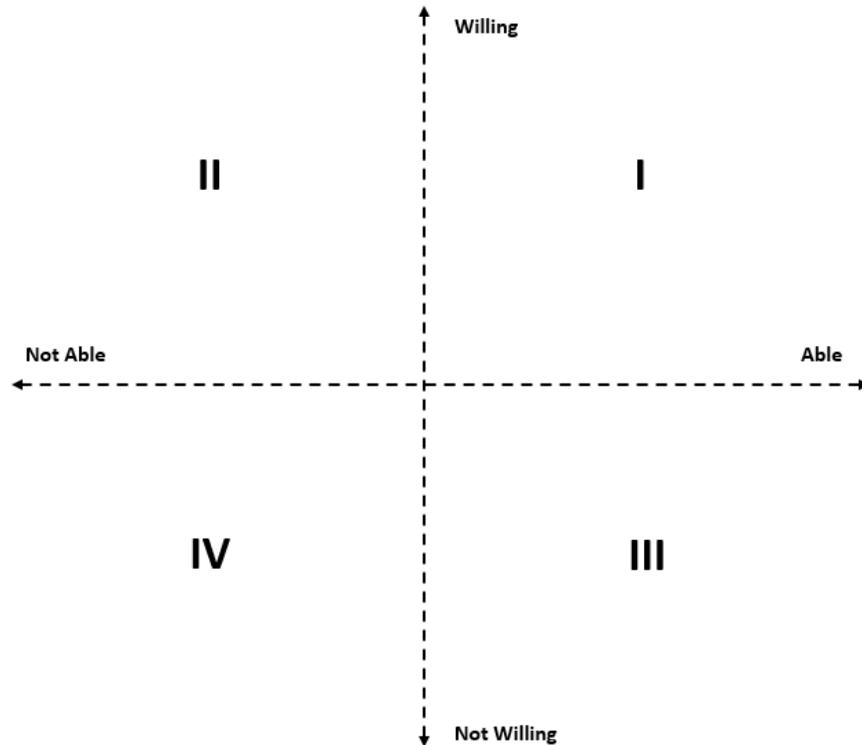
If NCPs successfully completed all payment plans with consistent and on-time payments, all of their state-owed arrears would be discharged at the end of two years. NCPs were allowed three gaps in payment before being terminated from the CAROTS pilot. NCPs could choose to re-sign a CAROTS payment plan agreement once after being terminated from the pilot. If an NCP did re-sign, they would not receive the initial 20% of arrears discharged.

⁶ Eligible NCPs were required to sign a CAROTS Payment Plan to enroll in the pilot. The total state-owed arrears was calculated at the time the CAROTS agreement was signed.



Case Stratification

One of the goals of the CAROTS pilot was to begin the development of a case stratification technique for pilot workers to use to determine the appropriate activities that should be used with NCPs. Case stratification allows for pilot workers to judge NCPs' ability and willingness to make their child support payments to determine which of four (4) quadrants they are in (below).



Through the CAROTS pilot, pilot staff worked to identify NCPs who were willing yet unable to meet their child support obligation. The CAROTS pilot was designed to assist NCPs in their ability to meet their obligation through a review and modification of their order and assisting with state-owed arrears. Ultimately, the CAROTS pilot targeted NCPs in Quadrant II to move them into Quadrant I (figure above). NCPs willingness to pay is subjective in nature, so pilot staff worked with each NCP to determine the appropriateness of the pilot. The willingness of the NCP often has to do with their attitude towards the child support system, the CP, their child(ren), and other environmental factors.



Counties

Six (6) counties were present at the Pilot Kick Off meeting in February 2013: Cass, Macomb, Marquette, Ottawa, Tuscola, and Wayne. Cass and Ottawa counties decided not to participate in CAROTS prior to the launch on May 1, 2013. At the Friend of the Court Association (FOCA) conference in July 2013, the Genesee County Friend expressed interest in assisting with the Re-Tooling Grant pilots. In September 2013, Genesee County was officially invited to participate in both the CAROTS and PM pilots. However, in October 2013, it was determined that Genesee County would only participate in the CAROTS pilot and Wayne County would only participate in the PM pilot, due to the time commitment for each pilot.

Four (4) counties participated in the full CAROTS pilot: Genesee, Macomb, Marquette, and Tuscola. Overall demographics⁷ are presented in the below table.

	MI Overall	Genesee	Macomb	Marquette	Tuscola
Total Population	9,895,622	415,895	840,978	67,077	55,729
Percent Male	49.1%	48.2%	48.6%	50.5%	50.1%
Percent Over 18	83.1%	76.3%	77.0%	83.6%	76.5%
Median Age	39	39	40	39	42
Percent White	79.1%	75.2%	85.4%	93.8%	96.1%
Median Household Income	\$48,273	\$42,089	\$53,451	\$45,622	\$43,039
Percent of Population Living Below the Poverty Line	17.0%	21.0%	12.5%	15.7%	15.7%
Percent of Children Living Below the Poverty Line	23.8%	32.1%	18.0%	15.7%	24.2%
Percent of Population Unemployed	9.8%	9.3%	8.1%	4.9%	8.0%
Highest Education Attained	High school graduate or equivalent (29.7%)	High school graduate or equivalent (31.2%)	High school graduate or equivalent (31.2%)	High school graduate or equivalent (33.0%)	High school graduate or equivalent (41.2%)

Above State average
Below State average

Detailed county demographics are presented in the Appendix.

⁷ Source: American Community Survey, U.S. Census.



The FY15 Q2 child support federal performance metrics for the pilot counties are presented in the table below.

Federal performance metrics by county, FY 2015 Q2.

	Open IV-D Cases	Support Order	Paternity Establishment	Collections	Arrears
Statewide	954,698	79.6%	91.4%	68.9%	60.4%
Genesee	57,363	83.3%	89.1%	66.5%	55.0%
Macomb	47,893	74.3%	83.0%	74.7%	60.6%
Marquette	3,413	82.5%	95.1%	81.5%	72.0%
Tuscola	3,862	82.4%	93.5%	81.4%	78.5%

Methodology

Data Collection

A. MARGD Use and Pilot Monitoring

MARGD was developed in Microsoft Access by a staff member at the Kent County FOC office for the use in both Re-Tooling grant pilots. MARGD was used by pilot workers to track their activities with NCPs in the CAROTS pilot. Pilot workers sent their copies of MARGD to Kent FOC each month for a MiCSES update, including up-to-date information on payments and other updates from the MiCSES system. CAROTS Pilot Leads received MARGD updates twice a month – one around the 25th of the month, for gap prevention outreach, and one at the beginning of the month.

Kent FOC resources provided the MARGD database to UM-SSW for analysis at two time points throughout the CAROTS pilot for pilot monitoring and analysis of activities and payments.

B. Key Informant Interviews

UM-SSW team members conducted key informant interviews with each CAROTS Pilot Lead six months and one year into the CAROTS pilots. Interviews were conducted in-person or via phone and lasted approximately 45 minutes. The interviews were used to gather information about Pilot Lead experiences with the CAROTS pilot, successes of the CAROTS pilot, and areas for improvement.

Data Analysis

MARGD data were analyzed using univariate and bivariate analyses. Univariate statistics, such as frequencies and means, were used to describe the types of activities that were used with CAROTS pilot NCPs. Bivariate statistics, such as chi-squared, t-tests, and one-way ANOVAs, were used to determine the association between the types of activities used and the NCP percent of obligation paid.

Quantitative data were analyzed using Statistical Package for Social Sciences (SPSS) version 21. Qualitative data were analyzed manually for themes. Direct quotes are provided without alteration.



Limitations

The MARGD system only contained a subset of the activities that occurred as part of the CAROTS pilot. The data analysis of the CAROTS pilot is limited by the amount of missing data.

(1) UM-SSW used the MARGD system to analyze the pilot. UM-SSW cannot be sure that all pilot activities were recorded accurately in the MARGD system. Therefore, without the complete picture of activities, analysis cannot accurately provide an understanding of the difference that activities make on the percent of obligation paid. Some Pilot Leads reported that recording activities MARGD in addition to MiCSES was cumbersome. In addition, training staff members on how to use MARGD took time away from already full caseloads when staff already understand MiCSES.

(2) Even for the activities that were recorded in MARGD, there was still a large amount of missing data. For example, contact methods were not recorded for 26% of activities. Due to the amount of missing data on the activities that were recorded in MARGD, data analysis results do not provide an accurate picture of the types of activities that were used during the CAROTS pilot or the effect that these activities have on the percent of obligation paid.

(3) The MARGD system did not capture the “traditional” enforcement activities that pilot workers may have been using with NCPs, such as Show Cause, Review and Modification, Income Withholding, etc. Pilot workers were expected to document these activities in MiCSES. Analysis results will not provide a complete picture of all of the enforcement activities that were used with NCPs and therefore cannot determine statistically significant impact.

Due to issues of validity and reliability, the data analysis results presented provide an overview of the types of activities used and trends in percent of obligation paid. The relationship between activities and percent of obligation paid is limited due to the amount of missing data.

Part 2: Pilot Results

Pilot Activities



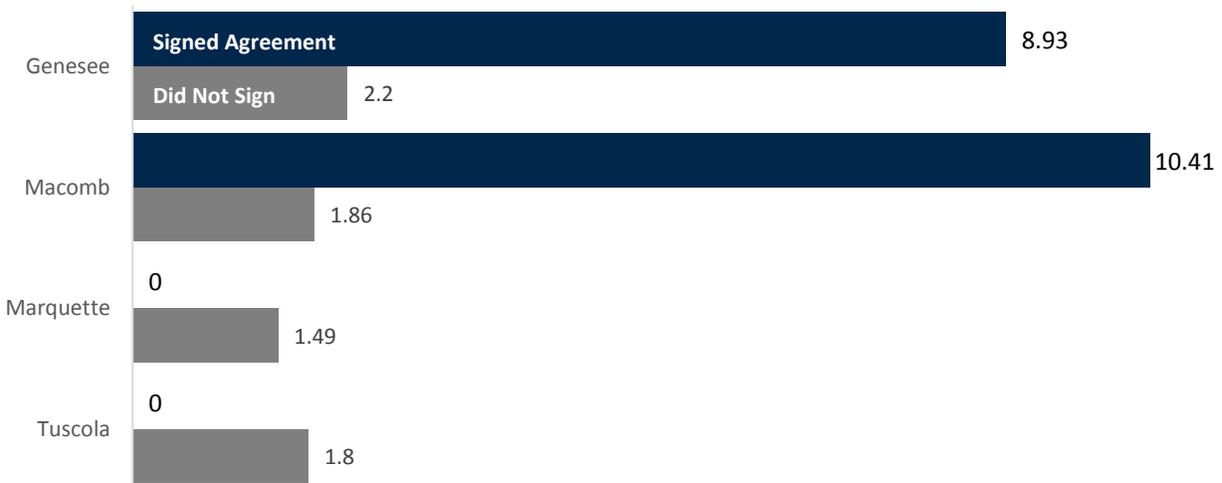
A total of 3,110 activities for 724 NCPs were recorded in MARGD for work related to the CAROTS pilot. Individual CAORTS NCPs could have multiple activities. Macomb County reported the most activities (n=1,877), followed by Genesee County (n=1,097) (Figure 3). While Marquette and Tuscola counties did not enroll any NCPs in the CAROTS pilot, both counties used the random lists generated by UM-SSW to conduct recruitment activities to try to enroll NCPs.

Figure 3. Number of activities recorded in MARGD by county (n=3,110).



Of the 724 NCPs with activities recorded in MARGD, 494 NCPs did not sign a CAROTS payment plan agreement. Of the NCPs that did not sign an agreement, NCPs in Genesee County (n=5) received an average of 2.20 activities and NCPs in Macomb County (n=406) received an average of 1.86 activities. Of the 230 NCPs that did sign a CAROTS payment plan agreement, NCPs in Genesee County (n=122) received an average of 8.93 activities and NCPs in Macomb County (n=108) received an average of 10.41 activities (Figure 4).

Figure 4. Average number of activities per NCP in each pilot county (n=724).

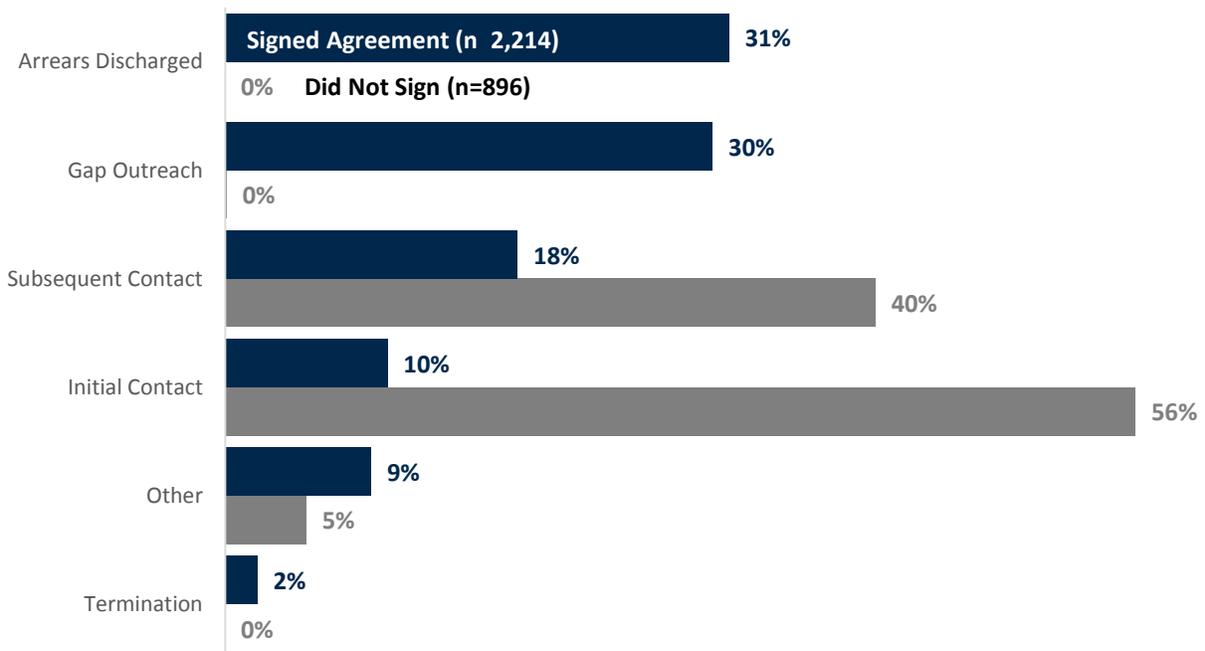


Activity Types

CAROTS NCPs received between one (1) and 25 activities (n=724), with an average of 4.31 activities. The NCPs that did not sign a CAROTS payment plan agreement (n=494) received between one (1) and six (6) activities, with an average of 1.83 activities. The NCPs that did sign a CAROTS payment plan agreement (n=230) received between one (1) and 25 activities, with an average of 9.63 activities.

Of the 2,214 activities used with NCPs who signed the CAROTS payment plan agreement, 31% of the activities were arrears discharged and 30% of the activities were gap outreach. Of the 896 activities used with NCPs who did not sign the CAROTS payment plan agreement, 56% of the activities were initial contacts and 40% of the activities were subsequent contacts (Figure 5).

Figure 5. Activity types used as recorded in MARGD (n=3,110).

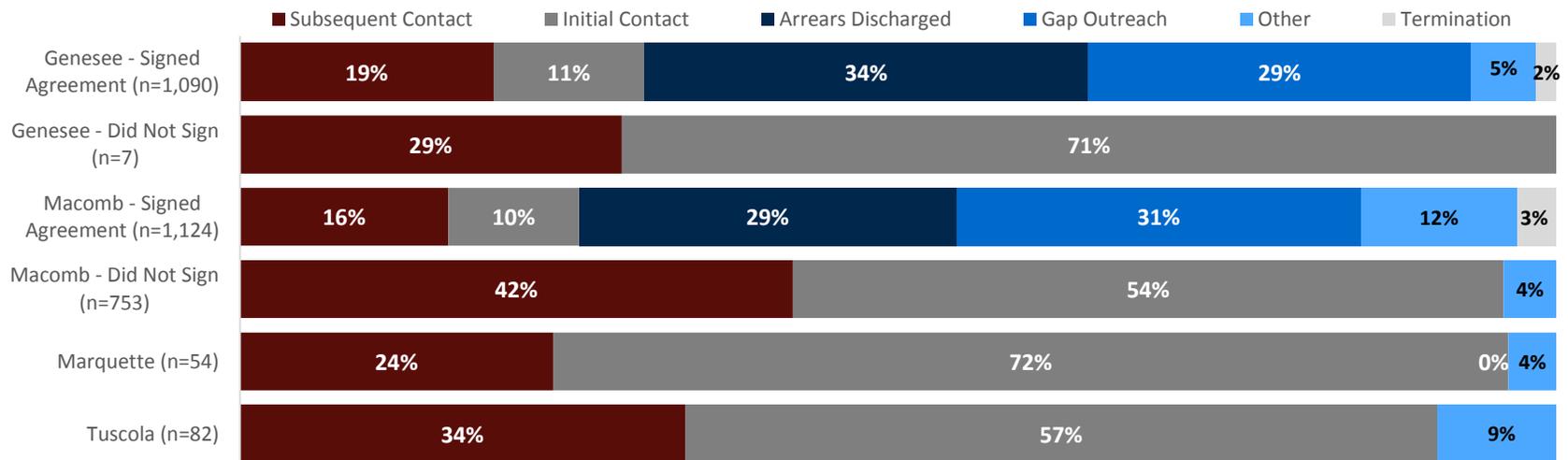




As detailed in Figure 6:

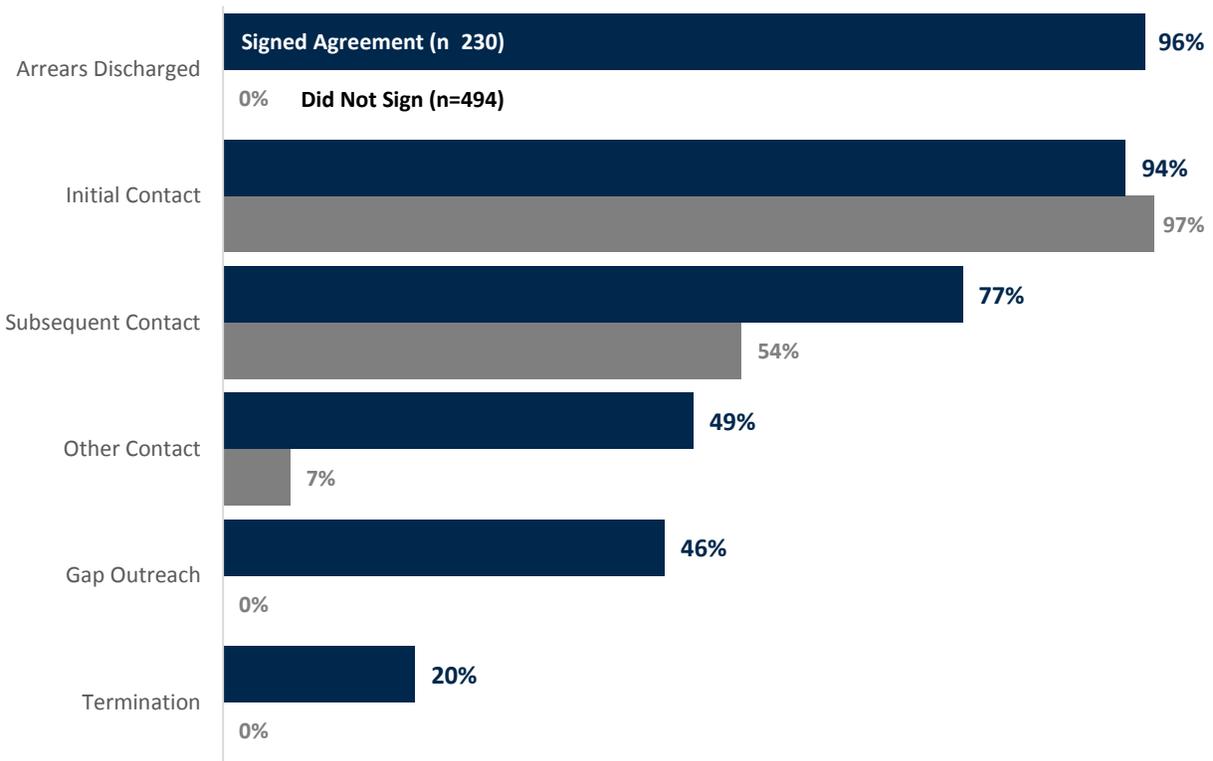
- Genesee County: most common activity with NCPs who signed the CAROTS payment plan agreement used was arrears discharged (34%), followed by gap outreach (29%). The most common activity with NCPs who did not sign the CAROTS payment plan agreement was initial contact at 71%, followed by arrears discharged at 29%.
- Macomb County: most commonly used activity with NCPs who signed the CAROTS payment plan agreement was gap outreach (31%), followed by arrears discharged (29%). The most common activity with NCPs who did not sign the CAROTS payment plan agreement was initial contact (54%), followed by subsequent contact (42%).
- Marquette County: most common activity was initial contact (72%).
- Tuscola County: most common activity was initial contact (57%), followed by a subsequent contact (34%).

Figure 6. Activity types by county (n=3,110).



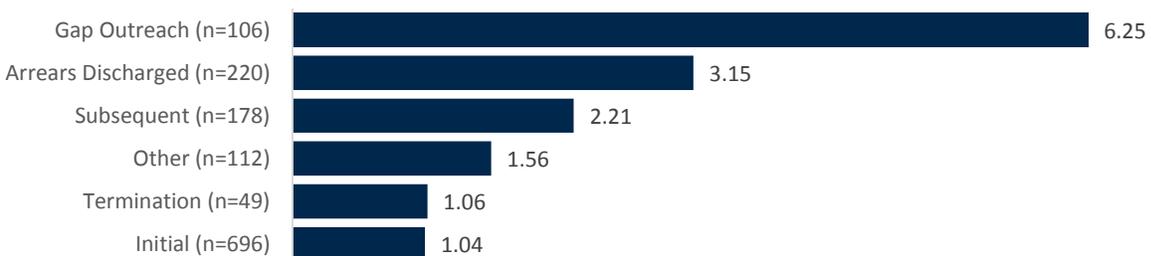
Of the 494 NCPs that did not sign a CAROTS payment plan agreement, 97% received an initial contact, followed by 54% who received a subsequent contact. Of the 230 NCPs that did sign a CAROTS payment plan agreement, 96% received an arrears discharge, followed by 94% who received an initial contact and 77% who received a subsequent contact (Figure 7).

Figure 7. Percent of CAROTS NCPs who received each activity type (n=724).



For NCPs that signed the CAROTS payment plan agreement and that received each activity type, the mean number of activity types per NCP was calculated. CAROTS NCPs received on average 6.20 gap outreach contacts and 3.12 arrears discharged contacts (Figure 8).

Figure 8. Average number of activity types per NCP.

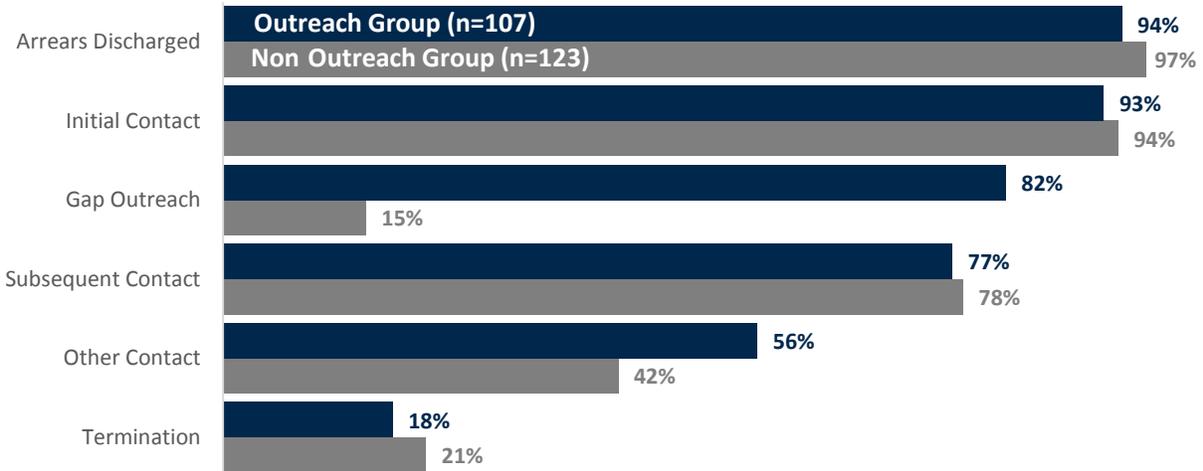




A. Outreach Group

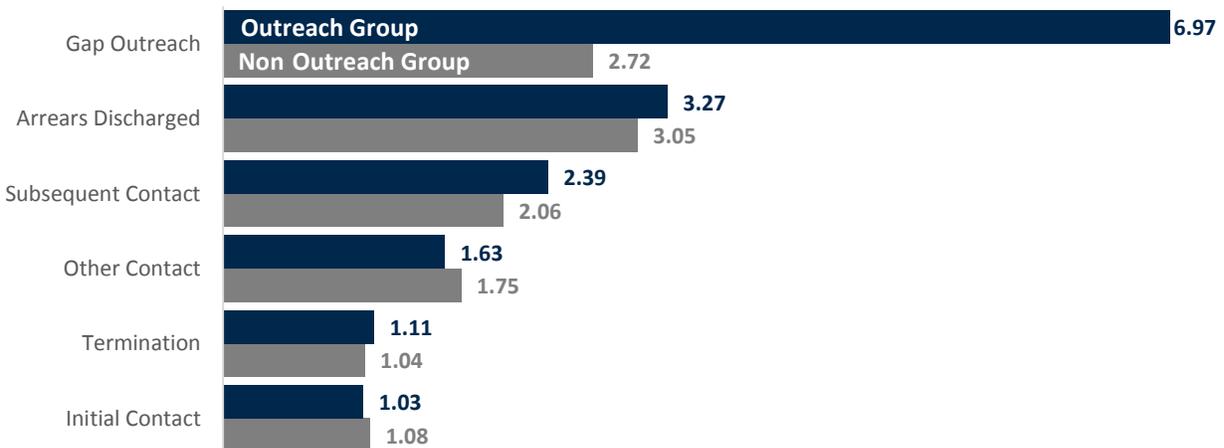
For NCPs in the Outreach Group (n=107), 94% received at least one arrears discharge, 93% received an initial contact, and 82% received a gap outreach. For NCPs not in the Outreach Group (n=123), 97% received at least one arrears discharge, 94% received an initial contact, and 78% received a subsequent contact (Figure 9).

Figure 9. Percent of CAROTS NCPs receiving each activity type by Outreach Group status (n=230).



For NCPs that received each activity type, the mean number of activity types per NCP was calculated. Outreach Group NCPs received an average of 6.97 gap outreach activities, 3.27 arrears discharged activities, and 2.39 subsequent contact. Non-Outreach Group NCPs received an average of 3.05 arrears discharged activities, 2.72 gap outreach activities, and 2.06 subsequent contacts (Figure 10).

Figure 10. Average number of activity types per NCP by Outreach Group status.



The design of the Outreach Group was intended to compare NCPs who received gap outreach prevention when in danger of missing a payment to those that did not receive gap outreach prevention to determine if the gap outreach prevention activities improved payment outcomes. However, NCPs not in the Outreach Group received gap outreach despite the design and training, as shown in Figures 9 and 10.⁸

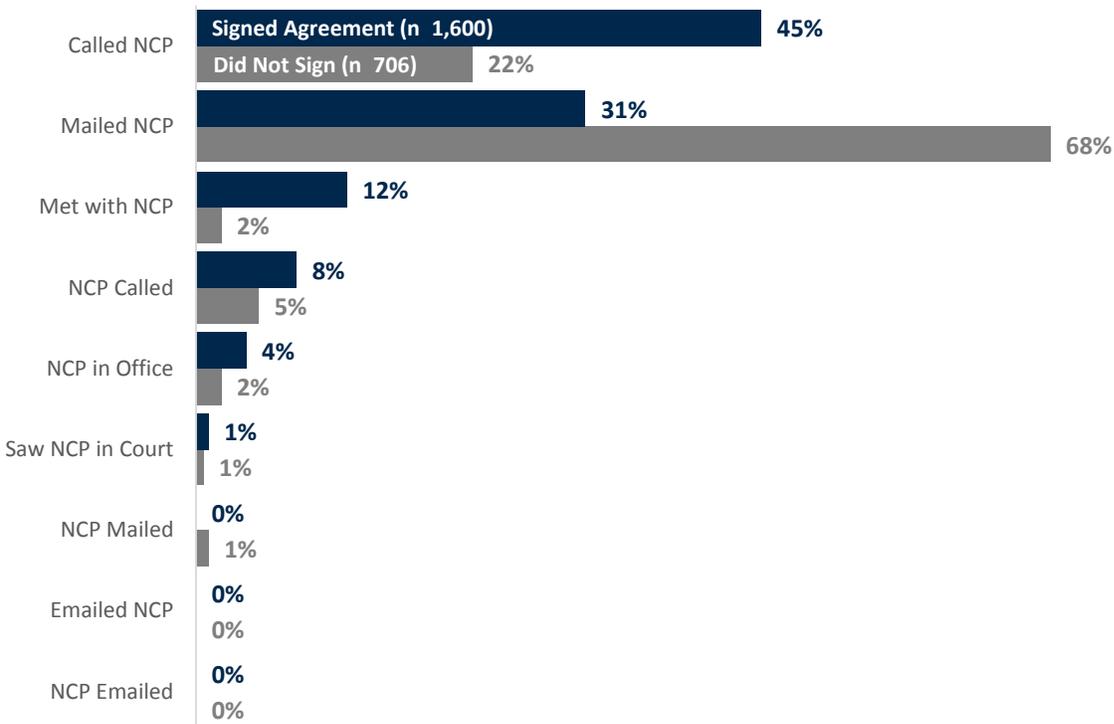
⁸ One explanation for this discrepancy is an initial confusion of which NCPs were in the Outreach Group. Some NCPs not in the Outreach Group may have received Gap Outreach activities before this confusion was resolved.



Method of Contact

Of the 3,110 activities recorded in MARGD, 2,306 activities (74%) had a method of contact reported. For NCPs who signed the CAROTS payment plan agreement, the contact method that was used most often was calling the NCP (45%), followed by mailing the NCP (31%). For NCPs that did not sign the CAROTS payment plan agreement, the contact method that was used most often was mailing the NCP (68%), followed by calling the NCP at 22% (Figure 11).

Figure 11. Method of contact as recorded in MARGD (n=2,306).

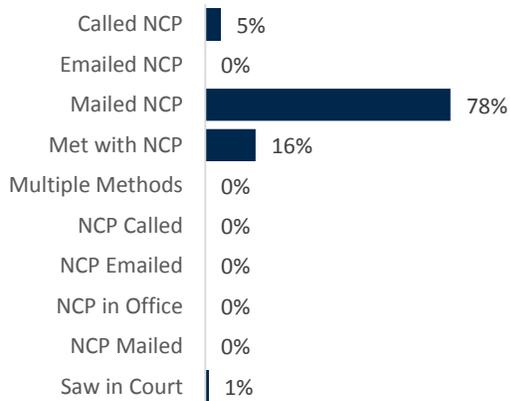


Initial contacts were most commonly conducted through mailing the NCP (78%). The most common method for subsequent contacts was calling the NCP (50%), followed by the NCP calling the office (28%). Arrears discharged contacts were most commonly conducted through mailing the NCP (74%). The most common method for gap outreach contacts was calling the NCP (94%). Termination contacts were primarily conducted through mailing the NCP (96%). “Other” types of contact were most commonly conducted through the calling the NCP (33%), followed by mailing the NCP (21%), and the NCP calling (21%) (Figure 12, next page).

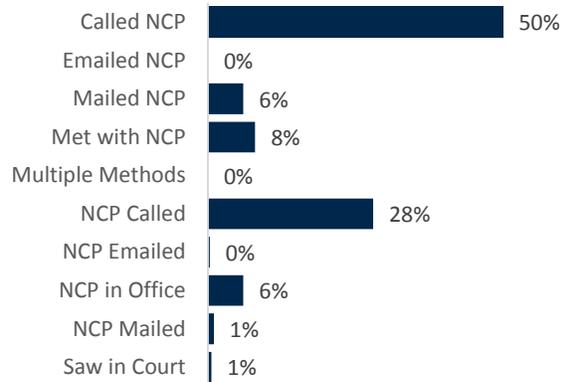
With the exception of Genesee County, mailing the NCP was the most commonly used method of contact in all of the pilot counties. Genesee County most commonly used method was calling the NCP (38%) (Figure 13, page 26).

Figure 12. Method of contact by activity type (n=2,314).

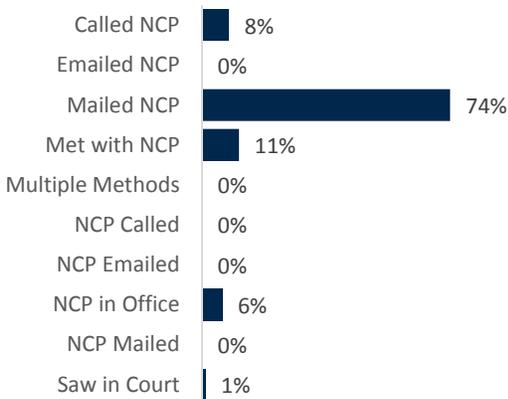
Initial Contact (n=690)



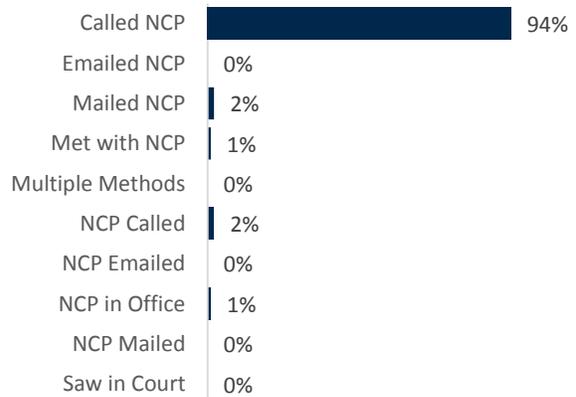
Subsequent Contact (n=522)



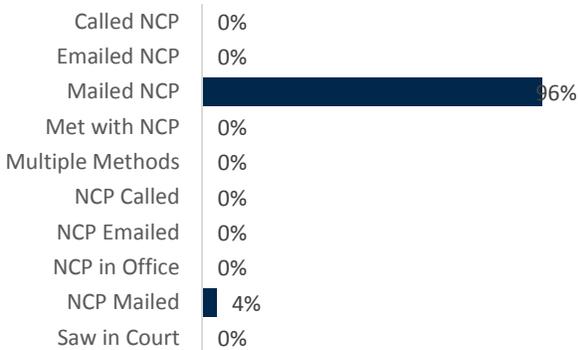
Arrears Discharged (n=494)



Gap Outreach (n=558)



Termination (n=26)



Other (n=24)

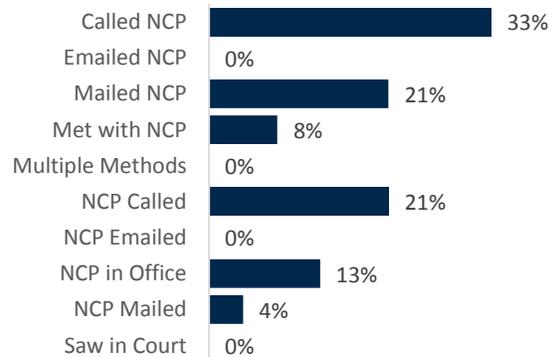
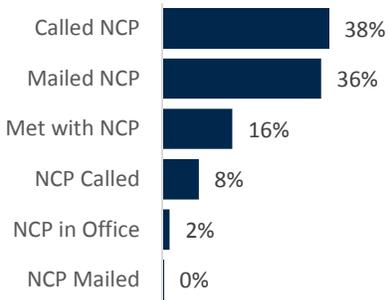


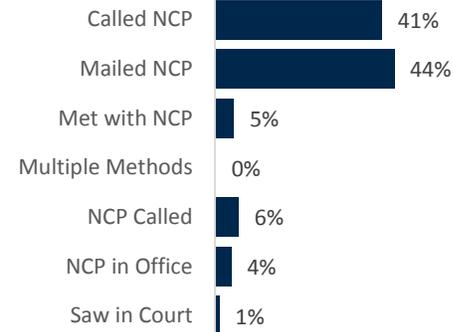


Figure 13. Method of contact by county (n=2,314).

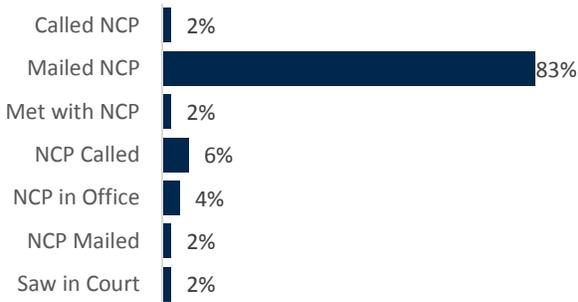
Genesee (n=978)



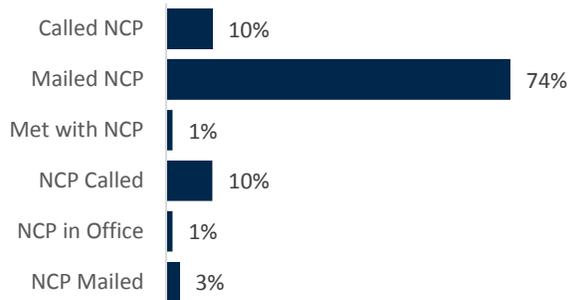
Macomb (n=1,214)



Marquette (n=52)

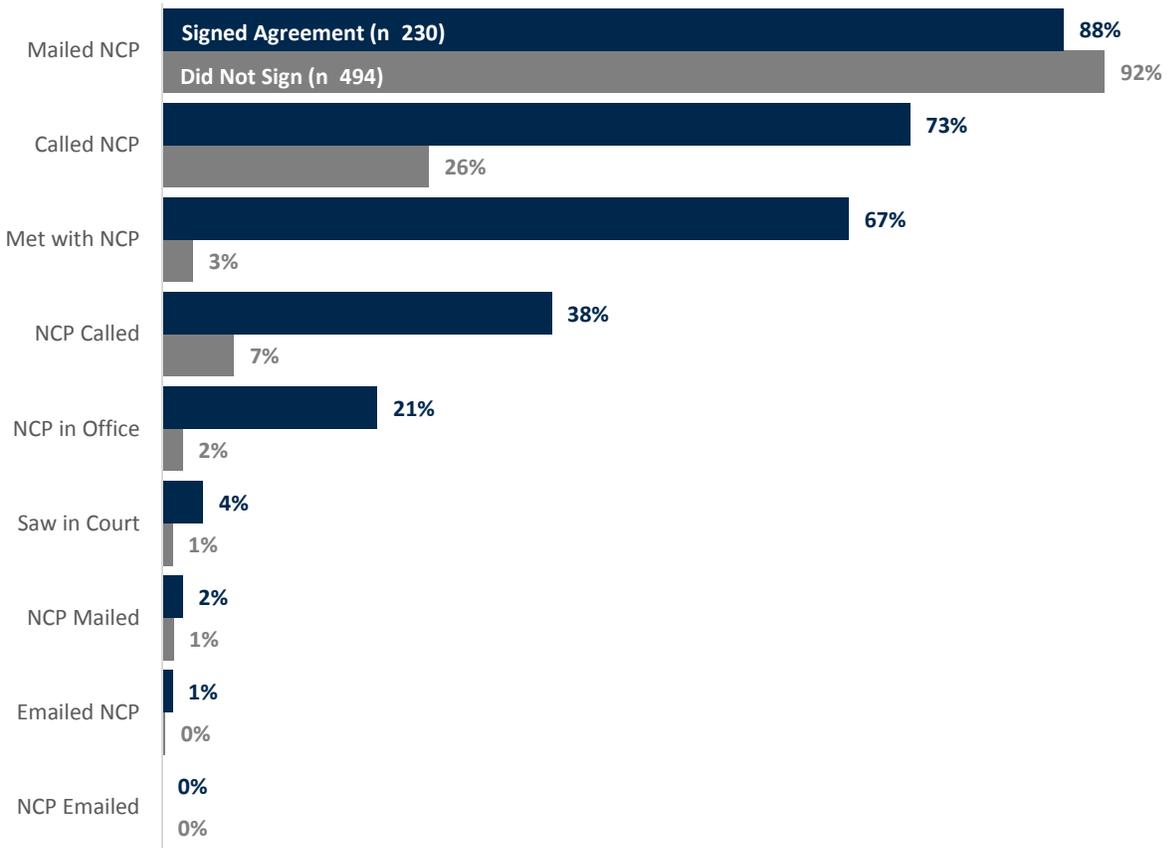


Tuscola (n=70)



Of the 494 NCPs that did not sign a CAROTS payment plan agreement, 92% were mailed, followed by 26% who were called. Of the 230 NCPs that did sign a CAROTS payment plan agreement, 92% were mailed, followed by 73% who were called and 67% who met with a pilot staff in person (Figure 14).

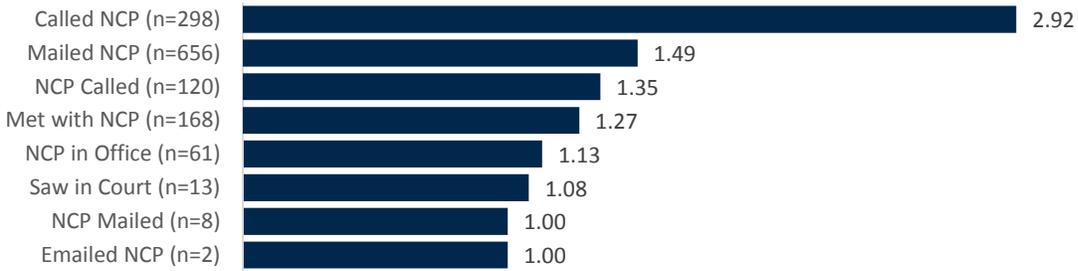
Figure 14. Percent of PM NCPs who received each contact method (n=724).



For NCPs that received each contact method, the mean number of times that each NCP received that contact method was calculated. On average, NCPs who were called by pilot staff were called 2.92 times and NCPs who were mailed were mailed 1.49 times (Figure 15).



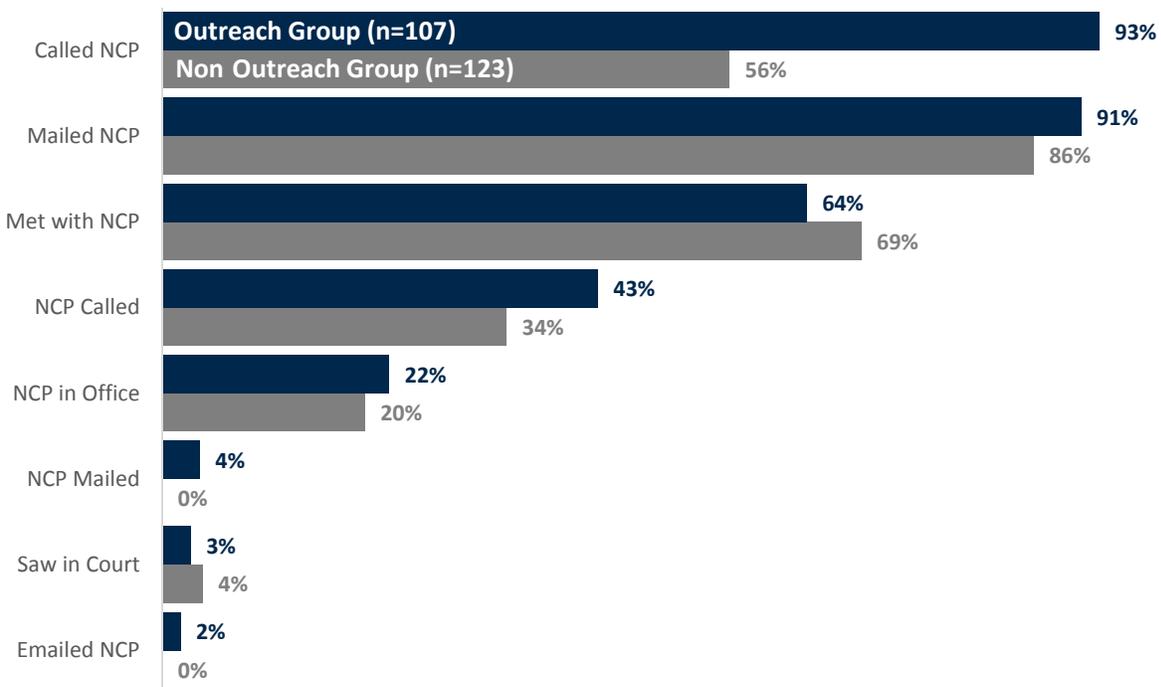
Figure 15. Average number of times PM NCPs received each contact method.



A. Outreach Group

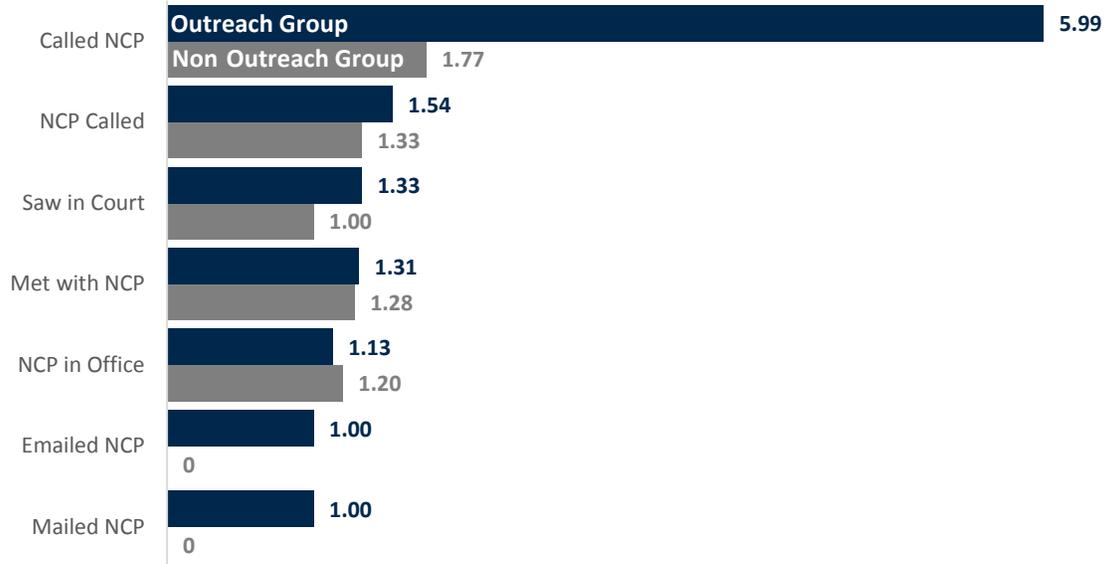
For NCPs in the Outreach Group (n=107), 93% were called, 91% received a mailing, and 64% met with a pilot staff in person. For NCPs not in the Outreach Group (n=123), 86% received a mailing, 69% met with a pilot staff in person, and 56% were called (Figure 16).

Figure 16. Percent of CAROTS NCPs receiving each contact method by Outreach Group status (n=230).



For NCPs that received each activity type, the mean number of activity types per NCP was calculated. Outreach Group NCPs received an average of 5.99 calls, NCPs called the office an average of 1.54 times, and pilot staff saw NCPs in court an average of 1.33 times. Non-Outreach Group NCPs received an average of 1.77 calls, NCPs called the office an average of 1.33 times, and met with pilot staff an average of 1.28 times (Figure 17, next page).

Figure 17. Average number of contact methods per NCP by Outreach Group status.





Responsiveness

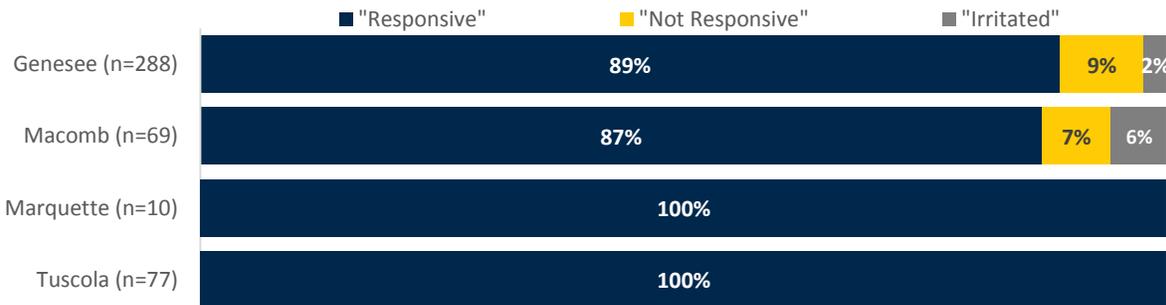
In MARGD, pilot workers were asked to record their impression of whether the NCP was responsive, not responsive, or irritated by the activity that was performed. Of the 3,110 activities recorded in MARGD, 374 of the activities (12%) indicated the response of the NCP. NCPs were responsive to 89% of activities, followed by not responsive to 8% of activities, and irritated as a result of 3% of activities (Figure 18).

Figure 18. Overall responsiveness of PM NCP as recorded in MARGD (n=374).



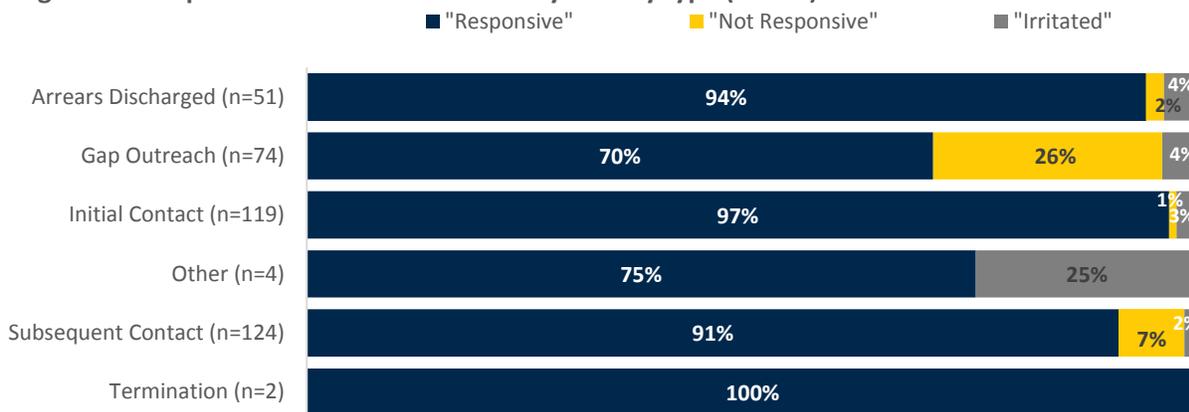
All of the NCPs with responses recorded in Marquette and Tuscola counties were “responsive” to the activity. NCPs were responsive to 89% of activities in Genesee County and 87% of activities in Macomb County (Figure 19).

Figure 19. Responsiveness of PM NCP by county (n=374).



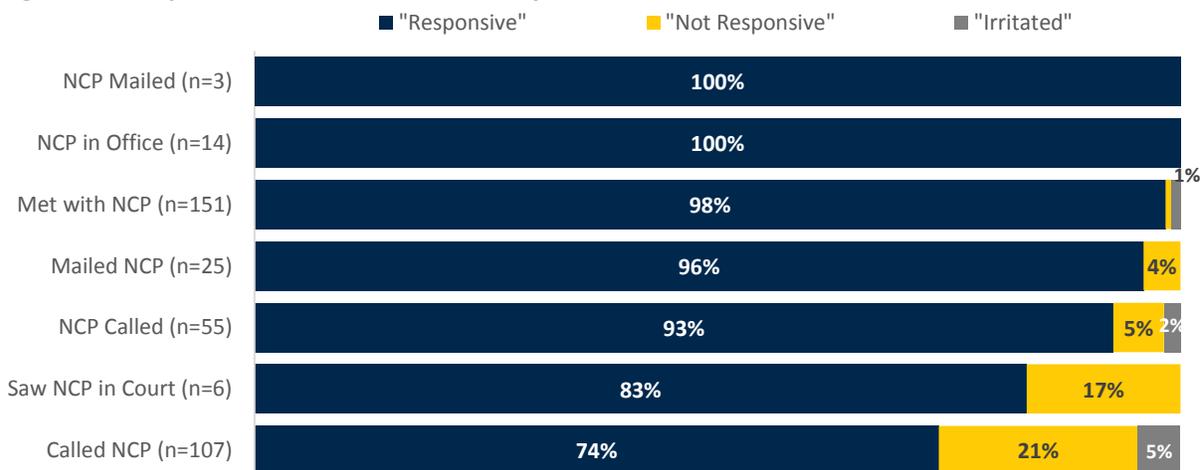
According to pilot workers, NCPs were the most responsive to termination contacts (100%), followed by arrears discharged contacts (94%). The highest percentage of NCPs who were not responsive was for gap outreach contacts (26%). The highest percentage of NCPs who were irritated was for “other” contacts (25%) (Figure 20, next page).

Figure 20. Responsiveness of CAROTS NCP by activity type (n=374).



NCPs were always responsive when the NCP mailed or was in the office (100%). NCPs were most responsive when a pilot worker met with a NCP (98%), followed by when the NCP was mailed (96%) (Figure 21).

Figure 21. Responsiveness of CAROTS NCP by contact method (n=361).



Of the 724 NCPs with activities reported in MARGD, 193 had a response to an activity recorded in MARGD (27%). Of these NCPs, the majority were responsive to at least one activity (97%) (Figure 22).

Figure 22. Percent of CAROTS NCPs reported as each response type (n=193).

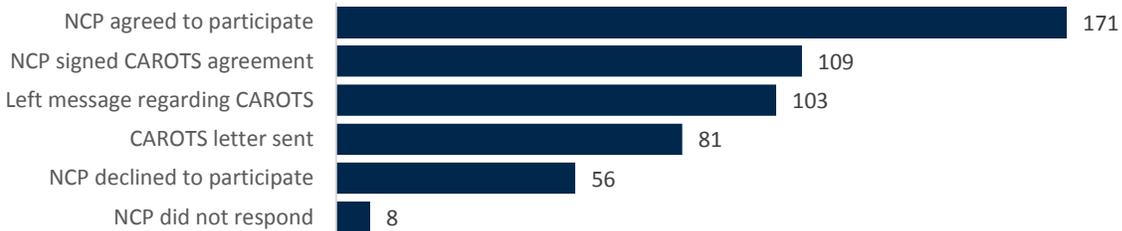




CAROTS Agreement

A total of 528 activities regarding the CAROTS agreement were recorded in MARGD (Figure 23).

Figure 23. Number of activities regarding the CAROTS agreement (n=528).

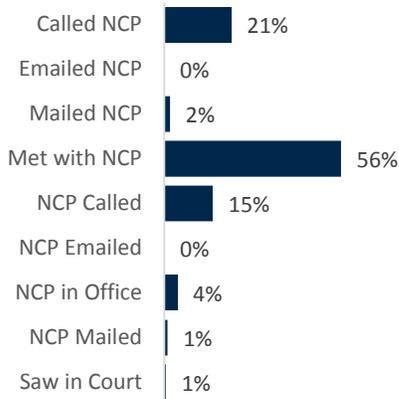


When NCPs agreed to participate in CAROTS, it was primarily through meeting with a pilot staff in person (56%), followed by being called by pilot staff (21%). When pilot staff left a message for a NCP about CAROTS, it was almost always through a phone call (96%). When a NCP declined to participate in CAROTS, it was primarily when they were meeting with a pilot staff in person (46%), followed by when the NCP called the FOC office (24%) or a pilot staff called the NCP (19%). When pilot staff sent a letter about CAROTS, it was almost always through mailing the NCP (93%). When pilot staff received no response regarding the CAROTS agreement from a NCP, it was always through a phone call (100%). Finally, the CAROTS agreement was signed by the NCP primarily when they were meeting with a pilot staff in person (90%) (Figure 24, next page).

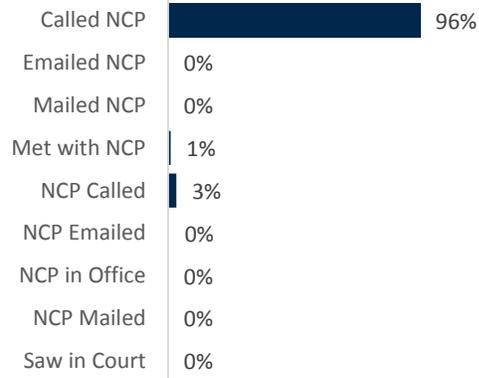
NCPs were largely “responsive” to all of the communications regarding the CAROTS agreement (Figure 25, page 34).

Figure 24. Method of contact by CAROTS agreement contact.

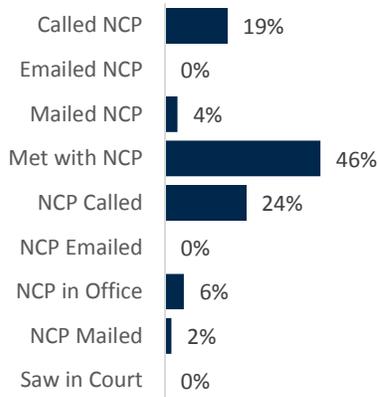
Agreed to CAROTS (n=169)



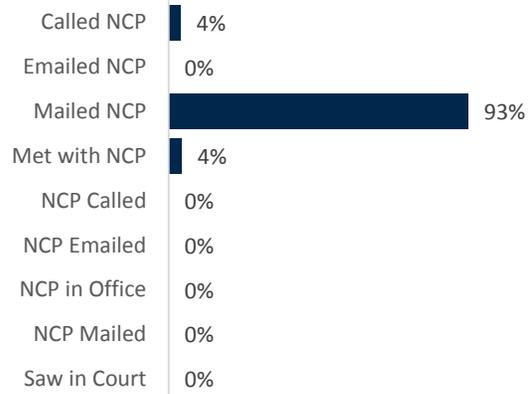
Left Message About CAROTS (n=97)



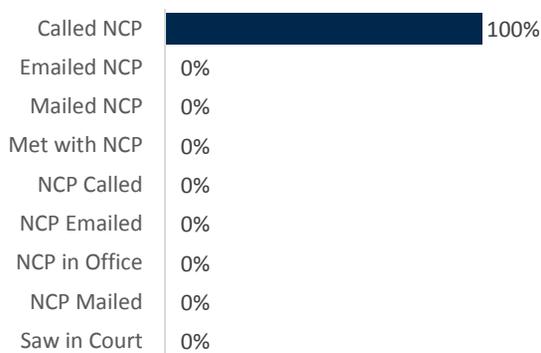
Declined Participation (n=54)



Sent Letter About CAROTS (n=81)



No Response (n=8)



CAROTS Agreement Signed (n=108)

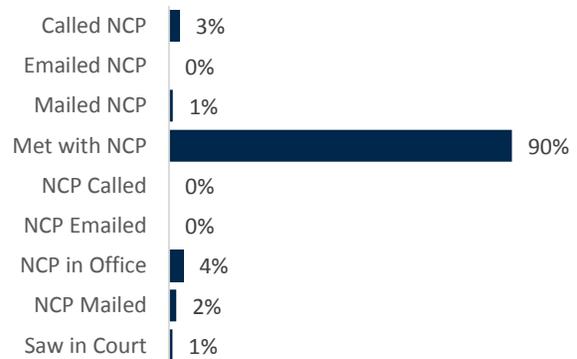
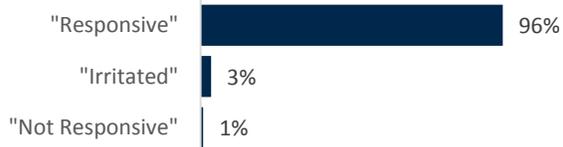


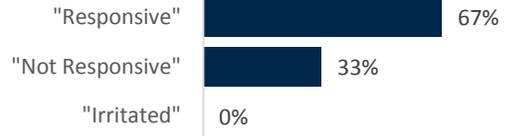


Figure 25. Responsiveness of NCP by CAROTS agreement contact.

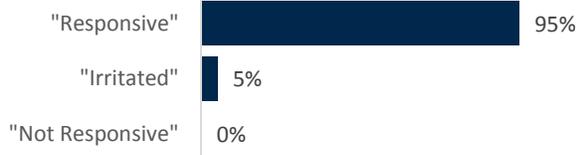
Agreed to CAROTS (n=123)



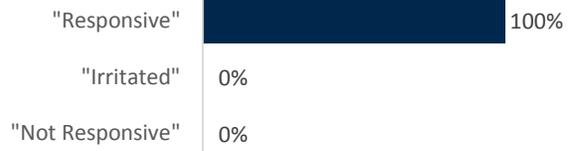
Left Message About CAROTS (n=3)



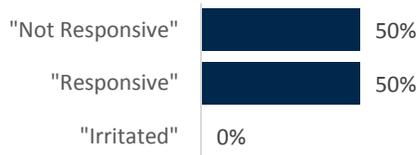
Declined Participation (n=42)



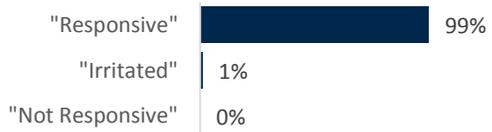
Sent Letter About CAROTS (n=4)



No Response (n=8)

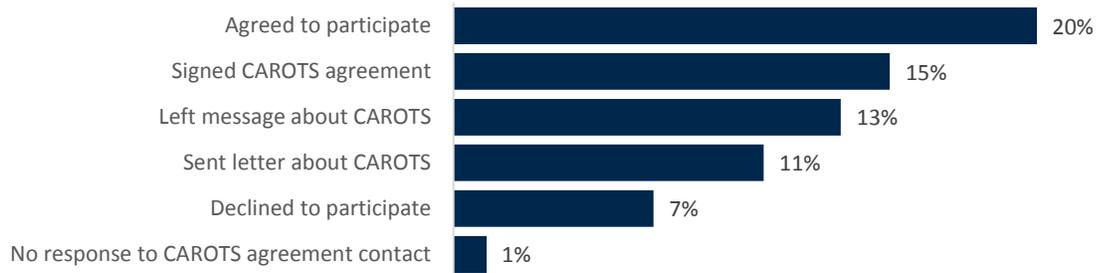


CAROTS Agreement Signed (n=98)



Of the 724 NCPs with activities recorded in MARGD, 20% agreed to participate in CAROTS, according to the activities recorded in MARGD and 15% signed the CAROTS agreement (Figure 26).

Figure 26. Percent of CAROTS NCPs who had a contact about the CAROTS agreement (n=724).





Review and Modification

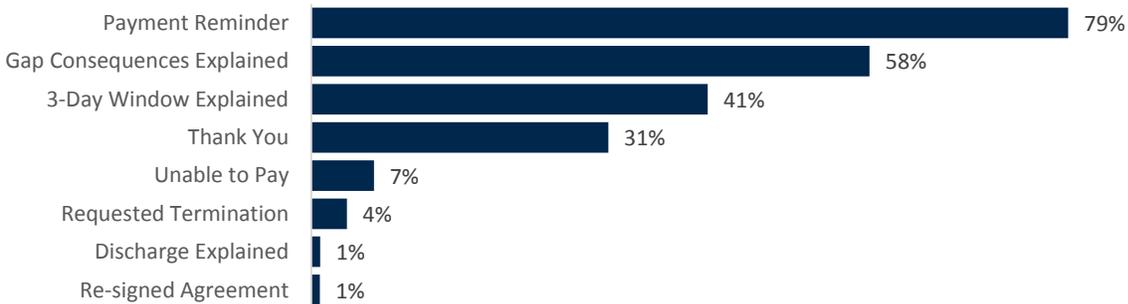
Of the 230 NCPs that enrolled in CAROTS, 35 had a review and modification recorded in MARGD (15%). All 35 NCPs received one review and modification order.

Outreach Activities

A total of 107 NCPs were included in the Outreach Group (54%). NCPs in the Outreach Group received additional activities to prevent them from falling into a payment gap.

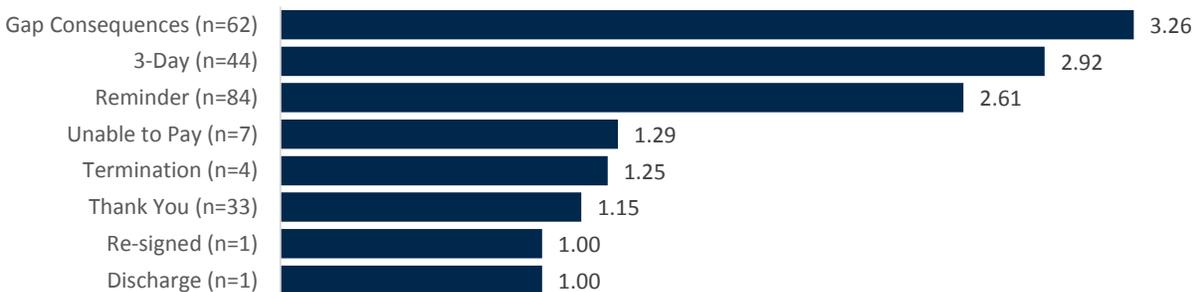
The majority of NCPs in the Outreach Group received a reminder (79%), followed by received an explanation of the consequences of falling into a payment gap (58%) and having the three-day payment window explained (41%) (Figure 27).

Figure 27. Frequency of outreach activities conducted with NCPs in the Outreach Group (n=107).



For NCPs that had each outreach activity type, the average number of times they had that activity type was calculated. NCPs who received an explanation of gap consequences received that activity an average of 3.26 times. NCPs who received an explanation of the three-day window received that activity an average of 2.92 times. NCPs who received a payment reminder received that reminder an average of 2.61 times (Figure 28).

Figure 28. Average number of activities for each response type.



Part 2: Pilot Results

Impact on Payment of Obligation



Percent of Obligation Paid

Obligations and payments were reported in the MARGD system at the monthly level from April 2013 (one month prior to the beginning of the CAROTS pilot) to April 2015. The total percent of obligation paid was calculated by summing the amount paid by the NCP each month and dividing it by the sum of the monthly obligation amount. MARGD recorded payment information for the 201 NCPs who enrolled in CAROTS in Genesee and Macomb counties.

The percent of obligation paid ranged from 1% to 100%. Any amount paid over 100% of the obligation was payment towards arrears. The average percent of obligation paid for CAROTS NCPs was 75.3% (Table 1). Three NCPs did not have an obligation amount and all payments were made towards arrears.

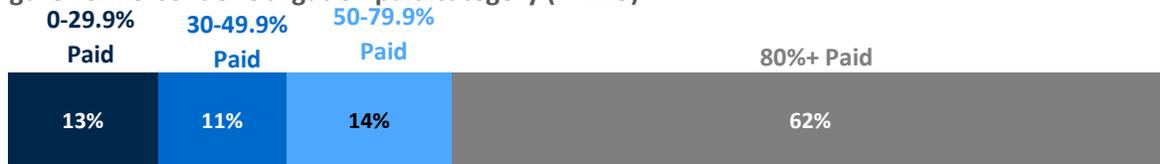
Table 1. Total obligation, payments, and percent of obligation paid of NCPs in the CAROTS pilot from April 2013 to April 2015 (n=229).

	Minimum	Maximum	Mean	Standard Deviation
Total Obligation	\$0	\$27,550	\$5,088	\$4,142
Total Payments	\$30	\$22,500	\$5,150	\$4,616
Percent of Obligation Paid	0%	100%	76.4%*	31.6%*
Payment Towards Arrears (over 100% of obligation) (n=116)	0%	2060%	114.6%	215.2%

*Based on a range of 0-100% percent of obligation paid.

Over half of NCPs (62%) paid 80% or more of their obligation and 13% of NCPs paid less than 30% of their obligation (Figure 29).

Figure 29. Percent of obligation paid category (n=225).



The average percent of obligation paid by CAROTS NCPs in Genesee County was 78.0% and in Macomb County was 74.6% (Figure 30, next page).

Figure 30. Percent of obligation paid up to 100% by county (n=229).

CAROTS NCPs
FY 15, Q2



NCPs in the Outreach Group paid an average of 78.3% of their obligation, compared to NCPs not in the Outreach Group who paid an average of 74.7% of their obligation. However, this difference was not statistically significant, with a p-value>0.05 (Figure 31).

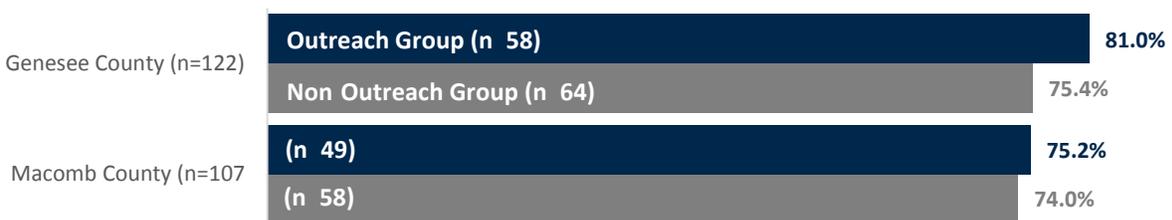
Figure 31. Percent of obligation paid up to 100% by Outreach Group status, p-value>0.05 (n=229).



In Genesee County, NCPs in the Outreach Group paid an average of 81.0% of their obligation, compared to NCPs not in the Outreach Group who paid an average of 75.4% of their obligation. However, this difference was not statistically significant, with a p-value>0.05 (Figure 32).

In Macomb County, NCPs in the Outreach Group paid an average of 75.2% of their obligation, compared to NCPs not in the Outreach Group who paid an average of 74.0% of their obligation. However, this difference was not statistically significant, with a p-value>0.05 (Figure 32).

Figure 32. Percent of obligation paid up to 100% by Outreach Group status in each county, p-value>0.05 (n=229).

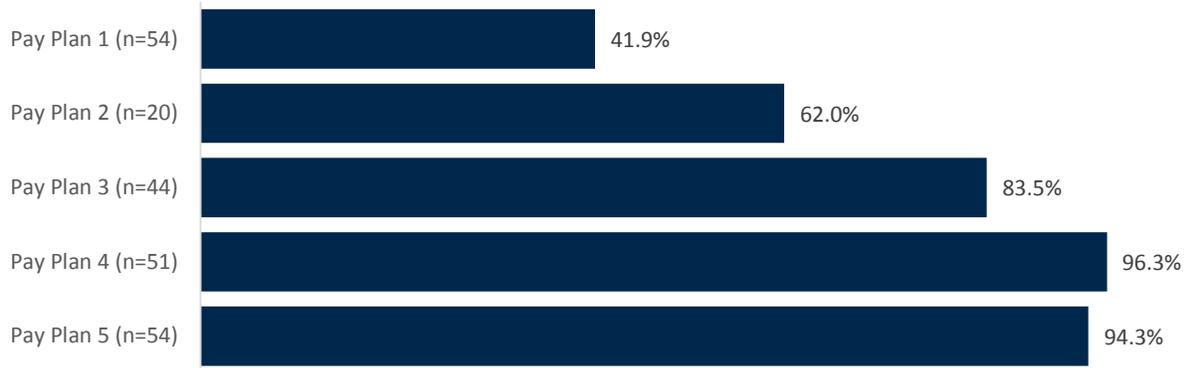


NCPs who ended the CAROTS pilot in payment plan period 4 had the highest average percent of obligation paid at 96.3%, followed by NCPs who ended the CAROTS pilot in payment plan period 5 at 94.3%. The lowest average percent of obligation paid was for NCPs who ended the CAROTS



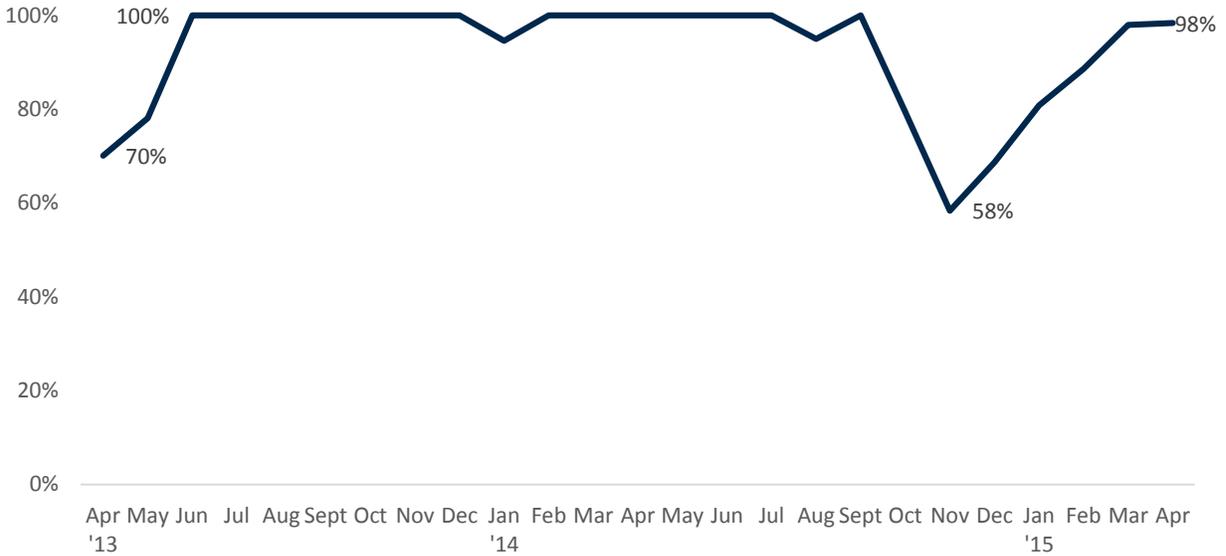
pilot in payment plan period 1 at 41.9% (Figure 33, next page). NCPs who ended the CAROTS pilot in payment plan period 1 were either dropped from the CAROTS pilot due to more than three gaps in payment or requested termination from the pilot.

Figure 33. Average percent of obligation paid up to 100% for CAROTS NCPs by Payment Plan the NCP ended the CAROTS pilot in (n=223).



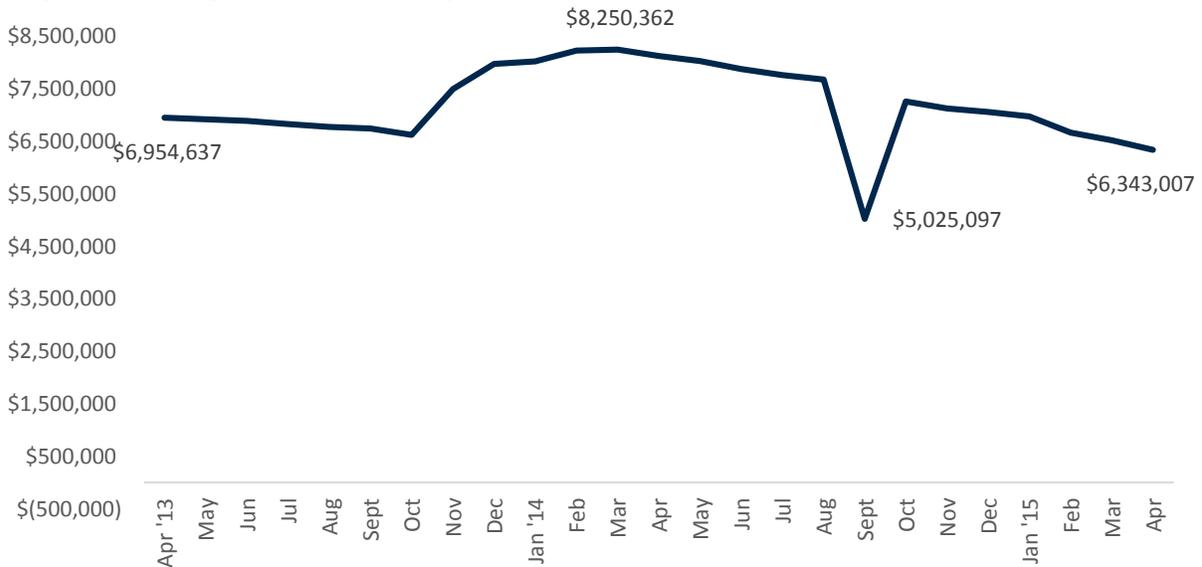
Overall, percent of obligation paid increased from 70% in April 2013 to 98% in April 2015. However, the percent of obligation paid peaked in July 2014 with 100% of obligations paid and 16% paid towards arrears (Figure 34).

Figure 34. Change in percent of obligation paid over time.



The total arrears for CAROTS NCPs decreased slightly from \$6,954,637 in April 2013 to \$6,343,007 in April 2015. The lowest amount of total arrears was reported in September 2014 at \$5,025,097 (Figure 35).⁹

Figure 35. Change in total arrears by month.



⁹ In September 2013, more NCPs were enrolled in the CAROTS pilot with the addition of Genesee County.



Activities

A. Activity Types

NCPs who received an arrears discharged had an average percent of obligation paid of 78.0%, compared to NCPs who did not receive an arrears discharged with an average percent of obligation paid of 41.2%. This difference was statistically significant, with a p-value<0.05.

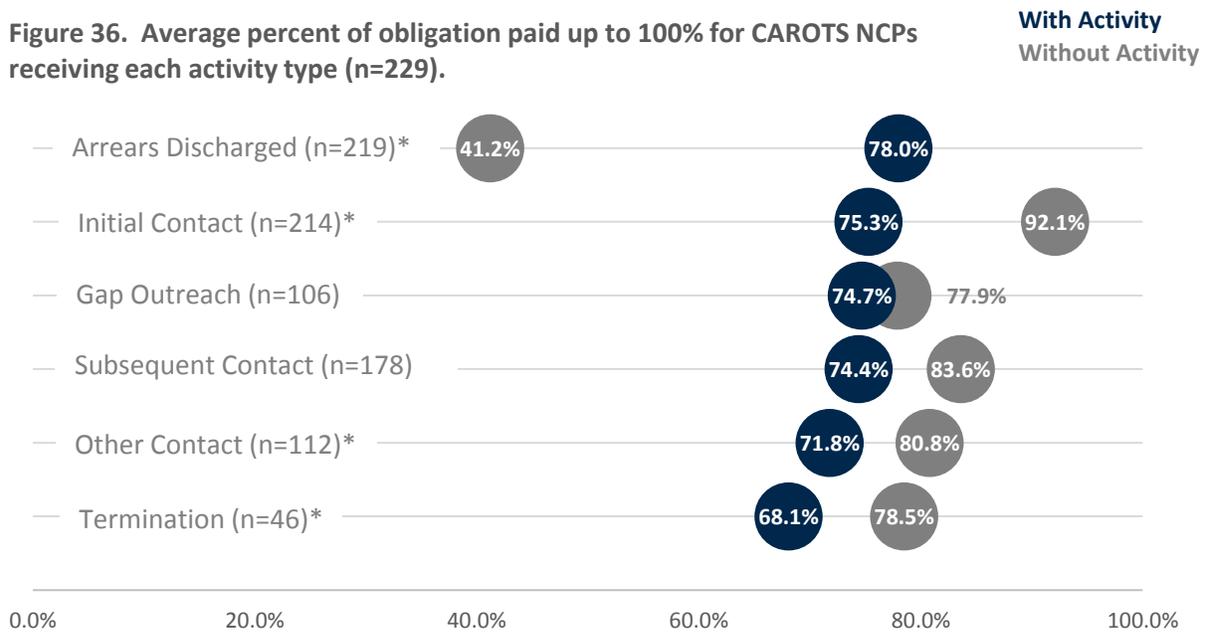
NCPs who received an initial contact paid an average of 75.3% of their obligation, compared to NCPs who did not receive an initial contact with an average percent of obligation paid of 92.1%. This difference was statistically significant, with a p-value<0.05.

NCPs who received an “other” contact paid an average of 71.8% of their obligation, compared to NCPs who did not receive an “other” contact with an average percent of obligation paid of 80.8%. This difference was statistically significant, with a p-value<0.05.

NCPs who received a termination had an average percent of obligation paid of 68.1%, compared to NCPs who did not receive a termination with an average percent of obligation paid of 78.5%. This difference was statistically significant, with a p-value<0.05.

The remaining activity types did not lead to statistically significant differences in the percent of obligation paid (Figure 36).

Figure 36. Average percent of obligation paid up to 100% for CAROTS NCPs receiving each activity type (n=229).

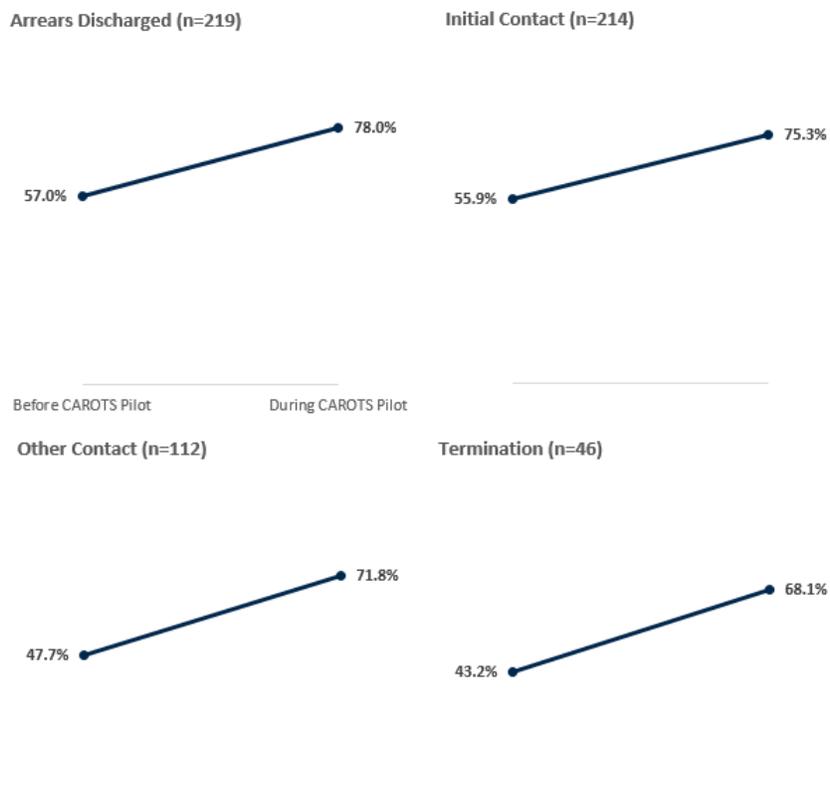


*Statistically significant, p-value<0.05

For the activities that resulted in a statistically significant difference in payment of obligation, the average percent of obligation paid for CAROTS NCPs three years prior to the CAROTS pilot¹⁰ was compared to their percent of obligation paid during the CAROTS pilot. Due to the low number of observations and the number of co-occurring activities, the explanation for the difference in percent of obligation paid before the CAROTS pilot and during the CAROTS pilot could not be determined. Rather, trends are presented for interpretation.

CAROTS NCPs that received an arrears discharge, an initial contact, an “other” contact, or a termination paid, on average, more than they did before the CAROTS pilot (Figure 37).

Figure 37. Description of average percent of obligation paid for CAROTS NCPs before and during the CAROTS pilot for those that received certain activity types.



¹⁰ Data on percent of obligation paid three years prior to the CAROTS pilot were obtained from MiCSES.



1. Outreach Group

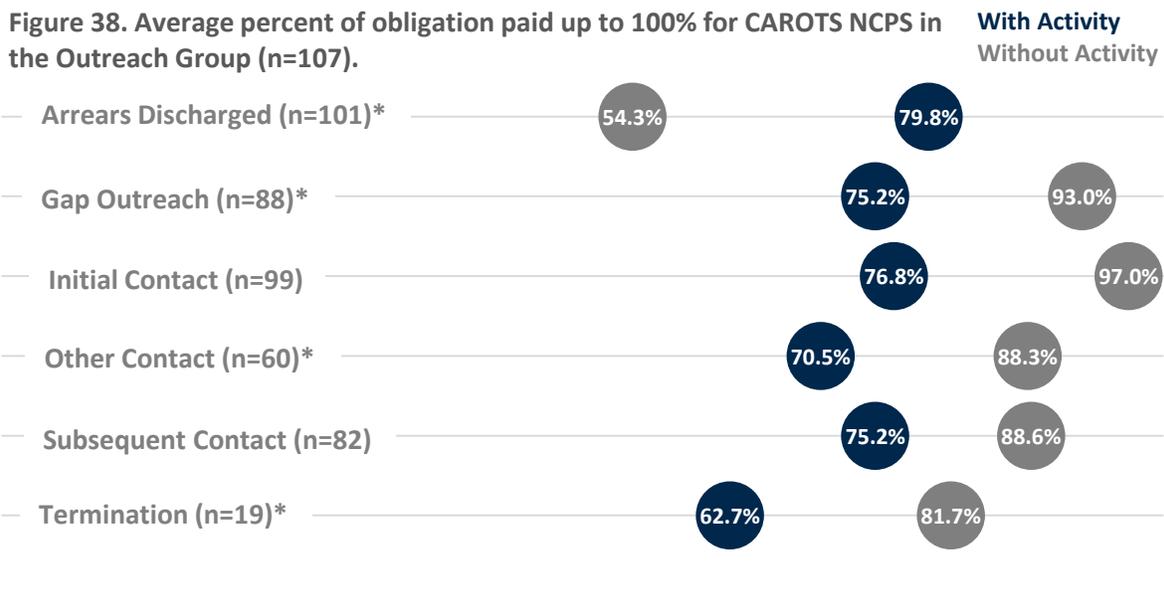
For NCPs in the Outreach Group, those who received an arrears discharged had an average percent of obligation paid of 79.8%, compared to those that did not receive an arrears discharged at 54.3%. This difference was statistically significant, with a p-value<0.05.

NCPs in the Outreach Group that received a gap outreach paid an average of 75.2% of their obligation, compared to those that did not receive a gap outreach at 93.0%. This difference was statistically significant, with a p-value<0.05.

NCPs in the Outreach Group that received an “other” contact paid an average of 70.5% of their obligation, compared to those that did not receive an “other” contact at 88.3%. This difference was statistically significant, with a p-value<0.05.

NCPs in the Outreach Group that received a termination paid an average of 62.7% of their obligation, compared to those that did not receive a termination at 81.7%. This difference was statistically significant, with a p-value<0.05.

The remaining activities did not result in a statistically significant difference in percent of obligation paid (Figure 38, next page).



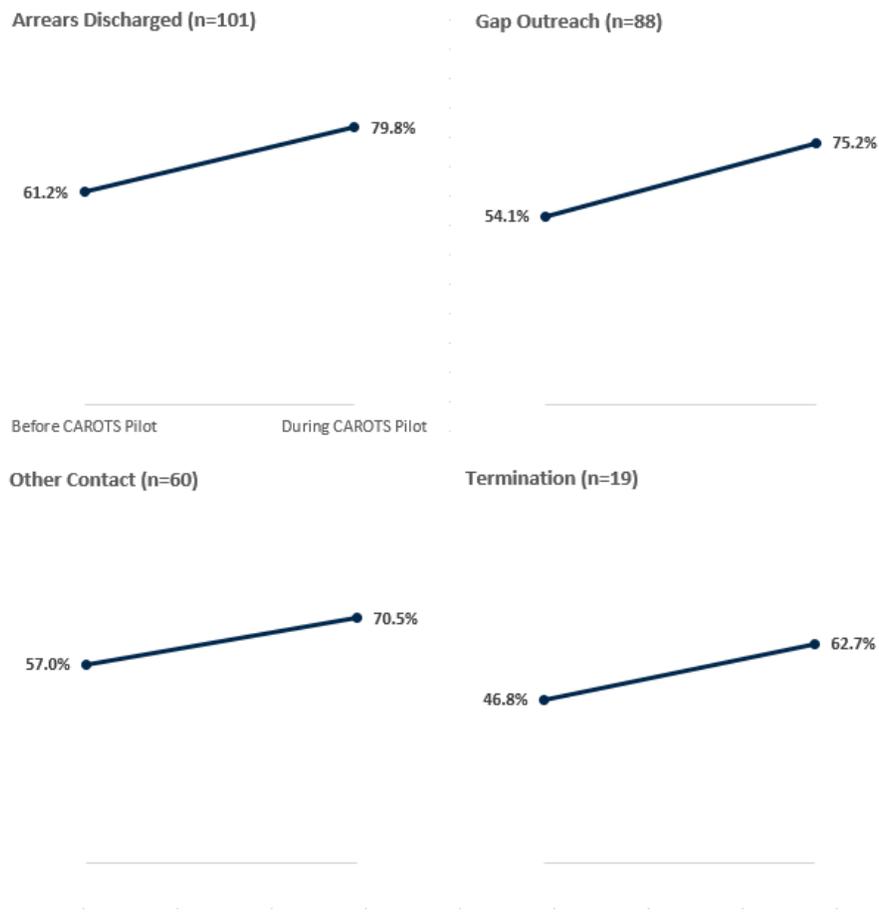
*Statistically significant, p-value<0.05

For the activities that resulted in a statistically significant difference in payment of obligation, the average percent of obligation paid for Outreach Group CAROTS NCPs three years prior to the PM pilot was compared to their percent of obligation paid during the CAROTS pilot. Due to the low number of observations and the number of co-occurring activities, the cause of the difference in

percent of obligation paid before the CAROTS pilot and during the CAROTS pilot could not be determined. Rather, trends are presented for interpretation.

Outreach Group CAROTS NCPs that received an arrears discharge, a gap outreach, and “other” contact, or a termination paid, on average, more than they did before the CAROTS pilot (Figure 39).

Figure 39. Description of average percent of obligation paid for Outreach Group CAROTS NCPs before and during the CAROTS pilot for those that received Arrears Discharged, Gap Outreach, Other Contact, and Termination.



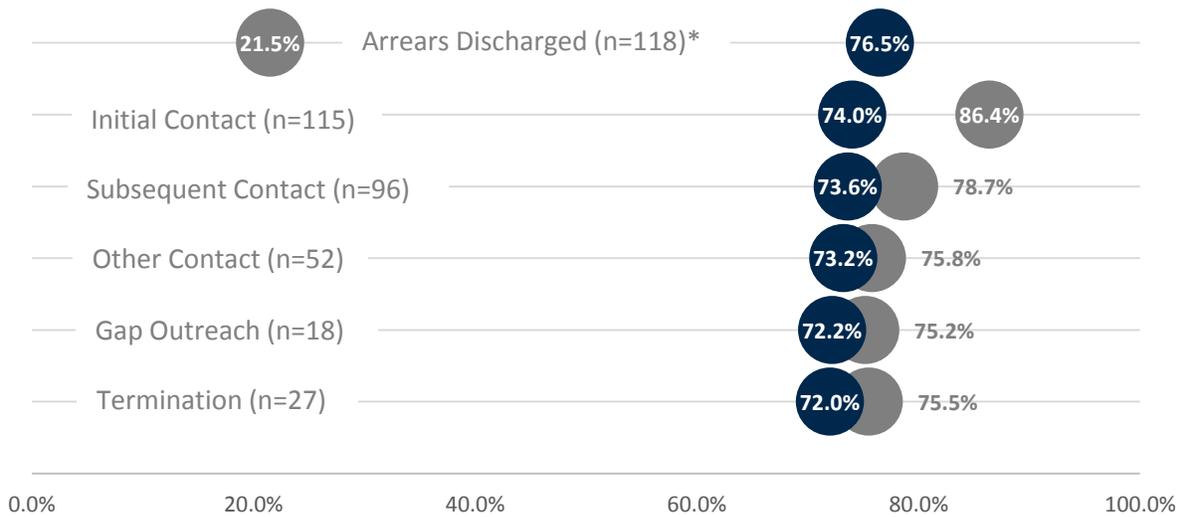


2. Non-Outreach Group

For NCPs not in the Outreach Group, those who received an arrears discharged had an average percent of obligation paid of 76.5%, compared to those that did not receive an arrears discharged at 21.5%. This difference was statistically significant, with a p-value<0.05.

The remaining activities did not result in a statistically significant difference in percent of obligation paid (Figure 40).

Figure 40. Average percent of obligation paid up to 100% for CAROTS NCPs not in the Outreach Group (n=94). With Activity
Without Activity

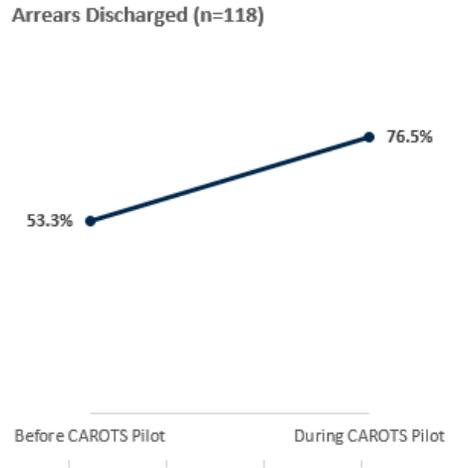


*Statistically significant, p-value<0.05

For the activities that resulted in a statistically significant difference in payment of obligation, the average percent of obligation paid for non-Outreach Group CAROTS NCPs three years prior to the PM pilot was compared to their percent of obligation paid during the CAROTS pilot. Due to the low number of observations and the number of co-occurring activities, the cause of the difference in percent of obligation paid before the CAROTS pilot and during the CAROTS pilot could not be determined. Rather, trends are presented for interpretation.

Non-Outreach Group CAROTS NCPs that received an arrears discharge paid, on average, more than they did before the CAROTS pilot (Figure 41, next page).

Figure 41. Description of average percent of obligation paid for Non-Outreach Group CAROTS NCPs before and during the CAROTS pilot for those that received Arrears Discharged.

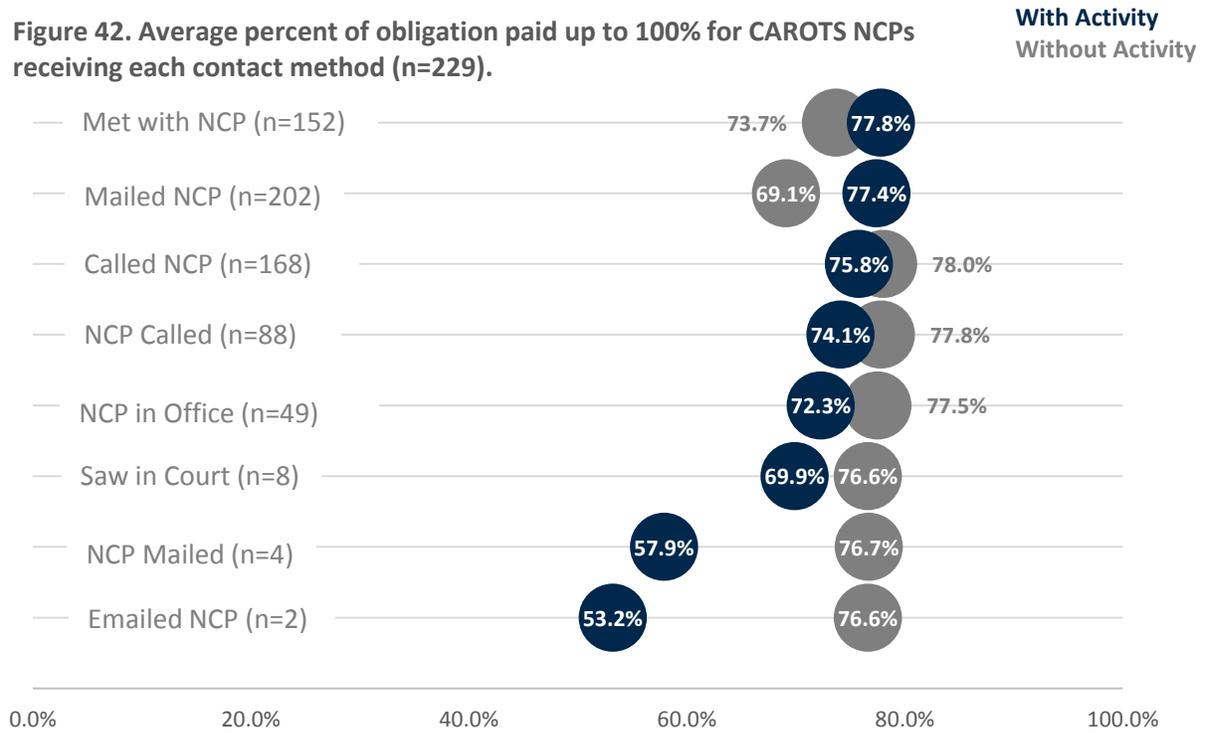




B. Method of Contact

There were no statistically significant differences in the percent of obligation paid for NCPs that received any contact method compared to those that did not receive that contact method (Figure 42).

Figure 42. Average percent of obligation paid up to 100% for CAROTS NCPs receiving each contact method (n=229).

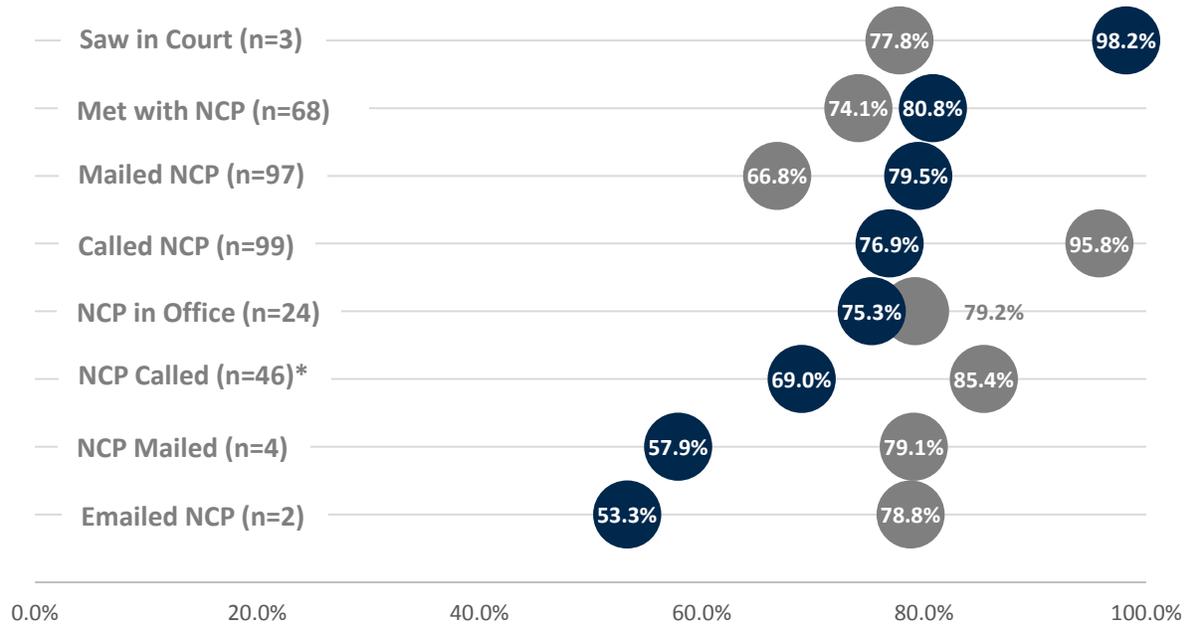


1. Outreach Group

NCPs in the Outreach Group that called the FOC office paid an average of 69.0% of their obligation, compared to those that did not call the office at 85.4%. This difference was statistically significant, with a p-value<0.05.

The remaining activities did not result in a statistically significant difference in percent of obligation paid (Figure 43).

Figure 43. Average percent of obligation paid up to 100% for CAROTS NCPs in the Outreach Group by contact method (n=107).



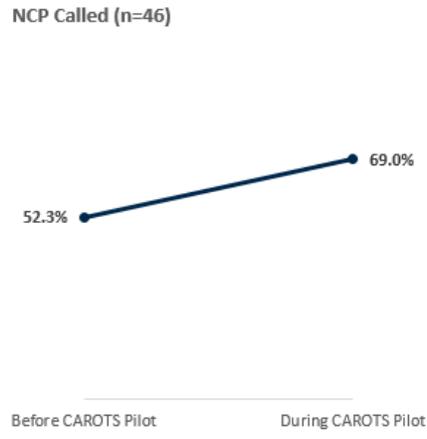
*Statistically significant, p-value<0.05

For the activities that resulted in a statistically significant difference in payment of obligation, the average percent of obligation paid for Outreach Group CAROTS NCPs three years prior to the CAROTS pilot was compared to their percent of obligation paid during the CAROTS pilot. Due to the low number of observations and the number of co-occurring activities, the cause of the difference in percent of obligation paid before the CAROTS pilot and during the CAROTS pilot could not be determined. Rather, trends are presented for interpretation.

Outreach Group CAROTS NCPs that called the office paid, on average, more than they did before the CAROTS pilot (Figure 44, next page).



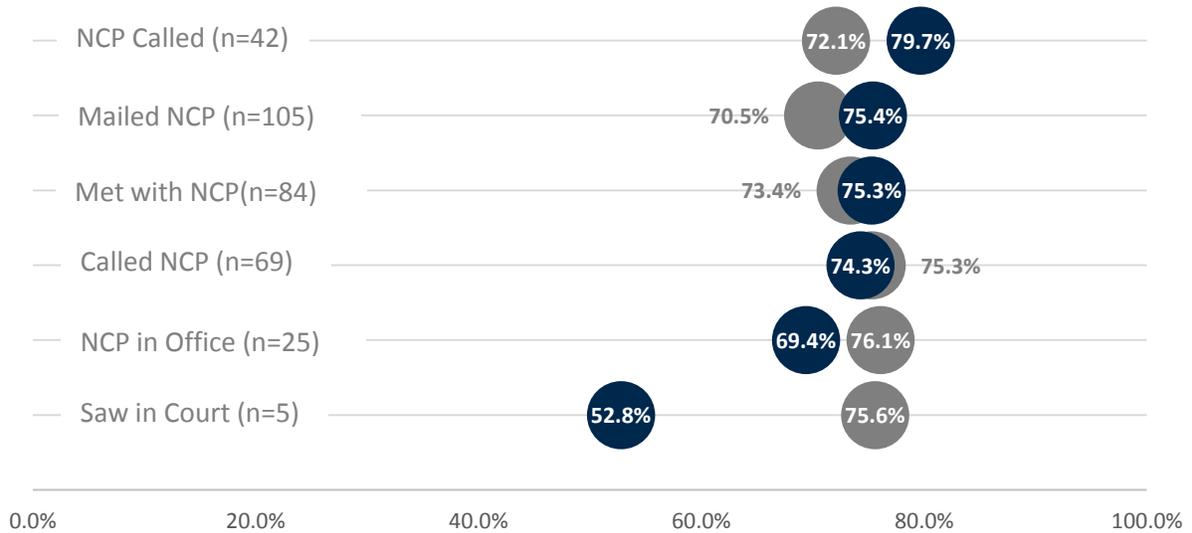
Figure 44. Description of average percent of obligation paid for Outreach Group CAROTS NCPs before and during the CAROTS pilot for those that called the office.



2. Non-Outreach Group

For NCPs not in the Outreach Group, there were no statistically significant differences in the percent of obligation paid for NCPs that received any contact method compared to those that did not receive that contact method (Figure 45).

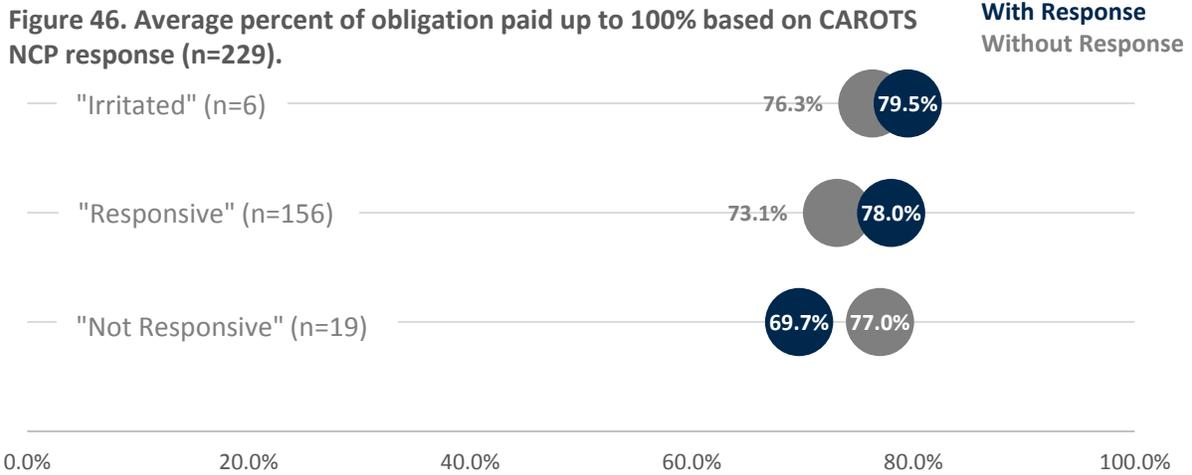
Figure 45. Average percent of obligation paid up to 100% for CAROTS NCPs not in the Outreach Group by contact method (n=122). **With Activity**
Without Activity





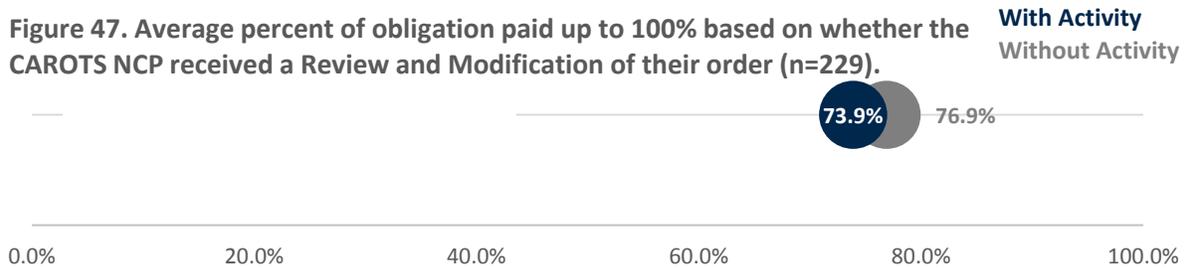
C. Responsiveness

The difference in percent of obligation paid based on the response of the NCP was not statistically significant (Figure 46).



D. Review and Modification

The difference in percent of obligation paid based on whether the NCP received a review and modification of their order was not statistically significant (Figure 47).



E. Outreach Activities

For NCPs in the Outreach Group, those who received a payment thank you had an average percent of obligation paid of 87.9%, compared to those that did not receive a thank you at 74.1%. This difference was statistically significant, with a p-value<0.05.

NCPs in the Outreach Group that received a payment reminder paid an average of 74.0% of their obligation, compared to those that did not receive a reminder at 94.2%. This difference was statistically significant, with a p-value<0.05.

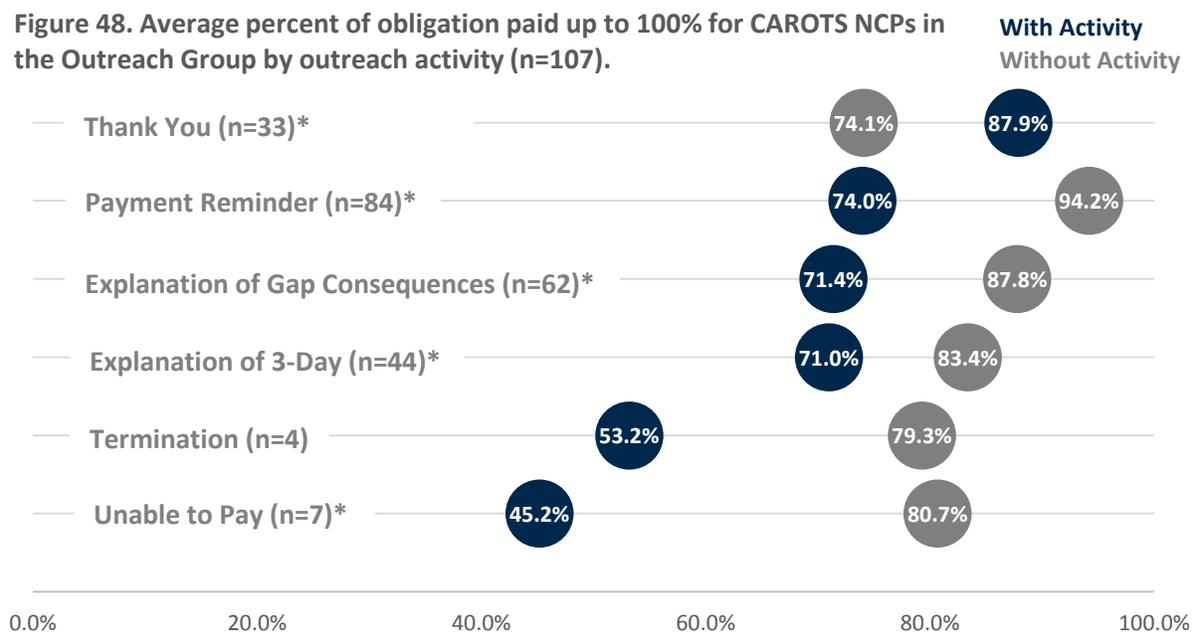
NCPs in the Outreach Group that received an explanation of the gap consequences paid an average of 71.4% of their obligation, compared to those that did not receive this explanation at 87.8%. This difference was statistically significant, with a p-value<0.05.

NCPs in the Outreach Group that received an explanation of the three-day period paid an average of 71.0% of their obligation, compared to those that did not receive that explanation at 83.4%. This difference was statistically significant, with a p-value<0.05.

NCPs in the Outreach Group that indicated they were unable to pay at a certain time paid an average of 45.2% of their obligation, compared to those that did not indicate this at 80.7%. This difference was statistically significant, with a p-value<0.05.

The difference in percent of obligation paid between NCPs in the Outreach Group that were terminated compared to those that were not was not statistically significant (Figure 48).

Figure 48. Average percent of obligation paid up to 100% for CAROTS NCPs in the Outreach Group by outreach activity (n=107).



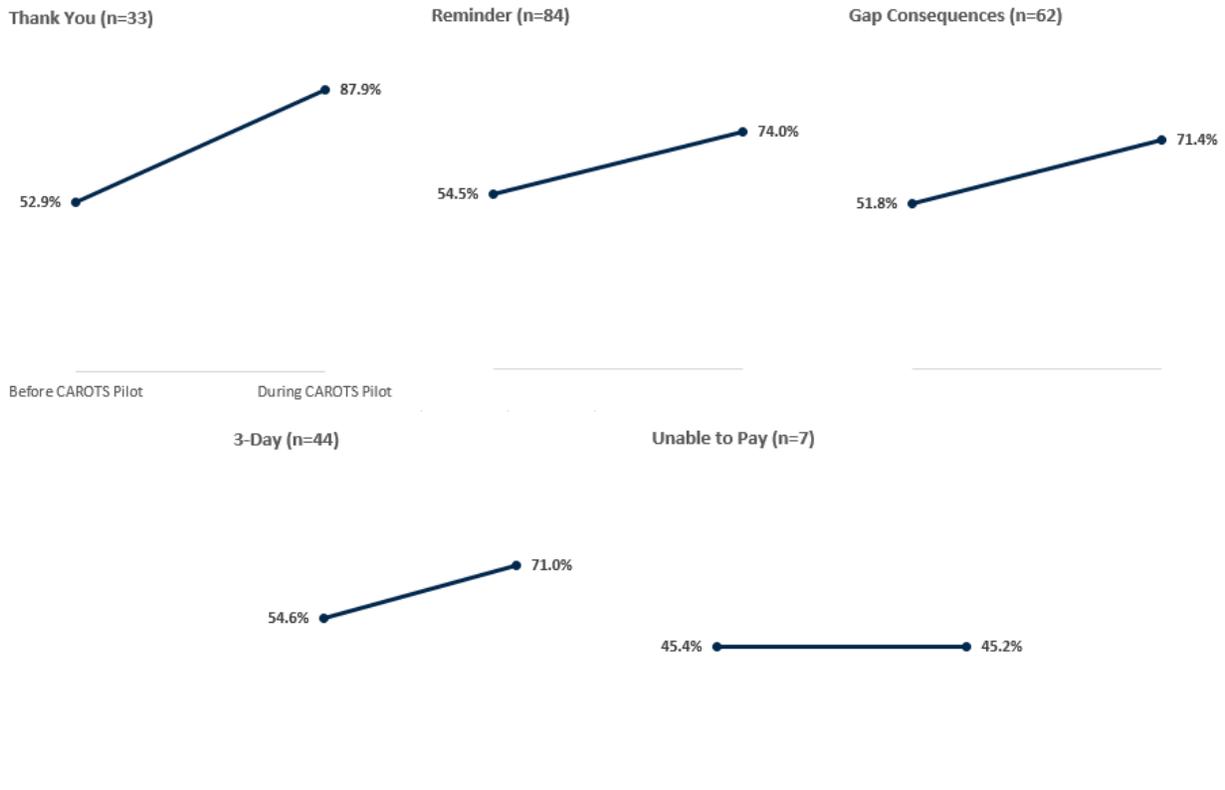
*Statistically significant, p-value<0.05



For the activities that resulted in a statistically significant difference in payment of obligation, the average percent of obligation paid for Outreach Group CAROTS NCPs three years prior to the PM pilot was compared to their percent of obligation paid during the CAROTS pilot. Due to the low number of observations and the number of co-occurring activities, the cause of the difference in percent of obligation paid before the CAROTS pilot and during the CAROTS pilot could not be determined. Rather, trends are presented for interpretation.

Outreach Group CAROTS NCPs that received a Thank You, Payment Reminder, explanation of gap consequences, or explanation of the three-day period paid, on average, more than they did before the CAROTS pilot. However, Outreach Group CAROTS NCPs that indicated they were unable to pay paid, on average, about the same as they did before the CAROTS pilot (Figure 49).

Figure 49. Description of average percent of obligation paid for Outreach Group CAROTS NCPs before and during the CAROTS pilot for those that received Outreach Activities.



Part 2: Pilot Results

Arrears Discharged



In MARGD, 224 NCPs have payment plan information recorded after signing a CAROTS payment plan agreement. According to the data recorded in MARGD, a **total of \$2,285,429.23** state-owed arrears were discharged as a result of the CAROTS pilot. A total of \$1,403,792.27 state-owed arrears were discharged in Genesee County and a total of \$881.636.96 state-owed arrears were discharged in Macomb County.

On average, each NCP who had a signed agreement had an average of \$10,202.81 of state-owed arrears discharged through the CAROTS pilot (n=224). Figure 50 outlines the average arrears discharged during each payment plan.

Figure 50. Average arrears discharged per payment plan.



A total of 138 NCPs (62%) had at least one payment gap during the CAROTS pilot. Of the NCPs that had a payment gap, each had an average of 1.67 gaps. Figure 51 outlines the number of gap during each payment plan.

Figure 51. Number of gaps per payment plan.



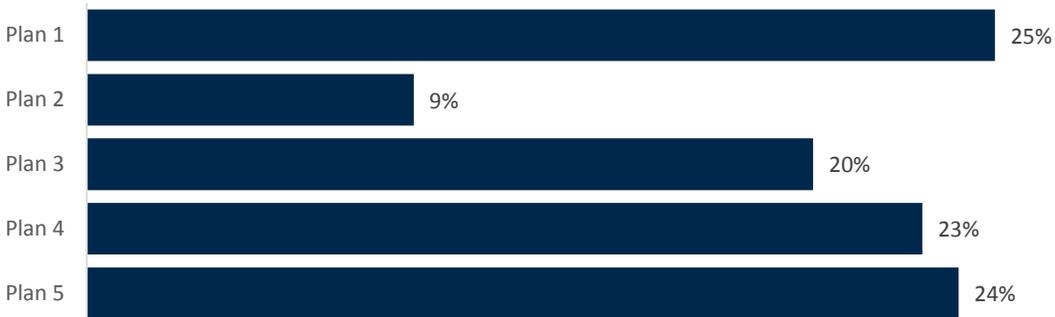
The difference in the number of gaps between NCPs in the Outreach Group compared to those not in the Outreach Group was not statistically significant (p-value>0.05) (Figure 52, next page).

Figure 52. Average number of payment gaps for NCPs in the Outreach Group compared to those not in the Outreach Group (p-value>0.05).



For NCPs with payment plan information (n=224), one-quarter did not make it past payment plan one (25%). However, almost one-quarter (24%) ended in payment plan five (Figure 53).

Figure 53. Percent of NCPs ending the CAROTS pilot in each payment plan (n=224).





Part 2: Pilot Results

Pilot Lead Experience

CAROTS Pilot Lead experience incorporates results from interviews with Pilot Leads at six months and one year into the pilot and reflections of Pilot Leads at the end of the pilot.

Office Experience

Overall, Pilot Leads expressed appreciation for participating in the CAROTS pilot. Some Pilot Leads noted that the pilot has been time consuming, especially in addition to their other responsibilities within the FOC office.

One Pilot Lead noted that the CAROTS adjustment was easy to process in MiCSES but that the two letters were sent manually. This Pilot Lead noted that it would be helpful if the letters were auto-generated by MiCSES and that the OBAA screen had a code specific for CAROTS.

Another Pilot Lead noted that only a few FOC staff members in their office are responsible for all arrears management work, including CAROTS and the Arrears Management Policy. All cases where arrears management is mentioned are forwarded to these workers.

One Pilot Lead noted that few staff members in the FOC office understand the CAROTS program and suggested more staff education around both CAROTS and the Arrears Management Policy in order to best serve the NCPs.

Recruitment and Enrollment Process

Both Genesee and Macomb counties reached their goals of enrolling at least 100 NCPs into the CAROTS pilot. Marquette and Tuscola counties were unable to enroll any NCPs into the pilot.

One noted challenge for enrolling NCPs in the CAROTS pilot was the competition with the Arrears Management Policy. Many times, a potentially CAROTS-eligible NCP would also be eligible for the Arrears Management Policy. As a result, these NCPs would opt for the Arrears Management Policy. Additionally, one Friend of the Court promoted the Arrears Management Policy over the CAROTS pilot, making enrolling NCPs in CAROTS very difficult.

“When I started this project we had a different FOC, and she has since been elected as judge and in the meantime we have a new FOC. The new FOC wants every person to do the arrears discharge policy. Even if its 50 dollars, they want the person to do the arrears policy, so we can’t even get them into the CAROTS pilot.”

One Pilot Lead thought the CAROTS program worked well for NCPs on social security as they are not eligible for the Arrears Management Policy.

Additionally, one Pilot Lead noted that it was hard to identify eligible NCPs who were willing to participate. Oftentimes, the potentially eligible NCPs did not want to work with the FOC office.



NCP and CP Response

NCP Response

At the beginning of the CAROTS pilot, Pilot Leads noted that there was initial excitement from NCPs about the pilot program, but there was a lack of follow through. Pilot Leads thought that the lack of follow through may be due to a lack of commitment on the part of the NCPs or a concern that they may be arrested due to bench warrants.

Overall, Pilot Leads believed that the CAROTS pilot was successful at meeting the needs of NCPs and their families. However, one Pilot Lead stated that the CAROTS pilot could potentially exclude some NCPs, specifically NCPs that are in more equitable situations. This Pilot Lead thought that the CAROTS program would still be beneficial for these NCPs and their families in order to secure more consistent payments and give NCPs an opportunity to reduce their state-owed arrears.

One Pilot Lead stated that the majority of NCPs are appreciative of the program and appear to be more engaged in the child support system as a result. This Pilot Lead also expressed that NCPs appears to be confused about the number and length of the different payment plans and regularly contacted the office about their status in the program.

“Those that are engaged in the program are successful. They call each month just to check their status and are very thankful for this opportunity.”

As a result of the economy, many NCPs work cash jobs, so their ability to pay fluctuates with their income.

CP Response

Pilot Leads did not regularly contact CPs and CPs did not regularly contact the office regarding the CAROTS pilot. Pilot Leads noted that when the CP did contact the office, it was often because they were confused about why the NCPs balance was going down or there was a lower obligation.

“The custodial parties who know about CAROST believe that the NCP’s should not be entitled to this program and are ultimately upset about the program for the most part (until the program is explained then they are less upset).”

Successes Identified by Pilot Leads

Pilot Leads identified the following successes of the CAROTS pilot:

(1) The amount of state-owed arrears discharged through the CAROTS pilot. One Pilot Lead also noted that the CAROTS pilot was able to reduce arrears that were not eligible through other programs.

(2) NCPs becoming more consistent payers. Pilot Leads believed that the CAROTS pilot was successful at increasing consistent payments overall and Pilot witnessed individual NCPs changing their payments to be more consistent.

“Chronic inconsistent payers that were constantly before the court on show causes are now consistent payers. It will be interesting to see what happens once they have completed PP5, if they will still make consistent monthly payments.

(3) Consistent payments for families who might not have received the money without the CAROTS pilot. Because NCPs were making more consistent payment, CPs and children were receiving more consistent payments to support themselves financially.

(4) Improving relationships among NCPs and the FOC office. Pilot Leads noted that there has been increased contact and willingness of NCPs to work with the FOC office.

(5) Positive effect on the financial well-being of NCPs. One Pilot Lead noted that NCPs often feel defeated by the amount of arrears they owe. This Pilot Lead stated that the CAROTS pilot gave NCPs the opportunity to relieve some of their debt and “*get their lives back together.*” This Pilot Lead also noted that some NCPs would call the FOC office to determine the total amount of arrears that had been discharged through the CAROTS pilot and would be excited when they learned.

Areas for Improvement Identified by Pilot Leads

The following areas for improvement to the CAROTS pilot were identified by the Pilot Leads:

(1) Eligibility requirements for the CAROTS program should be addressed moving forward, specifically regarding those individuals who have been making payments but still have arrears. This Pilot Lead explained that there are individuals who are “*doing what they are supposed to*” in terms of payment payments and following their order, but that does not mean they are not experiencing hardship with arrears.

Additionally, another Pilot Lead wanted more automated ways to identify potentially eligible NCPs, such as through reports in MiCSES.

(2) More community-based resources to refer NCPs to support their ability to gain employment and meet their child support obligation.



- (3) Clear indicators in MiCSES for when a NCP is enrolled in CAROTS. One Pilot Lead noted that sometimes notes become hidden in MiCSES and another FOC staff taken an enforcement action because they do not know that it is a CAROTS case.
- (4) The manual tracking for the pilot in MARGD was time consuming.
- (5) Keeping NCPs contact information up-to-date.
- (6) Automate processes for: identifying individuals who were potentially eligible for CAROTS; giving alerts about payments made or that are due to be paid; and locating individuals.

Considerations for State-Wide Implementation

Pilot Leads thought that the CAROTS pilot was effective, but there were some considerations for if the CAROTS program were going to be implemented state-wide.

The Pilot Leads noted several county characteristics that would have to be considered before implementing the CAROTS pilot, both in terms of overall county demographics and the child support context within the county:

- Total population of the county
- Total number of cases for the FOC office
- Performance indicators for the county
- Staffing and NCP to case worker ratio

These factors would determine both how many NCPs would be eligible for the CAROTS pilot within each county as well as the FOC office's capacity to implement the pilot.

Pilot Leads noted that it has been and will be hard to enroll CAROTS participants in smaller counties due to the low case volume and generally higher performance indicators. While one Pilot Lead noted that *“there is someone in every county who would benefit,”* not every county will have a case volume large enough to enroll a multitude of NCPs.

“I think yes, for state-wide. It would be great for larger counties and it would be good to still offer it to the smaller counties. It may be harder for the smaller counties to get people enrolled, but they should still be offered the chance to participate. Any program to get people to pay consistently would be wise.”

While the Pilot Leads thought that it was difficult to recruit potentially eligible participants in smaller counties due to case volume, one Pilot Lead also thought that it would be difficult to integrate the CAROTS program into larger counties without automating some of the processes and adjusting the length of the program. These adjustments are needed to reduce the time commitment that would be needed in the larger counties. Pilot Leads noted that automation of CAROTS processes and support from OCS would ease the implementation of CAROTS at a state level.

Pilot Leads also thought that the Arrears Management Policy program could limit the state-wide implementation of the CAROTS program. The Arrears Management Policy will impact the number of NCPs potentially eligible for the CAROTS program. In addition, the Arrears Management Policy is less time consuming for the FOC office than the CAROTS pilot was.



Part 3: Lessons Learned and Implications

The lessons learned and implications presented were developed by the UM-SSW evaluators in collaboration with representatives from OCS, the Pilot Leads, and the Program Leadership Group (PLG).

CAROTS program is successful with a subset of NCPs

Two of the goals of the CAROTS pilot were to (1) increase consistent support payments and (2) the elimination of uncollectible debt. Overall, NCPs who enrolled in the CAROTS pilot paid a higher percent of their obligation during the CAROTS pilot than they paid during a three year period before the CAROTS pilot. In addition, CAROTS NCPs paid, on average, more of their support obligation than the average for their counties. NCPs who completed the first two payment plans were more likely to continue in the CAROTS program, as evidenced by the higher percent of obligation paid for NCPs in the last three payment plans. Finally, the CAROTS pilot was able to discharge over \$2 million of state-owed arrears considered uncollectible debt.

Improving ability to pay

For some NCPs, the CAROTS program assisted with NCPs' ability to pay their child support obligation by ensuring that their obligation is the "right size" and assisting with NCPs' overwhelming amount of debt. NCPs may have felt that they had a large amount of arrears debt that they were never going to be able to pay off all of their debt. If these NCPs felt that they were not going to be able to pay off all of their debt, they may have decided to not pay any of their obligation. The CAROTS pilot assisted these NCPs in relieving their debt, incorporating their child support payment into their monthly budget, and building the habit of consistent payments.

Increasing willingness to pay

The CAROTS program assisted with some NCPs' willingness to pay their child support obligation by providing an incentive for making consistent payments. The incentive of relieving their state-owed arrears was enough to change some NCPs' willingness to pay and to begin making consistent payments towards their obligation.

Improving relationships with FOC office

The CAROTS program also assisted in improving the relationship between the FOC office and some of the NCPs. The data shows that 38% of CAROTS NCPs called the FOC office themselves. Pilot Leads anecdotally noted that some of the CAROTS NCPs would call the FOC office to check on the status of the amount of arrears that had been discharged and were often surprised by the number. Pilot Leads also noted that at the beginning of the pilot, NCPs often thought that the CAROTS program was a "trap" to arrest them on a bench warrant. However, as the pilot proceeded, Pilot Leads noted that they were able to build trust with the CAROTS NCPs.



CAROTS program does not work for everyone

Of the 724 NCPs that had a documented contact regarding the CAROTS program in the MARGD system, only 32% (230) signed a CAROTS payment plan agreement. The Arrears Management Policy was available during the same time period as the CAROTS pilot, which may have influenced the low enrollment rates. Additionally, 34% of the NCPs who signed a CAROTS payment plan agreement ended the program in payment plan 1 or payment plan 2. The Arrears Management Policy did appear to be more effective for some of the NCPs that may have qualified for the CAROTS program, either based on NCP need or county preference.

Outreach in addition to the CAROTS program is not necessary

There were no statistically significant differences in the performance of Outreach Group NCPs and non-Outreach Group NCPs. The additional gap prevention outreach did not make a difference in the average percent of obligation paid or the number of payment gaps that an NCP had. Additionally, Pilot Leads reported that the gap prevention outreach was one of the components of the CAROTS pilot that took the most time, yet was least effective.

CAROTS program success will depend on county specifics

The pilot demonstrated that the CAROTS program is not appropriate for every county. Genesee and Macomb counties were able to quickly enroll their target of 100 NCPs. However, Tuscola and Marquette counties were not able to successfully enroll any NCPs into the CAROTS pilot. Multiple factors could have influenced this difference:

- (1) The size of the county, including overall population, as well as the size of the child support system within the county. The number of NCPs eligible for the CAROTS program would be low if the number of child support cases within the county are low.
- (2) Resources of the FOC office, including the case-to-worker ratio. The FOC office has to have the staff and time needed to dedicate to the CAROTS program. However, if gap prevention outreach is not included and more of the processes are automated within MiCSES, less staff time will be needed to dedicate to the program.
- (3) Federal performance indicates for the county. Both Tuscola and Marquette have higher federal performance indicators than the state average. This indicates that there are fewer NCPs that are making inconsistent payments within those counties. Counties that have higher federal performance indicators may have a harder time identifying potentially eligible NCPs.

(4) The use of the Arrears Management Policy within the county. Counties have been using the Arrears Management Policy differently. Counties that have embraced the Arrears Management Policy may have a hard time implementing the CAROTS program as most NCPs that are eligible for CAROTS will also be eligible for the one-time state-owed arrears discharge under the Arrears Management Policy. However, counties that have not been using the Arrears Management Policy may also be hesitant to use the CAROTS program.



Appendix

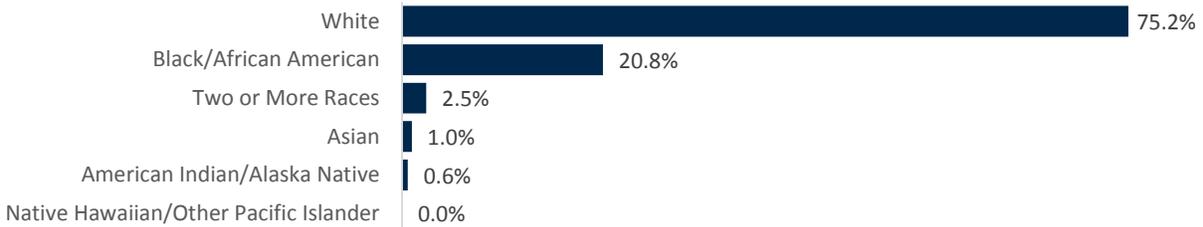


A. Pilot County Demographics

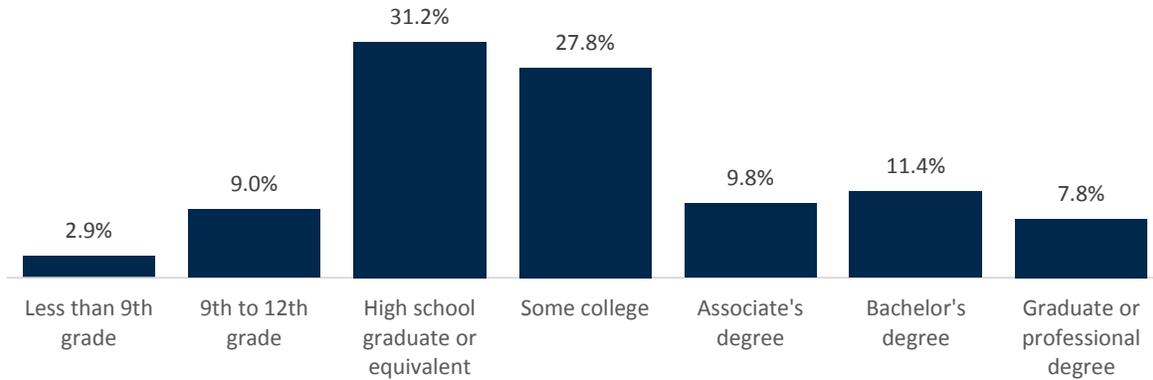
1. Genesee County

Genesee County is located in the central region of the Lower Peninsula of Michigan and had a population of 415,895 people in 2013. The largest city and county seat of Genesee County is Flint. Approximately half of the population (51.8%) were female. Approximately three-quarters (76.3%) of the population was 18 years of age or older. The median age was 39 years.

Race of Genesee County residents.

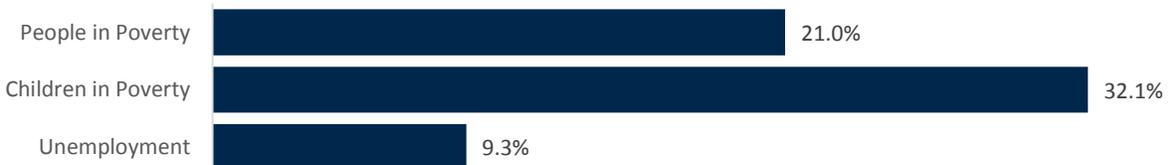


Highest level of education attainment of Genesee County residents 25 years of age and older.



The median household income in Genesee County from 2008 to 2012 was \$42,089.

Poverty and unemployment in Genesee County.

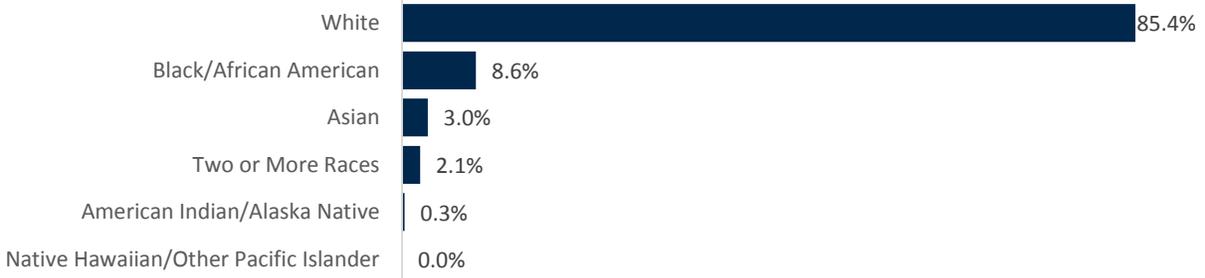




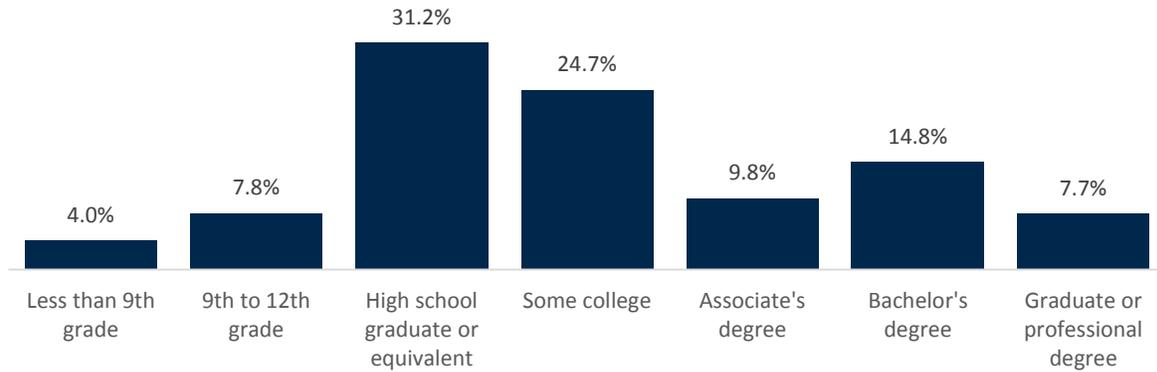
2. Macomb County

Macomb County is located in the eastern region of the Lower Peninsula of Michigan and had a population of 840,978 people in 2013. The largest city of Macomb County is Warren. Approximately half of the population (48.6%) were male. In 2013, 77.0% of the population was 18 years of age or older. The median age was 40 years.

Race of Macomb County residents.

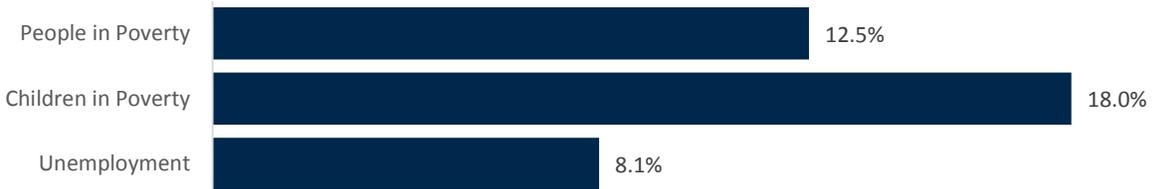


Highest level of education attainment of Macomb County residents 25 years of age and older.



The median household income in Macomb County from 2008 to 2012 was \$53,451.

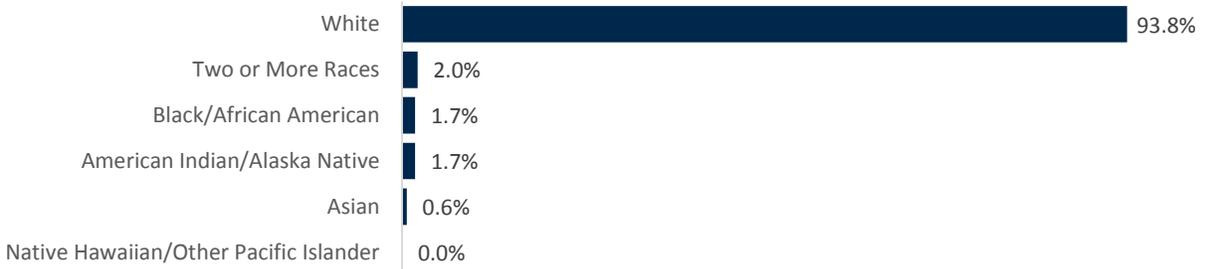
Poverty and unemployment in Macomb County.



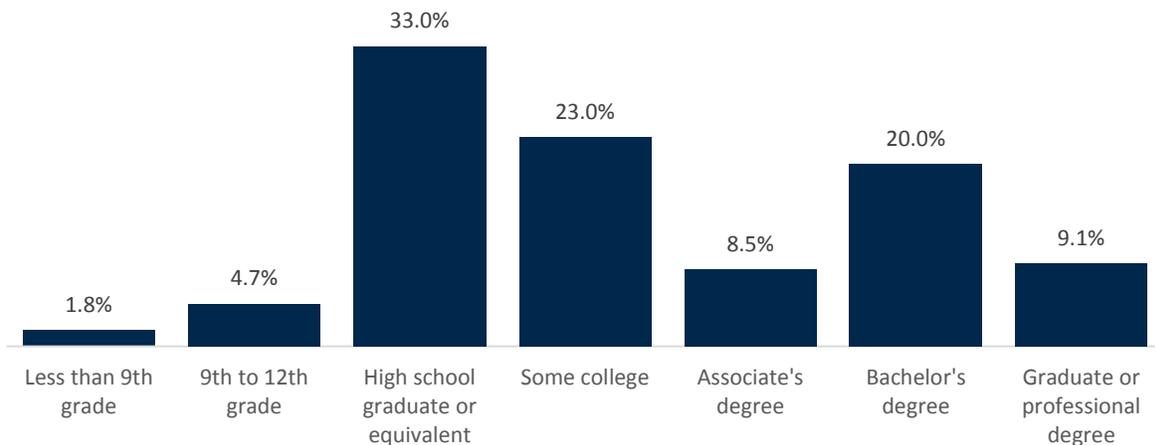
3. Marquette County

Marquette County is located in the northern region of the Upper Peninsula of Michigan and had a population of 67,077 people in 2013. The largest city and county seat of Marquette County is Marquette. Approximately half of the population (50.5%) were male. In 2013, 83.6% of the population was 18 years of age or older. The median age was 39 years.

Race of Marquette County residents.

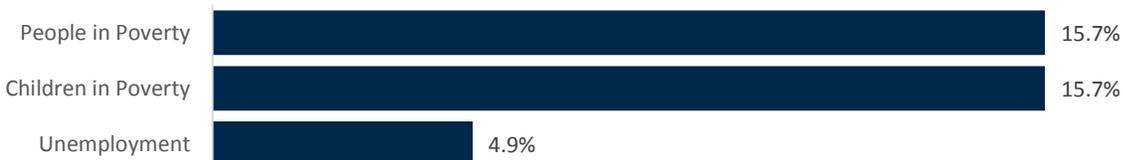


Highest level of education attainment of Marquette County residents 25 years of age and older.



The median household income in Marquette County from 2008 to 2012 was \$45,622.

Poverty and unemployment in Marquette County.

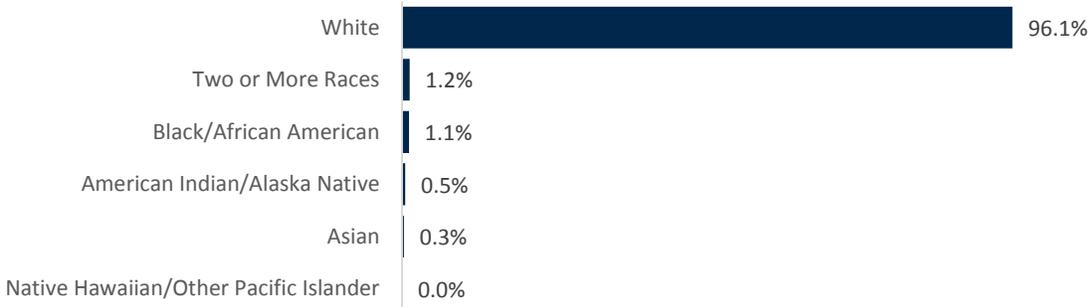




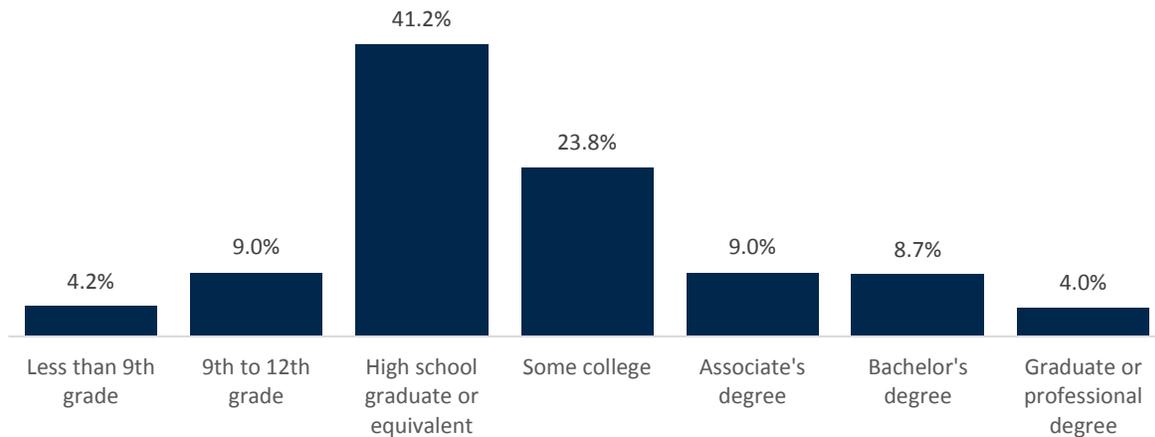
4. Tuscola County

Tuscola County is located in the Thumb region of the Lower Peninsula of Michigan and had a population of 55,729 people in 2013. The largest city and county seat of Tuscola County is Caro. Approximately half of the population (50.1%) were male. In 2013, 76.5% of the population was 18 years of age or older. The median age was 42 years.

Race of Tuscola County residents.



Highest level of education attainment of Tuscola County residents 25 years of age and older.



The median household income in Tuscola County from 2008 to 2012 was \$43,039.

Poverty and unemployment in Tuscola County in 2012.

