

Schedule 13
Change Request for FY 2010-11 Budget Request Cycle

Decision Item FY 2010-11 Base Reduction Item FY 2010-11 Supplemental FY 2009-10 Budget Amendment FY 2010-11

Request Title: Enhanced Medical Support, Paternity Establishment and Education Initiatives for the Child Support Enforcement Program

Department: Human Services **Dept. Approval by:** *[Signature]* **Date:** 10-14-09

Priority Number: DI-8 **OSP Approval:** *[Signature]* **Date:** 10-15-09

	Fund	1	2	3	4	5	6	7	8	9	10
		Prior-Year Actual FY 2008-09	Appropriation FY 2009-10	Supplemental Request FY 2009-10	Total Revised Request FY 2009-10	Base Request FY 2010-11	Decision/Base Reduction FY 2010-11	November 1 Request FY 2010-11	Budget Amendment FY 2010-11	Total Revised Request FY 2010-11	Change from Base (Column 5) FY 2011-12
Total of All Line Items	Total	7,320,232	7,759,706	0	7,759,706	7,744,077	1,639,784	9,333,861	0	9,383,861	868,560
	FTE	22.7	24.5	0.0	24.5	24.5	0.0	24.5	0.0	24.5	0.0
	GF	735,729	739,618	0	739,618	734,304	0	734,304	0	734,304	0
	CF	5,159,243	5,584,361	0	5,584,361	5,584,361	0	5,584,361	0	5,584,361	0
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	1,425,260	1,435,727	0	1,435,727	1,425,412	1,639,784	3,065,196	0	3,065,196	868,560
	MCF	0	0	0	0	0	0	0	0	0	0
	MGF	0	0	0	0	0	0	0	0	0	0
	NGF	735,729	739,618	0	739,618	734,304	0	734,304	0	734,304	0
(4) County Administration, County Incentive Payments	Total	5,159,243	5,584,361	0	5,584,361	5,584,361	(844,737)	4,739,624	0	4,739,624	(447,440)
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	0	0	0	0	0	0	0	0	0	0
	CF	5,159,243	5,584,361	0	5,584,361	5,584,361	(844,737)	4,739,624	0	4,739,624	(447,440)
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0
	MCF	0	0	0	0	0	0	0	0	0	0
	MGF	0	0	0	0	0	0	0	0	0	0
	NGF	0	0	0	0	0	0	0	0	0	0
(7) Office of Self Sufficiency, (D) Child Support Enforcement, Child Support Enforcement	Total	2,160,989	2,175,345	0	2,175,345	2,159,716	2,484,521	4,644,237	0	4,644,237	1,316,000
	FTE	22.7	24.5	0.0	24.5	24.5	0.0	24.5	0.0	24.5	0.0
	GF	735,729	739,618	0	739,618	734,304	0	734,304	0	734,304	0
	CF	0	0	0	0	0	844,737	844,737	0	844,737	447,440
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	1,425,260	1,435,727	0	1,435,727	1,425,412	1,639,784	3,065,196	0	3,065,196	868,560
	MCF	0	0	0	0	0	0	0	0	0	0
	MGF	0	0	0	0	0	0	0	0	0	0
	NGF	735,729	739,618	0	739,618	734,304	0	734,304	0	734,304	0

**Schedule 13
Change Request for FY 2010-11 Budget Request Cycle**

Decision Item FY 2010-11 Base Reduction Item FY 2010-11 Supplemental FY 2009-10 Budget Amendment FY 2010-11

Request Title: Enhanced Medical Support, Paternity Establishment and Education Initiatives for the Child Support Enforcement Program

Department: Human Services

Dept. Approval by:

Date:

Priority Number: DI-8

OSPB Approval:

Date:

		1	2	3	4	5	6	7	8	9	10
	Fund	Prior-Year Actual FY 2008-09	Appropriation FY 2009-10	Supplemental Request FY 2009-10	Total Revised Request FY 2009-10	Base Request FY 2010-11	Decision/ Base Reduction FY 2010-11	November 1 Request FY 2010-11	Budget Amendment FY 2010-11	Total Revised Request FY 2010-11	Change from Base (Column 5) FY 2011-12

Non-Line Item Request: None

Letternote Revised Text: None

Cash or Federal Fund Name and COFRS Fund Number: Cash Funds are from the State's share of retained child support collections; Federal Funds are from Title IV-D of the Social Security Act

Reappropriated Funds Source, by Department and Line Item Name: None

Approval by OIT? Yes: No: N/A:

Schedule 13s from Affected Departments: None

CHANGE REQUEST for FY 2010-11 BUDGET REQUEST CYCLE

Department:	Colorado Department of Human Services
Priority Number:	DI-8
Change Request Title:	Enhanced Medical Support, Paternity Establishment and Education Initiatives for the Child Support Enforcement Program

SELECT ONE (click on box):

- Decision Item FY 2010-11
- Base Reduction Item FY 2010-11
- Supplemental Request FY 2009-10
- Budget Request Amendment FY 2010-11

SELECT ONE (click on box):

Supplemental or Budget Request Amendment Criterion:

- Not a Supplemental or Budget Request Amendment
- An emergency
- A technical error which has a substantial effect on the operation of the program
- New data resulting in substantial changes in funding needs
- Unforeseen contingency such as a significant workload change

Short Summary of Request:

The Child Support Enforcement (CSE) program in the Department of Human Services requests \$1,639,784 in Federal Funds for FY 2010-11. The actual projected cost of the components involved in the request is \$2,484,521, but the Department is proposing an adjustment to an existing line, which will provide \$844,737 in Cash Funds, resulting in a net request of \$1,639,784 in Federal Funds. \$868,560 in Federal Funds is being requested for FY 2011-12. The actual projected cost for FY 2011-12 is \$1,316,000, but the Department is again proposing an adjustment to an existing line, which will provide \$447,440 in Cash Funds. Resulting in a net request of \$868,560 in Federal Funds. The increase in Federal Funds is due to the fact that the CSE program can draw down 66% Federal Financial Participation for all state dollars used for program expenditures. The funding is being requested to: 1) enhance the program's efforts to provide medical coverage for more children in the program caseload; 2) improve paternity establishment performance; and 3) better educate the public about the services of the program. These efforts will also better position the state to receive incentives when a medical support performance measure is implemented by the Federal Office of Child Support

Enforcement and make it easier to continue to receive incentives related to the establishment of paternity. These projects are not ongoing requests and all but one, will be completed in FY 2010-11. One of the projects to improve medical coverage for children is proposed to begin in the last six months of FY 2010-11 and then conclude in the first six months of FY 2011-12.

Background and Appropriation History:

The Child Support Enforcement program is mandated by Title IV-D of the Social Security Act of 1975, which provides federal funding through grants for state-run child support enforcement programs. Title IV of the Social Security Act covers grants to states for the purpose of providing aid and services to needy families with Part “D” of that law providing for child support and the establishment of paternity.

Additionally, 26-13-101, C.R.S., et. Seq., enacted the “Colorado Child Support Enforcement Act” that identifies CSE program requirements.

The Child Support Enforcement program receives 66% Federal Financial Participation on any state dollars spent on the program. The Deficit Reduction Act eliminated the match on federal child support incentives effective October 1, 2007, and resulted in a loss of approximately \$3.2 million per year to the counties. To backfill the loss of these revenues, HB 08-1342 was passed in 2008, modifying 26-13-108 (1), C.R.S. to allow the state the option to send the counties the state’s entire share of collections that reimburse public assistance. Because of this legislative change, no additional statutory change is necessary to implement this request. These “retained” collections had previously been shared 50/50 between the counties and the Temporary Assistance for Needy Families Block Grant. The American Recovery and Reinvestment Act of 2009 restored the match on federal child support incentives for two years, 10/1/08- 9/30/10. Because 26-13-112.5 (1), C.R.S. requires that “one hundred percent of the federal incentives received by the state shall be passed through to the county departments”, the counties will receive the 66% Federal match as they spend their federal incentives on the child support program in their counties as required by federal regulation and the above referenced statute.

Because the American Recovery and Reinvestment Act of 2009 has restored funding to the counties, the rationale for providing the counties with the other half of the state's share of retained collections no longer exists. Further, there are pressing needs within the state child support program that could be addressed by utilizing half of the state's share.

General Description of Request:

The CSE program in the Department of Human Services requests \$1,639,784 in Federal Funds for FY 2010-11. The actual projected cost of the components involved in this request is \$2,484,521, but the Department is proposing an adjustment to an existing line, which will provide \$844,737 in Cash Funds, resulting in a net request of \$1,639,784 in Federal Funds. \$868,560 in Federal Funds is being requested for FY 2011-12. The actual projected cost for FY 2011-12 is \$1,316,000, but the Department is proposing an adjustment to an existing line, which will provide \$447,440 in Cash Funds, resulting in a net request of \$868,560 in Federal Funds. The increase in Federal Funds is due to the fact that the CSE program can draw down 66% Federal Financial Participation for state dollars used for program expenditures. The \$1,292,177 in Cash Funds will drive nearly \$4 million in additional spending to meet critical program needs. Following are the components of the request:

Expanding Medical Coverage

- The CSE program proposes to work with a private vendor to process and monitor the 25,000 National Medical Support Notices generated on an annual basis. The National Medical Support Notice is the legal document that directs employers and plan administrators to add the children to their parent's health insurance. There are a number of requirements related to the enrollment of children in health plans that make this process complicated and time-consuming. This proposal will also help the counties to assess the cost-effectiveness and viability of contracting for this service on an ongoing basis, as a number of other child support agencies have done. This project is a one-time request that will be completed in FY 2010-11.
- The CSE program proposes to work with a private vendor to match their caseload against a national database of individuals with insurance coverage to ensure that the Automated Child Support Enforcement System is updated to reflect current coverage. This project is a one-time request that will be completed in FY 2010-11.

- The CSE program previously participated in a Federal Demonstration Grant where a test of the use of a Medical Support Facilitator in two of the county offices was conducted. From this, it was estimated that that if the process was implemented statewide, 20,000 more Colorado children would have healthcare coverage. The CSE program also found the Medical Support Facilitators were able to locate private insurance for 9 percent of the Medicaid cases they worked. If that result was replicated statewide, the evaluator estimated a \$7.6 million savings in annual Medicaid costs. The CSE program proposes to work with a private vendor to utilize Medical Support Facilitators in the large 10 counties to identify, assess, access and monitor health care coverage for children.
 - The CSE program is proposing to have six months of this work conducted in the last six months of FY 2010-11 and six months of this work conducted in the first six months of FY 2011-12.

Paternity Establishment

The CSE program currently reports the Statewide Paternity Establishment Percentage to the Federal Office of Child Support Enforcement for incentive purposes. The Statewide Paternity Establishment Percentage is calculated by taking the number children born out of wedlock for whom paternity has been voluntarily acknowledged by both parents at the birthing hospital (or some later point) or established as part of an administrative/court action in the current Federal Fiscal Year and dividing it by the number of children born out of wedlock in Colorado for the previous Federal Fiscal Year. While the CSE program has been successful in working with parents and stakeholders to maintain the statewide Paternity Establishment Percentage above the 90% threshold established by the Federal Office of Child Support Enforcement, there are a number of factors beyond the program's control that impact the ability to continue to do so. We depend on hospital staff at the time of birth to educate the parents on the benefits of establishing paternity, the process for voluntarily acknowledging paternity, how to correctly complete the forms and then processing them with the Vital Records Section of the Colorado Department of Public Health and Environment. Also, if the number of children born out of wedlock from the previous Federal Fiscal Year is high and the number of children born out of wedlock in the current Federal Fiscal Year is lower than the

previous Federal Fiscal Year, it will be next to impossible to obtain enough voluntary acknowledgements to meet the 90% requirement. And, if the Statewide Paternity Establishment Percentage falls below 90% as it did in 2007, the state risks the possibility of a \$1 million sanction against the Department's Temporary Assistance for Needy Families Block Grant. The CSE program has the option of reporting the IV-D Paternity Establishment Percentage to the Federal Office of Child Support Enforcement, which is specific to the children born out of wedlock in the program's caseload and for whom the CSE program has responsibility. The IV-D Paternity Establishment Percentage has exceeded the 90% threshold for a number of years and it makes sense to move to that measure, however there is a significant amount of work that must be completed beforehand as there is an extensive federal audit that will occur when we make the change. The CSE program proposes to contract with a private vendor to review and clean up the county case and system files and to obtain the necessary documentation in preparation for a possible switch from reporting the Statewide Paternity Establishment Percentage to the IV-D Paternity Establishment Percentage. This project is a one-time request that will be completed in FY 2010-11.

Education Outreach

- The CSE program proposes to work with a certified translator to convert appropriate forms created through the program's Document Generation System to other languages. This project is a one-time request that will be completed in FY 2010-11.
- The CSE program proposes to work with a private vendor that has experience working with the public to provide educational outreach about the availability of IV-D child support services. The CSE program will work with the Colorado Works fatherhood program and the Division of Youth Corrections to develop a training and outreach program. This project is a one-time request that will be completed in FY 2010-11.
- The CSE program proposes to work with a vendor to develop a parenting and paternity awareness program as part of the high school curriculum for the entire state. This program would include the development of a state approved curriculum that is

utilized for all public high schools involving the use of peer trainers. This project is a one-time request that will be completed in FY 2010-11.

Consequences if Not Funded:

If this request is not funded, county child support offices will remain responsible for completing all of the functions relating to enforcing medical support obligations that the Department is proposing to remove in this request. At the present time, the federal child support incentives distributed to the counties are not based on performance in the area of medical support enforcement. Consequently, often times the required actions to enforce medical support and document the provision of medical support on the Automated Child Support Enforcement System is not consistently completed. As part of the Statewide Review of the child support program, The CSE program has seen many examples where the National Medical Support Notice was not sent out to the employer, the employer was not followed up with if the National Medical Support Notice had been sent to ensure the children have been enrolled in the insurance plan and improper documentation on the Automated Child Support Enforcement System of whether medical support is being provided. The CSE program learned through its previous participation in the Medical Support Federal Demonstration Grant, that if the Medical Support Facilitator process was implemented statewide, 20,000 more Colorado children would have private insurance coverage. If this request is not funded, fewer children will have medical coverage than if the request is funded and the state will be in a worse position to receive incentives when a medical support performance measure is implemented by the Federal Office of Child Support Enforcement.

If this request is not funded, county child support offices will need to be called upon to complete the manual case review and preparation necessary to begin the transition from reporting Statewide Paternity Establishment Percentage to IV-D Paternity Establishment Percentage. Dedicating the county resources to complete this work will take away from efforts to establish and enforce child support obligations that families need to assist in their self-sufficiency efforts. If Colorado doesn't begin the process to transition to IV-D Paternity Establishment Percentage and the Statewide Paternity Establishment Percentage falls below 90% as it did in 2007, the state risks the possibility of a \$1 million sanction being imposed against the Temporary Assistance for Needy Families Block Grant.

Calculations for Request:

Summary of Request FY 2010-11	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Total Request	\$1,639,784	\$0	\$0	\$0	\$1,639,784	0.0
(4) County Administration, County Incentive Payments	(\$844,737)	\$0	(\$844,737)	\$0	\$0	0.0
(7) Office of Self Sufficiency, (D) Child Support Enforcement, Child Support Enforcement	\$2,484,521	\$0	\$844,737	\$0	\$1,639,784	0.0

Summary of Request FY 2011-12	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Total Request	\$868,560	\$0	\$0	\$0	\$868,560	0.0
(4) County Administration, County Incentive Payments	(\$447,440)	\$0	(\$447,440)	\$0	\$0	0.0
(7) Office of Self Sufficiency, (D) Child Support Enforcement, Child Support Enforcement	\$1,316,000	\$0	\$447,440	\$0	\$868,560	0.0

Summary of Request FY 2012-13	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Total Request	\$0	\$0	\$0	\$0	\$0	0.0
(4) County Administration, County Incentive Payments	\$0	\$0	\$0	\$0	\$0	0.0
(7) Office of Self Sufficiency, (D) Child Support Enforcement, Child Support Enforcement	\$0	\$0	\$0	\$0	\$0	0.0

**SUMMARY OF PROJECTED COSTS FOR EACH COMPONENT
OF THE CHANGE REQUEST**

Issuance and monitoring of National Medical Support Notices utilizing a private vendor and data-match with national database	Component of Expanding Medical Coverage	\$279,521
Provide Medical Support Facilitators in the large 10 counties (for six months)	Component of Expanding Medical Coverage	\$1,316,000
Review and clean-up the case and system files and obtain the necessary documentation for a possible switch from reporting the Statewide Paternity Establishment Percentage to the IV-D Paternity Establishment Percentage	Component of Paternity Establishment	\$644,000
Translate forms to other languages	Component of Education Outreach	\$20,000
Develop and implement an outreach program with the public	Component of Education Outreach	\$75,000

Develop and implement a training and outreach plan with the Colorado Works fatherhood program and the Division of Youth Corrections	Component of Education Outreach	\$75,000
Develop and implement a parenting and paternity awareness program.	Component of Education Outreach	\$75,000
TOTAL		\$2,484,521

Of the \$2,484,521 in projected expenses shown above, \$844,737 in Cash Funds will be transferred from an existing line, resulting in a net request of \$1,639,784 in Federal Funds.

Assumptions for Calculations:

Most of the components of this Change Request have been attempted by CSE programs in other states in the country. The CSE program arrived at these estimated costs for the various components through a combination of obtaining projections from vendors with experience in completing the work and from the CSE programs in other states that have experience in the area.

- The estimated cost to utilize a private vendor to process and monitor the National Medical Support Notices issued and match the state’s caseload against their national database of individuals with insurance coverage is based on a formula from one vendor that already provides these services around the country. It has been their experience that they are able to provide services to about 15% of the cases with orders for medical support. For Colorado, this would cost approximately \$279,521 (74,539 cases with a medical support provision in the order x 15% x \$25 charge).
- The estimated cost to contract with a private vendor to provide Medical Support Facilitators in the large 10 counties is \$2,632,000 (47 full time employees @ \$56,000 per yr. for 50,000 cases). The CSE program contacted a vendor and identified the specific actions needing to be completed for the 50,000 cases. The vendor estimated that it would take 47 full time Employees working full time for an entire year to complete the required actions on the 50,000 cases. The vendor identified that \$56,000 per year is the industry standard rate (including salary, fringe and overhead costs) for a full time employee in private industry working on CSE program related activities. The CSE program is proposing to have six months of this work

conducted in the last six months of FY 2010-11 (totaling \$1,316,000) and six months of this work conducted in the first six months of FY 2011-12 (totaling \$1,316,000).

- The estimated cost to contract with a private vendor to review and clean-up the county case and system files and obtain the necessary documentation in preparation for a possible switch from reporting the Statewide Paternity Establishment Percentage to the IV-D Paternity Establishment Percentage is \$644,000 (11.5 full time employees @ \$56,000 per year). The CSE program contacted a vendor and identified the specific actions needing to be completed for this component and the vendor estimated that it would take 11.5 full time employees working full time for an entire year to complete all of the required activities. The vendor identified that \$56,000 per year is the industry standard rate (including salary, fringe and overhead costs) for a full time full time employee in private industry working on CSE program related activities.
- Based on prior experience of working with a certified translator, it is estimated that it will cost approximately \$20,000 to convert the appropriate forms created through the CSE program Document Generation System to other languages.
- The CSE program estimates that it will take approximately \$75,000 to contract with a vendor to develop and implement an outreach program with the public that focuses on paternity establishment and the availability of the IV-D child support services. This projection is based on previous work completed by a vendor that worked with the CSE program on a project of similar scope involving education and outreach.
- The CSE program is working with the Colorado Works fatherhood program and the Division of Youth Corrections to coordinate a training and outreach plan and to identify the costs associated with it. The CSE program estimates that this can be done for \$75,000.
- The CSE program estimates that it will take approximately \$75,000 to contract with a vendor to develop and implement a parenting and paternity awareness program. This estimate is based on projections obtained from other state CSE programs that have developed these types of programs.

Impact on Other Government Agencies:

County departments of social services will be impacted by this request. \$844,737 in FY 2010-11 and \$447,440 in FY 2011-12 that currently is distributed to the counties will be used to possibly fund this request. The Department contends that this will be more than

made up for with the estimated \$3,300,000 in new revenue to the counties resulting from the American Recovery and Reinvestment Act of 2009 – 66% Federal Financial Participation reimbursement the counties will receive from the \$5,000,000 in federal incentives that they reinvest in the child support program. The County Child Support Enforcement programs in Colorado will be the direct beneficiaries of much of the work contained in this request.

While the change to 26-13-108(1), C.R.S. in HB08-1342 was made to allow the State to redirect a larger share of its assigned collections to the counties to offset the loss of funds they experienced as a result of the incentive match cut, the increase was never intended to be permanent. Although enactment of the proposed Decision Item could result in counties not receiving state funds to offset the loss of the incentive match after October 1, 2010, the Department believes that the Decision Item is justified for the following reasons:

- a) There has been an ongoing bi-partisan effort to permanently restore the incentive match ever since the Deficit Reduction Act passed in 2006. The Governor and Executive Director of the Colorado Department of Human Services have both sent letters in support of this position to the state's Congressional delegation. The fact that a temporary restoration was included in the American Recovery and Reinvestment Act of 2009 and that permanent restoration is included in several bills that have been introduced in the House and Senate gives hope that counties will not face any loss of incentive match next October.
- b) The counties lost \$2,465,365 as a result of the incentive match cut during FFY 07-08. This is more than offset by the approximately \$7.7 million they have or will receive in additional revenues from the state, including the 66% Federal reimbursement they have received in FY 2008-09 or will receive in FY 2009-10.
- c) The two major projects in the Decision Item involve work that would otherwise have to be done by county staff. Thus, this will reduce their workload as well as address critical needs. The primary purpose of the Paternity Establishment Project is to avoid a potential fiscal sanction of \$1 million against the TANF Block Grant. The Medical

Support Project will identify and access health care coverage for thousands of children in our caseload, reduce Medicaid expenditures, and position the counties to receive federal financial incentives related to the establishment and enforcement of medical support in the future. The third and smaller project, the Training Project will enable the Colorado Department of Human Services to provide effective and less costly and time-consuming on-line training opportunities for county staff and improve our outreach and effectiveness with the public and fatherhood community.

- d) The Department has been open about the need to re-direct the additional funds that the State has been sharing with the counties last year and this year to meet critical State program needs. This has been discussed with the County Directors, the State Board, County Child Support Administrators and the County Human Service Financial Officers.
- e) It remains the Department's intent to continue to send one-half of the State's collections to the counties after July 1, 2010, as has been done for many years prior to increasing that amount last July. Were the Department to change that position, it would only be after consultation with the counties.

Cost Benefit Analysis:

Cost	Benefit
<p>There would be no increase in state funding if this request were to be approved. The cash funding for this request would come from a portion of the cash funds in the County Administration, County Incentive Payments line. Federal Financial Participation of 66% could then be earned on such cash funds.</p>	<ul style="list-style-type: none"> • Because the CSE program can draw down 66% Federal Financial Participation, the \$1,292,177 in Cash Funds (\$844,737 in FY 2010-11 and \$447,440 in FY 2011-12) will drive nearly \$3.8 million (\$2,484,521 in FY 2010-11 and \$1,316,000 in FY 2011-12) in additional spending to meet critical program needs. • Counties will be able to take the resources currently devoted to medical support enforcement and put them toward increasing the collection rate of current child support so that more families can depend on the consistent payment of child support. This will result in earning increased federal child support incentives for the counties. • Through the CSE program’s previous participation in the Medical Support Federal Demonstration Grant, it is estimated that if the Medical Support Facilitator process was implemented statewide, 20,000 more Colorado children would have healthcare coverage. • If this request is approved, the CSE program will be in a better position to receive incentives when a medical support performance is implemented by the Federal Office of Child Support Enforcement. • Based on the results in a previous Federal Demonstration Grant, The CSE program found that the Medical Support Facilitators were able to locate private insurance for 9 percent of the Medicaid cases they worked. If that result were replicated statewide, the evaluator estimated a \$7.6 million savings in annual Medicaid costs. • If this request is approved and the CSE program is able to transition to the IV-D Paternity Establishment Percentage, there will not be a risk of the possibility of a \$1 million sanction against our Temporary Assistance for Needy Families Block Grant. Counties will not be required to complete the manual review and clean up of cases to prepare for a conversion to IV-D Paternity Establishment Percentage because the request includes a component to work with a vendor to complete this work.

Implementation Schedule:

Task	Month/Year
Internal Research/Planning Period	November 2009 – February 2010
RFP Issued for all components except Medical Support Facilitator	February 2010
RFP Issued for Medical Support Facilitator component	August 2010
Contract or MOU Written for all components except Medical Support Facilitator	April 2010
Contract or MOU Written for Medical Support Facilitator component	October 2010
Contract or MOU Awarded/Signed for all components except Medical Support Facilitator	May 2010, contingent on approval of the Decision Item request
Contract or MOU Awarded/Signed for Medical Support Facilitator component	November 2010
Start-Up Date for all components except Medical Support Facilitator	July 1, 2010
Start-Up Date for Medical Support Facilitator component	January 1, 2011

Statutory and Federal Authority:

Additionally, 26-13-101, C.R.S., et. Seq., enacted the “Colorado Child Support Enforcement Act” and states:

26-13-102, C.R.S. (2009) The purposes of this article are to provide for enforcing the support obligations owed by obligors, to locate obligors, to establish parentage, to establish and modify child support obligations, and to obtain support in cooperation with the federal government pursuant to Title IV-D of the federal "Social Security Act", as amended, and other applicable federal regulations.

: *26-13-108 (1), C.R.S. (2009) Whenever the state department, a county department or its authorized agent, or a district attorney recovers any amounts of support for public assistance recipients, such amounts shall be deposited in the county social services fund, and, if such support is used to reimburse public assistance paid in accordance with federal law, the federal government shall be entitled to a share in accordance with applicable federal law, the county shall be entitled to a share in accordance with state law, and the state shall be entitled to the remaining share. The state may redirect the state's share to the county pursuant to section 26-13-112.5.*

26-13-112.5 (1), C.R.S. (2009) *In federal fiscal year 2000 and each federal fiscal year thereafter, one hundred percent of the federal incentives received by the state shall be passed through to the county departments. The state board shall promulgate rules specifying performance measures pursuant to which incentives shall be distributed to the county departments. (2) A county to which a payment is made pursuant to this section shall expend the full amount of the payment to supplement, and not supplant, other funds used by the county department for any of the following purposes: (a) To carry out the approved state plan; or (b) For any activity, including cost-effective contracts, approved by the state division of child support enforcement, whether or not the expenditures for the activity are eligible for federal reimbursement, that may contribute to improving the effectiveness or efficiency of the child support program. (3) If federal incentives paid to any county department are greater than its share of child support administrative costs, then that county department shall demonstrate how the federal incentive money is expended and contributes to the program as defined in paragraph (b) of subsection (2) of this section. (4) All federal and state incentives paid to counties pursuant to section 26-13-108 shall be divided and distributed to the county departments according to the distribution formula as promulgated in state rule by the state board, to be promulgated no later than January 1, 2000. (5) The state department shall pay incentives to county departments on a quarterly basis.*

Performance Measures:

The funding of this request will go far to enable the CSE program to carry out the necessary strategies to meet its performance (workload) expectations in the following areas as outlined in the Colorado Department Of Human Services Strategic Plan:

- Ensure that the Statewide Paternity Establishment Percentage remains at greater than 90% until we are prepared to convert to IV-Paternity Establishment Percentage
- Increase the percent of current child support paid during the calendar year:
 - FY2008-09 – to 63.9%
 - FY2009-10 – to 65.9%
- The percent of child support cases with court orders to pay support:

- FY2008-09 – to 87.0%
- FY2009-10 – to 87.0%
- The percentage of arrears cases that pay support that is due:
 - FY2008-09 – to 71.3%
 - FY2009-10 – to 72.0%