

**State of Hawaii**  
**Department of the Attorney General**



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**REPORT ON**  
**THE CASE-BASED STRATEGY PILOT PROJECT**  
**OF THE CHILD SUPPORT ENFORCEMENT AGENCY**

**Pursuant to**

**Section 63 of Act 213, Session Laws of Hawaii 2007**

**Submitted to**  
**The Twenty-Fifth State Legislature**  
**Regular Session of 2009**

## **REPORT ON THE CASE-BASED STRATEGY PILOT PROJECT OF THE CHILD SUPPORT ENFORCEMENT AGENCY**

### **Introduction**

Section 63 of Act 213, Session Laws of Hawaii 2007, provided that specified amounts of state general and federal fund appropriations for child support enforcement services be expended for a pilot project to test a case-based strategy for child support enforcement. Section 63 of Act 213 also requires that a progress report be submitted twenty (20) days prior to opening of the 2008 and 2009 Legislative Regular Sessions. This report was to include, but not be limited to: (1) the status of the pilot project; (2) an evaluation of the effectiveness of the Case-Based strategy in resolving deficiencies identified by the State Auditor in the 2003 and 2007 audits of the Child Support Enforcement Agency; (3) additional strategies the Department will use in the following biennium to address deficiencies identified by the State Auditor; and (4) a list of vacant positions in the Child Support Enforcement Agency (CSEA), which as currently described do not support the case-based strategy and which should be replaced by more appropriate positions, and what those appropriate positions would be.

### **Status of the Pilot Project**

For the purpose of implementing the pilot project, Act 213 authorized eight permanent civil service positions. To be able to implement the pilot project, a reorganization of the Oahu Branch of the CSEA was required. The professional case management positions, funded by the Legislature, represented a new class of worker and, therefore, reorganization was necessary. This reorganization is a below branch reorganization and is delegated to the Department for review and approval. The reorganization was completed in December 2007 and finalized in April 2008 after providing the opportunity for union comment.

Concurrent with this reorganization process the CSEA has been defining services more finitely. A case flow model has been developed to illustrate the paths that cases flow through. (See Attachment I) A narrative for the case flow has also been developed. (See Attachment II)

Further, a Case Management Concept paper has been drafted that defines caseload, duties, and responsibilities. This paper describes: caseload size, assignment method, and which cases will be assigned to each worker. (See Attachment III)

In addition, drafting of policies and procedures to govern the delivery of service by case management staff was initiated in November 2007. This effort will provide a basis for training once staff have been recruited and hired.

The agency has re-organized Oahu Branch to facilitate the implementation of the Pilot Project. Once the re-organization was approved, job descriptions were created and class specifications reviewed. The purpose of reviewing the class specifications was to look for an interim class that could be used, pending revision of the existing Child Support Enforcement Specialist Series. The existing class is too narrow to attract qualified professional candidates.

Discussion and coordination with the Department of Human Resources Development (DHRD) on class specifications and job descriptions for the pilot project has been on-going from February to August of 2008. In August of 2008, the DHRD notified CSEA that our use of a new class (General Professional Series) was approved.

Then, just before the end of August 2008, we received notice of a hiring freeze from the Governor's Office and the Department of Budget and Finance (DB&F). The Governor cited the dire condition of the Hawaii economy and that budgetary savings was critical.

In the first week of September 2008, the Department sent a request to DB&F for approval of an exception to the hiring freeze to allow hiring of case management staff. At this juncture we are still awaiting a response to our request.

### **Evaluation of the Case-Based Strategy**

One of the biggest complaints of CSEA clients continues to be that they must speak to so many different people and have to re-explain their issues over and over again. With the case-based approach, there will only be one person for the client to talk to. This in itself will improve client services.

From a service point of view, it will still take some time to recruit and train staff if approved by the DB&F, but it will be worth it. Becoming case-based and service oriented offer more options to get clients to respond.

The ultimate test will be whether program performance improves or not. At this stage, we believe that performance will improve.

### **Additional Strategies the Department Will Use in the Following Biennium**

The Auditor cited deficiencies in the following areas relating to CSEA. They include:

- **The agency's reticence in adopting a client focused process.**
  - This finding came from an audit prior to 2006.

- **A lack of sound financial management, planning, and strategic direction:**
  - A lack of coherent analysis and planning for improvement projects and CSEA as a whole;
  - Reactive management rather than being proactive;
  - A lack of benchmarks and performance indicators to monitor progress and provide accountability;
  - Top down process excluded important stakeholders;
  - Advisory Council's role in CSEA planning is unclear;
  - Vague goals are inherently difficult to achieve;
  - Lacking performance measures, the CSEA's strategies provide no means for assessment;
  - CSEA's Information Technology (IT) planning should include well defined goals and objectives;
  - Enhancements to the automated system lack focus and foster skepticism;
  - IT Projects have had minor impact on agency operations;
  - Agency is holding 7,800 payments totaling \$1,100,000 due to bad addresses and missing data;
  - Lacking disaster planning raises risk of major service disruption;
  - CSEA has been slow to maximize the use of existing resources;
  - CSEA has been slow to deploy the use of existing resources;
  - CSEA has been passive in closing obsolete cases;
  - Increased use of Electronic Fund Transfer could reduce costs and free up resources; and
  - Problems with the CSEA's Support Payment Trust Fund persist.

With regard to the first major finding of not being “**client focused,**” we began to address that concern in the 2007 Legislative Regular Session. At that time seven case managers and a supervisor were requested by the Department and funded by the Legislature. Our progress in implementing those positions is discussed above.

Subject to the State's budget circumstances, we plan to continue to request an increase in the number of case management staff so that caseloads can be assigned and managed. This requires budget requests to be approved and sent to the Legislature for consideration which may be difficult in the near term.

With regard to the second major finding that the CSEA “**lacks sound financial management, planning, and strategic direction,**” CSEA plans for addressing these issues are underway. For example, the planning process for CSEA has been broadened and accelerated. We now include all managers directly in planning and circulate plans for review among staff. This broadens CSEA's staff support and commitment to stated plans.

We have also specified the performance measures that we are pursuing and we have stated our improvement projects, along with specifying the projected improvement in agency performance. This "implementation planning" process goes a long way in addressing legislative audit concerns.

We are attaching a copy the first CSEA implementation plan (see Attachment IV). This plan was drafted as a companion to the Strategic Plan, developed and issued in 2005.

The agency has been actively deploying existing resources and has undertaken multiple projects in case closure, medical support order review, and income withholding order review to verify system data and make corrections where necessary to comply with federal requirements.

The agency has also been issuing a large number of "Tack-On" Income Withholding Orders. Over time, these "Tack-On" Orders have not been routinely implemented for a number of cases. As a result, there are special projects underway to get these orders implemented so that there can be increased collections (for arrearages).

CSEA has been delayed in undertaking a planning effort for the Information and Technology area of CSEA. The planning effort was intended to identify IT initiatives that will both stabilize and improve the computing environment. In particular, given the age of the Keiki System, plans need to be made to bring forth a new platform to replace the existing system. A renewed effort will be made in Fiscal Year 2008-2009 to develop an IT Plan.

CSEA has been devoting staff time to the refinement of the Decision Support System (DSS), a data mining tool, used to analyze program data. Also, staff are working on a data imaging project that will result in an electronic case file and the ability to process client requests for service electronically.

For the Support Payment Trust Fund, the Chief Financial Officer (CFO) and her staff have been reviewing deficiencies cited by the State Auditor. An effort was made in 2008 to request funds from the Legislature to make-up for unanticipated shortfalls in the Trust Fund, and to get held payments distributed wherever possible. The request for funds last session was denied at the Executive Branch level, and this coming Legislative Session (2009) will be a tough one economically.

Other strategies for improving performance are not limited to adding staff. One of the big issues that we notice relative to arrearages is that there are many instances where current support is set too high given the circumstances of the Non-Custodial Parent (NCP). Some of the NCPs are in prison and others have lost their jobs, but have not asked for re-consideration of the support amount due to a change in circumstances.

On a case-by-case basis, current support will be set to a lower amount for certain low income and incarcerated felons as appropriate. This will assist in stemming the growth of debt that cannot be paid in a timely manner and make payment of child support more reasonable when prisoners are released.

CSEA is also making plans for the introduction of a debit card as an option for custodial parents who do not have bank accounts. This will allow CSEA to issue child support benefits electronically to custodial parents without bank accounts. This is part of a larger effort to discontinue the use of paper checks to disburse child support funds to custodial parents.

A new method of attempting to locate NCPs was instituted this year which involves matching CSEA information with cellular phone company records. The first attempt produced matches for over 1,600 NCPs with bad addresses and provided a telephone contact number.

Finally, the CSEA has entered into an agreement with the State of Rhode Island to match CSEA records with insurance company data with the intent of intercepting insurance settlements that are intended for delinquent obligors. Matching for this project is scheduled to begin in the fourth quarter of Fiscal Year 2008-2009.

**Vacancies**

As of the end of September 22, 2008, there were 38 vacancies within the CSEA. Of these vacancies, the following positions are ill-suited to meet the needs of the CSEA:

<u>Position #</u>	<u>Current Position Title</u>	<u>SR</u>	<u>Title Needed</u>	<u>SR</u>
▪ 26166	Support Payment Officer	15	Case Manager III	20
▪ 40049	Support Payment Officer	15	Case Manager III	20
▪ 117865	Soc Svc Asst IV	11	Case Manager III	20
▪ 117874	Soc Svc Asst IV	11	Case Manager III	20
▪ 117875	Soc Svc Asst IV	11	Case Manager III	20

Ultimately, it would be desirable if all Support Payment Officer Positions in the Division could be upgraded to the Case Manager III designation. This would allow CSEA to be more client-focused, which would make the clients more satisfied with the service, and performance would improve as well.