David A. Paterson
Governor

Administrative Directive

Section 1

Transmittal:	10-ADM-01
To:	Local District Commissioners
Issuing Division/Office:	Center for Child Well-Being (CCWB)/Division of Child Support Enforcement
Date:	February 25, 2010
Subject:	Changes to Assignment of Support Rights and Child Support Distribution in Current-Assistance Cases
Suggested Distribution:	Child Support Enforcement Coordinators Support Collection Unit Supervisors Temporary Assistance Directors Employment Coordinators Staff Development Coordinators Accounting Staff Resource and Recovery Staff Food Stamp Directors Medicaid Directors Foster Care Supervisors Child Care Unit Supervisors
Contact Person(s):	Division of Child Support Enforcement at 1-800-343- 8859 Office of Legal Affairs – Susanne H. Dolin at (518) 474-9833
Attachments:	Attachment 1-Child Support Assignment and Distribution Definitions Attachment 2-Guide to Distribution Hierarchy Based on Assignment of Support Rights Date Attachment 3-LDSS-2859 Child Support Information Transmittal Attachment 4-CSMS Case Examples for Automated Categorizing of Arrears Attachment 5-Monthly Notice of Support Payments Attachment 6-Automated Unassignment of Arrears Report Attachment 7-CSMS Case Examples for Automated Re-categorizing and Unassigning of Arrears Attachment 8-LDSS-3908, Important Notice Regarding Child Support to Persons Applying for or Receiving Temporary Assistance or Foster Care Maintenance Payments Under Title IV-E Attachment 9-LDSS-3908-SP, Important Notice Regarding Child Support to Persons Applying for or Receiving Temporary Assistance or Foster Care Maintenance

	Payments Under Title IV-E (Spanish)	
Attachment Available On – Line:	☒	

Filing References

Previous ADMs/INFs	Releases Cancelled	Dept. Regs.	Soc. Serv. Law & Other Legal Ref.	Manual Ref.	Misc. Ref.
98-ADM-2 99-ADM-5 05-ADM-16 08-ADM-08 09-ADM-19		18 NYCRR 347.3; 347.12; 347.13; 347.18; 352.15; 369.1; 369.2(b)(1) (ii) and (b)(1)(iii)(f); 370.1	45 CFR 301.1; 302.32; 302.50; 302.51; 302.52 SSL §§111-c; 111-g; 158; 348; 349-b FCA §§413; 440 SSA §§457, 458B	CSMS User Reference Guide, Chapter 20, Income Tax Refund Offset	"Dear Colleague" letter dated December 29, 1998 "Dear Colleague" letter dated January 19, 2000 "Dear Colleague" letter dated March 6, 2001 "Dear Colleague" letter dated August 6, 2001 "Dear Colleague" letter dated October 10, 2001 "Dear WMS/CNS Coordinator" letter dated November 14, 2003 "Dear Colleague" letter dated May 24, 2004 Federal OCSE-AT-07-05, dated July 11, 2007 Federal OCSE-AT-97-17, dated October 21, 1997 Federal OCSE-AT-97-13, dated September 15, 1997

Section 2

I.   Summary

This Administrative Directive (ADM) advises local districts of changes resulting from mandates and options stemming from the Federal Deficit Reduction Act (DRA) of 2005 that impact: (1) the ***assignment of support rights*** for Temporary Assistance (TA) applicants who apply for Family Assistance (FA) or Safety Net Assistance (SNA) and (2) the ***distribution*** hierarchy for

support collections made on behalf of families who are active TA that may result in the *disbursement* of collections to current-assistance families who are owed *arrears*.

Although application for Title IV-E Foster Care and Medicaid constitute an assignment, for purposes of this ADM, only TA cases are impacted by the changes to assignment and distribution discussed. Information regarding the impact of the assignment and distribution changes upon the child support enforcement program and the Child Support Management System (CSMS) is provided. Additionally, mandated forms and notices impacted by the changes are addressed in this ADM.

For definitions of terms used throughout this ADM and the Attachments, please refer to *Child Support Assignment and Distribution Definitions* (**Attachment 1**). Terms defined in Attachment 1 appear in bold and italics upon first use in this ADM.

II.   Purpose

The purpose of this ADM is to advise local district Support Collection Units (SCUs) of the mandatory changes under the DRA to the assignment of support rights at application for TA and the discontinuance of the "temporary assignment" of pre-assistance arrears for TA applications made on or after October 1, 2009. The mandatory DRA changes limit the amount of assigned support <u>to that which accrues during the period that the family receives assistance</u>.

Additionally, this ADM advises SCUs of how the distribution of collections in a ***current-assistance case***, regardless of whether the application received on or after October 1, 2009 represents a "new" case or a family who has returned to the assistance program, is impacted by the change in the assignment of support rights. Specifically, ***conditionally-assigned arrears,*** which previously were only applicable to a ***former-assistance case***, and ***family arrears***, which previously were only applicable to former-assistance and ***never-assistance case***s, may be included on a current-assistance case, and collections received may be distributed to those categories of arrears where appropriate. This ADM also advises that a current-assistance case which includes a family who was on TA under an assignment of support rights prior to October 1, 2009, and which continues on assistance without interruption, is not impacted by the DRA changes to the assignment of support rights and, consequently, is not impacted with respect to distribution of collections.

Finally, this ADM advises SCUs of the changes in the way support collections distributed to categories of arrears owed to a family in a current-assistance case will be disbursed. In particular, collections from a source other than Federal income tax refund offset which are distributed to conditionally-assigned arrears and all collections distributed to family arrears will be disbursed directly to the TA family by the child support enforcement program.

Specific information is provided regarding the impact of these changes upon the child support enforcement program and CSMS.

III.   Background

<u>Limited Assignment</u>: The mandatory DRA provision effective for all assignments of support rights made on or after October 1, 2009 limits the assignment to the support which accrues

during the period the TA applicant/recipient receives assistance. Such support which accrues may include *retroactive support* ordered by the court to the extent it covers a period that the family received TA. To comply with the DRA, Social Services Law (SSL) §§111-c (2)(a), 158(5) and (6)(i), and 348(2) and (3) were amended by Part Z of Chapter 57 of the Laws of 2008. Effective October 1, 2009, the scope of an assignment is limited to all rights to support from any other person on behalf of the applicant/recipient, or on behalf of any other family member for whom the applicant/recipient is applying for or receiving TA, that accrue during the period that a family receives TA. "TA" as noted in Section I above includes both FA cases that come under the Federal Title IV-A requirements and SNA cases under assignment by operation of State law.

Distribution of Support Collections to Current-Assistance Families: The New York State Office of Temporary and Disability Assistance (OTDA) has opted under authority contained in the DRA to continue the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) distribution rules originally provided to SCUs in the *Dear Colleague Letter* dated December 29, 1998. However, several mandatory provisions of DRA impact the PRWORA distribution rules. Because DRA limits the assignment of support rights to those which accrue during the period that the family receives TA, no new accrual of *temporarily-assigned arrears* will occur for any former-assistance cases returning to TA on or after October 1, 2009. The impact of this limited assignment upon distribution is that a current-assistance family may now have family arrears due to them, and when collections received are distributed to family arrears, those distributions will be disbursed to the current-assistance family by the child support enforcement program.

It is important to note that after October 1, 2009, current-assistance cases may have pre-assistance arrears that were assigned temporarily as a result of assignments made before that date. Temporarily-assigned arrears will convert to conditionally-assigned arrears when the family later leaves the TA program. If the former-assistance recipient returns to the TA program after October 1, 2009, the conditionally-assigned arrears will now remain conditionally-assigned and will no longer convert back to temporarily-assigned arrears. Thus, current-assistance cases may now contain conditionally-assigned arrears. Collections received and distributed to conditionally-assigned arrears in current-assistance cases will be treated in the same manner as those arrears are currently treated in former-assistance cases. When collections are made through collection or enforcement mechanisms other than Federal income tax refund offset, and where such collections are distributed to conditionally-assigned arrears, those collections will be disbursed to the family with the potential to satisfy this category of arrearage in its entirety.

Unassigning of Arrears: The DRA continues the requirement for the immediate unassignment, upon the termination of TA, of any portion of arrears designated as owed to the State that is in excess of the amount needed to reimburse the State for past TA granted to the family, or *unreimbursed assistance (URA)*. When a family leaves the TA program, States may retain collections on arrears as reimbursement of URA. However, if the amount of State-owed arrears exceeds the cumulative amount of URA when the family leaves TA, this excess is no longer subject to an assignment and must be immediately unassigned to the family. In a former-assistance case, after applying the collection to the current month's support obligation and to *never-assigned arrears*, States must distribute remaining collections to the family to satisfy any *unassigned pre-assistance arrears* (one category of family arrears) and conditionally-assigned arrears, followed by *permanently-assigned arrears*. After satisfying permanently-assigned arrears, the cumulative amount of URA must be reduced by the total distributed and any

collections exceeding the permanently-assigned arrears must be used to satisfy ***unassigned during-assistance arrears***, which are disbursed to the family.

SCUs were provided with manual instructions and case examples for calculating and unassigning permanently-assigned arrears in the *Dear Colleague* letter dated March 6, 2001. CSMS modifications will be implemented effective with the CSMS month end processing on February 26, 2010, in which all accounts where the TA case closed during the month will automatically re-categorize conditionally-assigned arrears, and unassign and re-categorize permanently-assigned arrears in excess of the cumulative amount of URA.

Revisions to New York State's distribution regulations provided under 347.12 and 347.13 of Title 18 of the New York State Codes, Rules and Regulations are forthcoming. This ADM will serve as the distribution policy for the child support enforcement program.

IV.   Program Implications

Under SSL §§158, 348 and 349-b, the assignment of support rights which is made at the time of TA application is a condition of eligibility for assistance. The DRA mandatory limitation upon assignment of support rights made on or after October 1, 2009, limits the assigned support on such cases to permanently-assigned arrears. Once the TA grant is authorized, assistance is granted from the date of TA initial eligibility (see Section V[B][2][d]). Because the DRA limited assignment restricts the amount of support assigned to that which accrues <u>during</u> the period the TA applicant/recipient receives assistance, any arrears/past-due support for periods prior to the date of TA initial eligibility will remain due to the family as family arrears, a category of arrears that may now exist in current-assistance cases on or after October 1, 2009. Note that assignments of pre-assistance arrears (temporarily-assigned arrears) associated with TA applications made prior to October 1, 2009 which reside on a current-assistance case will remain in effect; provided, however, when the period of assistance ends, the temporary assignment expires and converts to a conditional assignment. These arrears will no longer convert back to temporarily-assigned arrears upon return to TA, and as a result, conditionally-assigned arrears may now exist in current-assistance cases on or after October 1, 2009. Collections received towards family and/or conditionally-assigned arrears in current-assistance cases on or after October 1, 2009 will be distributed (applied) as provided in the *Guide to Distribution Hierarchy Based on Assignment of Support Rights Date* (**Attachment 2**).

As a result of these changes, where there are no permanently-assigned arrears remaining on a current-assistance account, collections distributed to arrears owed to the family must be disbursed within two (2) business days of the end of the month beginning with the CSMS month end processing on October 30, 2009, and thereafter. For purposes of CSMS, the required disbursements occur <u>during the month end processing</u> to meet the two (2) business day requirement. Disbursement of collections received for arrears owed to the family, including conditionally-assigned and family arrears, will be reported to the TA program monthly for purposes of determining continued eligibility for TA, and for separate determinations as to the continuation of Medicaid and Food Stamp benefits. The TA program will treat these payments under the *TA family arrears payments* definition. The term *family arrears payments*, used by the TA program, refers to disbursements of collections distributed to all categories of arrears due to the family, including family arrears and conditionally-assigned arrears collected by an enforcement method other than Federal income tax refund offset. This term is to be distinguished from *family arrears,* defined in **Attachment 1**. Further information regarding the

treatment of family arrears payments in regards to TA, MA, Food Stamp and Child Care eligibility determinations is provided in 09-ADM-19, issued November 3, 2009, and entitled *Changes to Assignment of Support Rights and Child Support Distribution for Recipients of Temporary Assistance*.

Finally, an enhancement will be made to CSMS to support the process of unassigning arrears in former-assistance cases. Where the current monthly support obligation and never-assigned arrears have been satisfied, and more collections remain available for distribution, these collections must be distributed to unassigned pre-assistance arrears and conditionally-assigned arrears and will be paid to the family. As noted above, when a TA case closes and the total amount of permanently- and/or conditionally-assigned arrears on the case exceed the URA balance, the amount of permanently- and/or conditionally-assigned arrears in excess of the URA will be unassigned and made payable to the family since the State cannot retain collections in excess of that which it has paid out in assistance, or URA. This has required that manual CSMS account maintenance be completed in a timely manner. Effective with the CSMS month end processing on February 26, 2010, and monthly thereafter, all accounts in which the TA case closed during the month will automatically (1) re-categorize temporarily-assigned (pre-assistance arrears) arrears as conditionally-assigned arrears; (2) re-categorize conditionally-assigned arrears in excess of URA as unassigned pre-assistance arrears; and (3) unassign and re-categorize permanently-assigned arrears in excess of the URA as unassigned during assistance arrears.

V.   Required Action

Local Social Services Districts (SSDs) are required to refer appropriate cases to the SCU within two (2) business days of furnishing assistance in new and reopened cases. 99-ADM-5, dated July 1, 1999, and entitled *Cooperation with Child Support Enforcement for Temporary Assistance, Medicaid, Foster Care and Child Care Services Applicants and Recipients*, provides that such referrals shall take place prior to the TA eligibility interview, or where not logistically possible, as soon as practicable after the TA eligibility interview but prior to the TA initial eligibility determination, to afford TA applicants with the opportunity to comply with child support enforcement program requirements. SCU worker actions for such referrals from the SSD for applicants/recipients are defined in 99 ADM-5. The following actions are required for purposes of the changes to assignment of support rights and distribution of collections:

A.   Actions for IV-D Cases

1.   Building New CSMS Cases

a.   Where a TA applicant is referred to the SCU through receipt of the LDSS-2860, *Child Support Enforcement Referral,* or by direct data entry in its equivalent WSVIVD record (*Child Support Enforcement Referral*) for upstate, or through the New York City Way-OCSE system, the SCU must take the appropriate actions. For cases where the TA applicant has no prior relationship with the SCU, the SCU must build the CSMS case within twenty (20) calendar days of receiving such referral (18 NYCRR 347.18) and follow procedures provided in 99-ADM-5 after the case is built.

b.   Where a new CSMS case is built, the SCU must ensure that the correct TA case number (TA-CAN) is entered. As provided in 05-ADM-16, dated October 7, 2005, and entitled *Temporary Assistance Case Number Reuse,* TA-CANs are used to provide a unique identifier to TA family units, and serve a variety of operational and administrative purposes in the management of TA programs, including the distribution of cumulative excess support.

c.   The TA-CAN will be issued once the TA case is authorized by the SSD. There are multiple sources for locating the TA-CAN, including:

  - IVA-IVD interface report;
  - Worker Alerts on ASSETS; or
  - WMS, if the SCU has access.

d.   Where the SCU has the TA-CAN available when the case is built, SCUs must enter the TA-CAN by accessing the IVDPAI (AC) record (*Current WMS/Case Individuals)* for the WMS case, which passes over to the IVDCAB record (*Case Building*). IVDPAI is obtained by passing off with *AC* from the IVDJCH record (*Client/Child*) or by entering IVDPAI and the TA-CAN from a blank screen in CSMS followed by transmit.

e.   If the SCU does not have the TA-CAN available when the case is built, SCUs must add the TA-CAN on the IVDJCH record when it becomes available through one of the sources identified in Section V(A)(1)(c) above.

Note: Where a TA referral is received and the TA applicant has no prior relationship with the SCU, but has an existing order of support which is made payable to the applicant, the SCU must determine whether the case is eligible for the change of payee process. Please refer to 98-ADM-2, dated March 4, 1998, and entitled *Change of Payee Policy & Procedure for Child Support Enforcement* for further information and actions required.

2.   **Performing Case Maintenance for Existing CSMS Accounts**

a.   Where a TA applicant/recipient is referred to the SCU and a CSMS account exists because the custodial parent has a relationship with the SCU under Social Services Law § 111-g, or as a former-assistance applicant/recipient, the SCU must review 99-ADM-5 for appropriate actions required. For cases where the TA applicant has a prior relationship with the SCU, no case building is required because the case is already built and an account exists. However, account maintenance will be required. It is important to note that account maintenance actions are not necessary until the TA grant is authorized and the SCU receives appropriate notification through the daily *IV-A/IV-D Interface Report.*

b.   When the SCU receives notification through the daily *IV-A/IV-D Interface Report*, account maintenance must be performed to the existing account. The report is sent over the Benefit Issuance and Control System (BICS)

and stored on the Computer Output to Laser Disc (COLD) system. The report name is *IVAIVDINTERFACE*. Additionally, the report is available to SCUs as a *Worker Alerts* report on ASSETS. The report is located in the *IVA* mode under the IVA-IVD tab, and the report name is *IVA-IVD Interface*. **SCUs must work the report daily to identify TA cases that have opened so that the appropriate actions can be taken in preparation for distribution.**

c. Once the TA grant has been authorized, CSMS will systematically change the DIST-SW to a "3" (*disburse no money)* to enable the SCU to take appropriate account maintenance actions:

- For established CSMS accounts with a IVD-IND on WMS of "Y," a TA-CAN existing on the account and a 1--- client ledger with a DIST-SW set to either "1" (*disburse all applied per court order)* or "2" (*disburse all paid)*, when a WMS transaction for a case opening occurs, CSMS will set the DIST-SW to "3."

- For a newly opened SNA case (case type 12, 16, or 17), the IVD-IND on WMS is set to an "N" or "P." On the 44th day, WMS will change the IVD-IND from "P" to "Y." CSMS will set the DIST-SW to "3" on the 45th day. This process is in place to ensure that child support payments are not withheld during the forty-five (45) day waiting period for SNA. (Refer to the *Dear WMS/CNS Coordinator Letter*, dated November 14, 2003, for further information.)

d. The SCU will be notified of the change in DIST-SW by a message displayed on the daily *IV-A/IV-D Interface Report* of either *08 DSSW 1 to 3* or *08 DSSW 2 to 3*.

e. Where an account incorrectly reflects the manual entry of a DIST-SW of "3" on a ledger prior to TA authorization and the systematic setting of a DIST-SW of "3" identified in Section V(A)(2)(c) above, SCUs must update the DIST-SW to a "1" so that any collections received may be distributed and disbursed to the family as required until such time as TA is authorized.

f. Where TA has been authorized and the DIST-SW is not systematically set to a "3" because the TA-CAN is not entered or does not match, SCUs may manually enter the DIST-SW "3" and perform account maintenance as required.

g. If the TA-CAN is not entered or does not match, the correct TA-CAN must be entered on CSMS so that all future operational and administrative purposes in the management of TA case occur. Where a TA-CAN is not entered, SCUs must enter the TA-CAN on the IVDJCH record. Where a new TA-CAN has been assigned to a former-assistance case, a new CSMS case must be built to include the new TA-CAN.

Note: Where an SSD refers an appropriate case to the SCU and the TA applicant has an existing order of support and is receiving support collections through the SCU, or a TA applicant has a pay direct order, those support collections are budgeted by TA in determining the grant amount. The budget is updated upon notification by the SCU that account maintenance has redirected the support payments to the SSD. As such, where there is an existing account, SCUs must <u>not</u> change a DIST-SW from a "1" to "3," until the TA grant has been authorized to ensure that support collections on an existing order of support continue for families until the TA grant begins.

B. Performing Account Ledger Maintenance on CSMS

1. Building New Ledgers on CSMS

a. Effective with TA applications made on or after October 1, 2009, where the order of support obtained by the SCU includes arrears/past-due support, and possibly retroactive support, to the effective date of the order, and where those arrears are owed to the State under an assignment of support rights, SCUs must ensure that the appropriate ledgers are built on the case. Those ledgers must accurately reflect support due to the State (beginning on the date of TA initial eligibility), and include a first and second position as follows:

21___ DSS, court ordered current
22___ DSS, court ordered arrears

b. Where the TA applicant has arrears/past-due support due to them prior to the date of TA initial eligibility (e.g., a custodial parent has an existing order of support payable through the SCU under SSL §111-g or payable directly to the family), SCUs must ensure that the appropriate ledgers are built on the case. Those ledgers must accurately reflect arrears/past-due support due to the family up to the date of TA initial eligibility, and include a first and second position as follows, as well as the appropriate DSS ledgers identified in Section V(B)(1)(a) above:

11___ Client, court ordered current
12___ Client, court ordered arrears

2. Converting Ledgers on CSMS

a. Effective October 1, 2009, where a custodial parent is a recipient of child support services under SSL §111-g, and the custodial parent first applies for TA on or after October 1, 2009, any arrears/past-due support on the existing CSMS account which accrue prior to the date of TA initial eligibility will remain due to the family. No temporary assignments of arrears/past-due support may occur.

b. Where a former-assistance account exists and has conditionally-assigned arrears (which converted from a temporary assignment of arrears based on a TA application prior to October 1, 2009), and the custodial parent re-

applies for TA on or after October 1, 2009, those conditionally-assigned arrears no longer revert to temporarily-assigned arrears. Instead, those conditionally-assigned arrears <u>will remain conditionally-assigned</u> regardless of the case status until they are paid in full. This means that when the case converts to a current-assistance account, the arrears remain conditionally-assigned arrears, and if the family leaves the TA program again, the arrears still remain conditionally-assigned arrears.

c. SCUs must ensure that the appropriate ledgers are established on existing CSMS accounts. Those ledgers must accurately reflect support due to the State and support due to the family, and include a first and second position as follows:

11___ Client, court ordered current
12___ Client, court ordered arrears
21___ DSS, court ordered current
22___ DSS, court ordered arrears

d. SCUs must ensure that arrears/past-due support due to the family remain due to the family up to the date of TA initial eligibility. This is because when TA authorizes the grant, the grant amount will be determined back to the date of TA initial eligibility. SCUs may locate the date of TA initial eligibility as follows:

- Where a message appears on the daily *IV-A/IV-D Interface Report* that a WMS case has opened or reopened, the date of TA initial eligibility can be verified by reviewing the FROM date in the WMS authorization period on the IVDPAI (AC) record for the WMS case or the AUTH FROM on the IVDJCH record (see Section VI(A) for information on the screen).

- If a CSMS case is opened at a time other than the TA opening or reopening (e.g., at recertification or reactivation), the date of TA initial eligibility can be verified by reviewing the history of the AUTH FROM dates on the IVDPAIH (AH) record (*Transaction Disposition History*) for the WMS case. IVDPAIH is obtained by passing off with *AH* from the IVDJCH record or by entering IVDPAIH and the TA-CAN from a blank screen in CSMS followed by transmit.

e. Arrears/past-due support accruing on the date of TA initial eligibility and throughout the period of assistance are permanently-assigned to the State.

3. Updating the Distribution Switch on Ledgers

After the appropriate SCU account adjustments have been completed for the TA case opening, SCUs must update the DIST-SW from a "3" to a "1" so that any collections received will be distributed and disbursed as required.

C. Notifying SSDs of Directed Support Payments

1. **Reporting a New or Modified Order of Support**

   Where a referral to the child support program has been received from TA and a resulting order of support or a modification to an existing order of support has been issued and made payable through the SCU, the SCU must notify the TA program through use of the LDSS-2859 *Child Support Information Transmittal* (**Attachment 3**). The SCU must provide the SSD with this information so the SSD can determine whether additional budgeting changes are necessary.

2. **Reporting the Redirection of Disbursements for an Existing Order of Support**

   Where a referral has been received from TA for an account with an existing order of support and the SCU determines that no modification to such order will be required, disbursements must be redirected to the SSD and the SCU must notify the TA program of the redirection through use of the LDSS-2859. Additionally, when the SCU receives notification of a change in the TA case composition through the daily *IV-A/IV-D Interface Report* (e.g., one of the children is no longer active on the TA case), disbursements must be redirected to the family where appropriate. The SCU must notify the TA program of the redirection through use of the LDSS-2859. In both instances, the SCU must provide the SSD with the appropriate information to determine whether additional budgeting changes are necessary.

3. **Revisions to the LDSS-2859**

   To assist SCUs in reporting the required information cited in Sections V(C)(1) and (2) above, page 2 of the LDSS-2859 has been modified to provide for child support case updates. The modifications accommodate updates for the order of support, and include the effective date, type of support ordered, the docket number, and the amount(s) and frequency(ies) of the obligation, as follows:

☐ Support order ☐ Original ☐ Modified Effective Date:_____ Docket #:_____

TYPE OF SUPPORT	AMOUNT	PER
☐ Current		
☐ Arrears		
☐ Cash Medical Support Obligations (CMSO)		
☐ MA Managed Care		
☐ MA Fee-for-Service (Maximum Annual CMSO)		
☐ Court ordered payment of MA Fee-for-Service claim		
TOTAL		

☐ Third Party Health Insurance Coverage:
Carrier:_____ Policy #:_____ Coverage: ☐Medical ☐Dental ☐Optical ☐Prescription
Persons Covered: _____
Carrier:_____ Policy #:_____ Coverage: ☐Medical ☐Dental ☐Optical ☐Prescription
Persons Covered: _____
Carrier:_____ Policy #:_____ Coverage: ☐Medical ☐Dental ☐Optical ☐Prescription
Persons Covered: _____

☐ Redirect support payments to ☐ DSS ☐ Family effective _____

Note: The LDSS-2859 modifications are not limited to those provided above. Further information regarding additional changes is forthcoming in an ADM for medical support changes, including information regarding production of the notice. SCUs may use the attached LDSS-2859 until production of the notice is finalized.

D.   Determining the CSMS Arrears Categories

After the account is built, or account maintenance is performed, CSMS will systematically determine which arrears are assigned to the State and which arrears remain due to the family based on the APP DATE field on the IVDJCH record which now reflects TA application dates and authorization periods for TA case types only (refer to Section VI(A) for further information). The process will occur at the end of the month following the account building or maintenance.

1.   Location of Arrears Categories

SCUs may need to refer to the categories of arrears when determining what has occurred on a CSMS account. The categories of arrears and their respective balances, which are determined and maintained by CSMS based on ledger maintenance performed by SCUs, are provided under the individual ledger pages of the IVDQRY record (*General Inquiry*). The IVDQRY record below highlights the arrears fields and gives an example of a ledger containing permanently- and conditionally-assigned arrears balances.

```
-IVDQY1    ASCU -   ANY  COUNTY                                      09/22/09  14:25:57
 ASCU-N0  AB12345C1    COUNTY-ACCT-NO F2000015    FIPS-CODE 136100
 YOUNG, WILLIAM             SMITH, BETTY
 RESP-SSN 321-54-9876   TCK-DT 00/00/0000  CLI-ID AB3333311  CLI-SSN 123-45-6789
 CAN    P0011111 11           CIN   BC12345C
 LEDGER-TYPE 21AV        FST-CHARGE 03/30/02     CRT-LOC
 STATUS    01            LST-CHARGE 12/21/10      RMKS-FLAG 21
 DIST-SW   1             SUSPENDED  00/00/00     CO-IND
 OBLIG-FREQ D07          REACTIVATE 00/00/00      PET-DOC-NO F1995904
 OBLIG-AMT       100.00    COURT-ORD 02/24/02        ORDER-ISSUED-ST
                          ARR-OFF-IND
 FED-OFFSET      0.00  ST-OFFSET       0.00     CLI-ADC-FLR       0.00
 TOT-DISB-DSS          MONTHLY         0.00     TO DATE        41117.83
 C-MO-APP        0.00  C-YR-APP        0.00     TO-DATE-APP    16305.43
 C-MO-DUE        0.00  C-YR-DUE        0.00     TO-DATE-DUE    16305.43
 ASA             0.00  ASAB            0.00     NET-DUE            0.00
 C-MO-CHG        0.00
 UNAP-AST-ARR  0.00   TMP-ASG-AR      0.00     PRM-ASG-ARRS   16445.96
 UNAD-AST-ARR  0.00   NVR-ASG-AR      0.00     CND-ASG-ARRS    1589.40

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2.   Case Examples

To assist SCUs in determining how CSMS will categorize arrears based on the information on the IVDJCH record, three case examples are provided. The case

examples include (1) the DRA assignment of support rights; (2) the PRWORA assignment of support rights; and (3) a former-assistance recipient who returns to TA under a DRA assignment of support rights. Refer to *CSMS Case Examples for Automated Categorizing of Arrears* (**Attachment 4**).

E.   Distribution

Under the DRA, New York State has opted to continue the PRWORA distribution hierarchy. For an existing CSMS account under a TA assignment prior to October 1, 2009, and which continues as a current-assistance case on or after October 1, 2009, there are no changes to the PRWORA distribution hierarchy or the arrears categories. Any temporarily-assigned arrears remain as temporarily-assigned arrears until the current-assistance case status changes. For TA applications made on or after October 1, 2009, including former-assistance recipients who return to the TA program on or after October 1, 2009, the PRWORA distribution incorporating the mandatory DRA assignment provisions becomes applicable.

Regardless of whether the current-assistance case is the result of an assignment made before, or on or after, October 1, 2009, the distribution hierarchy is determined systematically and no SCU worker actions are necessary. CSMS will determine which distribution hierarchy to follow depending on the TA application date for the TA-CAN. Although distribution is performed systematically through CSMS, SCUs should become familiar with the distribution hierarchies provided in order to respond appropriately to inquiries regarding distribution and/or disbursements made on accounts. Refer to *Guide to Distribution Hierarchy Based on Assignment of Support Rights Date* (**Attachment 2**) for the distribution hierarchies for (1) assignment of support rights made prior to October 1, 2009 and (2) assignment of support rights made on or after October 1, 2009 which incorporate the mandatory DRA requirements above.

F.   Disbursements

Beginning with the October 30, 2009, CSMS month end processing, where a conditionally-assigned or family arrears payment is determined to be due to the family, distribution of those arrears will be made to the family while under a TA assignment of support rights within two (2) business days of the end of the month in which the support collection was received by the State Disbursement Unit, which is the CSPC. SCUs must recognize disbursements of conditionally-assigned and family arrears made to current-assistance families directly on the CSMS IVDHTM record (*History of Money Transaction*) as batch 89 distributions at month end, with "1" or "5" in the BATCH column. For example:

TC	TYPE	DATE	BATCH	PAID	DUE	APPL	DISB	FIELD1	FIELD2
-IVDHST BM00000M1 ANY COUNTY * ASCU MONETARY * 09/21/09 11:56:09
RESP: SMITH, JOHN   CLI: JONES, MARY
	PYMT	11 15 09	1115A34	750.00			20493		
79	APP	11 27 09				21A	25.00		0.00
79	APP	11 27 09				21BR	450.00		0.00
69	DUE	11 27 09			28.00	11B	275.00		
89	DIST	11 27 09	-1-				275.00		0100444444
89	DIST	11 27 09	-2-				475.00		

G.   Revisions to the Monthly Notice of Support Payments to TA Recipients

The *Monthly Notice of Support Payments* (**Attachment 5**) is a child support enforcement program notice produced and mailed by the Child Support Processing Center (CSPC). Prior to October 1, 2009, the purpose of the notice was limited to notifying former-assistance recipients of collections retained by the State for DSS arrears/past-due support. The use of the notice has been expanded to accommodate information pertaining to process changes stemming from the DRA. Revisions have been made to the *Monthly Notice of Support Payments* to inform a current TA recipient when a family arrears payment or conditionally-assigned arrears payment has been disbursed to them, and to advise the TA recipient that if payments have been sent to them, that payment amount will be reported to the local DSS and may affect their TA, Food Stamp, and Medicaid eligibility for receipt of continued benefits.

Where a <u>current-assistance recipient</u> inquires about receipt of this notice, SCUs should review the CSMS IVDHTM record and confirm that a disbursement to the family for a conditionally-assigned and/or family arrears payment has occurred, and advise the TA recipient of the same. Should the TA recipient have questions about the impact to their TA, Food Stamp, or Medicaid benefits, they should be directed to those programs for further information. Where a <u>former-assistance recipient</u> inquires about receipt of this notice, SCUs should review the IVDHTM record and confirm that a disbursement to DSS for permanently-assigned arrears has occurred and advise the former recipient of the same.

H.   Generating ASSETS Account Statements

There is no change in instructions for the Account Statement function under the *Document Generation* module in ASSETS for CSMS accounts with no TA applications, or CSMS accounts with TA applications made before October 1, 2009. Under the *General Information* tab, SCUs may continue to select the available *Public Assistance (PA) Status* options provided, which include (1) *PA*, (2) *Former PA*, and (3) *Non PA*. The resulting *Account Statement* will continue to provide the same information as currently provided.

However, effective for CSMS accounts with TA applications made on or after October 1, 2009, SCUs must no longer select the option for *Former PA*; SCUs must use either the *PA* or the *Non PA* options only. The *PA* option is to be used for current-assistance cases, and the *Non PA* option is to be used for former-and never-assistance cases. By selecting the *Non PA* option, page 1 of the *Account Statement* will include amounts for TOTAL CURRENT SUPPORT DUE, TOTAL PAST SUPPORT DUE, and a GRAND TOTAL DUE (Before Deduction of Payments).

Where an SCU requires a breakdown of the amount due by beneficiary, the SCU selects the *Include Ledger Addendum* option on the *Additional Information* tab. Selecting this will produce an *Account Statement Ledger Addendum* which provides a breakdown of the NET-DUE by ledger type, and the respective totals for each.

It should be noted that if the ledger type totals on the *Account Statement Ledger Addendum* do not agree with the totals due on page 1 of the *Account Statement*, the SCU must determine the reason(s) why and make the appropriate adjustments before producing the *Account Statement* to be utilized for purposes of the program (e.g., court appearances).

I.   **Automated Unassigning of Arrears in Former-Assistance Cases**

1.   **Building or Reopening Corresponding Client Ledgers**

In preparation for the implementation of the automated unassigning of arrears in former-assistance cases effective with the CSMS month end processing on February 26, 2010, SCUs, upon notification of the TA case closing, must build or reopen the corresponding client ledgers to ensure that the automated re-categorizing and unassigning of arrears process occurs during the CSMS month end process. SCUs are notified of TA case closings through the daily *IV-A/IV-D Interface Report*. SCUs may also become aware of TA case closings through daily local district operations or through customer service contact with the TA recipient.

Where those corresponding ledgers are not built or reopened by the SCU, CSMS may not complete the process of re-categorizing or unassigning during the CSMS month end process and will be reported to SCUs for further action as provided in Section V(I)(2) below.

Once the automated unassigning of arrears is implemented, if during this process there is at least one existing client ledger with a status of "01" (active), CSMS will automatically build and/or reopen the corresponding client ledger as described in Sections VI(F), (G), and (H) below and report these actions in Section 1 of the report discussed in Section V(I)(2)(a) below. If all client ledgers have a status of "03" (*terminated*), the automated process will not occur, and the account will be reported in Section 2 of the report discussed in Section V(I)(2)(b) below.

2.   **New Automated Unassignment of Arrears Report**

A new report has been developed for purposes of reporting cases processed through the new automated unassignment of arrears process. The new monthly report, entitled *Automated Unassignment of Arrears* (**Attachment 6**), will be sent over BICS and stored on the COLD system under the report name *MUNASGRPT*. The report will be sorted by IVDJCA worker code and divided into three sections. The three sections are as follows. SCU workers should review the sections where indicated.

a.   **Section 1: Unassigned**

Section 1 of the new report will list accounts that had conditionally-assigned arrears systematically re-categorized, and/or permanently-assigned arrears which were unassigned and re-categorized, and the

respective dollar amounts for those actions. There are no SCU actions required.

b. **Section 2: Unable to Unassign**

Section 2 of the new report will list accounts and the dollar amount for those accounts in which CSMS could not systematically unassign some or all of the permanently-assigned arrears from the DSS ledgers to the client ledgers. The reason why CSMS could not systematically unassign the ledgers will be listed in Section 3 of the report. These accounts will need to be reviewed by the SCU and a manual transfer of the permanently-assigned arrears amount listed in this section from the DSS ledgers to the client ledgers will be required.

c. **Section 3: Errors**

Section 3 of the report will list cases in Section 2 and provide the DSS ledger type and a reason why CSMS could not systematically unassign some or all of the past-due support. The errors that may appear include the following:

- **Cannot Exceed 18 Ledgers.** This will occur when the account has the maximum 18 ledgers already established and there are DSS arrears that need to be unassigned. However, there is no corresponding client ledger and one cannot be built. This will also occur if the account has 17 ledgers and there are DSS judgment arrears that need to be unassigned. Building both the client judgment and interest ledgers would cause the number of ledgers to exceed 18.

  The SCU must build a new CSMS account, with the corresponding client ledgers, and manually transfer the amount of DSS arrears from the original account to the newly created account.

- **No Active CP Ledgers.** This will occur when <u>all</u> client ledgers have a ledger status of "03." This process will not reactivate the client ledgers because CSMS is unable to determine the reason why all client ledgers are terminated, i.e. the custodial parent has previously requested that child support services are no longer needed.

  If the custodial parent has requested that child support services be discontinued, the SCU must reduce the DSS arrears down to the URA balance, and for any DSS interest ledgers which are charging, the first and last charge dates on those ledgers must be set to 00/00/00. If the custodial parent did not request that child support services be discontinued, the SCUs must open client ledgers and move the DUE manually.

- **No Active DSS Ledgers.** This will occur when <u>all</u> DSS ledgers with a NET-DUE or ASAB greater than zero have a ledger status other than "01." This process will not reactivate the DSS ledgers because CSMS

is unable to determine the reason why all DSS ledgers are not terminated.

SCUs must review the account and determine the proper status for those ledgers. Account maintenance must be performed as required, including moving the DUE manually.

3. **Case Examples for Automated Re-categorizing and/or Unassigning of Arrears**

    Three case examples are provided with this ADM illustrate the CSMS calculations for the re-categorizing of conditionally-assigned arrears, determining the amount of unassigned DSS arrears and re-categorizating permanently-assigned arrears, as follows:

    - **Example 1** illustrates a single CSMS account for the custodial parent where only permanently-assigned arrears exist, the amount of unassigned DSS arrears must be determined, and permanently-assigned arrears require re-categorizing and unassigning.

    - **Example 2** illustrates multiple CSMS accounts for the custodial parent where only permanently-assigned arrears exist, the amount of unassigned DSS arrears must be determined by proration, and permanently-assigned arrears require re-categorizing and unassigning.

    - **Example 3** illustrates a single CSMS account for the custodial parent where both conditionally- and permanently-assigned arrears exist, the conditionally-assigned arrears require re-categorizing; then the amount of unassigned DSS arrears must be determined and permanently-assigned arrears require re-categorizing and unassigning.

    Refer to *CSMS Case Examples for Automated Re-categorizing and Unassigning of Arrears* (**Attachment 7**).

J. **Use of Revised LDSS-3908**

1. **Revised Notice**

    Revisions have been made to the LDSS-3908, *Important Notice Regarding Child Support to Persons Applying for or Receiving Temporary Assistance or Foster Care Maintenance Payments Under Title IV*-E and LDSS-3908-SP, the translated version (**Attachments 8 and 9**, respectively), to reflect the changes to assignment of support rights under DRA. SCUs were advised in 99-ADM-5 of the requirements to notify TA recipients who are receiving IV-D services of their right to be informed of the time, date and place of initial and subsequent hearings or court proceedings to establish paternity or establish, modify or enforce a support obligation. As a part of that, a copy of the LDSS-3908 must either be given to TA applicants/recipients at the time of the IV-D interview or, for those cases in which an in-person interview is not required, sent to TA applicants/recipients after a IV-D referral is received.

SCUs must destroy all prior versions of the LDSS-3908 and replace those documents with the version included with this ADM.

2. Ordering of LDSS Forms through OTDA

a. OTDA-876 Process

SCUs must request printed copies of the revised LDSS forms by completing and submitting an OTDA-876, *Request for Forms or Publications*, to:

> Office of Temporary and Disability Assistance
> BMS Document Services and Operational Support
> P.O. Box 1990
> Albany, New York 12201

Questions concerning ordering forms should be directed to BMS Document Services at 1-800-343-8859, ext. 4-9522.

b. OTDA Intranet Website

Documents may also be ordered through Outlook. To order the forms you must obtain and complete an OTDA-876 form electronically by going to the OTDA Intranet Website at: http://otda.state.nyenet/, then to Division of Operations and Program Support page and then to OPS E-Forms page, Bureau of Management Services section (this section contains the electronic OTDA-876). The completed OTDA-876 form may be e-mailed to: **gg7359@otda.state.ny.us**.

For a complete list of forms available for downloading, please refer to OTDA Intranet site: **http://otda.state.nyenet/ldss_eforms/default.htm**.

c. Via E-mail

For those who do not have Outlook but who have Internet access for sending and receiving e-mail, the Internet email address is: **gg7359@otda.state.ny.us**.

VI. Systems Implications

The following modifications have been or will be made to CSMS to accommodate the DRA changes identified in this ADM.

A. CSMS Automated Population of the TA Application Fields on the IVDJCH Record

In order to accommodate changes to assignment under the DRA provisions, the CSMS IVDJCH record was modified effective June 15, 2009 to provide the TA application date and authorization period based on the TA-CAN. The APP DATE, AUTH FROM, and

AUTH TO fields now reflect TA application dates and authorization periods, which include TA case types only. The fields may be found in ASSETS in *CASE* mode under the *CLIENT* tab, and are identified as *Application Date*, *Authorized From*, and *Authorized To*.

By entering the TA-CAN on the IVDJCH record, CSMS will link to the TA-CAN and populate the APP DATE, AUTH FROM and TO data fields on the IVDJCH record for TA case types, where the case type is:

> 11 – *Family Assistance*
> 12 – *Safety Net Non Cash Assistance (SN-FP)*
> 13 – *ADC-FC*
> 16 – *Safety Net Cash Assistance (SN-CSH)*
> 17 – *Safety Net Non-Cash Assistance (SN-FNP)*

```
-IVDCH1     CSMS             ANY COUNTY          09/15/09 09:59:47
CASE-ID A:BD12345D1 CLIENT-ID: BF123456  TOT-CSE 002 TOT-ACC 002 TOT-CHLD 02
NAME SMITH, MARY_____ SEX F ETH _ DOB 11251977 SSN 123456789
C/O _____        PHONE 5182775656   CLI-DT-CHGD 08/01/09
 MAIL ADDR              RES ADDR            REF ADR IND _
 234__STATE STREET _____234__STATE STREET _____
 ALBANY_____ NY 12202____       ALBANY_____ NY 12202____
APP DATE 10/05/09  AUTH FROM 11/01/09 TO 05/30/10  CAN      SUFF STAT TYP
EFF DT 11/16/05    ICC 13 FSC 63  JDP _          PA P123456  01   07    11
NET-PA-PAYMENTS     41484.13 FROM-DT  10141999  MA _____ __ __ __
TOT-REPAID-BY-IVD   6730.98 TO-DT   11142005     FC _____ __ __ __
TOT-IVD-URA          34753.15          CIN AB56789S    DAM _
CLI-FEE-IND  1
01NAME SMITH,_WILLIAM  A_____ SEX M ETH _ DOB 08181998 SSN 234567890 FCR A
AS-CSE A: BF12345J1 CIN DB65432M DAM _ FSC __ ICC 06 REL 04 PA STAT 20 PA TYP 17
WI 1 MI 11 DISAB _ RES ST NY ADDED 040201 CHGD 022209 JDP _ MA STAT __ MA TYP __
BIRTH CITY _____ ST __ CNTY _____        FC STAT __ FC TYP __


02NAME JONES,_CATHY_A_____ SEX F ETH _ DOB 11052002 SSN 456789012 FCR A
AS-CSE A: BK43210J1 CIN DC76543W DAM _ FSC __ ICC 41 REL 05 PA STAT 20 PA TYP 17
WI 2 MI 53 DISAB _ RES ST __ ADDED 122203 CHGD 040209 JDP _ MA STAT __ MA TYP __
BIRTH CITY _____ ST __ CNTY _____        FC STAT __ FC TYP __
KEY _____ 01 OF 01 XMT/PASSOFF -> ____ <-
```

The CSMS case must have a TA-CAN in order to populate the fields. The CSMS fields will be zero until the TA-CAN is authorized.

Note: If the TA application date and/or authorization period is needed for a WMS case number on IVDJCH with a case type other than those listed above, such as case type "20" (*MA for Medicaid*), the APP DATE, AUTH FROM, and AUTH TO will need to be obtained from the IVDPAIC record in WMS. SCU workers may obtain such information by entering *AC* in the XMT field and transmitting from the IVDJCH record. If there is more than one WMS case number on IVDJCH it may be necessary to enter the WMS case number in the KEY field before entering *AC* in the XMT field and transmitting. The fields on IVDJCH will not be populated for these case types.

B.   **CSMS Automated Categorizing of Arrears**

After the account is built, or account maintenance is performed by the SCU, CSMS will systematically determine which arrears are assigned to the State and which arrears remain due to the family based on the APP DATE field on the IVDJCH record which now reflect TA application dates and authorization periods for TA case types only (refer to Section VI(A) above for further information). The process will occur at the end of the month following the account building or maintenance. For case examples reflecting how CSMS will categorize arrears based on DRA and PRWORA assignments of support rights, refer to *CSMS Case Examples for Automated Categorizing of Arrears* (**Attachment 4**).

After determining the categories of arrears and their respective balances, CSMS reports the respective information on the individual ledger pages of the CSMS IVDQRY record. Refer to Section V(D)(1) above for an example of the IVDQRY record reflecting the various categories of arrears.

C. <u>**Change in Distribution in a Current-Assistance Case Effective October 1, 2009**</u>

For an existing CSMS account under a TA assignment prior to October 1, 2009, and which continues as a current-assistance case on or after October 1, 2009, the PRWORA assignment and distribution will continue. Therefore, <u>no</u> changes to CSMS or the distribution hierarchy or the arrears categories are necessary. For TA assignments made on or after October 1, 2009, including former-assistance recipients who return to the TA program on or after October 1, 2009, the PRWORA distribution incorporating the mandatory DRA assignment provisions becomes effective. For purposes of distribution to family arrears, the CSMS distribution process required the following changes:

1. When the order of support includes arrears/past-due support (including retroactive support to the effective date of the order) which are established for periods prior to the date of TA initial eligibility for assignment of support rights on or after October 1, 2009, those arrears/past-due support are to be designated as family arrears and <u>are due to the family</u>. CSMS will systematically determine that those arrears/past-due support remain due to the family. There is no temporary assignment of those arrears/past-due support effective with TA applications on or after October 1, 2009. As such, effective October 1, 2009, CSMS will follow the DRA assignment requirements and apply those requirements to the distribution of collections. When a case is referred from TA, and the order of support is received, SCUs will establish the account with the appropriate ledgers. Thereafter, when a collection is received, CSMS will review the APP DATE field on the IVDJCH record to determine which distribution hierarchy to follow.

2. Where the APP DATE is prior to October 1, 2009, CSMS will continue to apply and distribute collections following the PRWORA assignment requirements. See the *Guide to Distribution Hierarchy Based on Assignment of Support Rights Date* (**Attachment 2**).

3. Where the APP DATE is October 1, 2009 or after, CSMS will apply and distribute any collections following the PRWORA distribution rules under the DRA assignment requirements (See the distribution hierarchy provided in **Attachment 2**).

a. During the nightly CSMS application process for collections other than Federal income tax refund offset collections, if the account is an active TA case, CSMS will apply collections to the DSS *current support* ledgers first. If the net due is satisfied on the first DSS current support ledger, and there is still money left to apply, CSMS will **not** perform the routine that transfers the due from a corresponding client current support ledger to a DSS current support ledger and apply the remaining money. Instead, CSMS will satisfy the net due on the next active DSS current support ledger and continue this process until all the net dues on all active DSS current support ledgers are satisfied or until all the collections have been applied whichever occurs first.

b. Effective with the October 30, 2009 CSMS month end processing, the application process for collections other than a Federal income tax refund offset collection is modified as follows:

(i) Satisfy the NET-DUE on the first DSS current support ledger. If the net due is satisfied and there is still money left to apply, CSMS will not perform the routine that transfers the due from a corresponding client current support ledger to a DSS current support ledger and apply the remaining money. Instead, CSMS will satisfy the NET-DUE on the next active DSS current support ledger and continue this process until all the NET-DUEs on all active DSS current support ledgers are satisfied or until all the collections have been applied, whichever occurs first.

(ii) If all the NET-DUEs have been satisfied on all DSS current support ledgers and there is still money left to apply, CSMS will satisfy the NET-DUE on the first active DSS arrears ledger (i.e. 22—or 24--). CSMS will not perform the routine that transfers the due from a corresponding client arrears ledger to a DSS arrears ledger and apply the remaining money. Instead, CSMS will satisfy the NET-DUE on the next active DSS arrears ledger and continue this process until all the NET-DUEs on all active DSS ledgers are satisfied or until all the collections have been applied, whichever occurs first.

(iii) If all the NET-DUEs have been satisfied on all DSS arrears ledgers and there is still money left to apply, CSMS will satisfy the NET-DUE on the first active client current support ledger and continue with the ledger application hierarchy until all client NET-DUEs have been satisfied. CSMS will continue to withhold one obligation amount at the end of the month processing prior to raising the NET-DUEs on 22BM and 22BD ledgers after all NET-DUEs have been satisfied. This means that CSMS will now be disbursing payments on active TA cases directly to the client during the month end processing if all DSS arrears have been satisfied.

Note: With the DRA changes on or after October 1, 2009, once a TA recipient leaves the TA program, temporarily-assigned arrears become conditionally-assigned arrears where they will remain, regardless of whether that recipient remains off TA or returns to the TA program, until they are satisfied. No changes to Federal income tax refund offset distribution are required. CSMS will continue to certify TANF and NON-TANF arrears, and distribute to the State the Federal income tax refund collections applied against temporarily- and/or conditionally-assigned arrears on current-assistance cases as appropriate.

D.   **Revisions to the Monthly Disregard File Sent to WMS**

Effective with the October 30, 2009 CSMS month end processing, programming changes were made to calculate the conditionally-assigned and/or family arrears disbursement made to a current TA family. The amount includes all accounts associated with a TA-CAN that have a conditionally-assigned and/or family arrears disbursement. The current month's and the prior month's conditionally-assigned and/or family arrears disbursement will be reported to TA as well as the date of the current month's respective month end disbursement. Any conditionally-assigned and/or family arrears payment issued will be disbursed within two (2) business days at CSMS month end processing.

The child support enforcement program will send the monthly disregard file containing information regarding conditionally-assigned and/or family arrears that were disbursed to the family for the current and prior months. 09-ADM-19 provides information on how TA will access and process the information provided on the monthly disregard file.

E.   **Monthly Notice of Support Payments**

1.   Effective with the October 30, 2009 CSMS month end processing, program changes were made to the Monthly Notice of Support Payments (previously referred to as *client notice*) to include those current TA cases where a conditionally-assigned or family arrears disbursement is made to the family. The notice is produced and mailed by the CSPC to current TA recipients advising of the collections and distributions made for any CSMS month where a conditionally-assigned and/or family arrears disbursement is made to the family.

2.   This notice will continue to be produced and mailed by the CSPC in former-assistance cases advising of collections and distributions for any CSMS month where a disbursement is made to DSS.

F.   **Automated Re-categorizing and/or Unassigning of Arrears**

CSMS modifications will be implemented effective with the CSMS month end processing on February 26, 2010, in which all accounts where the TA case closed during the month will automatically re-categorize conditionally-assigned arrears, and unassign and re-categorize permanently-assigned arrears in excess of the cumulative amount of URA, as follows:

1.   When a TA case closes and the total amount of conditionally-assigned arrears and/or permanently-assigned arrears (Net Dues and ASAB's on all 2-A---, 2-BJ--, 2-BI--, 2-BP--, 2-BR--, 2-CA--, 24AX-- and 24BX-- ledgers) exceed the URA

balance, the amount of conditionally-assigned arrears in excess of the URA must be re-categorized, and/or the amount of permanently-assigned arrears in excess of the URA must be transferred to the client ledgers and re-categorized.

2.   CSMS will total the amount of conditionally-assigned and permanently-assigned arrears for all accounts associated with the same TA-CAN. CSMS prohibits client linking which would delete or change an existing TA-CAN. If a worker attempts this action one of the following error messages will be displayed "THE CLIENTS HAVE DIFFERENT PA CANS" or "THE CLIENTS HAVE DIFFERENT FC CANS."

3.   The total amount of conditionally-assigned and permanently-assigned arrears mentioned above will then be compared to the TOT-IVD-URA amount on IVDJCH. If the total arrears amount is equal to or less than the TOT-IVD-URA no action will be taken.

4.   If the total amount of conditionally-assigned and permanently-assigned arrears mentioned above is greater than the TOT-IVD-URA CSMS will do the following:

a.   Take the difference between the total assigned arrears minus the TOT-IVD-URA and reduce the conditionally-assigned arrears by the lesser of the difference or the conditionally-assigned arrears amount and store this amount in the unassigned pre-assistance arrears field (UNAP-AST-ARR on the IVDQRY record). No past-due amounts will be systematically transferred from CSMS ledgers as those past-due amounts already exist on client ledgers.

b.   If after reducing the conditionally-assigned arrears to zero, if the difference between the total assigned arrears and the TOT-IVD-URA is still greater than zero, CSMS will begin to reduce the permanently-assigned arrears by the remaining difference and store this amount in the unassigned during-assistance field (UNAD-AST-ARR on the IVDQRY record).

c.   Decrease the TO DATE DUE on the first active DSS current support ledger mentioned above by the amount of the reduction of the permanently-assigned arrears in Section VI(F)(4)(b) above and increase the TO DATE DUE on the corresponding client ledger by the same amount.

d.   Continue this process on the next eligible DSS current support ledger(s) until the difference has been reduced to zero or all NET-DUEs on all eligible DSS current support ledgers have been transferred to the corresponding client ledgers. If the difference has not been reduced to zero, CSMS will continue with the next eligible DSS arrears ledger(s) and then to the eligible DSS judgment/interest ledgers. When a DSS judgment/interest ledger is encountered, CSMS will reduce the ASAB on the judgment ledger with the oldest court order date first, search for a corresponding client judgment ledger with the same court order date,

transfer the ASAB amount, and then continue with the same routine on the corresponding interest ledger.

    e.   Store a 68 DUE transaction with "UNASG ARRS" in FIELD2 for each ledger affected to record and identify the system adjustments on IVDHTM.

G.   Automatic Building of Client Ledgers

1.   During the automated unassigning of DSS arrears process if a corresponding client ledger is not found, CSMS will attempt to build a corresponding client ledger as follows:

    a.   If a "Y" group on the IVDJSI record (*Status Information* screen) is not open CSMS will open a "Y" group with a Y001 00 status transaction.

    b.   If there are currently 18 ledgers or 17 ledgers on the account and a judgment/interest ledger needs to be built the account will be listed on the *Automated Unassignment of Arrears* report as "CANNOT EXCEED 18 LEDGERS." If not then CSMS will build a corresponding client ledger as needed for every DSS ledger that has a net due or ASAB greater than zero.

    c.   The following data elements will have the same values as the corresponding DSS ledger:

        STATUS
        DIST-SW*****
        OBLIG-FREQ
        CRT-LOC
        RMKS-FLAG
        CO-IND
        PET-DOC-NO
        COURT-ORD
        ORDER-ISSUE-ST
        ARR-OFF-IND
        CND-ASG-ARRS
        NVR-ASG-AR
        TMP-ASG-AR
        PRM-ASG-ARRS
        UNAP-AST-ARR
        UNAD-AST-ARR
        FST-CHARGE******
        LST-CHARGE******

    * If this ledger is the first client ledger to be built then the same DIST-SW value on the corresponding DSS ledger will be used. If client ledgers exist, other than the one that is being built, the DIST-SW that is on the existing client ledger(s) will be used.

** The first and last charge dates that are on the corresponding DSS ledgers will be used on Interest ledgers only (5th position of the ledger type = I).

2. CSMS will store 00/00/0000 in the following data elements:

    FST-CHARGE*
    LST-CHARGE*
    SUSPENDED
    REACTIVATE

    * This will occur on all non-interest ledgers.

3. The following data elements will be set to 0.00:

    OBLIG-AMT
    FED-OFFSET
    ST-OFFSET
    CLI-ADC-FLR
    C-MO-APP
    C-QTR-APP
    C-YR-APP
    TO-DATE-APP
    C-MO-DUE
    C-QTR-DUE
    C-YR-DUE
    TO-DATE-DUE
    ASAB
    C-MO-CHG

4. The following elements will equal the value for the existing client beneficiary:

    TOT-DISB-MONTHLY
    TO-DATE-DISB

5. A 00 ACCD transaction for each ledger created will be stored on the CSMS IVDHST record (*History of Account Transactions*) with 00/00/00 stored in the "FROM" field and 00/00/00 stored in the "TO" field and "UNASG ARRS" in FIELD2.

H. Automatic Reopening of Client Ledgers

1. During the automated reopening of a client ledger, where there is at least one existing client ledger with a status of "01," and the corresponding client has a status of "03," CSMS will reopen the corresponding client ledger with a status of "01" and the appropriate account adjustments will be completed.

2. A 07 LDST transaction for the ledger reopening will be stored on the CSMS IVDHST record with "UNASG ARRS" in FIELD2.

I.   **New Automated Unassignment of Arrears Report**

A new report has been developed entitled *Automated Unassignment of Arrears* (**Attachment 6**) which will be sent over BICS and stored on the COLD system. For specific information and worker actions associated with the report, please see Section V(I)(2) above.

VII.   Additional Information (Optional)

None.

VIII. Effective Date

This ADM is effective immediately. The DRA limitation upon the assignment of support rights is effective for all assignments made on and after October 1, 2009. The system changes for distribution of conditionally-assigned arrears and family arrears, and implementation of the revised *Monthly Notice of Support Payments* are effective with the CSMS month end processing on October 30, 2009. The system changes for the re-categorizing and/or unassigning of arrears will become effective with the CSMS month end processing on February 26, 2010.

Issued By
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