



Office of Temporary and Disability Assistance

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Administrative Directive

Section 1

Transmittal:	15-ADM-07
To:	Local District Commissioners
Issuing Division/Office:	Division of Child Support Enforcement Center for Child Well-Being
Date:	October 8, 2015
Subject:	Arrears Pilot Initiative to Improve Child Support Compliance
Suggested Distribution:	Child Support Enforcement Coordinators Support Collection Unit Supervisors IV-D Attorneys Accounting Staff Staff Development Coordinators Temporary Assistance Staff
Contact Person(s):	Division of Child Support Enforcement at 1-800-343-8859
Attachments:	<ol style="list-style-type: none"> 1. Pilot Program for Reducing Your Child Support Arrears Outreach Letter 2. Arrears Pilot Program – Appointment Checklist 3. Arrears Pilot Program – Financial Disclosure Affidavit 4. Participation Agreement for the Arrears Pilot Program 5. Child Support Standards Chart 6. LDSS Request to State for Unreimbursed Assistance (URA) Adjustment as a Result of a Compromise of Arrears 7. Notice of Denial of Milestone Arrears Reduction 8. Challenge to Denial of Milestone Arrears Reduction 9. Notice of Determination Regarding Milestone Arrears Reduction Challenge 10. Arrears Pilot Program – List of Participating Districts 11. Satisfaction of Money Judgment 12. Examples of Arrears Pilot Program Account Adjustments 13. Arrears Pilot Program Frequently Asked Questions
Attachment Available Online:	<input checked="" type="checkbox"/>

Filing References

Previous ADMs/INFs	Releases Cancelled	Dept. Regs.	Soc. Serv. Law & Other Legal Ref.	Manual Ref.	Misc. Ref.
		18 NYCRR 300.11	FCAS §§ 413, 416, 571 CPLR §§ 5101, 5020, 45 CFR 302.70(a)(9)	CSMS Reference Manual	PIQ-99-33 PIQ-05-01

Section 2

I. Summary

This Administrative Directive (ADM) sets forth participant criteria, procedures, and forms for a pilot initiative to increase support payment compliance. Through this optional pilot, the Division of Child Support Enforcement (DCSE) within the Office of Temporary and Disability Assistance (OTDA) seeks to determine whether an increase in direct engagement by the child support program coupled with a limited opportunity to decrease arrears will encourage noncustodial parents (NCPs) to become more active participants in their child support cases. The focus of the pilot is on accounts on which permanently-assigned arrears exist. In all cases, arrears owed to the family will not be impacted. In some of these cases, the NCP may be capable of paying current support, but is unable to address existing arrears or the accumulating interest; in others, the NCP may not be able to pay the full current support ordered by the court or realistically pay down accumulated arrears, including associated interest.

For the pilot, DCSE identified pre-selected NCPs potentially eligible to participate and sent lists of cases to all local social services districts (SSDs). SSDs opting to have their Support Collection Unit (SCU) participate were asked to review the list created by DCSE and advise DCSE of any cases which should be removed from the list for failing to meet the selection criteria. Utilizing the final list, DCSE will send an outreach letter (**Attachment 1**) to the pre-selected NCPs to offer an opportunity for a conference with the SCU to discuss the NCP's current financial circumstances in relation to their child support obligations. SCUs will use the procedures and forms provided in this ADM to evaluate and agree, where appropriate, to reduce the permanently-assigned arrears on an eligible account by as much as \$5,000 if the NCP successfully reaches certain milestones. This pilot will be conducted over a twelve (12) month period during which DCSE will assess NCP participation and payment compliance. For a period after the conclusion of the pilot, DCSE will evaluate the pilot's continuing impact, if any. The results will determine whether the pilot should be continued, expanded, modified, or discontinued.

II. Purpose

The fundamental child support questions to be assessed by this pilot are: (1) whether NCPs will become, and/or remain, active participants in their child support case through a reduction in their permanently-assigned arrears combined with active engagement by the SCU; and (2) whether NCPs will increase their future support payment compliance as a result of participation in the pilot.

This pilot is aimed at creating opportunities for NCPs with permanently-assigned arrears to engage, or re-engage, with the child support program. All participating NCPs will receive a review of their orders in light of their current financial situation and, as appropriate, will receive assistance pursuing a "right-sized" order that more accurately reflects the NCP's ability to pay through existing modification procedures. For NCPs who have not complied with their child support order, the pilot seeks to encourage payment of their support obligations. For other NCPs the pilot opportunity seeks to provide a fresh-start, providing encouragement for positive behavior—including timely

and consistent payment of support, and obtaining and retaining employment—and laying the foundation for lasting engagement with the child support program.

III. Background

Federal law at §466(a)(9) of the Social Security Act, the implementing regulation at 45 CFR §302.70(a)(9), and State law at Civil Practice Law and Rules (CPLR) §5101, provide that child support is a judgment on and after the date due with the full force, effect, and attributes of a judgment of the state, and is not subject to retroactive modification by a court. Therefore, when an NCP delays modification of a child support order, the court has no authority to provide relief with respect to accrued arrears. The child support order may be “right-sized” by the court prospectively, but only after a modification petition has been filed. Arrears management strategies provide alternative methods for providing relief to NCPs who have large amounts of accrued arrears that they do not have the ability to pay.

The structure of this arrears management pilot incorporates three tenets of the Federal 2010-2014 OCSE National Child Support Enforcement Strategic Plan:

- Develop case management tools for early intervention to work with parents to ensure regular, consistent payments.
- Strive for reliable payments and voluntary compliance in preference to debt-triggered enforcement action.
- Consider ways to facilitate regular and reliable payment of current support through debt leveraging strategies and other approaches to reducing uncollectible debt owed to a state.

In addition, this pilot provides for a commensurate reduction in the unreimbursed assistance (URA) consistent with federal direction in situations where arrears are compromised. The federal Office of Child Support Enforcement’s (OCSE’s) PIQ-05-01 provides that, “[i]f, in accordance with state law or procedures, permanently-assigned arrearages are compromised by the state, we encourage states to reduce the URA balance by an amount equal to the amount of permanently-assigned arrearages compromised by the state.”

IV. Program Implications

DCSE has identified certain NCPs who are potentially eligible for the pilot program. At the time of pre-selection, all of the NCPs had one or more accounts with an obligation greater than \$0 and permanently-assigned arrears greater than \$5,000.¹ In addition, the accounts identified must have had at least one child under the age of twenty (20)

¹ Permanently-assigned arrears are those arrears which do not exceed the cumulative amount of URA paid to the family as of the date the family leaves assistance, and include arrears that (1) are or were assigned under an assignment of support rights in effect prior to October 1, 2009, or (2) accrued under an assignment executed on or after October 1, 2009, during the time a family received assistance. See Section VI for a list of ledgers containing permanently-assigned arrears.

years and no indication of family violence or good cause exemption present on the case record.

Data analysis of this pre-selected population indicates that:

- The average obligation amount is \$348.86 per month, with 19.3% currently paying through an income withholding order;
- The average amount of arrears owed to the SSD is \$16,281, and the average amount of total arrears (assigned arrears and arrears owed to the family) is \$27,209. The average amount of associated interest owed to the SSD is \$5,565;
- 21.1% have never made a child support payment; and 41.8% made their last payment prior to 2015.

The lists of pre-selected NCPs were provided to the SCUs and participating SCUs were asked to return the lists to DCSE indicating any NCPs that should be removed from the process for not meeting one or more of the above-listed eligibility criteria at the time of review by the SCU, or for having a documented incident or threat of violence against the custodial parent, a child, or SCU staff. SCUs were further advised that NCPs whose arrears balances fall below the \$5,000 threshold between the time of the SCU's eligibility review and the time of the conference shall remain eligible for the pilot.

Under the terms of the pilot, for each eligible account on which the SCU and the NCP sign a *Participation Agreement for the Arrears Pilot Program (Participation Agreement)*, and on which the NCP successfully makes all current support payments required by the court under the most recent order of support (including an adjusted order), the SCU will remove up to \$5,000 of permanently-assigned arrears existing on the account. When a participating NCP successfully reaches one of the pilot milestones, the reduction will be made only to permanently-assigned arrears existing at the time of the adjustment. The following pilot milestones have been established and are incorporated into the *Participation Agreement*:

- Milestone 1: Up to \$250 of permanently-assigned arrears will be reduced for meeting with the SCU, completing and submitting a signed *Financial Disclosure Affidavit*, and signing the *Participation Agreement* (see section V.B.4 below).
- Milestone 2: Up to \$2,000 of permanently-assigned arrears will be reduced for successfully paying all current support that is required under the most recent court order of support (including an adjusted order) to be paid between January 1, 2016 and June 30, 2016.
- Milestone 3: Up to \$2,750 of permanently-assigned arrears will be reduced for successfully paying all current support that is required under the most recent court order of support (including an adjusted order) to be paid between July 1, 2016 and December 31, 2016.

In addition, if during the pilot program period the NCP successfully reaches all three (3)

pilot milestones and makes payments toward arrears equivalent to the difference between the permanently-assigned arrears on judgment ledger(s) and the total amount of milestone arrears reductions made, the interest on any associated ledger(s) will be forgiven (see *Examples of Arrears Pilot Program Account Adjustments*, **Attachment 12**). Note also that if during the pilot program period the NCP's order is terminated, the NCP's eligibility for the arrears reduction associated with the milestone period in which the order was terminated will not be affected.

V. Required Action

A. DCSE and Child Support Processing Center Actions for Pilot

1. Case selection and mailing of letter and forms. For each participating SCU, DCSE will review and finalize a list of pre-selected NCPs that fit the participant selection criteria set forth in Section IV and have been confirmed for participation by the SCU ("selected NCPs"). All eligible accounts for the selected NCPs will be on the list. From these lists of selected NCPs, the Child Support Processing Center will produce and mail a *Pilot Program for Reducing Your Child Support Arrears* outreach letter (**Attachment 1**) to each NCP on the list. Where the NCP has multiple eligible accounts on the list, accounts held by a single participating SCU will be combined on a single letter. NCPs with eligible accounts in more than one participating SCU will receive more than one letter. DCSE will send to each participating SCU the final list of selected NCPs to whom the outreach letter was mailed.
2. Match for Milestone 2. On or about July 10, 2016, DCSE will identify participating NCPs and determine if the current support obligation on any eligible account was met for the Milestone 2 period (January 1, 2016 to June 30, 2016). DCSE will then send participating SCUs two (2) reports, one indicating participants who successfully completed Milestone 2 and the other indicating participants who failed to meet the Milestone.
3. Letter and challenge form mailings. DCSE will mail to those participants who successfully completed Milestone 2 a letter indicating the amount of the arrears reduction that was made. DCSE will mail to those participants who failed to successfully complete Milestone 2 a *Notice of Denial of Milestone Arrears Reduction* (**Attachment 7**) and a *Challenge to Denial of Milestone Arrears Reduction* (**Attachment 8**), indicating that DCSE has determined the Milestone was not met and giving the NCP the opportunity to challenge such determination. Any such challenge must be received within forty-five (45) days of the date of the *Notice of Denial of Milestone Arrears Reduction*.
4. Match for Milestone 3. On or about January 10, 2017, DCSE will identify participating NCPs and determine if the current support obligation on any eligible account was met for the Milestone 3 period (July 1, 2016 to December 31, 2016). DCSE will then send participating SCUs two (2) reports, one indicating participants who successfully completed Milestone 3 and one indicating participants who failed to meet the Milestone.
5. Letter and challenge form mailings. DCSE will mail to those participants who successfully completed Milestone 3 a letter indicating the amount of the arrears reduction that was made. DCSE will mail to those participants who failed to

successfully complete Milestone 3 a *Notice of Denial of Milestone Arrears Reduction (Attachment 7)* and a *Challenge to Denial of Milestone Arrears Reduction (Attachment 8)*, indicating that DCSE has determined the Milestone was not met and giving the NCP the opportunity to challenge such determination. Any such challenge must be received within forty-five (45) days of the date of the *Notice of Denial of Milestone Arrears Reduction*.

B. Local District Actions for Pilot

1. SCU action if mail is returned as undeliverable. If the *Pilot Program for Reducing Your Child Support Arrears* outreach letter identified in V.A.1 is returned “undeliverable” to the SCU, the verification indicator on the associated ASSETS address record must be updated to “N”. Furthermore, if the SCU receives undeliverable mail associated with this pilot, the SCU should attempt to locate the NCP. If the NCP is located before December 1, 2015, the SCU should re-mail the outreach letter to the NCP.
2. SCU contacted by the NCP. If the SCU is contacted by the NCP on or before December 1, 2015 as a result of the *Pilot Program for Reducing Your Child Support Arrears* outreach letter, the SCU must explain to the NCP the general framework for the pilot and answer any questions posed by the NCP. If the NCP expresses interest in participating in the pilot, the SCU will arrange a conference date and mail the *Appointment Checklist (Attachment 2)* along with the *Financial Disclosure Affidavit (Attachment 3)* to the NCP. If the NCP is unable to appear for the conference date in person, the SCU should make alternative arrangements, such as holding the conference by telephone or videoconference. If the NCP fails to appear for a scheduled conference, the SCU may reach out to the NCP and attempt to reschedule the conference so that a *Participation Agreement* can be executed on or before December 31, 2015.
3. SCU response if the NCP inquires whether accounts receiving services in another SCU are eligible for the pilot initiative. If at any time an NCP inquires as to other potentially eligible accounts in another SSD, the SCU may use the *List of Participating Districts (Attachment 10)* to respond and facilitate communication between the NCP and such other district(s).
4. SCU conducts a conference with the NCP. The SCU has until December 31, 2015 to hold a conference with the NCP, review the *Financial Disclosure Affidavit* and eligible accounts, determine whether the filing of a modification petition would be appropriate, and obtain a fully executed *Participation Agreement (Attachment 4)*. As part of this interaction with the NCP the SCU shall:
 - Review the NCP’s eligible account(s) for new incident(s) of family violence since the time of selection for the pilot, and to determine if the current support obligation was terminated or reduced to zero. In such situations, the account will no longer be eligible for the pilot;
 - Provide the NCP with a copy of the *Child Support Standards Chart (Attachment 5)*;
 - Review the NCP’s eligible account(s) to determine whether the NCP has entered into a *Satisfactory Payment Arrangement To Avoid or Terminate*

Suspension of Driving Privileges and, if so, advise the NCP that the obligation to pay arrears under that agreement will continue independent of any *Participation Agreement* entered into as a result of this pilot;

- Review the NCP's account(s) for administrative enforcement actions against the NCP (e.g., driver's license suspension, property execution, personal injury claim, etc.) that are currently applicable or pending, and discuss with the NCP that these enforcement actions will continue notwithstanding participation in the pilot. Further advise the NCP that other administrative enforcement actions will be initiated if the NCP becomes eligible;
- Advise the NCP of the situations in which an order may be modified. If the NCP indicates a desire to pursue a modification and the SCU determines that there is a basis for modification pursuant to Family Court Act § 451, the SCU shall assist the NCP in filing the petition in accordance with local district practice for providing such assistance. In the event that the SCU does not regularly provide such assistance to NCPs, the SCU must provide the NCP with the LDSS-4882, *Information about Child Support Services and Application/Referral for Child Support Services*. The NCP must provide in Part I the custodial parent's full name and, in Part II, the NCP's full name and Social Security number and then sign on page A-8;
- Consider revising the terms of any existing *Satisfactory Payment Arrangement* in the event that a modification is obtained;
- Update ASSETS with any new employment, benefits, financial institution, and/or any other information obtained from the *Financial Disclosure Affidavit* that may be beneficial in automated enforcement activities; and
- Review the provisions of the *Participation Agreement* with the NCP before signing.

To the extent feasible, the NCP and SCU should sign the *Participation Agreement* at the time of the appointment. The signature of the NCP must be made in the presence of a notary. The NCP may indicate a need to consider the provisions of the *Participant Agreement* in consultation with an attorney. In this situation, the SCU must advise the NCP that a *Participation Agreement* must be signed in the presence of a notary and returned to the SCU for approval and signature on or before December 31, 2015 in order for the NCP to be eligible for the pilot. The NCP and SCU may sign the *Participation Agreement* separately, but the document must be fully approved and executed on or before December 31, 2015.

5. SCU actions upon signing the *Participant Agreement*. The SCU has five (5) business days to make the accounting adjustments necessary to reflect the compromise of arrears by the lesser of \$250 or the total of permanently-assigned arrears existing at the time of adjustment (See VI. for Systems Implications). The SCU shall request a URA adjustment by completing the *LDSS Notification to State of Unreimbursed Assistance (URA) Adjustment as a Result of a Compromise of Arrears (Attachment 6)*. This notification must be sent to DCSE as directed on the notice. The SCU must then set the status and reason code H001 13 (REDUCE ARREARS PILOT PARTICIPANT).
6. SCU actions in support of Milestone 2. Within five (5) business days of receipt

from DCSE of the report of participating NCPs with eligible accounts meeting Milestone 2, the SCU shall review the list and advise DCSE of any concerns. For all accounts on which the SCU has no concerns, the SCU shall within five (5) business days make the accounting adjustments necessary to reflect the compromise of arrears by the lesser of \$2,000 or the total of permanently-assigned arrears existing at the time of adjustment (see section VI for Systems Implications). The SCU shall request a URA adjustment by completing the *LDSS Request to State for URA Adjustment as a Result of a Compromise of Arrears (Attachment 6)*. This notification must be sent to DCSE as directed on the notice. The SCU must then update the account with the status and reason code H100 01 (2ND MILESTONE MET).

Within five (5) business days of receipt from DCSE of the report of participating NCPs with eligible accounts who failed to meet Milestone 2, the SCU must update the account with the status and reason code H100 02 (2ND MILESTONE NOT MET).

7. SCU actions in support of Milestone 3. Within five (5) business days of receipt from DCSE of the list of participating NCPs with eligible accounts meeting Milestone 3, the SCU shall review the list and advise DCSE of any concerns. For all accounts on which the SCU has no concerns, the SCU shall within five (5) business days make the accounting adjustments necessary to reflect the compromise of arrears by the lesser of \$2,750 or the total of permanently-assigned arrears existing at the time of adjustment (see section VI for Systems Implications). The SCU shall request a URA adjustment by completing the *LDSS Request to State for URA Adjustment as a Result of a Compromise of Arrears (Attachment 6)*. This notification must be sent to DCSE as directed on the notice. The SCU must then update the account with the status and reason code H100 03 (3RD MILESTONE MET).

Within five (5) business days of receipt from DCSE of the report of participating NCPs with eligible accounts who failed to meet Milestone 3, the SCU must update the account with the status and reason code H100 04 (3RD MILESTONE NOT MET).

8. SCU action if NCP challenge is received. Where the NCP submits a timely challenge in relation to either Milestone 2 or Milestone 3, the SCU must update the account with the status and reason code H200 01 (CHALLENGE TO MILESTONE DENIAL). The SCU must then review the NCP's evidence of non-credited payments, or a modified or terminated support order, and determine if the SCU record is accurate. If the NCP provides evidence of a non-credited payment which was received in the applicable Milestone period, such payments must be considered in determining whether the NCP has successfully met the Milestone. Additionally, if the NCP provides evidence of a modified or terminated support order, the total support obligation for the Milestone period must be reviewed for accuracy to determine whether the NCP has successfully met the Milestone. Note: If the support order has been terminated the NCP is still eligible for the Milestone credit during that period if all current support

obligations due under the order for that period were made.

If a challenge is upheld, the SCU must follow the procedures for account adjustment and request to the state of the need for URA adjustment outlined under section V.B.6 or V.B.7 above for the applicable Milestone period, and prepare the *Notice of Determination Regarding Milestone Arrears Reduction Challenge (Attachment 9)* to reflect the SCU's determination. The SCU must then update the account with the status and reason code H200 02 (CHALLENGE UPHELD-MILESTONE GIVEN). If the challenge is denied, the SCU must update the account with the status and reason code H200 03 (MILESTONE CHALLENGE DENIED).

9. SCU actions if arrears were set to money judgment. If there is a money judgment for any portion of the arrears compromised and the judgment amount for any one or more such judgments is reduced to zero as a result of participation in this pilot, the SCU must complete the *Satisfaction of Money Judgment (Attachment 11)* and file it with the clerk of the county where the judgment was entered pursuant to CPLR § 5020. A copy of the *Satisfaction of Money Judgment* must be mailed to the NCP within ten (10) business days after the date of filing. The SCU must set status and reason code E001 00 (ENFORCEMENT ACTIVITY INITIATED) to open an E group and set status and reason code E905 02 (MONEY JUDGMENT SATISFACTION) designating that the money judgment is satisfied.
10. SCU review of cases for forgiveness of interest. At the end of the pilot program period, DCSE will send participating districts a report indicating those participants who successfully completed all three (3) milestones. Within five (5) business days of receipt of this report, the SCU shall review the report to determine those NCPs who have made payments toward arrears equivalent to the difference between the permanently-assigned arrears on judgment ledger(s) and the total amount of milestone arrears reductions, and who are therefore eligible for forgiveness of interest. For those eligible, the SCU shall forgive the interest on any associated judgment ledger(s) (see section VI for Systems Implications). For these accounts, the SCU shall request a URA adjustment by completing the *LDSS Notification to State of URA Adjustment as a Result of a Compromise of Arrears (Attachment 6)*. This notification must be sent to DCSE as directed on the notice. The SCU must then update the account with the status and reason code H901 17 (REDUCE ARRS PILOT CONCLD W/INT). For those NCPs not eligible for forgiveness of interest, the SCU must update the account with the status and reason code H901 16 (REDUCE ARRS PILOT CONCLUDED).
11. SCU actions if there is an incident of family violence. If during the pilot program period the SCU becomes aware that an incident of family violence has occurred, the SCU must update the account with the appropriate Family Violence Indicator and set the status and reason code H801 11 (PILOT PARTICIPATION TERM/DOC FV).

VI. Systems Implications

A. Account Adjustments to Reflect Reduction of Arrears

1. Permanently-assigned arrears are those arrears which reside on the following ledgers: 2-A--, 2-BJ--, 2-BI--, 2-BP--, 2-BR--, 2-CA--, 24AX-- and 24BX--. The past-due amount on any other DSS ledgers are not factored into the permanently-assigned category. The SCU must follow the hierarchy identified in VI.A.2 for the appropriate account adjustments to reflect the reduction of permanently-assigned arrears existing at the time of the adjustment, and the respective ledger(s) that will remain after adjustments.
2. The SCU must process a negative 65 or 62 batch to the appropriate ledger for the dollar amount of the reduction to be given. Reduction batching must be done in the following order:
 - Current support owed to DSS
 - Arrears owed to DSS
 - Money judgment principal owed to DSS
 - Interest owed to DSS (where appropriate; see VI.A.4 for more information)

Note: For any case in which collections are being referred by another jurisdiction, the SCU must also notify the referring jurisdiction of the reduction of arrears so they may adjust their referred account appropriately.

3. In any instance in which the resulting batch reduces the net due on a ledger to zero the SCU must terminate the ledger by changing the ledger status field to "03-terminated."

Note: Where the principal on a money judgment ledger has been reduced to zero but interest on an associated ledger remains due, the money judgment ledger must remain open until the interest due is either forgiven or paid in full.

4. In some instances, the NCP may make payments toward arrears that are equivalent to the difference between the permanently-assigned arrears on judgment ledger(s) and the total amount of milestone arrears reductions made. In these instances the SCU must forgive the interest due on any associated ledgers established to charge interest. For such interest ledgers, the first and last charge dates must be adjusted to stop charging. This can be completed by updating both the first and last charge date fields to 00/00/0000 (see *Examples of Arrears Pilot Program Account Adjustments, Attachment 12*).

B. New Statuses and Reason Codes

The following statuses and reason codes have been created to support the arrears pilot process:

Status	Reason Code	Description
H001	13	REDUCE ARREARS PILOT PARTICIPANT
H100	01	2ND MILESTONE MET

H100	02	2ND MILESTONE NOT MET
H100	03	3RD MILESTONE MET
H100	04	3RD MILESTONE NOT MET
H200	01	CHALLENGE TO MILESTONE DENIAL
H200	02	CHALLENGE UPHELD-MILESTONE GIVEN
H200	03	MILESTONE CHALLENGE DENIED
H801	11	PILOT PARTICIPATION TERM/DOC FV
H901	16	REDUCE ARRS PILOT CONCLUDED
H901	17	REDUCE ARRS PILOT CONCLD W/INT

C. Summary Timetable for Pilot

The following timetable summarizes pilot activity and timeframes for major activities within the pilot:

Description of Activity	Timeframe
Pilot Initiation – Child Support Processing Center mails outreach letter to selected NCPs.	October 9, 2015
NCP contacts SCU and makes appointment. SCU holds conference and reviews <i>Financial Disclosure Affidavit</i> and eligible accounts. SCU determines if a modification petition is appropriate and obtains a fully executed <i>Participation Agreement</i> . If <i>Participation Agreement</i> is obtained, SCU submits to DCSE the <i>LDSS Request to State for URA Adjustment as a Result of A Compromise of Arrears</i> requesting URA adjustments.	October 9, 2015 – December 31, 2015
Milestone 2 period	January 1, 2016 – June 30, 2016
Milestone 2 ends – DCSE provides lists to SCUs of NCPs eligible and NCP'S ineligible for pilot benefits. SCU reviews and makes necessary account adjustments, sets status and reason codes, and submits to DCSE the <i>LDSS Notification to State of URA Adjustment as a Result of A Compromise of Arrears</i> requesting URA adjustments. DCSE mails letters and challenge forms to participating NCPs.	July 10, 2016 – July 17, 2016
Milestone 3 period	July 1, 2016 – December 31, 2016
Milestone 3 ends – DCSE provides lists to SCUs of NCPs eligible and NCPs ineligible for pilot benefits. SCU reviews and makes necessary account adjustments (including adjustments to interest ledgers where appropriate), sets status and reason codes, and submits to DCSE <i>LDSS Notification to State of URA Adjustment as a Result of A Compromise of Arrears</i> requesting URA adjustments. DCSE mails letters and challenge forms to participating NCPs.	January 10, 2017 – January 17, 2017

Pilot Conclusion – DCSE evaluates pilot.	2017
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VII. Additional Information (Optional)

A. Evaluation of Pilot

DCSE will evaluate activity on the selected accounts for this pilot over the twelve (12) month pilot period, and for an additional period after the conclusion of the pilot, to assess if there has been an increase in support payment compliance. The findings of the evaluation will be shared with the SCUs and the results will aid in determining whether the pilot should be continued, expanded to a larger population, modified, or discontinued.

B. Availability of Pilot Forms and Reference Materials

The following pilot forms will be made available for SCU use on ERS under Resources, Arrears Pilot Initiative.

- *Pilot Program for Reducing Your Past-Due Child Support Letter*
- *Appointment Checklist*
- *Financial Disclosure Affidavit*
- *Participation Agreement for the Arrears Pilot Program*
- *Child Support Standards Chart*
- *LDSS Request to State for URA Adjustment as a Result of a Compromise of Arrears*
- *Notice of Denial of Milestone Arrears Reduction*
- *Challenge of Denial of Milestone Arrears Reduction*
- *Notice of Determination Regarding Milestone Arrears Reduction Challenge*
- *Satisfaction of Money Judgment*
- *Example of Arrears Pilot Program Account Adjustments*
- *List of Participating Districts*

SCUs may save locally the documents for use with this pilot.

C. Frequently Asked Questions (FAQs)

Arrears Pilot Program Frequently Asked Questions (Attachment 13), prepared for use by the Child Support Helpline, are included with this ADM for SCU informational purposes.

VIII. Effective Date

This ADM is effective immediately.

Issued By

Name: Eileen M. Stack
Title: Deputy Commissioner and Director
Division/Office: Center for Child Well-Being
 Division of Child Support Enforcement