



MTT
LW

STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF HUMAN SERVICES
DIVISION OF CHILD SUPPORT SERVICES

Nicholas A. Toumpas
Commissioner

Mary S. Weatherill
Director

129 PLEASANT STREET, CONCORD, NH 03301-3857
603-271-4745 1-800-852-3345 Ext. 4745
FAX: 603-271-4787 TDD Access: 1-800-735-2964 www.dhhs.nh.gov
Automated Voice Response 1-800-371-8844

May 9, 2014

The Honorable Mary Jane Wallner, Chairman
Fiscal Committee of the General Court

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

100% Federal Funds

Pursuant to the provisions of RSA 14:30-a, VI, authorize the Department of Health and Human Services, Division of Child Support Services to accept and expend \$1,100,000 in federal incentive funds from the Federal Office of Child Support Services for the purpose of maintaining and operating the New England Child Support Enforcement System (NECSSES), effective July 1, 2014 through June 30, 2015, and further authorize the allocation of these funds in the accounts below.

SFY 2015

05-95-42-427010-7932 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS: CHILDREN YOUTH AND FAMILIES, CHILD SUPPORT SVCS - NECSSES REQUIREMENTS				
Class/Object	Class Title	Current Authorized Budget	Increase/ (Decrease) Amount	Revised Modified Budget
SFY 2015				
000-403955	Federal Funds	\$ -	\$ 1,100,000	\$ 1,100,000
	General Funds	\$ -	\$ -	\$ -
009-407126	Other Funds	\$ -	\$ -	\$ -
Total Revenue:		\$ -	\$ 1,100,000	\$ 1,100,000
102-500731	Contracts for Program Services	\$ -	\$ 1,100,000	\$ 1,100,000
Total Expense:		\$ -	\$ 1,100,000	\$ 1,100,000

EXPLANATION

The Division of Child Support Services (DCSS) is currently preparing to implement an upgraded NECSSES system. NECSSES is the state's child support business application tool which enables DCSS to carry out its case

management, locate, legal order establishment, enforcement and financial requirements in order to provide child support services to more than 36,000 families. Child support payments distributed through NECSES is approximately \$88 million per year. The original completion of the project was scheduled for June 30, 2015. However, due to the accelerated project schedule, the completion of the current phase of the project will occur approximately nine months ahead of schedule exhausting the project funding. This request is to fund the necessary ongoing development as well as maintenance and support work to be completed to sustain NECSES operations and development through SFY 2015. The work planned with this funding, subject to Fiscal Committee and Governor and Executive Council approval, will allow DCSS to address business functionality requirements mandated by federal regulations. The Department intends to submit a capital budget request for SFY 2016-2017 to complete the remaining enhancements to NECSES.

The additional incentive funds are available for this project as a one-time opportunity, as the final settlement of incentive funds received for Federal Fiscal Year 2012 in January 27, 2014 was for \$1.7 M which is \$1.1 M higher than what was originally budgeted at \$ 646,292. The additional funds represent 100% federal incentive funds earned by the NH Child Support program for past years' performance. The Federal authority is Section 458 of the Social Security Act (previously 458A) which governs incentive payments made to State IV-D child support agencies. Section (f) provides that a State shall expend the full amount of the payment to supplement, and not supplant, other funds used by the State to carry out the State plan or for any activity which may contribute to improving the effectiveness or efficiency of the State program.

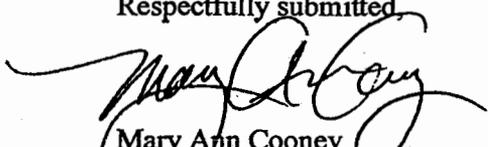
Funding for the project is 100% federal incentive funds.

Area served: statewide.

Source of Funds: 0% General Funds, 100% Federal (incentives).

If Federal Funds become no longer available, General Funds will not be requested to support the program expenditures.

Respectfully submitted,


Mary Ann Cooney
Associate Commissioner

Approved by:


Nicholas A. Toumpas
Commissioner

**FY 2012 Incentive Payment Calculation
Under Section 458A of the Social Security Act**

State: NEW HAMPSHIRE

A. Collection Base

<i>Line/Column, Form OCSE-34A</i>	<i>Total Reported by State</i>	<i>Line/Column, Form OCSE-34A</i>	<i>Total Reported by State</i>
4b/A, IV-A Assistance to Other States	\$898,068	4b/F, Never Assistance to Other States	\$3,260,228
4b/B, IV-E Assistance to Other States	\$15,826	8/F, Distributed Never Assistance	\$24,600,531
4b/C, IV-A Former Assistance to Other States	\$589,172	4c/G, Sent to Other Counties	\$0
4b/D, IV-E Former Assistance to Other States	\$3,307	11/G, Fees Retained	\$0
4b/E, Medicaid Assistance to Other States	\$908,862		
8/A, Distributed IV-A Assistance	\$3,093,397		
8/B, Distributed IV-E Assistance	\$136,803		
8/C, Distributed IV-A Former Assistance	\$34,960,945		
8/D, Distributed IV-E Former Assistance	\$93,857		
8/E, Distributed Medicaid Assistance	\$20,292,640		
Total	\$60,991,877	Total	\$27,860,766
		x 2 =	+
			\$121,983,354
		State Collection Base :	\$149,844,110

B. State Performance Measures

1a. Paternity Establishment Performance Level - IV-D PEP			
<i>Line/Column, Form OCSE-157</i>			
6/a, OOW Children w/ Paternity	27,678	Paternity Performance Level %	107.3
5/a, OOW Children, Last FY	25,796	Applicable %, This Measure	100
		Max Incentive Base, This Measure *	\$149,844,110
			* Applicable % x State Coll. Base
1b. Paternity Establishment Performance Level - Statewide PEP			
9/a, OOW Children w/ Paternity		Paternity Performance Level %	
8/a, OOW Children, Last FY		Applicable %, This Measure	
		Max Incentive Base, This Measure *	
			* Applicable % x State Coll. Base
2. Support Order Performance Level			
2/b+c+d, Cases w/ Support Order	29,877	Order Est. Performance Level %	86.4
1/b+c+d, Total Number of Cases	34,565	Applicable %, This Measure	100
		Max Incentive Base, This Measure *	\$149,844,110
			* Applicable % x State Coll. Base
3. Current Payment Performance Level			
25/b+c+d, Tot. Current Support Collected	63,661,328	Cur. Support Performance Level %	62.9
24/b+c+d, Total Current Support Owed	101,268,408	Applicable %, This Measure	72
		Max Incentive Base, This Measure *	\$107,887,769
			* Applicable % x State Coll. Base
4. Arrearage Payment Performance Level			
29/a, Cases Paying Arrears During FY	19,299	Arrear Supp Performance Level %	64.9
28/a, Cases w/ Arrears Due In FY	29,727	Applicable %, This Measure	74
		Max Incentive Base, This Measure *	\$63,163,481
			* Applicable % x State Coll. Base
5. Cost-Effectiveness Performance Level			
4b/G+4c/G+8/G+11/G *, Total Collections	88,862,433	Cost-Effectiveness Ratio	4.63
7/A+7/C-1c/A-1c/C**, Total Expenditures	19,204,227	Applicable %, This Measure	90
		Max Incentive Base, This Measure *	\$101,144,774
			* Applicable % x (State Coll. Base x .75)
			* Form OCSE-34A **Form OCSE-398A

C. Incentive Calculation:

a. Maximum Incentive Base, This State (sum of 1a through 5):	\$591,884,235
b. Maximum Incentive Base, All States:	\$178,281,193,095
c. FY 2012 State Incentive Payment Share (a / b):	0.33%
d. FY 2012 Incentive Payment Pool: #	\$526,000,000
e. REVISED Portion of Incentive Payment Under Sec 458A Calculation (c x d):	\$1,746,292
f. FY 2010 Incentive Adjustment:	\$0
g. INCENTIVE PAYMENT (e + f):	\$1,746,292
h. Incentives awarded to state (Line 8F):	\$1,100,000
i. Adjusted Award for Incentive for FY-2012 (g minus h):	\$646,292

Footnotes:

- (1) Applicable percentage for this measure is zero. State failed to meet either the required current year performance level or the required improvement level from the previous year. (See Sec 458A(b)(6)(A) through (E) and 45 CFR 305.33.)
- (2) Maximum incentive base amount for this measure is zero. State data has been determined to be not complete or not reliable. (See Sec. 458A(b)(5)(B) and 45 CFR 305.31(e).)