



Quadrennial Case Review and Survey Analysis

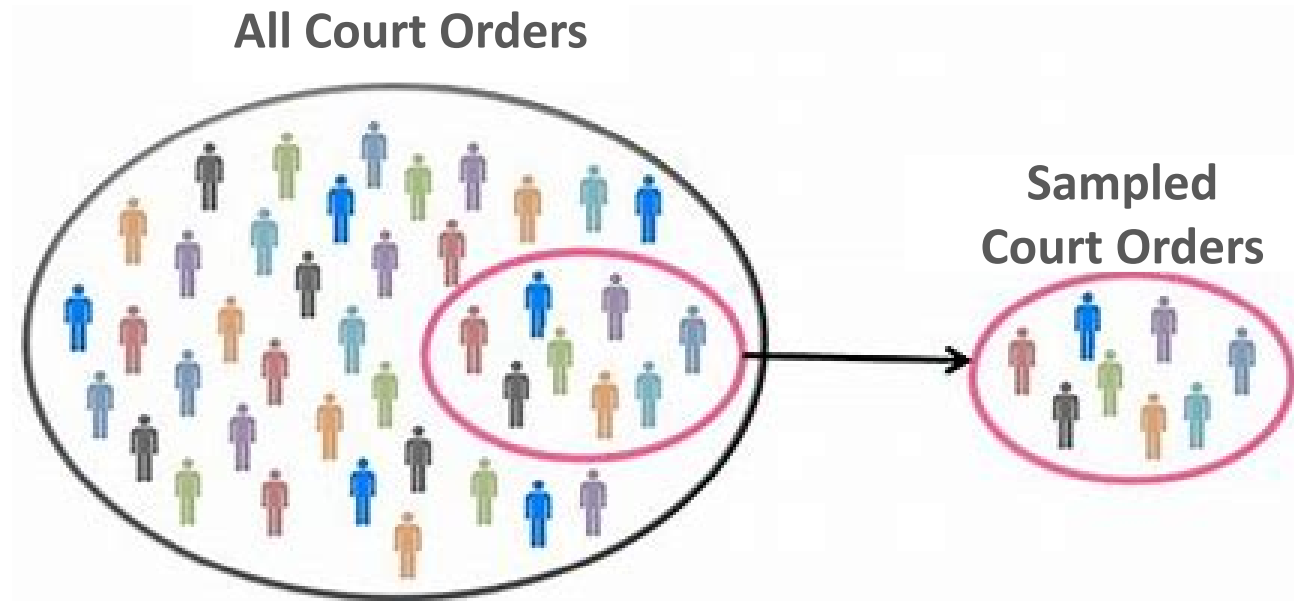
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- Federal regulations require states to review their child support guidelines.
- As part of that review a state must analyze case data that is gathered through sampling.
- The analysis is done to ensure that deviations from guidelines are limited and are appropriate.
- The case review includes an analysis on the application of deviations from the child support guidelines, rates of default orders, and rates of imputed income.

Sampling Criteria

- Court orders signed between 10/01/2013 – 09/30/2017
- Court order type had to be an Establishment, Modification or a Paternity order.
- 388 court orders were chosen using statistical sampling calculation



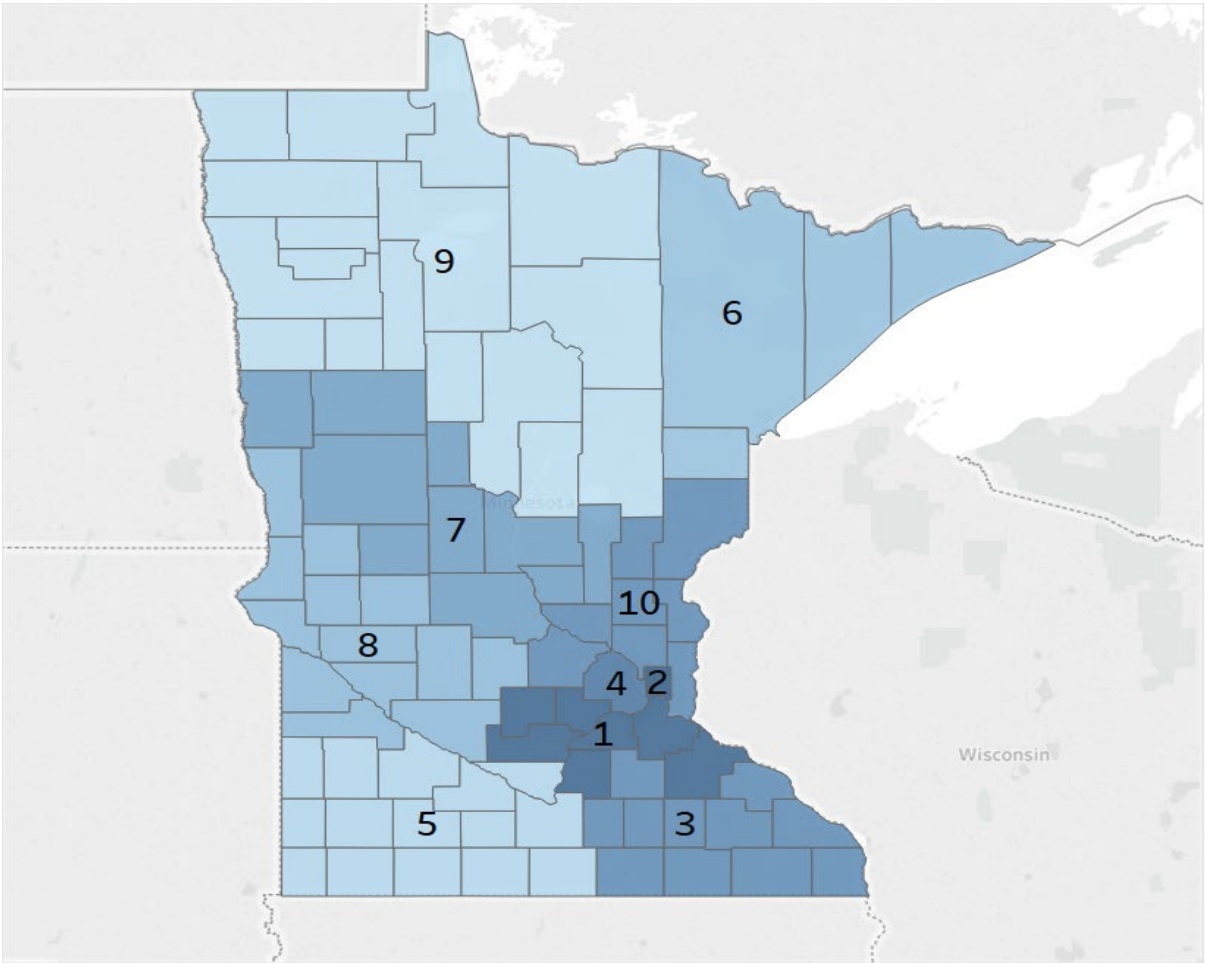
Deviation: A deviation is a change from the guideline's recommendation for a child support payment amount.

- Overall state deviation rate was **15.2%** (59 deviations, 329 non-deviations).
 - Last review in 2014 was **13.2%**.
- **23** court order were incorrectly coded in PRISM as not a deviation or contained the wrong deviation reason.
 - This was identified as an issue but not measured in 2014.

- Parties Agree was the deviation reason with highest percent.
- The use of Other as a deviation reason declined significantly since the last review (63% coded as Other)
 - The 2014 review recommended training on how to identify deviation reasons

Deviation Reason	% of Deviations
Parties Agree	25.4%
Other	23.7%
Standard of Living	22.0%
Best Interest of Child	8.5%
Parenting Time/Custody Arrangements	8.5%
Extreme Hardship for Parties	5.1%
Tax Exemption	5.1%
Income Disparity	1.7%

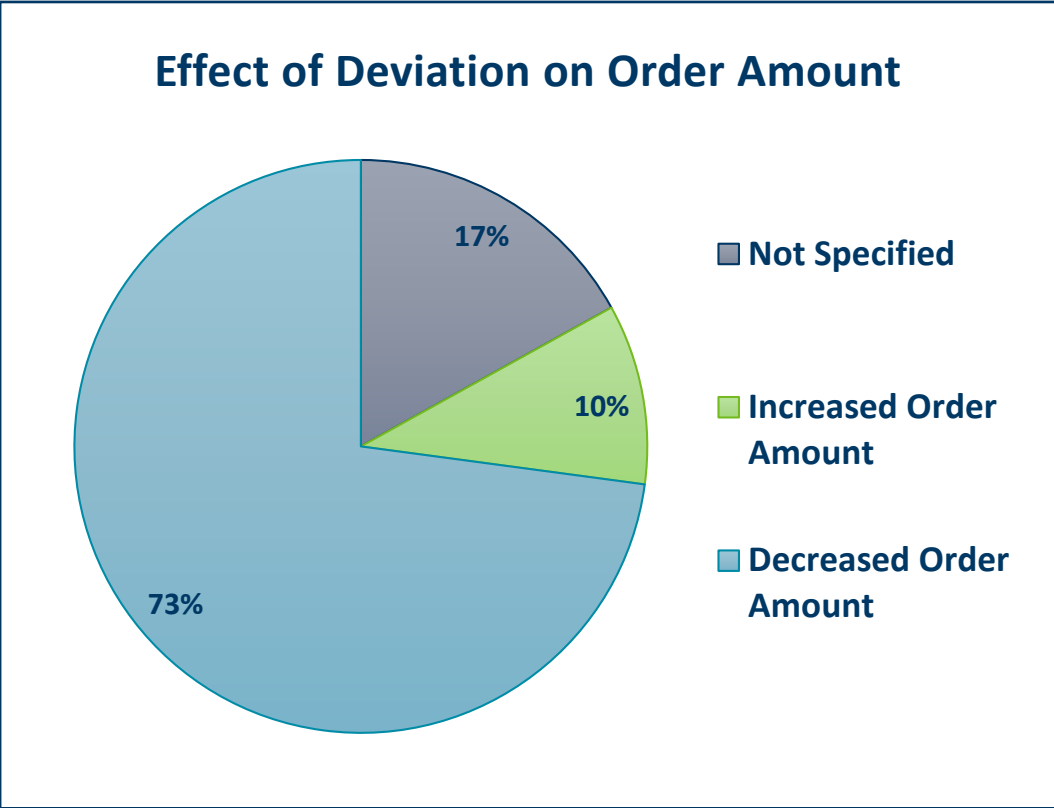
- Judicial district 2, Ramsey County, had the largest deviation rate at **29.8%**

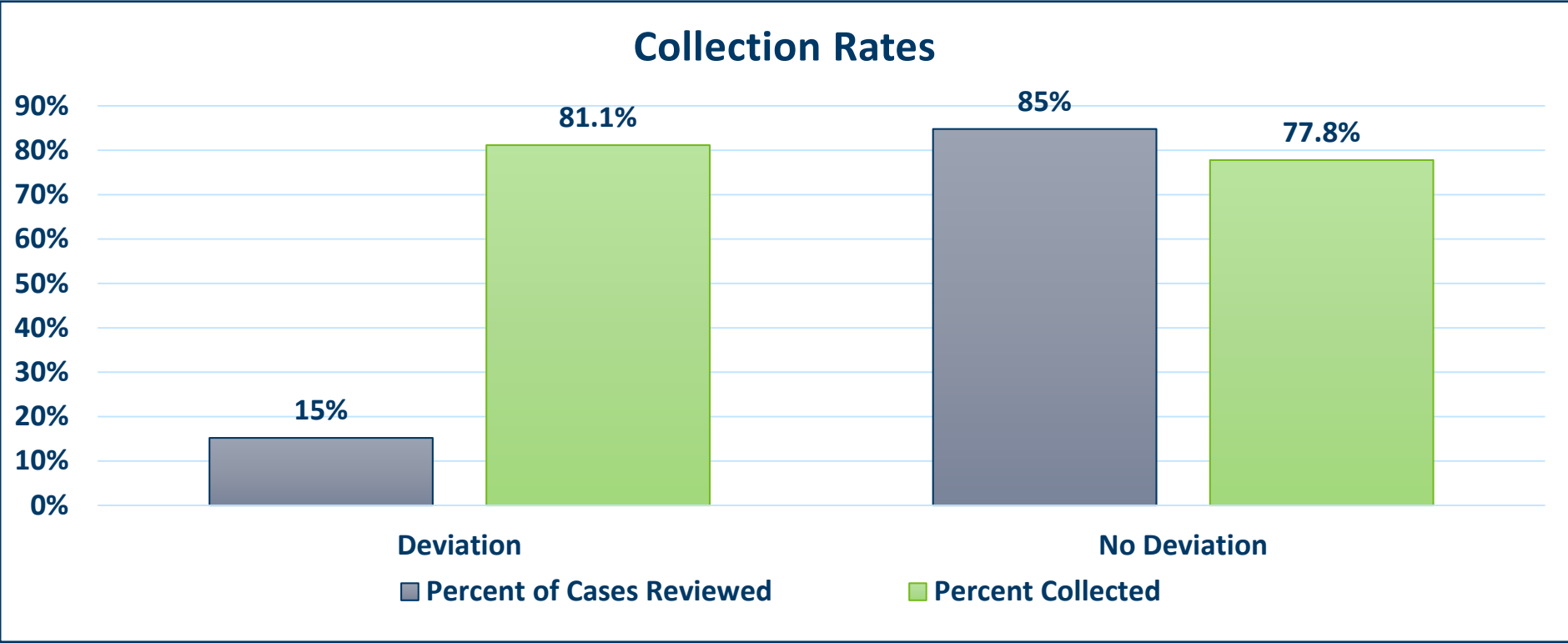


Percent Deviations by Judicial Districts

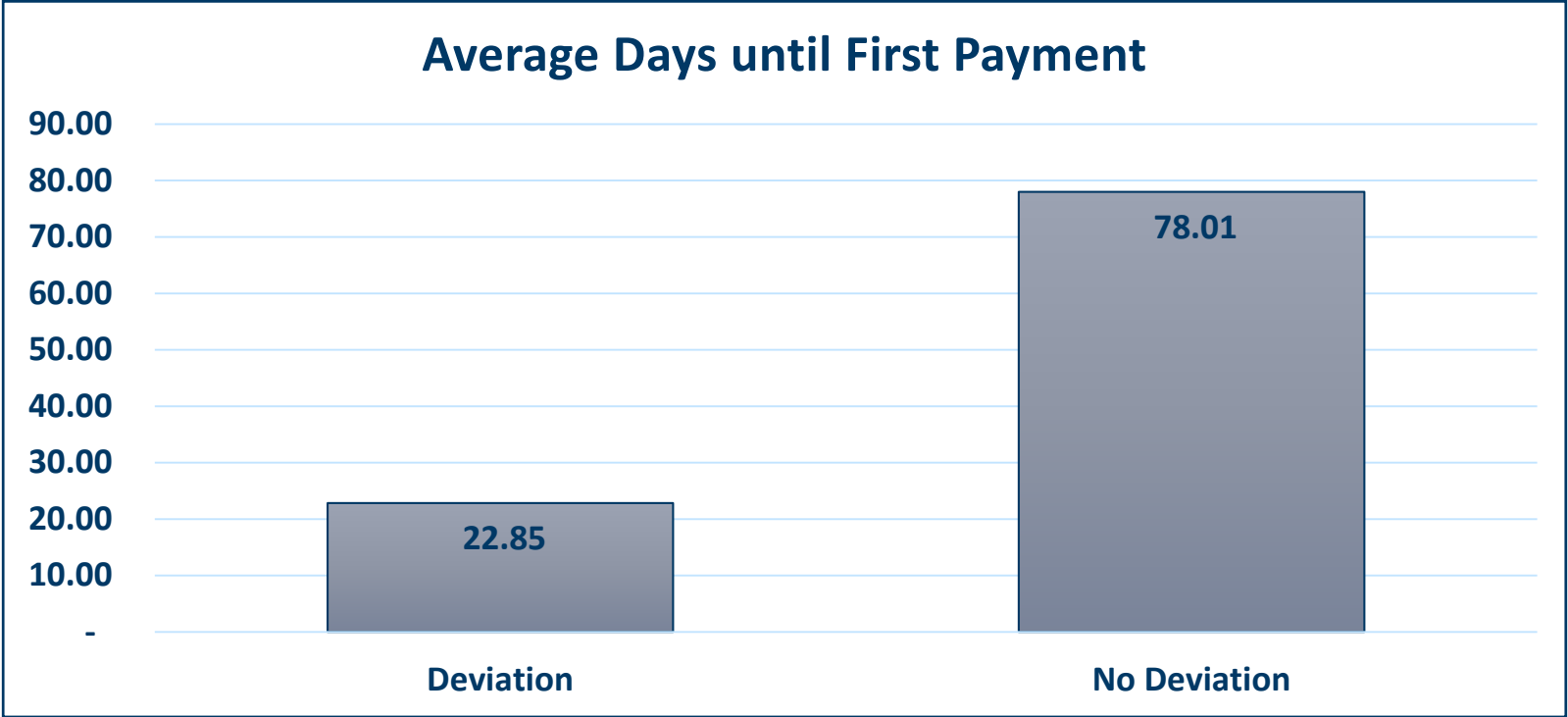
Judicial District 9, 5.5%
Judicial District 5, 6.9%
Judicial District 6, 11.5%
Judicial District 8, 11.8%
Judicial District 7, 12.5%
Judicial Districts 10 & 3, 14.3%
Judicial District 4, 16.1%
Judicial District 1, 23.3%
Judicial District 2, 29.7%

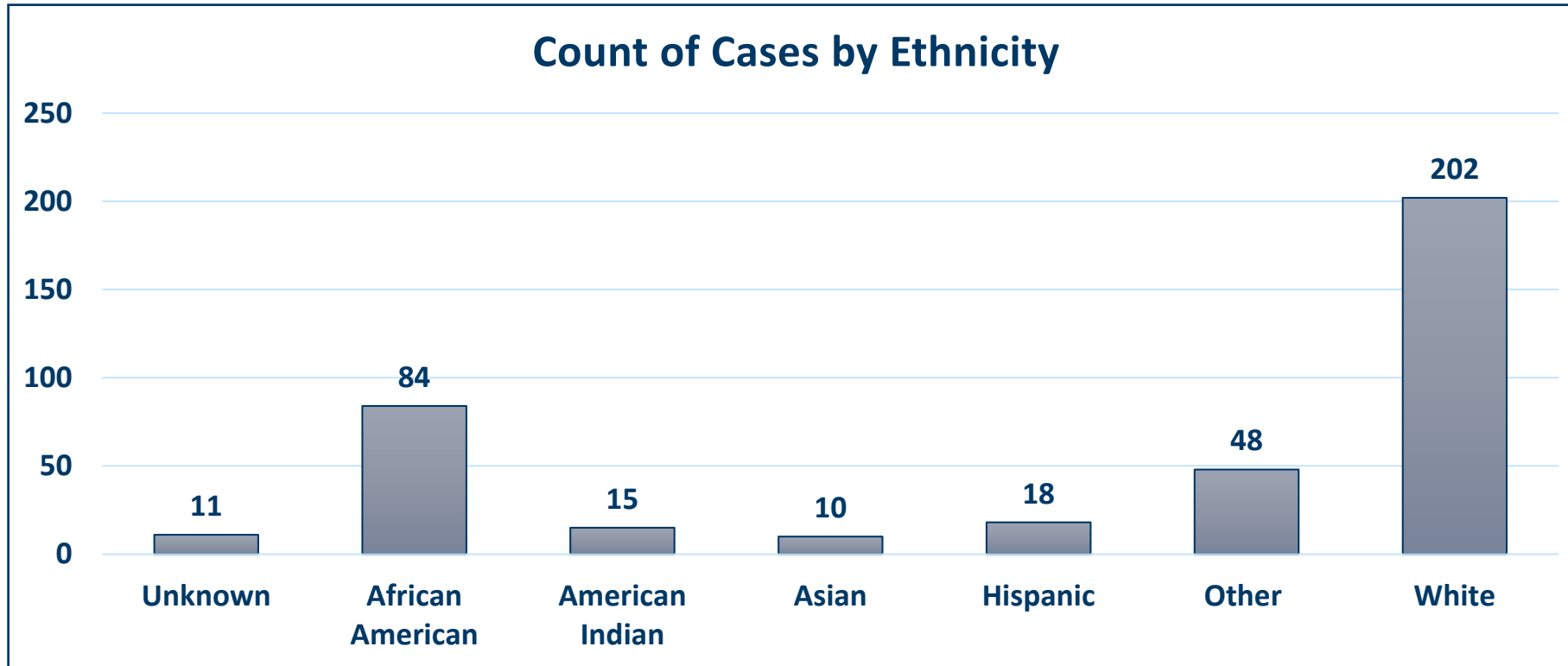
- **73%** of deviations decreased the order amount

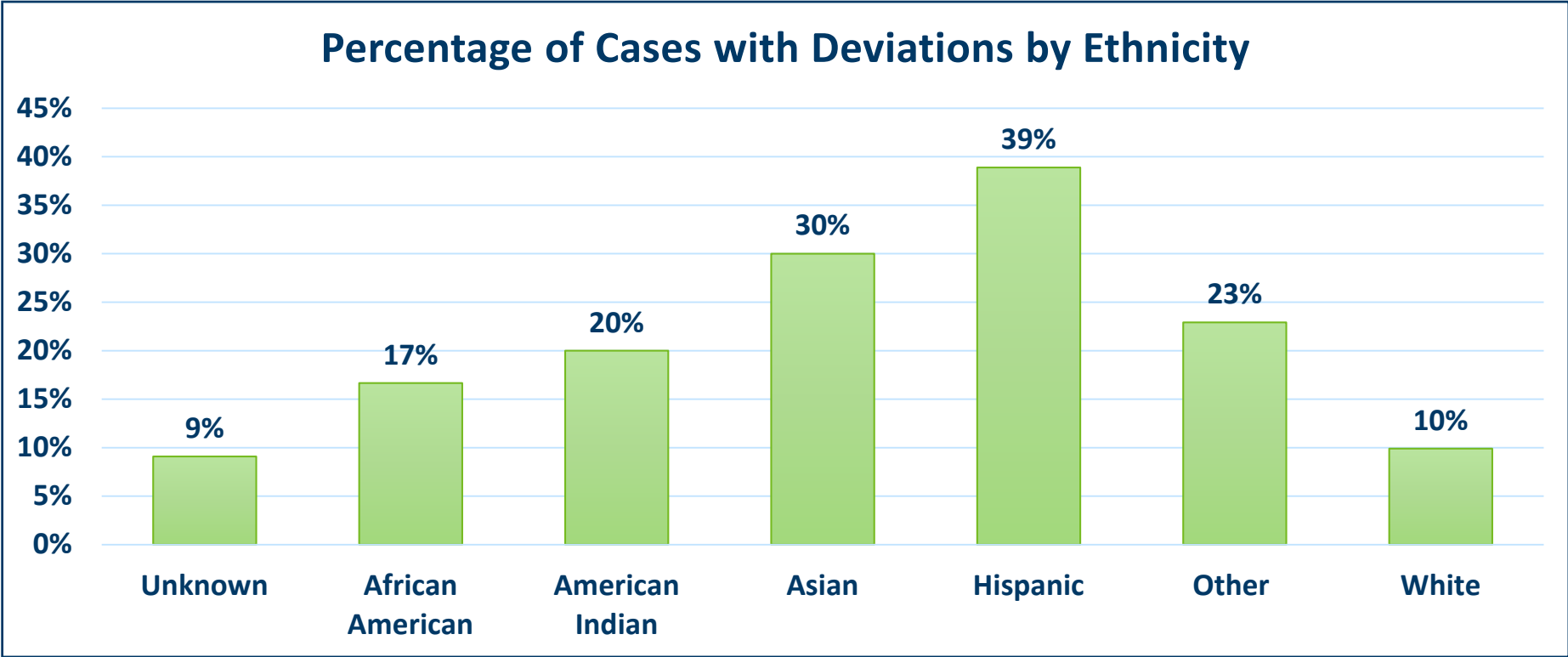




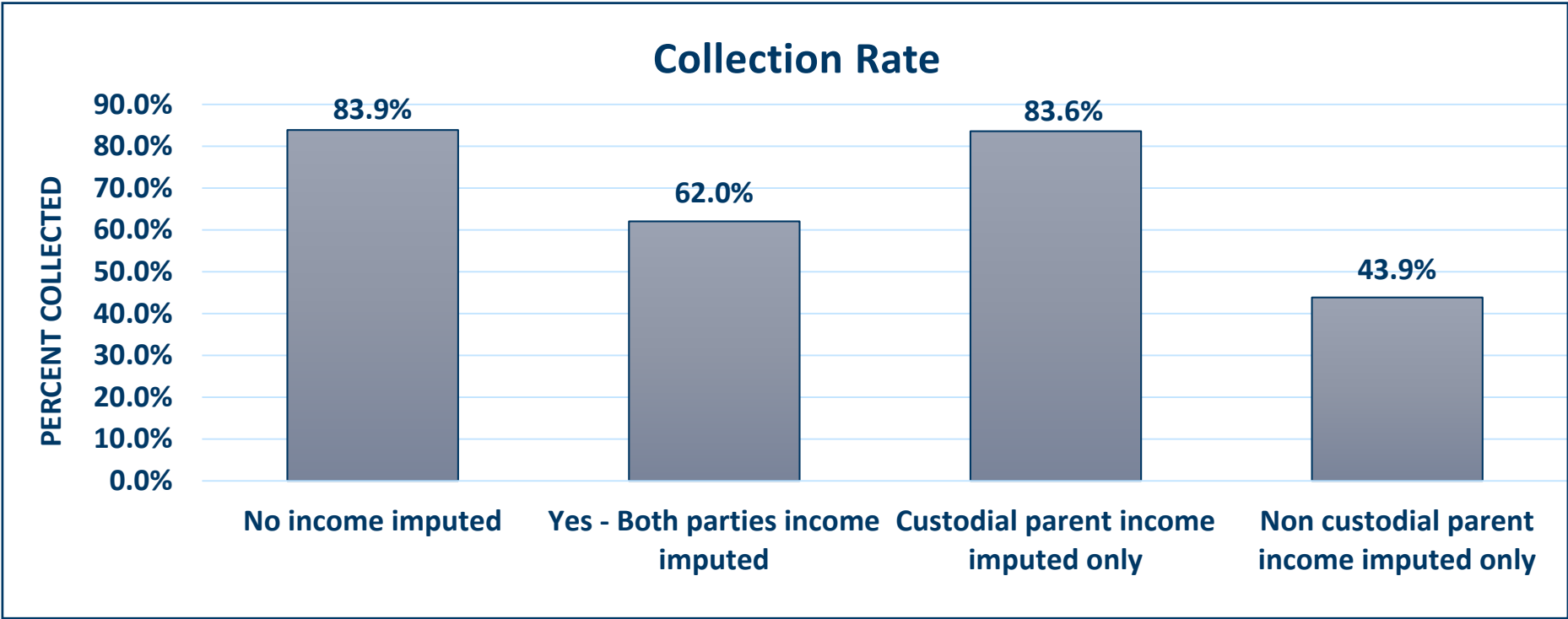
- On average, the number of days until the first payment was received for a deviated order was **22.85**.





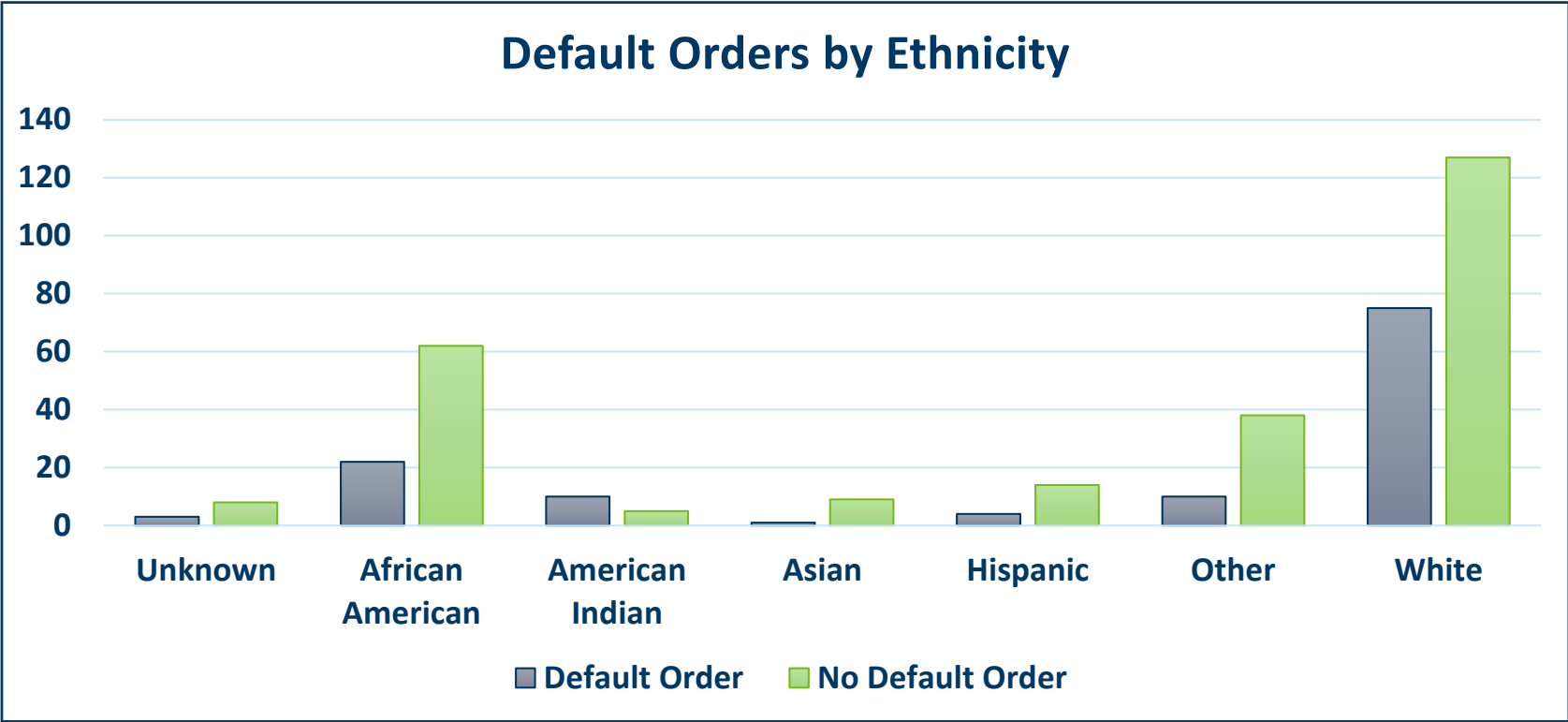


- Imputed Income: In Child Support, imputed income is defined as an estimation of the earning ability of the parent(s). It can be based on:
 - Prior earnings
 - Minimum wage amounts
 - Earning Potential



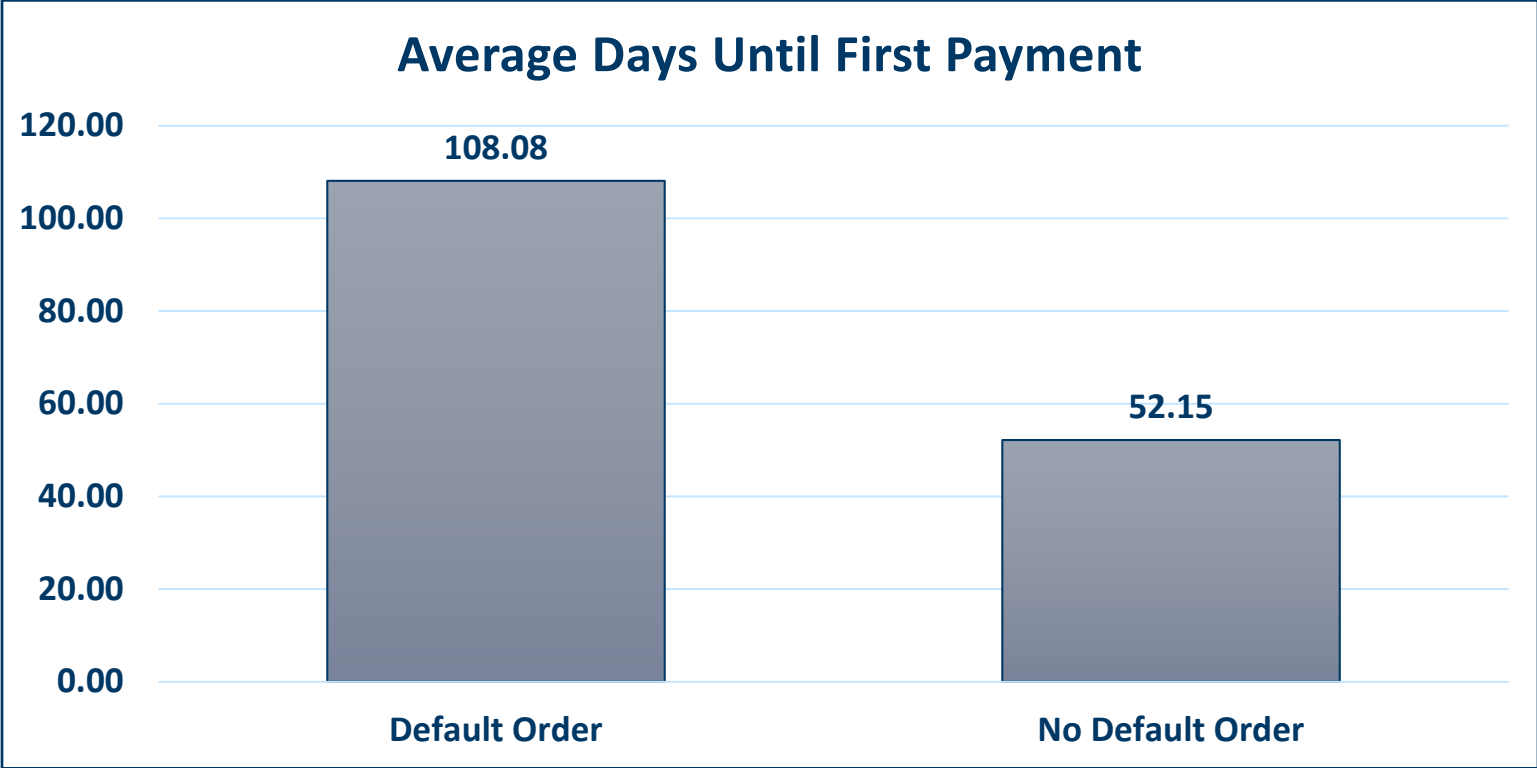
- The lowest collection rates occur when a non-custodial parent’s income is imputed (**62%** and **44%**)

- Default Order: Default Orders are orders issued by the court when neither party appears for a child support hearing.



- American Indians had the largest disparity for default orders, having more than half of the sampled cases with a default order

- On average, there was **108.08** days until the first payment was received for default orders.



Child Support Open Forum – Survey Analysis

Since its inception, the Task Force has dedicated segment of each full meeting for public comment.

As of June 13, 2018, approximately 15 hours of the Task Force's meeting time has been dedicated to public comment and 586 written submissions have been collected electronically.

When and where was this survey conducted?

- September 19, 2017 in Minneapolis, MN
- September 27, 2017 in Brainerd, MN
- October 25, 2017 in Mankato, MN
- November 29, 2017 in Coon Rapids, MN

Child Support Open Forum – Survey Analysis

1. Do you have a court order to pay child support?
 - a. If so, do you feel the amount is: Too high, too low, or appropriate.
 - b. Please explain why.

2. Do you have a court order to receive child support?
 - a. If so, do you feel the amount is: Too high, too low, or appropriate.
 - b. Please explain why.

3. What are your suggestions for improving the way Minnesota calculates child support?

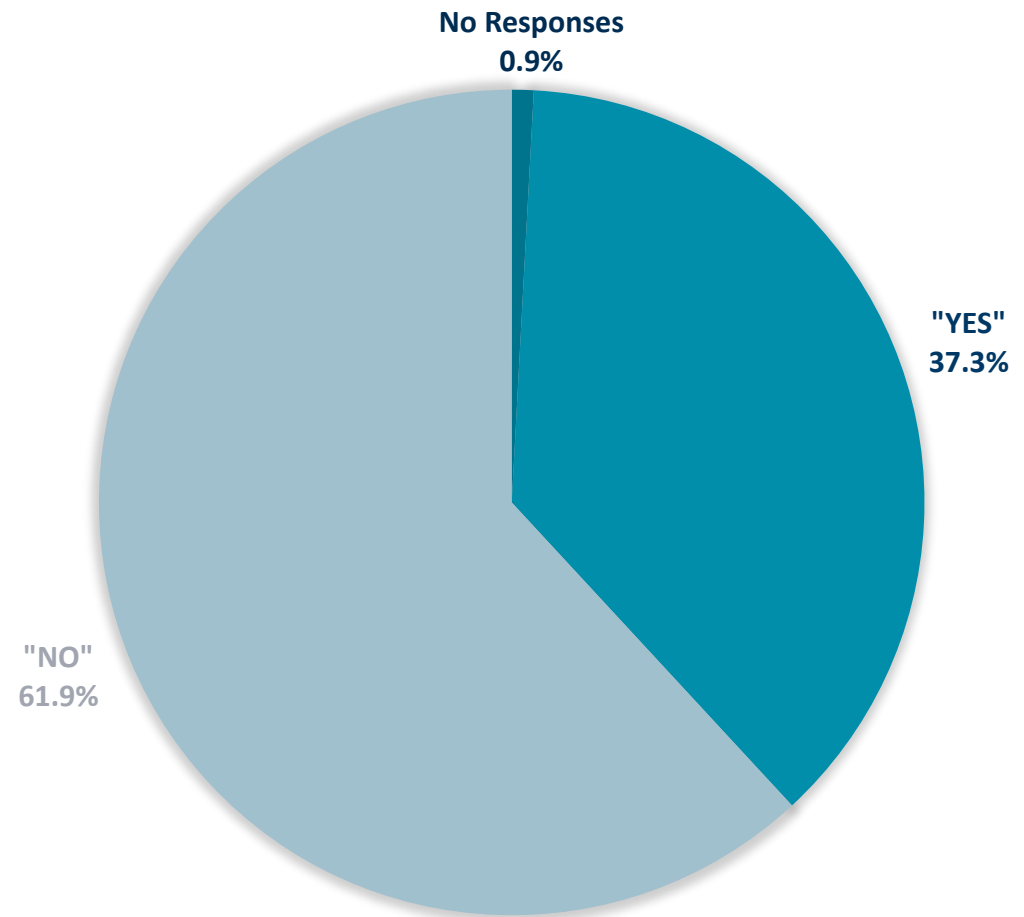
4. What factors should Minnesota consider when deciding to change or modify a child support order?

5. What aspects of the Minnesota child support guidelines are working well?

Child Support Open Forum – Survey Analysis

Do you have a court order to pay child support?

- 218 (37.3%) out of 585 answered “yes”
- 362 (61.9%) answered “no”
- 5 respondents did not answer

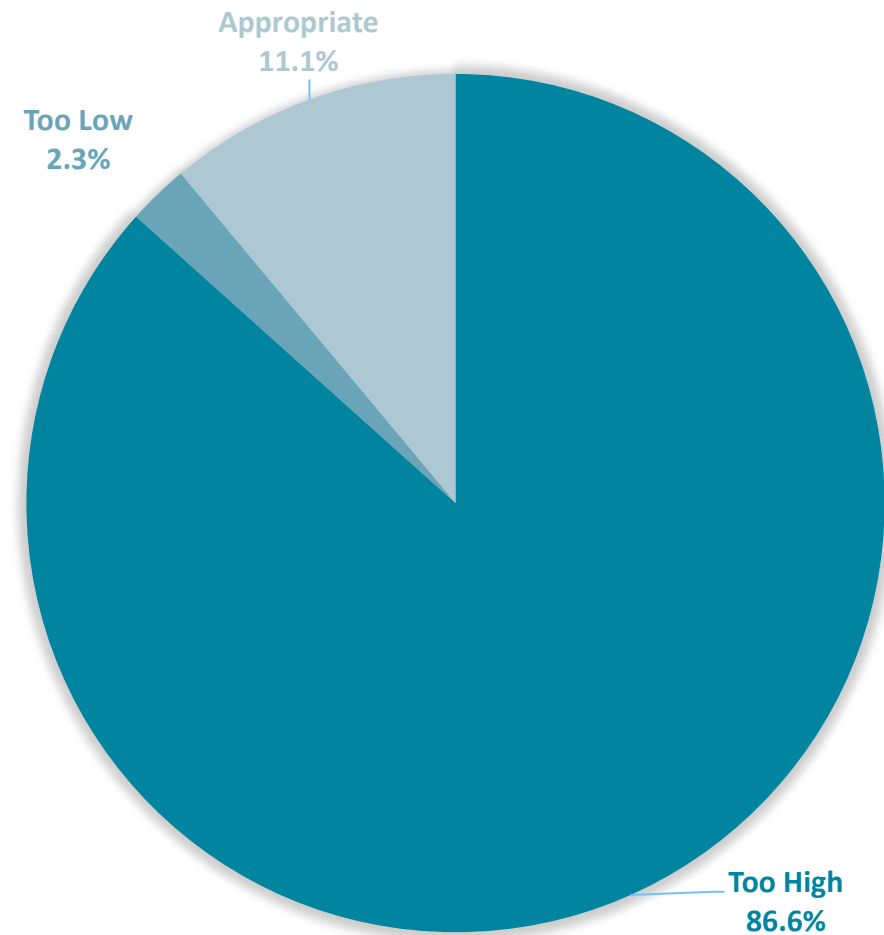


Total Number of Participants = 585

Child Support Open Forum – Survey Analysis

Do you feel the amount is “too high”, “too low” or “appropriate”?

- 188 (86.6%) out of 218 chose “too high”
- Only 5 (2.3%) chose “too low”
- 24 (11.1%) ranked it as “appropriate”



Total Number of Participants = 585

Child Support Open Forum – Survey Analysis

- **Lack of trust between non-custodial and custodial parents**

“Because my ex-wife is hiding some of her income, so the calculation is not accurate.”

“The money is not being used for the children. Daycare goes unpaid, school lunch accounts are low.”

“She does not need all the child support she is receiving because she spends it on other items.”

Child Support Open Forum – Survey Analysis

- **Non-custodial parents' income not being enough to support the child**

“The factor of the support is based off gross pay and not net pay, neither the ability to pay.”

“My take home pay after taxes, child support and health insurance does not allow me to pay mortgage.”

“I cannot afford rent, gas and food for myself even though my income is over \$40K a year.”

Child Support Open Forum – Survey Analysis

- **Concerns about the calculation of child support amount as well the guidelines**

“Child support was not properly calculated after the obligee had a substantial increase in pay.”

“The guidelines for changing are not easy.”

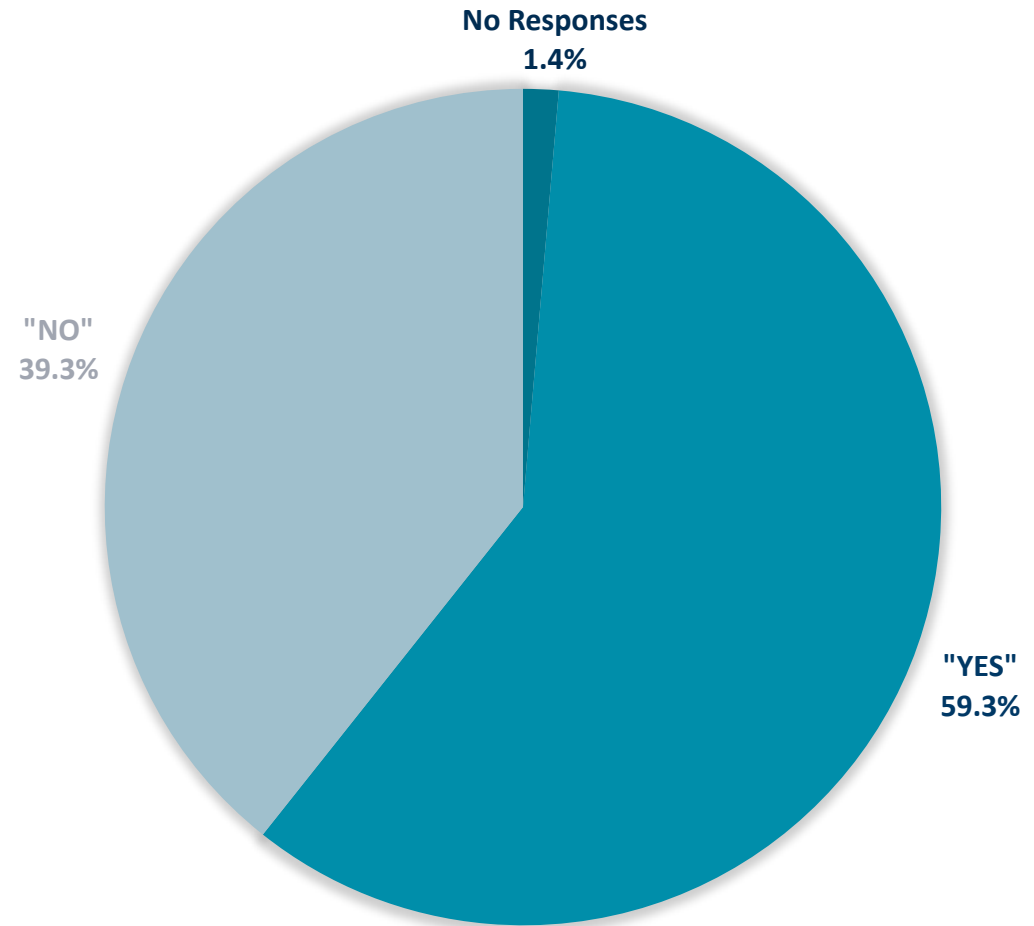
“I do not understand why it costs me more to raise two children than it does my peers who may make less.”

- **Rest of the comments were related to issues with parenting time adjustments, administrative costs to go to court, and lack of incentives to get a better job.**

Child Support Open Forum – Survey Analysis

Do you have a court order to receive child support?

- 347 (59.3%) out of 585 answered “yes”
- 230 (39.3%) answered “no”
- 8 (1.4%) respondents did not answer

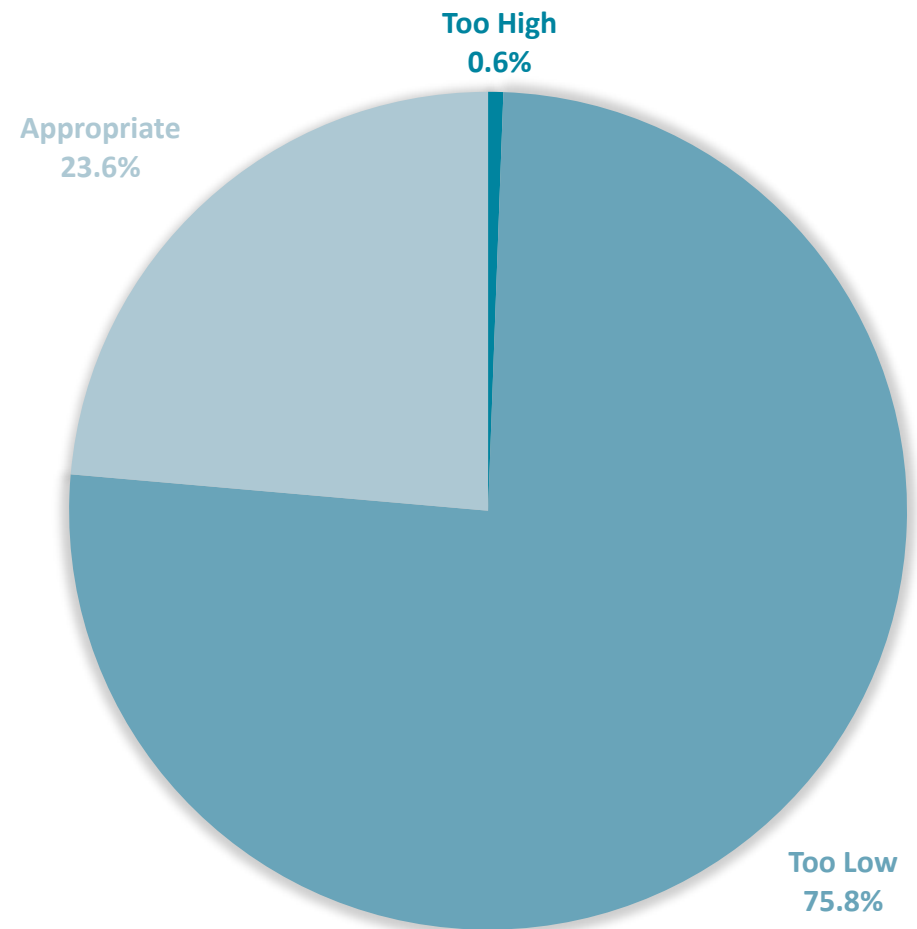


Total Number of Participants = 585

Child Support Open Forum – Survey Analysis

Do you feel the amount is “too high”, “too low” or “appropriate”?

- 260 (75.8%) chose “too low”
- Only 2 (0.6%) out of 347 chose “too high”
- 81(23.6%) ranked it as “appropriate”



Total Number of Participants = 585

Child Support Open Forum – Survey Analysis

- **Concerns about the amount being not enough for their expenses**

“I can barely get by with the money he gives.”

“It costs more than \$50/month to raise a child.”

“For three children, it does not cover much.”

“It does not cover half of my children's monthly expenses.”

Child Support Open Forum – Survey Analysis

- **Lack of trust between non-custodial and custodial parents**

“Because the obligor has his own business and did not disclose the correct income.”

“He recently bought himself and his wife a new car, taken trips and bought a house.”

“My ex is self-employed and doesn’t report all of his income.”

“Oblige has not reported work for years, does not report correct income.”

Child Support Open Forum – Survey Analysis

- **Concerns about parenting time adjustments as well as confusion about guidelines**

“Ex gets credit for court orders parenting time that he has not used in years.”

“Child support was based on the non-custodial parenting time. Despite him never taking the kids.”

Child Support Open Forum – Survey Analysis

- **Several custodial parents were satisfied with the amount**

“The court determined the amount based on our incomes based on current calculator.”

“Of course, I wish it was more, but I feel it's an adequate amount to support my son.”

“I currently have 3 open cases. Each at \$300 each it's fair it's both our responsibility.”

Child Support Open Forum – Survey Analysis

What are your suggestions for improving the way Minnesota calculates child support?

Major themes from 585 answers:

- Make custodial parents transparent about their expenses
- Consider all sources of non-custodial parents' income
- Bring uniformity across the entire state
- Consider extracurricular activities while looking at expenses for children
- Take into account the rising costs of living
- Make penalties quicker for non-payers

(A detailed qualitative analysis will be conducted using NVivo software for the last three questions due to the detailed and subjective nature of their answers)

Child Support Open Forum – Survey Analysis

What factors should Minnesota consider when deciding to change or modify a child support order?

Major themes from 585 answers:

- Consider where the child support amount is being spent
- Use non-custodial parents' "potential" to earn
- Consider rising insurance and living costs
- Consider the number, age and special needs of children

(A detailed qualitative analysis will be conducted using NVivo software for the last three questions due to the detailed and subjective nature of their answers)

Child Support Open Forum – Survey Analysis

What aspects of the Minnesota child support guidelines are working well?

Major themes from 585 answers:

- Majority of the answers are negative
- Income withholding is preferred
- ReliaCard is helpful
- Quick communication with case workers is quite appreciated
- Enforcement mechanisms are effective
- Online system is quite beneficial

(A detailed qualitative analysis will be conducted using NVivo software for the last three questions due to the detailed and subjective nature of their answers)

Recommendations

- Continue to support Task Force's work in updating the basic support table
- Review the new parenting expense adjustment and its impact upon:
 - Deviations
 - Collection rates
 - Basic support amounts
 - Parents' satisfaction with support amounts

Recommendations

- Collaborate with the Child Support Division's Equity Team in future reviews to review the impact of the guidelines on communities experiencing inequities
- Continue to train county child support works to uniformly identify deviation reasons to improve data reliability
- Provide a meaningful opportunity for public comment during the 2022 quadrennial review process for both parents and child support professionals

Thank You!

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