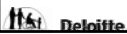




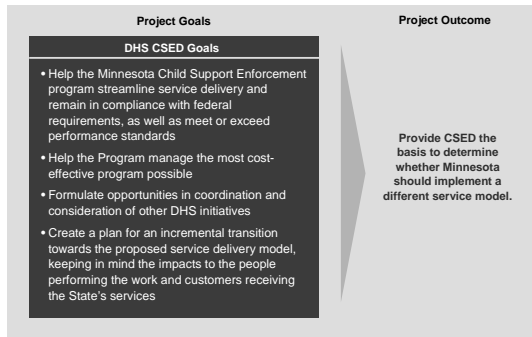
**Minnesota Department of Human Services
Child Support Enforcement Division (CSED)
Analysis of Service Delivery Model (ASDM) Project**

**Existing Service Delivery Model Assessment
(Deliverable #2)**

September 14, 2009



Project Objectives



-2-

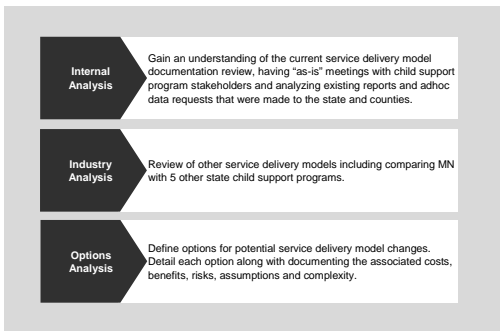
CSED's Questions for Deliverable #2

- | | |
|---|---|
| <ul style="list-style-type: none"> > Are Minnesota's structures more complex than necessary? > How does Minnesota's administrative structure differ from other states? > Are there best practices from other states Minnesota should adopt? > Is the Minnesota Child Support Program sufficiently resourced and staffed? Over resourced or over staffed? Under resourced or under staffed? > Could a different model or changes to the existing model help deliver a more consistent level of services Statewide? | <ul style="list-style-type: none"> > Are federal funds used as efficiently as possible? > Is Minnesota getting the best use of the federal incentives it earns? > Are there services that are delivered locally which could be delivered more efficiently if centralized or regionalized? If regionally, how might the regions be determined? > Are there services that are delivered centrally which could be delivered more efficiently at the regional or local level? > How will any recommended changes to the service delivery model impact child support clients? > Are there better ways to fund the non-federal share? |
|---|---|



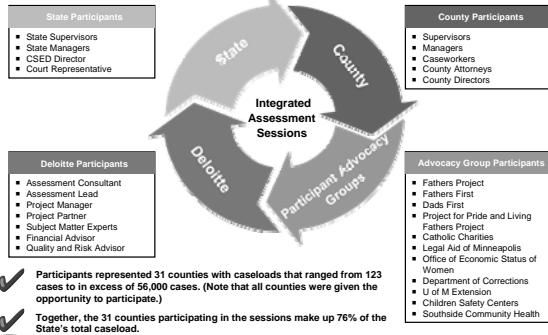
-3-

Existing Service Delivery Model Assessment (Deliverable #2) Phases



How did we do it?

Deloitte and CSED worked together to conduct 22 interactive work sessions and interviews to validate the current process environment and share ideas for future improvement.



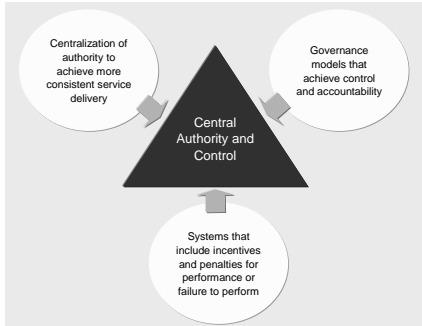
Internal Analysis

Minnesota's current service delivery model has some critical problems.

Delivery of Services	Customers may receive different levels and types of services depending upon their geographical location. The current structure does not support uniform implementation and application of state policy.
Staffing/ Resources	The level of resources, primarily caseworkers, varies among the counties.
Accountability	Overall program performance is dependent upon the performance and coordination of 84 county offices and the state office and there is not an effective single point of responsibility over these entities.
Authority and Control	Overall program expenditures cannot be controlled as there are 86 independent cost centers, 84 county, and 2 state cost centers (i.e., CSED and the courts). The roles and responsibilities of the various service providers are not clearly defined. Statewide program goals and priorities cannot be efficiently or easily accomplished without the ability to control overall program expenditures and without the close coordination of these various service providers.
Flexibility and Adaptability	Program resources cannot be easily reallocated to meet changing requirements or challenges of the program.
Customer Service	Customers, particularly employer customers, lack a single point of contact for information about their interaction with the Child Support Program.

Industry Analysis

The direction of those states who have changed their service delivery model is to move towards more central authority in order to deliver more consistent services, be better able to allocate resources more efficiently, and to obtain improved management controls over the program.



Options Analysis

Our analysis of the potential benefits of various service delivery models led us to include three service delivery model options for CSED to consider.*

Option 1	Option 2	Option 3
State Operated Regional Offices	County Operated Regional Offices with Enhanced Governance	County Operated with Enhanced Governance
<ul style="list-style-type: none">Transforms the Minnesota Child Support Program from a county operated service delivery model to a state operated child support service delivery model.Provides direct central control over all aspects of the program, maximizing economies of scale and resource reallocation to improve efficiency, resulting in overall program savings.	<ul style="list-style-type: none">Consolidates all existing county offices into a regional office structure to gain the advantages associated with economies of scale and increased efficiencies associated with the elimination of the duplication of services which currently exist.Provides opportunities to centralize or specialize some functions or services now performed in the individual counties either through multi-county or multi-region consortiums or by the state.	<ul style="list-style-type: none">Leaves the current county operated model in place but requires a change to clearly define the roles and responsibilities of the core child support service providers.The state office, the county offices, and the county attorneys' roles would be defined in statute and via cooperative agreements that would govern the parties' relationships in order to improve the consistency of the services delivered and to define the accountability for the delivery of those services.

* Other service delivery models were considered that we determined were not good fits for implementation in Minnesota, including a privatized service delivery model and moving child support to another agency.

Options Analysis

CSED informed Deloitte on the key program values that will be the evaluation criteria considered when CSED makes the decision on which model(s) to select.

Evaluation Criteria	
Consistency	State child support policies should be implemented in a consistent manner. The citizens of Minnesota should expect to receive the same level and type of services regardless of where they live or which entity is responsible for their case.
Cost Effectiveness	The Minnesota Child Support Program should seek ways to be good stewards of the local, state, and federal funding of the program and also attempt to deliver child support services in the most cost effective manner possible.
Performance Driven	Clear performance measures need to be established that are used to determine the quality of services delivered to families.
Clear Delineation of Roles & Responsibilities	There needs to be a clear understanding of the roles and responsibilities of the various partners involved in the delivery of child support services. If partners are going to be held accountable for performance, they need to know what is expected of them and which resources they have at their disposal for assistance.
Accountability	Since the state is held accountable by federal law and regulation for overall statewide performance, it should be provided the authority and the tools required to set standards and have control in achieving the desired performance outcomes. An included criterion in this is the ability to take remedial actions with partners that are not meeting performance expectations.
Focus on Simplification & Streamlining	Efforts should be made to reduce the complexity from the child support service delivery model and processes that are performed within it. Duplication of efforts should be minimized and energies focused on high-value activities that lead to desired performance outcomes.

Options Analysis

Option 1: State Operated Regional Offices provides the greatest opportunity to support the goals and objectives and satisfy the evaluation criteria set forth by CSED.

Evaluation Criteria	Service Delivery Option		
	Option 1: State Operated Regional Offices	Option 2: County Operated Regional Offices with Enhanced Governance	Option 3: County Operated with Enhanced Governance
Consistency	●	◐	◑
Cost Effectiveness	●	◐	◑
Performance Driven	●	●	◐
Clear Delineation of Roles & Responsibilities	●	●	◐
Accountability	●	◐	◑
Focus on Simplification & Streamlining	●	◐	◑

◑ - Implementing this option would likely not result in meeting this evaluation criterion
 ◐ - Implementing this option could possibly result in meeting this evaluation criteria
 ● - Implementing this option would likely result in meeting this evaluation criterion

- 10 -

Options Analysis

Option 1: State Operated Regional Offices provides the greatest opportunity to support the goals and objectives of Minnesota's Child Support Program Strategic Plan.

Strategy	Objective	Service Delivery Option		
		Option 1: State Operated Regional Offices	Option 2: County Operated Regional Offices with Enhanced Governance	Option 3: County Operated with Enhanced Governance
Maintain and improve a sustainable infrastructure	Enhance productivity through technology	◐	◑	◑
	Manage costs to achieve and maintain fiscal efficiency	●	●	◐
Establish statewide delivery standards	Secure funding to accomplish outcomes	◑	◑	◑
	Simplify and create user-friendly policies and legal processes	●	◐	◑
	Interpret and apply laws and policies consistently	●	◐	◑
Streamline operation and service delivery	Provide similar services statewide to similarly-situated participants	●	◐	◑
	Implement statewide enforcement standards	●	◐	◑
	Assess centralizing or regionalizing activities / functions	●	●	◐
	Manage the accumulation of arrears	●	◐	◑

- 11 -

Options Analysis

Strategy	Objective	Service Delivery Option		
		Option 1: State Operated Regional Offices	Option 2: County Operated Regional Offices with Enhanced Governance	Option 3: County Operated with Enhanced Governance
Meet or exceed federal sponsor thresholds for earning incentives	Set individualized performance goals for each county and the state	●	●	●
	Improve self-assessment performance	●	●	◐
	Increase data reliability to 99 percent	◐	◐	◐
Provide proactive case management	Ensure reliable payment of support	◑	◑	◑
	Foster a positive culture of compliance for program participants	◑	◑	◑
Recruit, train, develop, and retain highly-skilled child support program professionals	Recruit a qualified candidate pool	◐	◐	◐
	Provide opportunities for staff training and development	●	◐	◑
	Retain staff	●	◐	◑

- 12 -

Options Analysis

Strategy	Objective	Service Delivery Option		
		Option 1: State Operated Regional Offices	Option 2: County Operated Regional Offices with Enhanced Governance	Option 3: County Operated with Enhanced Governance
Make our program more available and accessible to those who need it	Provide program participants with the information they need to understand and meet program requirements	○	○	○
	Provide culturally appropriate services	○	○	○
Build and sustain collaborative relationships with those who help deliver our services	Educate partners and stakeholders	◐	◐	○
	Receive education from our partners and stakeholders	◐	○	○
	Identify groups that could help us further program objectives	○	○	○

○ - Implementing this option would likely have no impact on the achievement of this objective
 ◐ - Implementing this option would likely have limited impact on the achievement of this objective
 ● - Implementing this option would likely have significant impact on the achievement of this objective

- 13 -

Options Analysis

The options analysis indicates that **Option 1: State Operated Regional Offices** should be selected for implementation planning.

Option 1	Option 2	Option 3
State Operated Regional Offices <ul style="list-style-type: none"> Transforms the Minnesota Child Support Program from a county operated service delivery model to a state operated child support service delivery model. Provides direct central control over all aspects of the program, maximizing economies of scale and resource reallocation to improve efficiency, resulting in overall program savings. 	County Operated Regional Offices with Enhanced Governance <ul style="list-style-type: none"> Consolidates all existing county offices into a regional office structure to gain the advantages associated with economies of scale and increased efficiencies associated with the elimination of the duplication of services which currently exist. Provides opportunities to centralize or specialize some functions or services now performed in the individual counties either through multi-county or multi-region consortiums or by the state. 	County Operated with Enhanced Governance <ul style="list-style-type: none"> Leaves the current county operated model in place but requires a change to clearly define the roles and responsibilities of the core child support service providers. The state office, the county offices, and the county attorneys' roles would be defined in statute and via cooperative agreements that would govern the parties' relationships in order to improve the consistency of the services delivered and to define the accountability for the delivery of those services.

- 14 -

What is next?

An Implementation Plan for Option 1 that answers the following questions:

- > Can the recommendations be implemented incrementally? If so, in what order should the steps occur?
- > How should the new model be explained to different partners and stakeholders?
- > What is the cost/benefit of each part of the proposed changes (to allow for partial or incremental implementation)?
- > What staffing changes are necessary? How many staff working in the program will be affected?
- > How would existing labor agreements affect the proposed model?
- > What infrastructure changes are necessary?
- > How might the federally required child support automated system (PRISM) be affected?

- 15 -

And to complete the study:

A Road Map that indicates the relationships
between the *Service Delivery Study*
recommendation and the just completed
Policy Business Redesign study.
