Project Objectives

Project Goals

DHS CSED Goals

- Help the Minnesota Child Support Enforcement program streamline service delivery and remain in compliance with federal requirements, as well as meet or exceed performance standards
- Help the Program manage the most cost-effective program possible
- Formulate opportunities in coordination and consideration of other DHS initiatives
- Create a plan for an incremental transition towards the proposed service delivery model, keeping in mind the impacts to the people performing the work and customers receiving the State’s services

Provide CSED the basis to determine whether Minnesota should implement a different service model.

CSED’s Questions for Deliverable #2

- 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 under 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?
- 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?
Gain an understanding of the current service delivery model documentation review, having “as-is” meetings with child support program stakeholders and analyzing existing reports and adhoc data requests that were made to the state and counties.

Review of other service delivery models including comparing MN with 5 other state child support programs.

Define options for potential service delivery model changes. Detail each option along with documenting the associated costs, benefits, risks, assumptions and complexity.

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.

Participants represented 31 counties with caseloads that ranged from 123 cases to in excess of 56,000 cases. (Note that all counties were given the opportunity to participate.) Together, the 31 counties participating in the sessions make up 76% of the State's total caseload.

Minnesota's current service delivery model has some critical problems. Customers may receive different levels and types of services depending upon their geographical location. The current structure does not support uniform implementation and adoption for future improvement.

<table>
<thead>
<tr>
<th>Delivery of Services</th>
<th>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 policies.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staffing/ Resources</td>
<td>The level of resources, primarily caseworkers, varies among the counties.</td>
</tr>
<tr>
<td>Accountability</td>
<td>General program performance is dependent upon the performance and coordination of 84 county offices and the state office and there is no single point of responsibility over these entities.</td>
</tr>
<tr>
<td>Authority and Control</td>
<td>General program expenditures cannot be controlled as there are 84 independent cost centers. The roles and responsibilities of the various service providers are not clearly defined and priorities cannot be effectively or easily accomplished without the ability to control overall program expenditures and without the close coordination of these various service providers.</td>
</tr>
<tr>
<td>Flexibility and Adaptability</td>
<td>Program resources cannot be easily reallocated to meet changing requirements or challenges of the program. Here, flexibility is key.</td>
</tr>
<tr>
<td>Customer Service</td>
<td>Customers, particularly employer customers, lack a single point of contact for information about their interaction with the Child Support Program.</td>
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</tbody>
</table>
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.

Centralization of authority to achieve more consistent service delivery

Central Authority and Control

Governance models that achieve control and accountability

Systems that include incentives and penalties for performance or failure to perform

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.*

<table>
<thead>
<tr>
<th>Option 1</th>
<th>Option 2</th>
<th>Option 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Operated Regional Offices</td>
<td>County Operated with Enhanced Governance</td>
<td>County Operated Regional Offices with Enhanced Governance</td>
</tr>
</tbody>
</table>

- **Transforms the Minnesota Child Support Program from a county operated service delivery model to a state operated child support service delivery model.**
- **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.**
- **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.**

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- **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.**

*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.

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 program and also attempts to deliver child support services at the state level in order to ensure that all services are delivered and to define the accountability for the delivery of those services.

- **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 over the desired performance outcomes. All included criteria in this is the inability to take remedial action and partners that are failing to meet performance expectations.

- **Focus on Simplification & Streamlining**
  - There 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 changes focused on higher value services that lead to desired performance outcomes.

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.
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 CSFD.

<table>
<thead>
<tr>
<th>Evaluation Criteria</th>
<th>Option 1: State Operated Regional Offices</th>
<th>Option 2: County Operated with Enhanced Governance</th>
<th>Option 3: Count Operated with Enhanced Governance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consistency</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Cost Effectiveness</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
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<tr>
<td>Performance Score</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Clear Communication</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Accountability</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Focus on Simplification &amp; Streamlining</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
</tbody>
</table>

- Implementing this option would likely not result in meeting this evaluation criterion.
- Implementing this option could possibly result in meeting this evaluation criterion.
- Implementing this option would likely result in meeting this evaluation criterion.

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.

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Objective</th>
<th>Option 1: State Operated Regional Offices</th>
<th>Option 2: County Operated with Enhanced Governance</th>
<th>Option 3: County Operated with Enhanced Governance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meet a reduced budget</td>
<td>Set individualized performance goals, reduced budget, and streamlining</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Reduce overhead management</td>
<td>Increase cost-effectiveness, reduce management, and streamline processes</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Reduce costs</td>
<td>Improve compliance with legal requirements and administrative procedures</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Reduce costs</td>
<td>Increase the number of cases processed</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Reduce costs</td>
<td>Foster a positive culture of compliance and accountability</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Reduce costs</td>
<td>Recruit, train, develop, and retain child support program professionals</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Reduce costs</td>
<td>Retain staff</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
</tbody>
</table>
### Options Analysis

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Option 1: State Operated Regional Offices</th>
<th>Option 2: County Operated Regional Offices with Enhanced Governance</th>
<th>Option 3: County Operated with Enhanced Governance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Make our program more available and accessible to more clients</td>
<td>- Implementing this option would likely have no impact on the achievement of this objective</td>
<td>- Implementing this option would likely have limited impact on the achievement of this objective</td>
<td>- Implementing this option would likely have significant impact on the achievement of this objective</td>
</tr>
<tr>
<td>Build and sustain collaborative relationships with other key program stakeholders</td>
<td>- Increase engagement in the program</td>
<td>- Increase engagement in the program</td>
<td>- Increase engagement in the program</td>
</tr>
</tbody>
</table>

#### Option 1: State Operated Regional Offices
- 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.

#### Option 2: County Operated Regional Offices with Enhanced Governance
- 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.

#### Option 3: County Operated with Enhanced Governance
- 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.

### 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?
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.