

A New Approach to Increase Past-Due Child Support Collections

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Problem Statement

Due to limited resources and the need to obtain payments on child support cases with past-due balances (arrear), a new approach to prioritize cases for field workers was requested by the Child Support Recovery Unit (CSRU) to streamline the process of arrears collection.

Research Questions

For cases with past due child support:

- Which factors are associated with a higher chance of collecting payment?
- Which factors are associated with a higher annual payment?
- How can the identified factors be used to build a new approach to select and prioritize cases that are more likely to get paid and also have a higher payment?

Method

Sample

Data were obtained from the Iowa Department of Human Services CSRU. The original sample size was n = 24,904. We excluded data related to *interstate* cases and cases with *incarcerated payors* and obtained a sample of 16,245 cases.

Models

After identifying key variables in both paying and non-paid arrears cases, two analytical models were built using fiscal year 2013 data:

Model 1: to identify which variables predict whether a case was paid

- to obtain the probability of getting paid (PGP) for each case.

Model 2: to predict which variables are associated with higher payment

- to obtain a regression equation.
- to calculate the expected annual payment (EAP) for each case when applying the equation to the non-paid cases.

Final step: to create an approach to increase arrears collection utilizing both the PGP and the EAP of each case to prioritize outreach efforts.

Table 1. Variables used to build the models

Variables
Total balance
Length of the debt
Reimbursement obligation
Suspended child support
Payee is the biological or adoptive parent
Payee and payor once married
Payee is receiving FIP and Medicaid
Payor is self-employed
Payor's age
Youngest child is minor
Total number of kids
Total payment in fiscal year 2013
Previous payment times
Times of current child support due

Results

Table 2. The approach was to use both the probability of getting paid (PGP) and the expected annual payment (EAP) to rank cases.

		Expected Annual Payment (EAP) Rank				Total
		Rank 1 > \$1500	Rank 2 \$1001-\$1500	Rank 3 \$500 - \$1000	Rank 4 < \$500	
Probability of Getting Paid (PGP) Rank	Rank 1 > 0.90	92	133	13	0	238
	Rank 2 0.76 - 0.90	113	399	124	6	642
	Rank 3 0.50 - 0.75	73	369	261	21	724
	Rank 4 < 0.50	56	959	1728	793	3536
Total		334	1860	2126	820	5140

Note. The final rank system uses both PGP rank and EAP rank to assist CSRU field workers in prioritizing cases.

Table 3. A snapshot of the list of cases in the top priorities ranked from highest (1) to lowest (6).

Case Number	Rank	PGP Rank	EAP Rank	Region	Office
425f2391	1	1	1	2	15
451g3305	1	1	1	4	28
...					
369a5602	2	1	2	1	12
211t8853	2	1	2	4	31
...					
515h9060	3	2	1	2	15
255j4828	3	2	1	2	6
...					
186i0769	4	2	2	4	28
276b9478	4	2	2	2	15
...					
148k4020	5	3	1	1	13
298l9266	5	3	1	2	15
...					
255r2248	6	3	2	2	6
131y9654	6	3	2	2	7
...					

Note. Due to confidentiality, the case numbers in above table are not the real ones .

Summary

Based on this new approach, past-due cases need to meet two criteria to be selected:

- Probability of getting paid is higher than .5;
- Expected annual payment is higher than \$1,000.

In using this approach, sets of higher priority cases could be located and worked first by field workers. This approach led to the **collection of more than \$314,000 in past-due payments** by the Child Support Recovery Unit during a three-month period in 2016.