



Interstate Data Exchange Consortium

A Letter from the Director



Dear Colleague,

The IDEC Interstate Data Exchange Consortium (IDEC) is a partnership of 15 states for the collection and enforcement of child support. We operate as a state-administered consortium. States may join as either Full Members or as Limited Partners through a state contract containing a memorandum of understanding agreement administered by The South Carolina Department of Social Services (SCDSS). All full member states participate in the IDEC Governing Board and these states have a say in the operation of the consortium.

The services offered through the IDEC Consortium affords all states the opportunity to effectively work together to enhance child support locate and collection processes. Successful child support enforcement programs interact with a broad range of partners working together. These states work

together and share processes, data, and information. In this way, we all realize the benefits of more effective enforcement methods and tools. By sharing child support enforcement information and processes, we increase our power to truly make successful enforcement actions. I encourage your state to seriously consider joining the IDEC Consortium as a full member or as a Limited Partner.

Full Member states receive in-state FIDM matching with financial institutions doing business in their state. Full Members have an option to participate in the Parent Locate Services and may upgrade the basic services provided to meet their needs.

Limited Partner states already perform in-state FIDM matching, but need more interstate matches to increase delinquent collections. Limited Partners become reciprocal partners with IDEC Consortium each agreeing to process a standard quarterly file against the other.

- ❖ With Limited Partnership no changes are necessary to existing in-state FIDM matching systems or software.
- ❖ The Limited Partner states decide how many quarters during the year that they want to participate. They also decide on the frequency that they receive their match files (quarterly, monthly or weekly).
- ❖ Reciprocal Partners – Limited Partners match their inquiry file against IDEC Financial Institutions and IDEC matches their one inquiry file against the Limited Partner's Financial Institutions.
- ❖ 1st Quarter 2011 (January - March) matches can be seen in the table. The Alliance states that participated in the 1st quarter saw just under 55 thousand additional matches by being a Limited Partner.

Currently, IDEC full membership consists of: Alabama, Arkansas, Delaware, Georgia, Kentucky, Louisiana, New Mexico, North Carolina, Oklahoma, Pennsylvania, South Carolina, South Dakota, Tennessee, Virginia and West Virginia.

We would like to welcome you to participate in IDEC and I will assist you in any way possible. Please contact me at (803) 898-7342 or send an email to Tom.Christmus@dss.sc.gov. I look forward to hearing from you in the near future.

Sincerely,

Thomas L. Christmus

Thomas L. Christmus, IDEC Director
South Carolina Department of Social Services
Child Support Enforcement Division

Interstate Matches - Limited Partner States

1st Quarter 2011 (January - March)

Alliance States	# of Matches
Arizona	7,178
Michigan	9,638
North Dakota	1,780
Texas	31,794
Wisconsin	4,438
TOTAL	54,828

Partnership Success

Oklahoma's great success with IDEC Limited Partner FIDM collections

Oklahoma Child Support Services (OCSS) had great success with matches it received through IDEC's Limited Partnership program. Collections attributed to matches from the first quarter of Limited Partnership matching totaled \$156,566.77. Levies on just three cases accounted for \$72,089.14 of the collection total. The majority of Oklahoma's successful levies came

through matches received from Texas and Michigan.

Oklahoma also assisted Michigan with collections using the AEI process. OCSS successfully processed three AEI referrals it received from Michigan bringing in total collections of \$31,449.05. These referrals were based on matches Michigan obtained through their participation in IDEC's Limited Partnership program.

OCSS is very pleased with the results it obtained through IDEC's Limited Partnership program. As the program expands and more states participate and share FIDM match data the potential for collection opportunities will keep on growing.

IDEC Consortium Full Member States:

Alabama ♦ Arkansas ♦ Delaware ♦ Georgia ♦ Kentucky ♦ Louisiana ♦ New Mexico ♦ North Carolina ♦ Oklahoma ♦ Pennsylvania ♦ South Carolina ♦ South Dakota ♦ Tennessee ♦ Virginia ♦ West Virginia

Is “Stop-Loss” Pay “Special Pay”?

New Mexico asks the question

Recently, in an unusual appeal to a FIDM seizure, an account holder confronted the State of New Mexico with a new and unfamiliar defense to the seizure: the money in the account was alleged to be his “Stop-loss” payment for his extended military service in Iraq. Suddenly, we were confronted with new and unusual source of veteran’s compensation, so new that it has barely been addressed in the garnishment rules and regulations from Defense Finance and Accounting Services (DFAS). Although we had heard of “stop loss” payments, we had never had to consider the nature of these payments and whether they required special handling until this particular case.

Retroactive Stop Loss Pay (RSLSP) is compensation available to any active duty or reserve duty service member that had their tour of duty involuntarily extended by the U.S. government during the period of September 11, 2001 to September 30, 2009. Any eligible service member may apply to receive the payment of \$500 per month for every month served in stop loss status.¹ The argument that the Obligor raised was that the money was a VA benefit and therefore not subject to garnishment. In our efforts to find information and advice on the matter, we turned to our friends of the IDEC consortium, as well as our OCSE policy advisors. Within thirty minutes, we had some of the best and most specific research on the point from these partners and it was a critical piece of our case! Some of that information is shared below.

According to the U.S. Department of Defense website, the average Stop-Loss benefit is \$3,700, and is a one-time payment made off-line and not through the automated garnishment operations within DFAS. As with other one-time payments², they are not entered into the pay systems until after they are paid as hard-copy checks or EFT payments. Considerable work would be required to automate this process in order to use the DFAS’ Integrated Garnishment System (IGS) so it is impossible to tap into these payments *before* they are paid out.³

However, the problem presented was not simply whether a garnishment would be possible but whether it is even appropriate to seize these payments. It was necessary to consider the true

nature of the payment itself: is it an exempted benefit or income subject to garnishment? From all opinions received so far, the stop loss payment is in the realm of special pay, and as such, is subject to seizure for delinquent child support. The most germane evidence we found was that in 5 CFR 581.103, which addresses specific monies subject to garnishment.⁴ It is important to mention that the matter is still under discussion between OCSE and Defense Finance and Accounting Services as to whether these payments are classified as income, and therefore subject to child support garnishment⁵, but at this preliminary stage, it appears that a stop-loss payment most closely resembles “special pay” which is subject to garnishment, not exempted benefits pay. Most of the opinions received were along the same lines: once the money is in a bank account, it loses its special character and becomes an asset subject to seizure.⁶

The decision on the State of New Mexico case is still pending, but the issue that was introduced in it generated a great deal of valuable discussion and team collaboration that is characteristic of the IDEC community, and of child support professionals in the IV-D network. We look forward to the continued development and clarification on the topic in the weeks to come.



Operations

1st Quarter Successes

In July of last year, Informatix became the vendor for IDEC’s Financial Institution Data Match (FIDM) and Parent Locate programs. Since that time, IDEC member states have experienced significant growth each quarter. In keeping with IDEC’s quest for continuing improvement, there are some new developments we wanted to share with you.

First, IDEC’s Parent Locate website has received a face lift. Informatix has been working on updating and refreshing IDEC’s graphics and color scheme, and

with the update of the Parent Locate website, we have completed this activity. The new look and feel of the Locate system brings a smart new interface to a new product. A picture of this new look and feel can be found below. We have received positive feedback on the new look from the states and are glad to have assisted IDEC in its re-branding efforts.



Second, in the FIDM department, Informatix has implemented some new automated processes to assist in the compliance efforts of the Financial Institution (FI) data matching. With the implementation of our automated reminder notifications and compliance monitoring processes, IDEC had its highest match compliance rate ever in the first quarter of 2011 at 98.8%. Out of 3,586 FIs, 3,543 FIs matched during Quarter 1 of this year. Also, 4 states out of 15 had a 100% match compliance rate. With these higher compliance rates, the states receive more matches, ultimately leading to increased collections. We are very proud of our staff and their efforts to assist states in the ultimate goal: increasing collections.

IDEC continues to be very successful in both its Parent Locate and FIDM programs. In fact, several states have notably increased their collections due to the data sharing that is occurring outside of IDEC. Oklahoma collected just over \$34,000 from one match located in Quarter 1 of 2011. Informatix looks forward to continuing this great success with IDEC in the years to come.

Danielle Pittman
Informatix, Inc.
IDEC Project Manager

¹ http://www.defense.gov/home/features/2010/0710_stoploss/

² These payments are not characterized as bonus payments, but rather “special pay”; however, they are processed in a similar manner. (Larry Holtz, ACF; e-mail from 4-20-11 to Cathi Valdes, Deputy Director, State of NM CSED)

³ Larry Holtz, ACF

⁴ Tom Shaeffer, Director, Division of Program Development and Evaluation, Department of Public Welfare, Bureau of Child Support Enforcement, PA, contributed this research. Thanks also to Mary Kenerson, LA and Bill Duffey, TN for the additional perspective of their legal advisors and Heidi Talmage, WV for the discussion of monies not subject to garnishment.

⁵ Yvette Hilderson Riddick, Director of Division of Policy, OCSE e-mail dated 4-28-11 to James Travis and Reta Oliver, Region VI OCSE

⁶ Steve Yarborough, SC.

Please visit us at
www.IDEConsortium.com



Tom Christmus
IDEC Consortium Director
South Carolina Department of Social Services
Tom.Christmus@dss.sc.gov
803.898.7342

Caroline Pierce
Business Development Manager
Interstate Data Exchange Consortium
www.IDEConsortium.com
Caroline.Pierce@Informatixinc.com
916.830.1940
707.484.1651 (cell)