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# Kansas officials plan to privatize child support collections

Officials say they hope to boost payments by \$52 million over three years

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TOPEKA — Officials at the Kansas Department for Children and Families are moving to fully privatize the state's system for collecting child support payments.

The agency currently is accepting bids from private companies interested in taking over all or parts of the state-run system.

Officials said they plan to award a contract — or contracts — in June with the system changes becoming effective in September.

“All we’re trying to do is get more money into the hands of custodial parents because all kinds of studies have shown that in many cases, the difference between a child living in poverty and not living in poverty is whether their non-custodial parent is making their child support payments,” said Angela de Rocha, a DCF spokesperson.

She said the initiative was tied to Gov. Sam Brownback’s campaign to reduce childhood poverty.

De Rocha said Kansas child support collections consistently have ranked among the lowest in the nation.

## Expecting \$52 million more

In recent years, she said, DCF subcontractors — a mix of private law firms, court trustees, and state employees - had collected about \$200 million annually.

By fully privatizing the services, she said, the department hopes to collect an additional \$52 million over the initial three years of the contract.

De Rocha said privatization could lead to as many as 250 child support workers around the state being laid off. The successful bidders, however, would be expected to "make current employees aware of job opportunities."

According to state budget documents, DCF expects to spend almost \$27 million on child support enforcement efforts in the current fiscal year, which ends June 30.

The enforcement efforts include helping people who apply for public assistance — young single mothers, mostly - file the paperwork necessary for establishing and collecting child support, the garnishing of non-custodial parents' wages, and prosecuting non-payers.

The same services are made available to custodial parents not on public assistance.

How these services are provided vary by judicial district. DCF already contracts with private law firms in 14 of the state's 31 judicial districts. Services in 12 of the districts, de Rocha said, are provided through state- and county-funded court trustee offices. Five districts rely on local DCF workers.

In keeping with the department's recent 'request for proposals,' private companies may bid on the services in one, some, or all the districts.

## All judicial districts

DCF's intent, de Rocha said, was to privatize services in all 31 judicial districts.

Agency officials, she said, expected that some of the current contractors would rebid but that national companies may bid, too.

Whether a fully privatized system would result in more collections remains to be seen.

Ron Nelson, a Lenexa attorney who specializes in family law, said he was not optimistic.

“It really going to depend on who gets the contract,” he said. “Here in Johnson County the court trustee has had the contract for many years and they’ve always done a great job. They’ve received performance bonuses for efficiency and good practices. I seriously doubt that a new contractor will be nearly as consumer friendly.”

Nelson said he took a dim view of the private collection companies.

“All these companies care about is profit,” he said. “If they see where they can come in and with some kind of technology increase efficiency on some level, that’s what they’ll do. But those are numbers, those are processes, they’re not people. Sitting down with people and really doing the work it takes to make this stuff happen — that’s not where the profit is.”

## Understaffed

The current system’s shortcomings, he said, were the result of inadequate staffing and the lack of an up-to-date computer system.

Nelson said he recently hired a former DCF attorney.

“She said she had a caseload of 1,500 cases and they were getting ready to give her 2,500,” he said. “That’s insane. You can’t give these cases the kind of attention they need when you’re looking at those kinds of numbers.”

Paul Johnson, an advocate for the poor, said DCF would get better results if it focused more on administrative reforms.

“The way it is now, everything — all the notifications, all the establishments, all the garnishments — has to be blessed by the courts,” Johnson said. “So what happens is all this effort goes into filling out the paperwork, it gets filed with the court, and then you sit there for

months waiting for a hearing.”

A more efficient approach, he said, would be to allow administrative hearing officers to process cases in which custodial and non-custodial parents are in general agreement about the terms of child support.

“It would be so much easier and less confrontational than the system we have now,” Johnson said. “And the non-custodial parents wouldn’t have to hire an attorney to state their case. It would keep a lot more dads involved in the lives of their kids.”

DCF records, he said, showed that only 56 percent of the child support owed to children whose custodial parents ask for collection assistance is actually paid.

“I don’t know that going to an all-privatized system will be any better,” Johnson said. “But I don’t know if it would be any worse, either.”

## Getting to root causes

[Carolyn Heinrich](#), director of the Center for Health and Social Policy at the University of Texas, has studied states and federal efforts to increase child support collections.

The research on whether privatized systems are more successful than state-run systems hasn't produced a clear answer to the question.

“The bigger question, really, is what are the root causes of non-payment?” Heinrich said.

Surveys, she said, have shown that many non-payers are men who have been jailed or are unemployed and unable to make payments but who fail to notify the court of their circumstances. Consequently, their non-payments are subject to fines, penalties, and arrearages.

“There are people who get out of jail and find out they owe more in interest (on their child support) than they do in principle,” Heinrich said.

Many of these non-payers, she said, want to support their children but lose hope in their dealings with the system.

“The challenge for states now is to find and develop successful strategies for addressing these factors,” she said.

De Rocha said DCF attributed most of the current system’s shortcomings to non-custodial parents “...absconding and in some cases collection efforts aren’t forceful enough.”

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