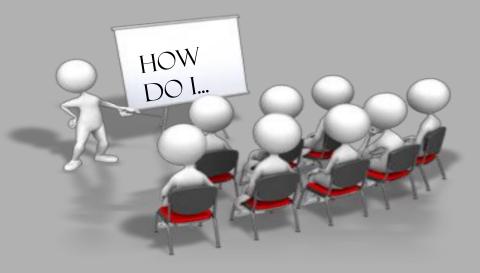
#### **Child Support & Employers**



An Introduction to Child Support and Employers Responsibilities



Information for employers



New Hire reporting helps child support agencies establish orders and send income withholding orders to employers to collect support for children and families



# Why report?

One in four children in the United States receives child support services through state, local, and tribal child support programs



# Who must report?

- Employers must report newly and re-hired employees
- Multistate employers can choose how to report:
  - Report to the state where the individual works or
  - Report all to one of the states where you do business and have employees



# Who are newly hired employees?

- An employee not previously employed by the employer;
   or
- An employee previously employed by the employer but separated from such prior employment for at least 60 consecutive days
- States can have shorter time-frames
  - See the new hire matrix





# Why to report?

- 1 2 3 4 5
- It's the law!
  - Federal and law require all employers to report newly and rehired employees to a State Directory of New Hires within 20 days of the employee's first day of work
  - States can establish shorter timeframes

# What happens after your report?

- Data matching with child support orders
- Matches are sent to child support agencies
- They use the data to locate parents, establish paternity, establish and modify child support orders, and enforce orders
- The child support program collected over \$32 billion in child support in fiscal year 2015

### Want more information?

http://www.acf.hhs.gov/programs/css/employers/new-hire-reporting





# And more...

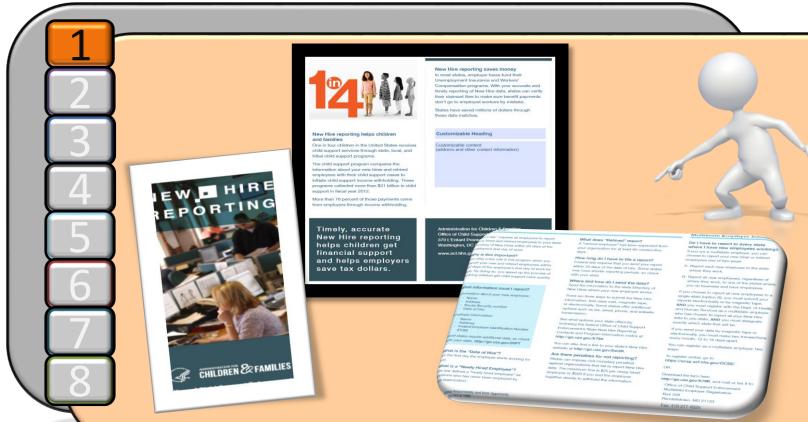
#### New Hire Reporting for Private Sector Employers

By reporting new and rehired employees, employers help child support agencies locate parties involved in a child support case.

#### Resources:

- New Hire Reporting for Private Sector Employers
- New Hire Reporting Answers to Employer Ouestions
- State New Hire Reporting Contacts and Program Requirements
- State New Hire Reporting Websites
- Multistate Employer Registry

#### New Hire Brochure – available resource



# Question ...





Employers must respond to requests from child support agencies

May ask wages, financial information, withholdings, health insurance, other information





**Verification of Employment (VOE)** 



Why do child support agencies send VOEs?

Responses help establish, modify, and enforce child support orders

Courts need recent verifications of income

**Verification of Employment (VOE)** 

#### Question ...





- All entities must use the OMB-approved Income Withholding for Support Order (IWO)
- Includes courts, private attorneys, child support agencies and others
- Current form expires on July 31, 2017
  - Comments on revisions encouraged!

# What does an employer do?

Employers must comply with an income withholding order (IWO) received on the approved OMB form

| Income withholding for support

TE: This IWO must be requ	nt (CSE) Agency	FOR LUMP SUM PAYMEN  Court Attorney Priv	Date: 1e
receive this document from it be attached.	someone other	y/programs/css/resource/incor than a state or tribal CSE agenc	ate Individual/Entity (Check One) must reject this IWO and return it to the ne-withholding-for-support-instructions y or a court, a copy of the underlying order
State/Tribe/Territory	1g		
City/County/Dist /Tribo	11	Remittance ID (include	w/payment) 1h
Private Individual/Entity	1k		11
		CSE Agency Case ID	- 1
2a			
mployer/Income Withholde	r's Name	RE:	3a
mployer/Income Withholde		Employee/0	Obligor's Name (Last, First, Middle)
mployer/income Withholde	r's Address	Employee/0	Obligor's Social Security Number
			3c arty/Obligee's Name (Last, First, Middle)
mployer/Income Withholde		·	
hild(ren)'s Name(s) (Last, I			
	First, Middle)	Child(ren)'s Birth Date(s)	3f
3d	First, Middle)	Child(ren)'s Birth Date(s)  3e	зг
	First, Middle)		зғ
ORDER INFORMATION: 1 (State/Tribe), You are req. \$ 59 per \$ 99 per \$ 99 per \$ 100 per \$ 110 per \$ 110 per	This document is sired by law to de 5b c c 6b p p p p p p p p p p p p p p p p p p	based on the support or withhold duct these amounts from the eru urrent child support . Arrears a support arrear special support urrent spousal support urrent spousal support durent spousal support ther (must specify) [	ing order from 4 Indipoyee/cblisgor's income until further notice. reater than 12 weeks?   Yes   No 6c

OMB 0970-0154



# Is the IWO regular on its face?

Determine if the order is "regular on its face"

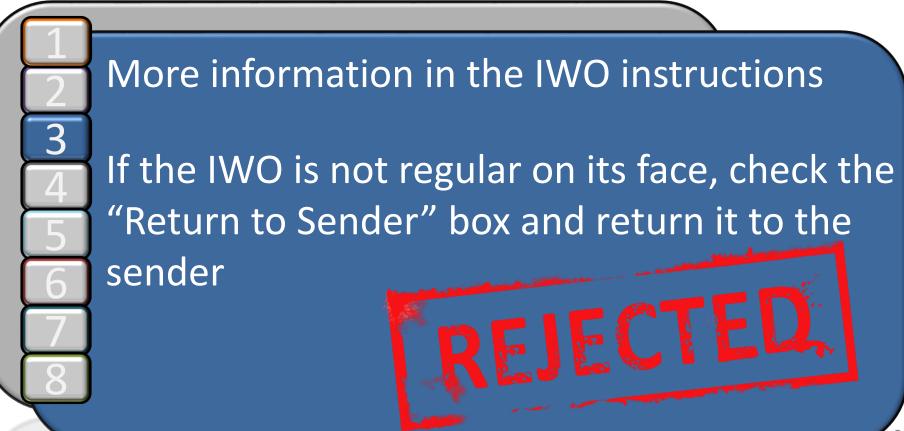
Check to make sure underlying child support order is attached if you receive it from anyone other than a court or child support agency

**NOTE:** This IWO must be regular on its face. Under certain circumstances you must reject this IWO and return it to the sender (see IWO instructions <a href="https://www.acf.hhs.gov/programs/css/resource/income-withholding-for-support-instructions">www.acf.hhs.gov/programs/css/resource/income-withholding-for-support-instructions</a>). If you receive this document from someone other than a state or tribal CSE agency or a court, a copy of the underlying order must be attached.

# Is the IWO regular on its face?

- 2
- Employers may return the document if:
- Payments not ordered to the SDU with a few exceptions
- OMB-approved form is not used
- Form is missing information you need
- Form is altered
- Amount is not a dollar amount
- A copy of the underlying child support order is needed but not included

# Is the IWO regular on its face?



# IWOs from Attorneys, Courts, Others

- Must give all the information you need to withhold including a valid payment identifier
  - OMB-approved IWO form cannot be used for spousal support only
  - Contact Cindy Holdren with questions or concerns
  - cynthia.holdren@acf.hhs.gov



#### Want more information?

http://www.acf.hhs.gov/programs/css/employers/income-withholding







#### What is e-IWO?

- Receive child support income withholding orders (IWOs) electronically
- Send acknowledgments to the child support agency
- Select programming or no programming option
   Report lump sum payments and terminations

# What are the options for e-IWO?

- If you receive a significant number of IWOs per week or month and have available information technology (IT) resources for a three to five month programming effort, "System-to-System" may be the option for you
  - If you do not have the IT resources, the fillable PDF or XLS spreadsheet are your best options

# What are the benefits of e-IWO?

- <u>1</u>
- 3
- 4
- 5
- 6
- 8

- Money gets to the family faster
- All IWOs coming from the portal look the same
- No more mail to open
- IWO PDFs are image-ready for saving and printing
- Reduced phone calls from states
- Increased accuracy and reliability of data
- Saves time, money and resources at no cost to employers



# Who's participating in e-IWO?

e-IWO participation:

• 50 states/territories participating;

1,205 companies/organizations;

9,738 active unique FEINs



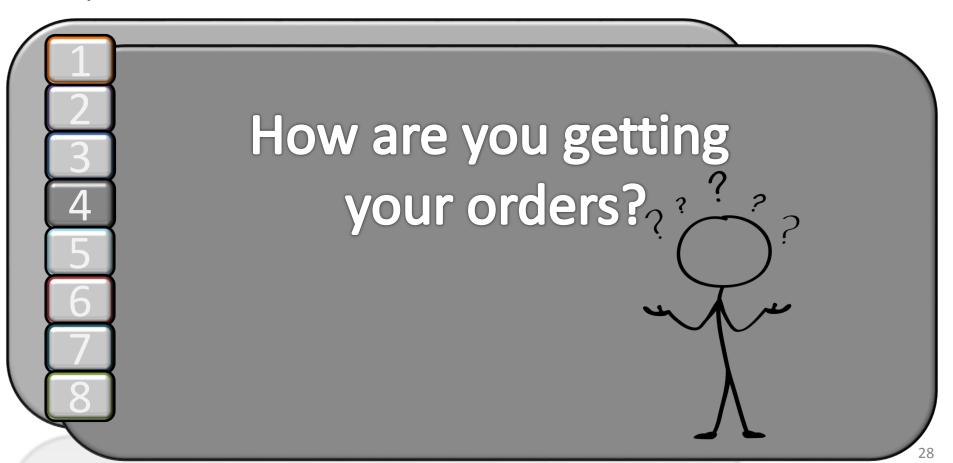
#### More Information?

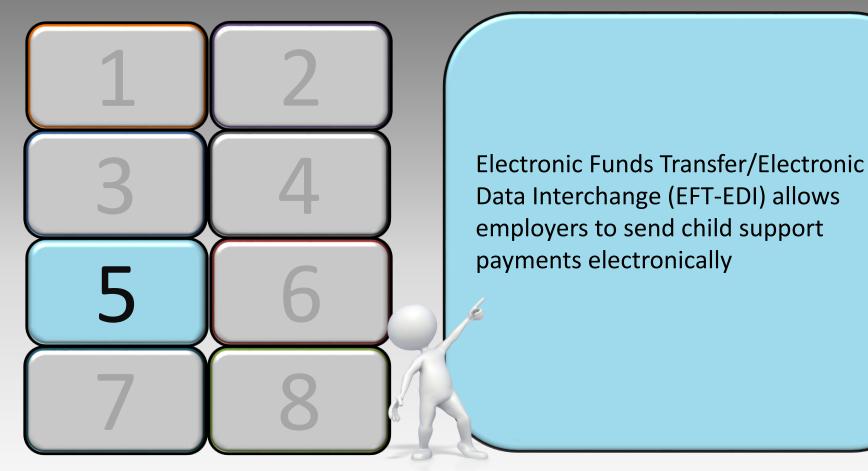
http://www.acf.hhs.gov/programs/css/employers/e-iwo OFFICE OF CHILD SUPPORT ENFORCEMENT Search An Office of the Administration for Children & Families **Child Support Professionals Employers Partners** Office of Child Support Enforcement > Employers > Electronic & Online Services e-IWO **Employers Employer Responsibilities** Listen > > New Hire Reporting e-IWO is an efficient and cost-effective way to electronically exchange income withholding order (IWO) information > Verification of between child support agencies and employers. Employment > Income Withholding Medical Support e-IWO Process Payments No Programming Option > Terminations Electronic & Online Services System-to-System Option

To get started, contact william.stuart@acf.hhs.gov

Library

### Question...?





**Remitting Payments** 

#### Want more Information?

- Benefits include:
  - Eliminates the cost of printing and handling paper checks
  - Eliminates the cost of postage and postal delays due to lost or misdirected mail
  - Reduces data entry errors
  - Gets child support payments to children and families faster

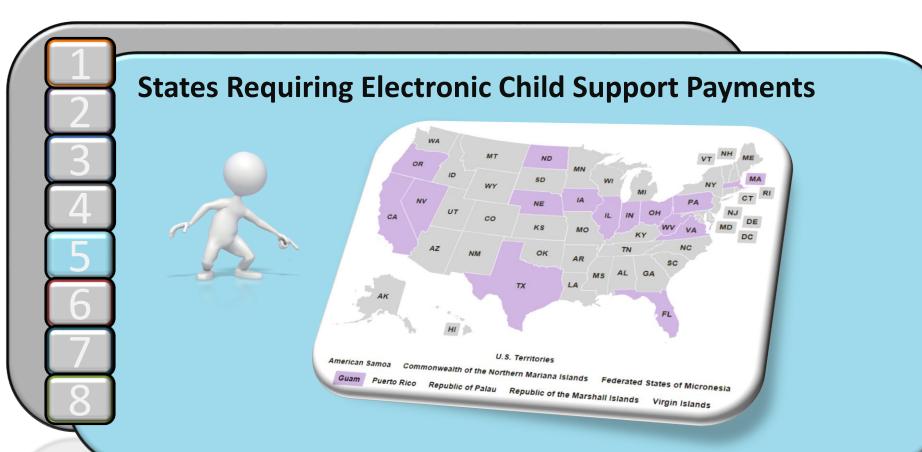


### Want more Information?

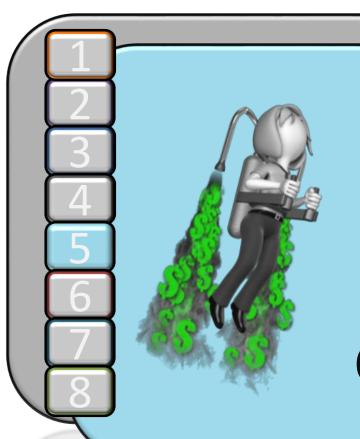
http://www.acf.hhs.gov/programs/css/employers/electronic-payments



### And more ...



### Question ...



# Are you sending payments electronically?



OCSE's Child Support Portal offers employers two electronic reporting tools:

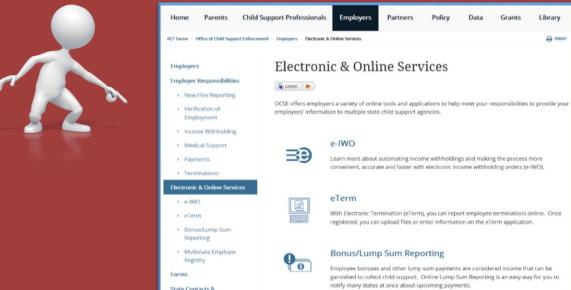
- Lump Sum Reporting Report employees eligible to receive upcoming lump sum payments
- eTerm Report employee terminations or respond that the individual never worked for you

# Who's using the employer app on the Child Support Portal?:

- - 49 states and territories participating in Lump Sum Reporting
  - 50 states and territories participating in eTerm
  - 214+ employers participate in Lump Sum Reporting and eTerm
    - 1,514+ Federal Employer Identification
       Numbers

### Want more Information?

http://www.acf.hhs.gov/programs/css/employers/electronic-online-services



# Bonus/lump sum information?

http://www.acf.hhs.gov/programs/css/employers/bonus-lump-sum-payments

OFFICE OF CHILD SUPPORT ENFORCEMENT

As Office of the Administration for Children & Families

Limployers

Bonus/Lump Sum Reporting

Employer Responsibilities

Bonus/Lump Sum Reporting

Employer Responsibilities

# eTerm information?

http://www.acf.hhs.gov/programs/css/employers/electronic-online-services/eterm

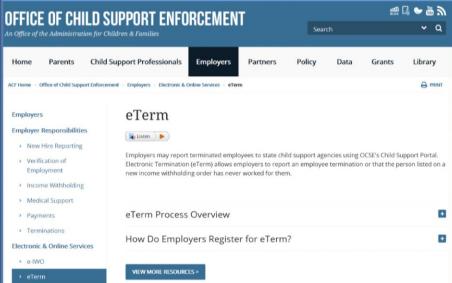
OFFICE OF CHILD SUPPORT ENFORCEMENT

An Office of the Administration for Children & Families

Home Parents Child Support Professionals Employers Partners Policy Data Grants Library

ACT Home - Office of Child-Support Enforcement - Employers - Electronic & Codine Services - eterm

Employers eTerm



# Demo or more info?

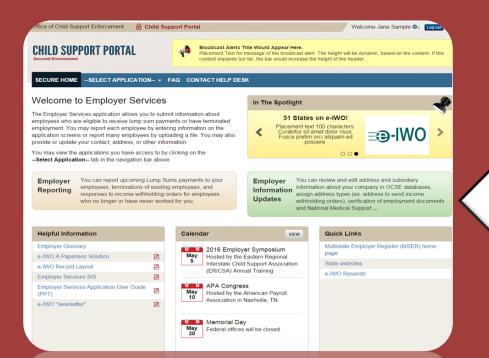
For more information or a live demonstration, please contact <a href="mailto:employerserviceswebapp@acf.hhs.gov">employerserviceswebapp@acf.hhs.gov</a>



#### What's on the horizon for the employer app on the

portal?

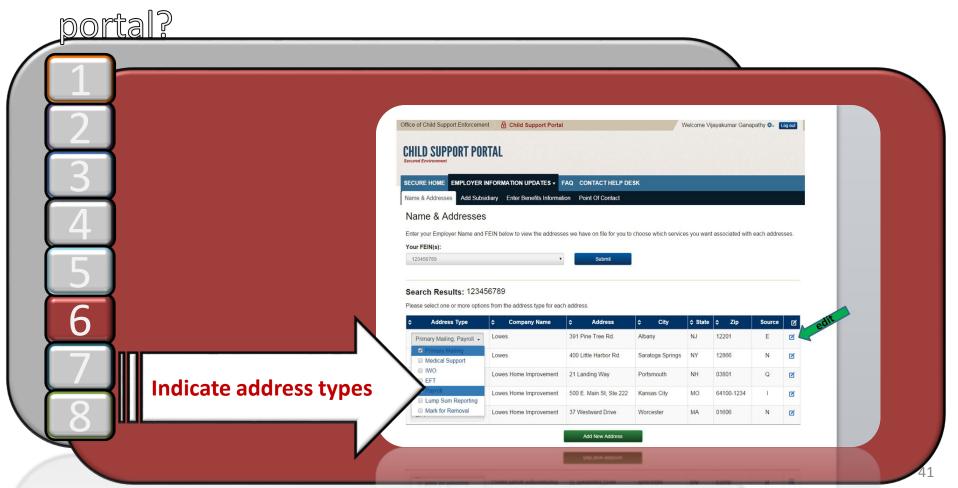
#### Portal enhancements on the horizon:



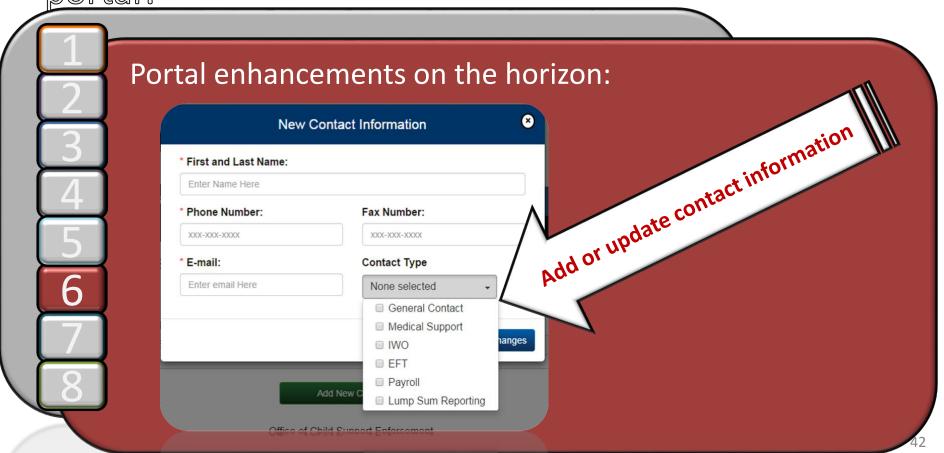
**Employers update** their information online

4

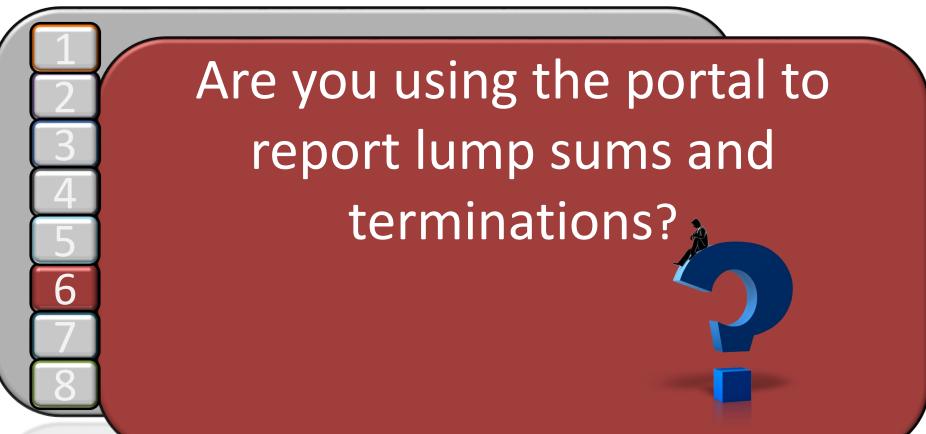
#### What's on the horizon for the employer app on the



# What's on the horizon for the employer app on the portal?



#### Question...?





Medical support is a form of child support often provided through an employer's health insurance plan

State child support agencies send the <u>National Medical</u>
<u>Support Notice (OMB 0970-0222)</u> (NMSN) to employers to help ensure that children receive health care coverage

**Medical Support** 

# What is medical support?

- A form of child support
  - often provided through a parent's employer-sponsored health insurance plan
  - Most child support orders require parents to provide health insurance for their children if it is available at a reasonable cost
  - Each state defines the term "reasonable cost" for medical support purposes
  - A child support order may require the parent to pay a specific dollar amount to help pay for the child's medical costs

# What is medical support?

If a parent does not have access to affordable employersponsored health insurance, the child support order may require the parent to pay a specific dollar amount to help pay for the child's medical costs

### Who do I enroll?

• The NMSN serves as legal notice that the employee identified is obligated by a court or administrative child support order to provide health care coverage for the child(ren) identified on the notice



# Who do I enroll?

- You will receive an NMSN when an employee is obligated by a court or administrative child support order to provide health care coverage for his/her child(ren) listed on the notice
  - When you receive an NMSN, you must enroll the children in your health insurance plan regardless of whether or not your employee has enrolled
    - Dependents must be enrolled in a family insurance plan without regard for seasonal open enrollment periods
    - If necessary, you must add your employee to enroll the children

# Affordable Care Act (ACA) - Medical Support?

- The definitions of affordability (ACA) and reasonable cost are not necessarily the same in all states. Use state definitions of reasonable cost for medical support.
- Employees can be exempt from the individual responsibility provision of ACA, but must still provide medical support for children.
- You must still comply with the NMSN even if the medical insurance plan does not meet the ACA definition of "minimum essential coverage."

### Want more information?

http://www.acf.hhs.gov/programs/css/employers/medical-support







OCSE provides each state's contact and program information for these topics:

- New hire reporting
- Income withholding
- Bonus and lump sum payments
- State Disbursement Unit (SDU) and Electronic Payments (EFT)
- Medical support

  Tribal agencies, contacts and addresses

**State Contacts** 

### More information?

http://www.acf.hhs.gov/programs/css/employers/employer-contact-program-information





#### Review



# Questions?



# Employer Services Team



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Team Mailbox:

Email: <a href="mailto:employer.services@acf.hhs.gov">employer.services@acf.hhs.gov</a>

