

Compendium of Budget Information for the 2014 General Session

Social Services Appropriations Subcommittee

Agency: Human Services

Line Item: Office of Recovery Services

Function

The Office of Recovery Services (ORS) is responsible for establishing child and medical support obligations and then enforcing the obligation. These services are required by federal law to reimburse the state and federal government for public assistance received by the children of the obligated parent(s). These same services are required if the child of the obligated parents is in state custody or if the custodial parent makes application to the IV-D child support agency for enforcement services. The Department of Health also contracts with ORS to provide insurance identification and third party collection services for Medicaid as required under Title XIX of the federal *Social Security Act*.

Statutory Authority

Utah Code Title 62A, Chapter 11 describes the programs and administration of the Office of Recovery Services:

- Part 1: Creation and duties of the Office of Recovery Services
- Part 3:
Child Support Services Act
- Parts 4 and 5: Requirements for income withholding
- Part 6:
Administrative License Suspension Child Support Enforcement Act
- Part 7: Alternative payment through electronic funds transfer

Utah Code Title 78B:

- Chapter 12:
Utah Child Support Act
- Chapter 14:
Uniform Interstate Family Support Act
- Chapter 15:
Utah Uniform Parentage Act

Other Code Sections:

- 26-19:
Medical Benefits Recovery Act
- 62A-1-117: Assignment of support -- children in state custody
- 78A-6-1106: Child support obligation when custody of a minor is vested in an individual or institution

In addition to state law, many functions provided by ORS have provisions detailed in federal law. Those federal law references, where available, follow:

- 42 USC 1917(b): Medicaid Liens and Recovery
- 42 CFR 433 (D) and (F): Medicaid Recovery
- 42 USC 653 -- 669b: IV-D Child Support Enforcement
- 45 CFR. 301 -- 310: IV-D Child Support Enforcement

Performance

During the 2013 General Session of the Legislature, Office of Recovery Services -- Performance Measures was presented showing an eight year history of ORS output and outcome measures. An update of these output and outcome measures will be provided during the 2014 General Session of the Legislature.

Issues/Analysis

Issue Brief - 2014 General Session - Office of Recovery Services - Performance Measures

Funding Detail

For analysis of current budget requests and discussion of issues related to this budget click [here](#).

Sources of Finance	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
General Fund	\$12,535,400	\$12,700,100	\$0	\$12,700,100	\$267,700	\$12,967,800
General Fund, One-time	\$0	\$0	\$33,800	\$33,800	\$33,900	\$67,700
Federal Funds	\$17,957,100	\$25,892,900	(\$12,823,200)	\$13,069,700	\$5,006,500	\$18,076,200
American Recovery and Reinvestment Act	\$0	\$0	\$0	\$0	\$0	\$0
Dedicated Credits Revenue	\$9,281,200	\$3,292,400	\$5,520,500	\$8,812,900	\$2,219,700	\$11,032,600
Transfers - Medicaid	\$2,160,000	\$2,271,900	\$122,900	\$2,394,800	(\$33,800)	\$2,361,000

Transfers - Other Agencies	\$51,500	\$153,800	(\$102,100)	\$51,700	\$1,700	\$53,400
Transfers - Within Agency	\$0	\$0	\$0	\$0	\$0	\$0
Lapsing Balance	(\$3,000)	\$0	\$0	\$0	\$0	\$0
Total	\$41,982,200	\$44,311,100	(\$7,248,100)	\$37,063,000	\$7,495,700	\$44,558,700

Programs	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Administration - ORS	\$1,014,300	\$1,182,600	(\$237,300)	\$945,300	\$24,300	\$969,600
Financial Services	\$6,124,400	\$6,671,900	(\$4,351,000)	\$2,320,900	\$57,600	\$2,378,500
Electronic Technology	\$8,758,700	\$8,506,300	(\$102,100)	\$8,404,200	(\$901,100)	\$7,503,100
Child Support Services	\$19,804,700	\$22,044,000	(\$3,993,100)	\$18,050,900	\$8,210,400	\$26,261,300
Children in Care Collections	\$204,900	\$509,300	\$80,200	\$589,500	\$13,900	\$603,400
Attorney General Contract	\$3,715,400	\$3,019,400	\$780,600	\$3,800,000	\$125,500	\$3,925,500
Medical Collections	\$2,359,800	\$2,377,600	\$574,600	\$2,952,200	(\$34,900)	\$2,917,300
Total	\$41,982,200	\$44,311,100	(\$7,248,100)	\$37,063,000	\$7,495,700	\$44,558,700

Categories of Expenditure	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Personnel Services	\$25,677,800	\$28,480,500	(\$7,683,600)	\$20,796,900	\$6,361,700	\$27,158,600
In-state Travel	\$22,700	\$18,800	(\$15,600)	\$3,200	\$0	\$3,200
Out-of-state Travel	\$9,800	\$3,000	\$1,800	\$4,800	\$0	\$4,800
Current Expense	\$9,264,100	\$9,265,600	(\$317,700)	\$8,947,900	\$2,069,800	\$11,017,700
DP Current Expense	\$7,007,800	\$6,543,200	\$767,000	\$7,310,200	(\$935,800)	\$6,374,400
Total	\$41,982,200	\$44,311,100	(\$7,248,100)	\$37,063,000	\$7,495,700	\$44,558,700

Other Indicators	2013	2014	2014	2014	2015	2015
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	Actual	Approp	Change	Revised	Change	Approp
Budgeted FTE	491	415	(6)	410	0	410
Actual FTE	386	0	0	0	0	0
Vehicles	7	7	(7)	0	7	7

Program: Administration - ORS

Function

The Administration Bureau is responsible for managerial oversight and leadership of the Office of Recovery Services and its programs. This bureau includes the ORS director and the director's staff, clerical support, personnel management, central training, management auditing, contract management, planning and resource development, public information, and constituent affairs.

Funding Detail

Sources of Finance	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
General Fund	\$367,400	\$414,200	(\$72,300)	\$341,900	\$7,600	\$349,500
General Fund, One-time	\$0	\$0	\$1,200	\$1,200	\$1,300	\$2,500
Federal Funds	\$584,600	\$630,300	(\$95,900)	\$534,400	\$13,600	\$548,000
Dedicated Credits Revenue	\$0	\$0	\$100	\$100	\$0	\$100
Transfers - Medicaid	\$62,300	\$138,100	(\$70,400)	\$67,700	\$1,800	\$69,500
Transfers - Within Agency	\$0	\$0	\$0	\$0	\$0	\$0
Lapsing Balance	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$1,014,300	\$1,182,600	(\$237,300)	\$945,300	\$24,300	\$969,600

Categories of Expenditure	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Personnel Services	\$675,600	\$759,000	\$45,200	\$804,200	\$24,300	\$828,500

In-state Travel	\$0	\$1,900	(\$1,500)	\$400	\$0	\$400
Out-of-state Travel	\$0	\$0	\$2,400	\$2,400	\$0	\$2,400
Current Expense	\$338,700	\$421,700	(\$300,400)	\$121,300	\$0	\$121,300
DP Current Expense	\$0	\$0	\$17,000	\$17,000	\$0	\$17,000
Total	\$1,014,300	\$1,182,600	(\$237,300)	\$945,300	\$24,300	\$969,600

Other Indicators	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Budgeted FTE	10	9	1	10	0	10
Actual FTE	8	0	0	0	0	0

Program: Financial Services

Function

Financial Services has responsibility for budgetary and financial matters for ORS, including check processing and other financial transactions, federal reporting requirements, budget development, purchasing, agency services, facility management, and accounting. The largest section of the staff is responsible for researching, posting, distributing, and disbursing funds collected by ORS. About 85 percent of payments are made through direct deposit to the custodial parents.

Funding Detail

Sources of Finance	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
General Fund	\$2,172,600	\$2,193,900	(\$1,381,200)	\$812,700	\$17,800	\$830,500
General Fund, One-time	\$0	\$0	\$3,000	\$3,000	\$3,000	\$6,000
Federal Funds	\$3,634,900	\$4,199,200	(\$2,775,200)	\$1,424,000	\$35,000	\$1,459,000
American Recovery and Reinvestment Act	\$0	\$0	\$0	\$0	\$0	\$0
Transfers - Medicaid	\$317,300	\$278,800	(\$197,600)	\$81,200	\$1,800	\$83,000
Lapsing Balance	(\$400)	\$0	\$0	\$0	\$0	\$0

Total	\$6,124,400	\$6,671,900	(\$4,351,000)	\$2,320,900	\$57,600	\$2,378,500
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Categories of Expenditure	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Personnel Services	\$1,966,800	\$2,300,100	(\$523,900)	\$1,776,200	\$54,600	\$1,830,800
In-state Travel	\$0	\$400	(\$300)	\$100	\$0	\$100
Current Expense	\$4,157,400	\$4,370,300	(\$3,878,300)	\$492,000	\$3,000	\$495,000
DP Current Expense	\$200	\$1,100	\$51,500	\$52,600	\$0	\$52,600
Total	\$6,124,400	\$6,671,900	(\$4,351,000)	\$2,320,900	\$57,600	\$2,378,500

Other Indicators	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Budgeted FTE	29	37	(8)	29	0	29
Actual FTE	33	0	0	0	0	0
Vehicles	7	7	(7)	0	7	7

Program: Electronic Technology

Function

This bureau is responsible for the operation and maintenance of the Office of Recovery Services Information System (ORSIS), Content Manager (electronic filing system), a client server subsystem, and Local Area Network (LAN) support. It is responsible for coordinating efforts with the state Department of Technology Services. Electronic Services is also responsible for the telecommunications needs of ORS. This includes operation of the ORS Automated Information System which provides an automated method for both custodial and non-custodial parents to check on the status of payments.

Funding Detail

Sources of Finance	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
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General Fund	\$3,136,000	\$2,938,100	\$91,700	\$3,029,800	(\$315,600)	\$2,714,200
General Fund, One-time	\$0	\$0	\$1,300	\$1,300	\$1,400	\$2,700
Federal Funds	\$5,163,200	\$5,195,000	(\$364,300)	\$4,830,700	(\$563,100)	\$4,267,600
American Recovery and Reinvestment Act	\$0	\$0	\$0	\$0	\$0	\$0
Transfers - Medicaid	\$459,600	\$373,200	\$169,200	\$542,400	(\$23,800)	\$518,600
Lapsing Balance	(\$100)	\$0	\$0	\$0	\$0	\$0
Total	\$8,758,700	\$8,506,300	(\$102,100)	\$8,404,200	(\$901,100)	\$7,503,100

Categories of Expenditure	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Personnel Services	\$1,653,000	\$1,810,200	(\$86,600)	\$1,723,600	\$48,500	\$1,772,100
In-state Travel	\$400	\$600	(\$400)	\$200	\$0	\$200
Out-of-state Travel	\$500	\$0	\$2,400	\$2,400	\$0	\$2,400
Current Expense	\$185,900	\$247,200	\$84,900	\$332,100	(\$1,600)	\$330,500
DP Current Expense	\$6,918,900	\$6,448,300	(\$102,400)	\$6,345,900	(\$948,000)	\$5,397,900
Total	\$8,758,700	\$8,506,300	(\$102,100)	\$8,404,200	(\$901,100)	\$7,503,100

Other Indicators	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Budgeted FTE	18	21	0	21	0	21
Actual FTE	20	0	0	0	0	0

Program: Child Support Services

Function

Child Support Services is the largest activity in the Office of Recovery Services. It is responsible for the management of the federal Title IV-D (*Social Security Act*) Child Support Enforcement program for the state. This program is required by federal law in order for the state to receive the federal Temporary Assistance for Needy Families (TANF) block grant. The primary purpose of the program is to increase family income through collection of child support and enforcement of medical support. Combined with other income, child support collections assist families to become self-sufficient or help prevent the need for public assistance including Medicaid.

Funding Detail

Sources of Finance	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
General Fund	\$4,399,600	\$4,537,600	\$1,040,400	\$5,578,000	\$532,600	\$6,110,600
General Fund, One-time	\$0	\$0	\$23,400	\$23,400	\$23,400	\$46,800
Federal Funds	\$6,074,200	\$14,060,200	(\$10,475,200)	\$3,585,000	\$5,433,000	\$9,018,000
American Recovery and Reinvestment Act	\$0	\$0	\$0	\$0	\$0	\$0
Dedicated Credits Revenue	\$9,281,200	\$3,292,400	\$5,520,400	\$8,812,800	\$2,219,700	\$11,032,500
Transfers - Other Agencies	\$51,500	\$153,800	(\$102,100)	\$51,700	\$1,700	\$53,400
Lapsing Balance	(\$1,800)	\$0	\$0	\$0	\$0	\$0
Total	\$19,804,700	\$22,044,000	(\$3,993,100)	\$18,050,900	\$8,210,400	\$26,261,300

Categories of Expenditure	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Personnel Services	\$18,862,600	\$20,748,600	(\$7,095,600)	\$13,653,000	\$6,149,900	\$19,802,900
In-state Travel	\$2,700	\$15,500	(\$13,000)	\$2,500	\$0	\$2,500
Out-of-state Travel	\$600	\$3,000	(\$3,000)	\$0	\$0	\$0
Current Expense	\$938,400	\$1,277,000	\$2,298,500	\$3,575,500	\$2,049,500	\$5,625,000
DP Current Expense	\$400	(\$100)	\$820,000	\$819,900	\$11,000	\$830,900
Total	\$19,804,700	\$22,044,000	(\$3,993,100)	\$18,050,900	\$8,210,400	\$26,261,300

Other Indicators	2013	2014	2014	2014	2015	2015
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	Actual	Approp	Change	Revised	Change	Approp
Budgeted FTE	377	302	3	305	0	305
Actual FTE	285	0	0	0	0	0

Program: Children in Care Collections

Function

This bureau is responsible for collection of child support in behalf of children who are in state custody or 24-hour care. Federal law (Title IV-D) requires collection of child/medical support for children receiving federal Title XIX (Medicaid) and/or Title IV-E (Foster Care) funds (both titles are from the *Social Security Act*). State law (62A-1-117, 78A-6-1106) also mandates this collection program. This bureau is also responsible for third party insurance collections for the Utah State Hospital and Supplemental Security Income (SSI) interim assistance for the Department of Workforce Services. It also provides child support services for families not receiving public assistance in the form of central accounting for income withholding authorized by the courts.

Funding Detail

Sources of Finance	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
General Fund	\$70,100	\$126,400	\$101,000	\$227,400	\$4,800	\$232,200
General Fund, One-time	\$0	\$0	\$600	\$600	\$500	\$1,100
Federal Funds	\$133,700	\$308,600	(\$32,900)	\$275,700	\$6,500	\$282,200
Transfers - Medicaid	\$1,100	\$74,300	\$11,500	\$85,800	\$2,100	\$87,900
Lapsing Balance	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$204,900	\$509,300	\$80,200	\$589,500	\$13,900	\$603,400

Categories of Expenditure	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Personnel Services	\$193,200	\$494,600	(\$11,200)	\$483,400	\$13,900	\$497,300
In-state Travel	\$0	\$100	(\$100)	\$0	\$0	\$0

Current Expense	\$11,700	\$14,600	\$79,600	\$94,200	\$0	\$94,200
DP Current Expense	\$0	\$0	\$11,900	\$11,900	\$0	\$11,900
Total	\$204,900	\$509,300	\$80,200	\$589,500	\$13,900	\$603,400

Other Indicators	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Budgeted FTE	17	7	0	7	0	7
Actual FTE	3	0	0	0	0	0

Program: Attorney General Contract

Function

ORS contracts with the Office of the Attorney General (AG) for legal services to enforce efforts in the areas of child support and other collections. While on the Attorney General's staff and payroll, these attorneys are considered to be related staff. Forty-one employees are housed in ORS offices. The AG bills ORS monthly based on the actual number of attorneys at ORS and the time they spend on ORS matters.

Funding Detail

Sources of Finance	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
General Fund	\$1,284,700	\$1,403,500	(\$89,800)	\$1,313,700	\$44,000	\$1,357,700
General Fund, One-time	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$2,366,500	\$1,499,600	\$920,300	\$2,419,900	\$81,500	\$2,501,400
American Recovery and Reinvestment Act	\$0	\$0	\$0	\$0	\$0	\$0
Transfers - Medicaid	\$64,900	\$116,300	(\$49,900)	\$66,400	\$0	\$66,400
Lapsing Balance	(\$700)	\$0	\$0	\$0	\$0	\$0
Total	\$3,715,400	\$3,019,400	\$780,600	\$3,800,000	\$125,500	\$3,925,500

Categories of Expenditure	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
In-state Travel	\$19,600	\$0	\$0	\$0	\$0	\$0
Out-of-state Travel	\$8,700	\$0	\$0	\$0	\$0	\$0
Current Expense	\$3,598,800	\$2,925,500	\$874,500	\$3,800,000	\$124,300	\$3,924,300
DP Current Expense	\$88,300	\$93,900	(\$93,900)	\$0	\$1,200	\$1,200
Total	\$3,715,400	\$3,019,400	\$780,600	\$3,800,000	\$125,500	\$3,925,500

Program: Medical Collections

Function

This bureau is responsible for providing insurance identification, collection, and cost avoidance services to the Department of Health for Medicaid, the Children's Health Insurance Program (CHIP), and the Primary Care Network (PCN). The bureau works to identify medical insurance recipients and coordinates benefits and recovery. Additionally, the bureau pursues collections from liable third parties in personal injury cases, administers the Medicaid Estate Recovery program, and collects overpayments from providers.

Funding Detail

Sources of Finance	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
General Fund	\$1,105,000	\$1,086,400	\$310,200	\$1,396,600	(\$23,500)	\$1,373,100
General Fund, One-time	\$0	\$0	\$4,300	\$4,300	\$4,300	\$8,600
Transfers - Medicaid	\$1,254,800	\$1,291,200	\$260,100	\$1,551,300	(\$15,700)	\$1,535,600
Lapsing Balance	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$2,359,800	\$2,377,600	\$574,600	\$2,952,200	(\$34,900)	\$2,917,300

Categories of Expenditure	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
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Personnel Services	\$2,326,600	\$2,368,000	(\$11,500)	\$2,356,500	\$70,500	\$2,427,000
In-state Travel	\$0	\$300	(\$300)	\$0	\$0	\$0
Current Expense	\$33,200	\$9,300	\$523,500	\$532,800	(\$105,400)	\$427,400
DP Current Expense	\$0	\$0	\$62,900	\$62,900	\$0	\$62,900
Total	\$2,359,800	\$2,377,600	\$574,600	\$2,952,200	(\$34,900)	\$2,917,300

Other Indicators	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Budgeted FTE	40	40	(2)	38	0	38
Actual FTE	37	0	0	0	0	0

COBI contains unaudited data as presented to the Legislature by state agencies at the time of publication. For audited financial data see the State of Utah's Comprehensive Annual Financial Reports.