



Increasing Efficiency in Child Support Collection

Six Sigma Project Overview

(completed February 2003)

Problems

Each year, FSSA serves more than 311,000 families by collecting and distributing monthly child support payments. From 1975 to the late 1990s, Indiana tracked these payments using a microfiche system. Today, FSSA researchers manually sort through 120 million microfiche records to investigate previous payments. The first goal of this project was to increase the productivity of overtime hours spent on this research. The second part of this project focused on reducing the number of manually processed support checks – an average of 4,000 checks each day – by increasing the number of child support payments collected through Electronic Funds Transfer.

Solutions

Phase One:

The team discovered a strong association between an employee's level of experience and the time he spent on each research case. As a result, the team required employees to have a demonstrated skill level to work overtime. These controls reduced the cost of distributing each child support dollar from 6¢ to 2¢ – an estimated \$153,049 in a four-month period.

Phase Two:

The team used a variety of outreach tools, including meetings, presentations and media relations, to encourage employers to utilize Electronic Funds Transfer. As a result, child support payments collected electronically increased 547% from January 2002 to September 2002. This increase saved more than 53 hours of staff time per week resulting in the elimination of two full-time positions worth \$57,024 per year.

Projected Savings

	<u>FY 2003</u>	<u>FY 2004</u>
State:	\$71,728	\$19,388
Federal:	\$139,236	\$37,636
Expenses:	-	-
Total:	\$210,964	\$57,024

Six Sigma Team

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 Debra Faut, Friend in Finance
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 Les Green and Ralph Jones, Program Evaluation, Bureau of Child Support
 Randy Pflanzner, ISET's System Contractor (Ad Hoc)

Measurement and Analysis

Phase One:

At the time this project was initiated, researchers spent an average of 3.5 hours to research each case, and it took 39 days for the case even to reach their desks. Employees worked significant overtime to decrease the backlog of research requests. By comparing the research time that employees of various experience levels spent on comparable tasks, the team discovered a significant relationship between the staff member's experience and how quickly he could perform a research task. The team also tracked the various processes used by researchers doing the same task to identify areas of variation and unnecessary steps.

Phase Two:

The team studied the amount of time spent manually processing child support checks – the average transaction time was 5.1 minutes. In a four-month period, it cost \$183,140 in overtime to distribute \$3,130,799 in child support – \$0.0584 per dollar distributed.

Control

Phase One:

The team's guidelines for overtime eligibility based on job knowledge and experience remain in place.

Phase Two:

The team established a Comprehensive Communication and Mobilization plan to encourage greater utilization of the Child Support Bureau Web site for the payment of Child Support Wage Withholdings.

Child Support Payment Processing Website

