Your participation directly benefits the CHILDREN!
Agenda

- Child Support Information
- Reporting New Hires & Employer Verifications
- Income Withholding Orders
- Health Insurance and National Medical Support Notices
- Making Payments
- Staying Connected
- Question & Answer Session
- Closing
Overview
Purpose

• Build lasting partnerships in the collection of support for families

• Educate and engage employers about our services and their responsibilities

• Provide employers with tools to make processing deductions easier
Child Support Program

More than 1 in 5 children in the U.S.

Over 14.7 Million Children In The USA

Over 1.4 Million Children In CA
Structure of the Program

- California Child Support Services
- State Disbursement Unit (SDU)
- 58 Counties with 49 Local Child Support Agencies (LCSAs)
Why **YOU** Matter

- You provide valuable information
- You are the primary source in the collection of child support payments
- You provide access to health insurance for your employees and their families
Employers Make a Difference

$2.5 billion in CA child support collected

91% disbursed to families

68% collected through withholding
Reporting New Hires & Employer Verifications
Case records are confidential

Employers can ONLY receive information needed to comply with the Income Withholding Orders (IWOs) or National Medical Support Notices (NMSNs)

Refer your employee to us for case specific questions
Why so much paperwork?

Employers provide valuable assistance at every step of the process:

- Intake
- Locate
- Establish
- Enforce
- Financial
- Closure
Reporting New Hires

Timeframes:

• Report New Hires within 20 days of their start date

• Report Independent Contractors within 20 days of contracting if all of the following apply:
  • Form 1099 for the services
  • You pay $600 or more
  • Individual or Sole Proprietorship
Reporting New Hires

- **Mail** – Document Management Group, MIC 96
  PO Box 997016
  West Sacramento, CA 95799

- **Fax** – (916) 319-4400

- **Online** – eServices for business -
  [https://eddservices.edd.ca.gov](https://eddservices.edd.ca.gov)

For additional information -
- Visit your local EDD Employment Tax Office
- Call The Tax Payer Assistance Center: (888) 745-3886 Monday – Friday 8 a.m. to 5 p.m.
- Online: www.edd.ca.gov
Wage and Insurance Verification Form

[Image of Wage and Insurance Verification Form]

### Wage and Insurance Verification

#### Employee Identification and Contact Information
- **Name:**
- **Social Security Number:**
- **Date of Birth:**
- **Address:**
- **Phone Number:**

#### Employee Work Status
- **Never employed:**
- **Part-time:**
- **Full-time:**
- **Seasonal:**
- **Usual season start date:**
- **Usual season end date:**
- **No longer employed:**
- **Last date employed:**
- **Reason for termination of employment:**
- **New employer name and address:**

#### Employee Earnings
- **Next Pay Date (Month, Day, Year):**
- **Pay Frequency:**
- **Weekly:**
  - **Monthly:**
  - **Bi-Weekly:**
  - **Semi-Monthly:**
  - **Check if copy of payroll earnings is attached:**
  - **Check if employee has worked less than 12 months:**

<table>
<thead>
<tr>
<th>Month</th>
<th>Gross</th>
<th>Gross</th>
<th>Gross</th>
<th>Gross</th>
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<td>November</td>
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</tr>
<tr>
<td>December</td>
<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

#### Employment Information
- **Union Name:**
- **Union Local Number:**
- **Period of Employment (From, To):**

---

*Note: This image is a representation of a Wage and Insurance Verification Form, which is used in the context of child support services.*
Wage Verifications

- Employee work status, start date, termination date and reason
- Pay date, hourly rate, mandatory retirement, union dues
- Employee’s earnings for the past 12 months
Insurance Verifications

Health insurance coverage costs for medical, dental and vision

Contact information for company payroll/HR representative
Updating Your Information

- Legal business name
- FEIN
- Business address
- Business phone/fax
- Email address
- Health insurance

Consistent reporting can decrease paperwork from our office to yours!
Updating Your Information

• **By phone:** Employer Services Team (888) 898-1743

• **Online:** Employer Information Update Form

https://childsupport.ca.gov/employer-update-contact-information-form/
Income Withholding Orders (IWO)
Income Withholding Orders

IWOs are mandated, not discretionary

When an IWO is received, it is the employer’s responsibility to withhold the specified amount and remit timely payments to the appropriate State Disbursement Unit until you receive an IWO Termination Notice.
An IWO issued by a Court or an Administrative Agency from another State is just as binding on an employer as one from a CA Court.

Honor the existing IWO until you receive an Amended IWO or Termination IWO.

California Code of Civil Procedure directs employers to keep an IWO on file for one year after separation of employment.
Impacts to your Employee

Credit for payment is given on the day it is received at the SDU. Missed payments can result in:

- Negative credit reporting
- 10% per annum interest
- State license suspension
- Bank levies
- Passport denial
Agency Issued IWOs

• Within 10 days of receipt, notify and provide a copy of the IWO and the Request for Hearing Regarding Earnings Assignment to your employee

• Within 10 days begin withholding the first pay period after the remittance date found at the top of page 4

• Remit payments within 7 days of withholding
Remittance Information

Employer’s Name: ____________________________ Employer FEIN: ____________________________
Employee/Obligor’s Name: ____________________________ SSN: ____________________________
CSE Agency Case Identifier: 2000000000 Order Identifier: ____________________________

REMITTANCE INFORMATION: If the employee/obligor’s principal place of employment is CALIFORNIA (State/Tribe), you must begin withholding no later than the first pay period that occurs 10 days after the date of 06/24/2016. Send payment within 7 working days of the pay date. If you cannot withhold the full amount of support for any or all orders for this employee/obligor, withhold up to 50 % of disposable income. If the obligor is a non-employee, obtain withholding limits from Supplemental information on page 3. If the employee/obligor’s principal place of employment is not CALIFORNIA (State/Tribe), obtain withholding limitations, time requirements, and any allowable employer fees at www.acf.hhs.gov/programs/css/resource/state-income-withholding-contacts-and-program-information for the employee/obligor’s principal place of employment.

For electronic payment requirements and centralized payment collection and disbursement facility information (State Disbursement Unit (SDU)), see www.acf.hhs.gov/programs/css/employers/electronic-payments.

Include the Remittance ID with the payment and if necessary this FIPS code: 0600099

Remit payment to CALIFORNIA STATE DISBURSEMENT UNIT (SDU/Tribal Order Payee) at PO BOX 989067, WEST SACRAMENTO CA 95798-9067 (SDU/Tribal Payee Address)
Request for Hearing Regarding Earnings Assignment

**NOTICE:** Complete and file this form with the court clerk to request a hearing only if you object to the Income Withholding for Support (form FL-195/OMB0970-0154) or Earnings Assignment Order for Spousal or Partner Support (form FL-435). This form may not be used to modify your current child support amount. (See page 2 of form FL-192, Information Sheet on Changing a Child Support Order.) Page 3 of this form is instructional only and does not need to be delivered to the court.
Privately Issued Non-agency IWOs

- Upon receipt make a copy and retain the original. Send copy to SDU (FL-195 Case Registry Form).

- SDU will create a case number and provide that to you. **Payment must not be sent until that case number is obtained**

- Remit payments to the SDU within **7 days** of withholding.
Agency vs. Private IWOs

Agency Case No. ID ONLY

Private Case No. ID ONLY

$40 Agency Case No. ID
$60 Private Case No. ID

ALL $ will go to
AGENCY Case Family

ALL $ will go to
PRIVATE Case Family

$40 to AGENCY Case Family
$60 to PRIVATE Case Family
Defining Earnings

Defined by **Family Code Section 5206** as:

- Wages/salary
- Bonuses/commissions
- Vacation pay
- Retirement
- Dividends, royalties, residuals
- Payment for independent contractor services
Withholding Limitations

Generally, the maximum deduction that can be withheld to satisfy *involuntary deductions* is 50% of an employee’s *net disposable income (NDI)*

- If all IWOs are CA agency child support obligations, and the total exceeds 50% of net, withhold 50% and send to the CA SDU

- SDU will divide funds based on Federal hierarchy
Net Disposable Income (NDI)

Calculate NDI using gross earnings less ONLY:

• Mandatory deductions
  State & Federal tax, SDI

• Mandatory union dues

• Mandatory retirement (NOT 401k)

• Federal tax lien* (Only if it’s in place prior to the date the child support order was entered. Otherwise, child support comes first.)
Priority of Deductions Outside of IWOs

1. Child support order
2. Bankruptcy order
3. Federal administrative garnishment
4. Federal tax levy*
5. Student loan
6. State tax levy
7. Local tax levy
8. Creditor garnishment
9. Employer deductions
Priority of Deductions Within IWOs

1. Current child/family support
2. Medical support, if on IWO
3. Health insurance premium
4. Current spousal support
5. Child/family support arrears
6. Spousal support arrears
**Deducting**

- We are not asking that you change your payroll cycle to adjust to the child support deductions.

- Child support orders are not first come, first served.

- If you receive multiple orders for the **same children and custodial party**, contact all state agencies and senders involved.
### Multiple Orders from Different States

<table>
<thead>
<tr>
<th>Order</th>
<th>Amount (Current support)</th>
<th>Amount/Total</th>
<th>Amount paid on order (NDI is $360 maximum deduction is $180)</th>
</tr>
</thead>
<tbody>
<tr>
<td>CA</td>
<td>$90</td>
<td>$90/$227 = 39.65%</td>
<td>$180 x 39.65% = $71.37</td>
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<tr>
<td>NV</td>
<td>$75</td>
<td>$75/$227 = 33.04%</td>
<td>$180 x 33.04% = $59.47</td>
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<tr>
<td>NY</td>
<td>$62</td>
<td>$62/$227 = 27.31%</td>
<td>$180 x 27.31% = $49.16</td>
</tr>
<tr>
<td>Total</td>
<td>$227</td>
<td>100%</td>
<td>$180</td>
</tr>
</tbody>
</table>
Bonus & Lump Sum Payments

These payments made to employees include:

- Bonuses
- Severance or buy-out payments
- Cash awards
- Vacation payouts
- Incentive payments
- Retirement incentives
- Commissions

Report bonus or lump sum payments prior to payout by contacting CA DCSS at lumpsumresponse@dcss.ca.gov or by phone (916) 464-6640
Paperless Option

**e-IWO (Electronic IWO)**

- Receive Income Withholding Order electronically
- Notify child support agencies of terminations and lump sums
- Acknowledge acceptance or rejection of IWOs

---

<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Contact:</strong></td>
<td>E-IWO Team</td>
</tr>
<tr>
<td><strong>Email:</strong></td>
<td><a href="mailto:eiwomail@acf.hhs.gov">eiwomail@acf.hhs.gov</a></td>
</tr>
</tbody>
</table>
Paperless Option

e-IWO (Electronic IWO)

Benefits

- Child support gets to the family sooner
- Automated responses
- Ensures uniform IWO data from all states
- Increases accuracy and reliability of data
IWOs

Separation of employment
or
Change work status

Return one of the following notices
or report changes by phone at:
(866) 901-3212

eTerm is now available for electronic reporting of terminated employees. Contact the Federal Employer Services Team at:
employerservices@acf.hhs.gov
IWOs

Employer's Name: ___________________________  Employer FEIN: ___________________________
Employee/Obligor's Name: ______________________  SSN: ___________________________
CSE Agency Case Identifier: 20000000  Order Identifier: ___________________________

NOTIFICATION OF EMPLOYMENT TERMINATION OR INCOME STATUS: If this employee/obligor never worked for you or you are no longer withholding income for this employee/obligor, you must promptly notify the CSE agency and/or the sender by returning this form to the address listed in the contact information below:

☐ This person has never worked for this employer nor received periodic income.
☐ This person no longer works for this employer nor receives periodic income.

Please provide the following information for the employee/obligor:

Termination date: ___________________________  Last known phone number: ___________________________
Last known address: ___________________________

Final payment date to SDU/tribal payee: ___________________________  Final payment amount: ___________________________
New employer's name: ___________________________
New employer's address: ___________________________
Termination of Benefits/Employment Notice

DCSS Form 0114
Online at www.childsupport.ca.gov
Making Payments
Payment Remittance

Include necessary identification information for each employee:

- Employee name
- Social security number
- CSE participant number
- Child support case number provided by the SDU or other State
- Date of withholding
- Amount of payment
Payment Remittance – Insufficient Information

EMPLOYEE’S NAME PAR ID#: 000000000000000
### CHECK REQUEST

<table>
<thead>
<tr>
<th>EMP Name</th>
<th>SSN #</th>
<th>SDU CASE #</th>
<th>PARTICIPANT ID#</th>
<th>AMOUNT</th>
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<tbody>
<tr>
<td>EMPLOYEE 1</td>
<td>XXX-XX-XXXX</td>
<td>0000000000000000</td>
<td>XXXXXXXXXXXXXXX</td>
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<tr>
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<td>42.77</td>
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<tr>
<td>EMPLOYEE 3</td>
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<tr>
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<td>XXXXXXXXXXXXXXX</td>
<td>1,804.00</td>
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<tr>
<td>EMPLOYEE 5</td>
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<td>XXXXXXXXXXXXXXX</td>
<td>368.02</td>
</tr>
</tbody>
</table>

**PAY PERIOD ENDING:**

**PAYROLL DATED:**

**TOTAL:** 2505.32
Payment Options

Remitting Checks for Out-Of-State Employers

Mail check payments **only** to:
State Disbursement Unit
P.O. Box 989067
West Sacramento, CA 95798

Payments should never be mailed directly to the Local Child Support Agency issuing the IWO.
Electronics Payments

• **Automated Clearing House (ACH) Credit**

  • Use your own payroll software to send Automated Clearing House credit payments (similar to direct deposit) utilizing CCD+ or CTX formats using the standard child support addendum segment.

  • The CA SDU electronic help desk is here to help answer any questions by calling (866) 901-3212 (option 1) or email casdu-electronichelpdesk@dcss.ca.gov
Electronic Payments

ACH Debit (Bank Account) and Credit Card Options

• Removal of ACH Debit option from CA ePortal (formerly CA SDU website)

• ExpertPay using the ACH Debit and Credit Card option at www.expertpay.com
Electronic Payments

- Fewer errors
- No lost checks
- Saves time and money
- Reduces risk of theft and fraud
- Faster SDU receipt and processing
- It’s ‘green’!
Roles and Responsibilities SDU, State and County

California State Disbursement Unit (SDU)
- Collection processing
- Electronic help desk

State (DCSS)
- Stop payments
- Non-sufficient funds
- Non-Agency customer service
- Employer verification services

LCISA
- Agency customer service & case management
- Questions regarding IWO, NMSN, etc.

One centralized phone number: (866) 901-3212
Stop Payment Process

Contact the State Disbursement Unit **IMMEDIATELY** by phone at (866) 901-3212, press option 1, then 0 to speak with a representative.

• If you need to issue a stop payment on a recently remitted payment

• To discuss the status of an unfunded collection or replacement of an unfunded collection

• If you issue a payment to the SDU by mistake

**IMPORTANT:** Employers should **NOT** place stop payments on remitted checks until the State Disbursement Unit has been contacted. For additional information visit: [https://childsupport.ca.gov/employer-resource-center/employer-faqs/](https://childsupport.ca.gov/employer-resource-center/employer-faqs/)
Health Insurance and National Medical Support Notices (NMSNs)
Types of Insurance Coverage

- Medical
- Dental
- Vision care
- Prescriptions
- Mental health
• Health insurance must be provided to the employee’s children even if the employee declines personal health coverage

• Not subject to open enrollment guidelines

• Once the child(ren) are enrolled, complete the Health Insurance Information Form which can be found at: https://childsupport.ca.gov/wp-content/uploads/sites/252/Employers/Health-Insurance-Information.pdf
Health Insurance Information Form

SECTION I: YOUR HEALTH INSURANCE

Do you currently have Health Insurance coverage? 

- Yes
- No

Health Insurance Company or Union (optional)

Insurance Company's Address: Street, Apartment Number or Unit Number

City State Zip code Policy Number

Health insurance coverage details and costs for medical, dental and vision

Coverage details for medical, dental and vision

Reasons health insurance coverage is not available
Employer Responsibilities

• Notify the employee within **10 business days** of receiving an NMSN.

• If employee is no longer employed or health insurance is not available, **complete items 1-5 on the employer response form** and return to LCSA.

• Within **20 business days**, employer must forward a copy of Part B Medical Support Notice to the health care plan administrator.

• If employee is subject to a waiting period, notify LCSA and plan administrator.

• Within **40 business days**, provide the LCSA with a description of the coverage.

• Withhold any employee contributions required*.

• Continue coverage until notified by the LCSA.
**National Medical Support Notice - Part A**

- **Issuing Agency:** ALAMEDA COUNTY
- **Case Number:** 12345678
- **Date:** 01/01/2023
- **Employer/Institution Number:** 123456
- **Employer/Institution Name:** ABC Corporation
- **Employer/Institution Address:** 123 Main St, Anytown USA
- **Employee/Individual Name:** John Doe
- **Employee/Individual Social Security Number:** 123-45-6789
- **Employee/Individual Address:** 456 Main St, Anytown USA
- **Custodial Parent/Individual Name:** Jane Doe
- **Custodial Parent/Individual Social Security Number:** 987-65-4321
- **Custodial Parent/Individual Address:** 789 Main St, Anytown USA
- **Children’s Name(s):** John, Jane
- **Children’s Social Security Number(s):** 123-45-6789, 987-65-4321
- **Children’s Address:** 456 Main St, Anytown USA
- **Medical Expense Options:** Medical, Dental
- **Notification Date:** 01/01/2023
- **Due Date:** 02/01/2023

**Notice to Withhold for Health Care Coverage**

This notice is issued under section 428A(a) of the Social Security Act, section 452(a) of the Employee Retirement Income Security Act of 1974, and for State and local government and church plans, section 451(a) and subchapter V of the Child Support Enforcement Act of 1975. Receipt of the notice from the issuing agency constitutes receipt of a Medical Child Support Order under applicable law. The information on this page is correct and complete, and the employer/individual should be notified of this order in writing.

**Form Instructions:**
- The purposes of this form are to notify the employee/individual that a Medical Child Support Order has been issued against them.
- The employee/individual may be required to pay health care expenses for their children.
- Failure to comply with the order may result in legal action.

---

**Medical Expenses Required:**
- Medical
- Dental
- Vision
- Prescription
- Mental Health
- Other

**Medical Expense Amount:** $10,000

---

**Form Contact Information:**
- ALAMEDA COUNTY DEPARTMENT OF CHILD SUPPORT SERVICES
- PLACATULON, CA 94550-0997
- Phone: (510) 123-4567
- Fax: (510) 123-4567

---

**Identification Code:**
- NMSN

---

**Caption:**
- **NMSN Form - Part A**

---

**Footer:**
- **For more information, please visit:** [California Child Support](http://www.acf.hhs.gov/programs/healthindicators/medical-support-notice-form)
NMSN Form – Part B
NMSN Form – Part B
Employee must maintain health insurance, if available, for the child at reasonable or no cost

- “Reasonable” cost is not more than 5% of employee’s gross income to add the child

- 50% of employee’s net disposable income (total current support + coverage)

- “Accessibility of Health Insurance” which means coverage is “within 50 miles of the supported child’s residence”

- If the employee states the children are enrolled in alternative coverage

*Notify LCSA if it appears any of these situations apply, we will make the final determination
Reporting Employee Separations

Notifying your Local Child Support Agency (LCSA) when an employee separates employment

• Report terminated employees promptly by completing and returning the Termination of Benefits/Employment and Health Insurance Information which can be found at https://childsupport.ca.gov/wp-content/uploads/sites/252/Employers/Termination-of-Benefits.pdf

• Return notice to the issuing Local Child Support Agency or contact them by phone to report at (866) 901-3212

eTerm is now available for electronic reporting of terminated employees. Contact the Federal Employer Services Team at: employerservices@acf.hhs.gov
Stay Connected
Stay Connected

Still have questions?

Case specific questions call: (866) 901-3212

Visit the Employer Resource Center for more information:

https://childsupport.ca.gov/employer-resource-center/
Stay Connected

<table>
<thead>
<tr>
<th>Service</th>
<th>Website</th>
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<tbody>
<tr>
<td>California Employment Development Department (EDD):</td>
<td><a href="http://www.edd.ca.gov">www.edd.ca.gov</a></td>
</tr>
<tr>
<td>Small Business Administration:</td>
<td><a href="http://www.sba.gov">www.sba.gov</a></td>
</tr>
<tr>
<td>California State Disbursement Unit (SDU):</td>
<td><a href="http://www.casdu.com">www.casdu.com</a></td>
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<tr>
<td>ExpertPay</td>
<td><a href="http://www.expertpay.com">www.expertpay.com</a></td>
</tr>
<tr>
<td>Office of Child Support Enforcement:</td>
<td><a href="http://www.acf.hhs.gov/css">www.acf.hhs.gov/css</a></td>
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Benefits
Benefits

Employer

Family

Community
Thank You

We couldn’t do it without your help!
• Please complete our survey
• You will be sent an e-mail link to complete the survey
• Completed surveys will be entered into a raffle
• Thank you in advance, we value your feedback!