

2011 Guidelines Review
Child Support Guidelines Advisory Committee

Thursday, January 26, 2012, 9 AM to Noon, Siuslaw Conference Room
Capitol City Business Center, 4600 25th Ave. Ste. 180, Salem, OR 97305

SUMMARY

FACILITATOR: Kate Cooper Richardson

MINUTES: Susan Baker

Members in attendance: Claire Anderson, Donna Brann, Lisa Buss, Vonda Daniels, Chris Eggert, Kelly Evans, Jean Fogarty, Laurie Hart, Martin Herbest, Jack Lundeen, Shelly Matthys, Carol Anne McFarland, Mike Ritchey, Robin Selig, Linda Scher, Concetta Schwesinger, and Judge Susan Tripp.

Support Staff: Barb Bellek, Jeremy Gibons, Tom Hedberg, Vince Hill, Julie McNeal, Melissa Park, and Jonathan Ramberg.

Minutes Review and Approval	Kate Cooper Richardson
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The committee reviewed and approved the minutes of the November 17, 2011, meeting.

Workgroup Updates

Medical Support – Mike Ritchey

The workgroup reconvened shortly before Christmas to address the implications and consequences of the way the calculator has been drafted. The following information is excerpted from the minutes of that meeting.

1. The group recommends removing recurring, predictable medical expenses from the calculation because it significantly complicates the design and appearance of the worksheet. It is best to address these expenses in a rebuttal.
2. Application of the self-support reserve may cause the pro-rated shares of health insurance premiums to not be in direct proportion to income shares. This is acceptable as a mathematical consequence of performing calculations for parties with income disparities.
3. Should we order the reasonable-in-cost cap or the actual health insurance premium cost? There was consensus among non-Child Support Program members that we should order actual premium costs. From a program perspective, ordering the actual premium cost could result in the need for yearly modifications of orders to reflect increased premium cost. An order to provide health insurance at a cost up to the cap is more flexible and workload-friendly.
4. When both parents have available health insurance and either but not both are reasonable in cost, should we default to cheapest coverage if parents cannot agree? The group consensus was that if the parties cannot agree, then the party with the majority of

parenting time gets to choose. Note: This issue needs a more sophisticated answer. In some cases, dissolution decrees will provide that health care related decisions are vested in the custodial parent. This may not always be the parent with the majority of parenting time. Furthermore, simply allowing the obligee to choose may not be the best answer either as obligee can be the parent with less parenting time. Federal guidance is to allow the custodial parent to choose with the assumption that, as the primary care-giver, that parent would know what was in the best interest of the child.

5. The current design of the calculator and worksheet prioritizes cash child support for minors and medical support for all children over cash child support for children attending school. Application of the self-support reserve can result in no income for the child attending school. This may be an acceptable result.
6. If the decision is to treat an 18-year-old high school student as a minor, do we adopt a rule to automatically distribute his or her proportionate share of cash medical support to custodial parent? Resolution: Yes
7. What concepts should be conveyed in the public calculator summary; what language should be used? The workgroup felt there was need to draft language that clearly spells out that the worksheet is not an order, whether health care coverage is available, and which party is the obligor/obligee. It was also suggested that we consider using language that is consistent with medical support language in Oregon Judicial Department online forms. Having the calculator mimic the forms may reduce confusion among pro se parties. Subject to further refinements, the following phrases were suggested:
 - If you use this calculation, this is what would be ordered:
 - Based on this calculation, “Bob” is the obligor and “Jane” is the obligee.
 - Health insurance is available at a cost to “Bob” of \$ ___ per month and “Jane” of \$ ___ per month.
 - Health care coverage is not available. “Bob” should be ordered to provide cash medical support of \$___.

Miscellaneous Issues – Tom Hedberg (for Brenda Wilson, who was unable to attend)

The workgroup met several times to:

- resolve issues around child care
- simplify the process
- look at the low-income range with high child care costs
- reconsider the inclusion of subsidized child care
- discuss putting the commentary back into the rule

In the supporting documentation, there is a list of proposed commentary topics. Comments should be sent to Tom Hedberg.

The workgroup worked out all the issues on the Miscellaneous Issues list except one new proposal that there be a second set of guidelines for parents who each earn minimum wage or less per month, with a cap of \$150. This issue will be reviewed by the Program's Policy Team.

There was a short discussion of subsidized child care and the cost attributed to the paying parent. If only the parent's portion of the cost is included, the change should be explained in the commentary.

Child Attending School – Jack Lundeen

The workgroup concluded that minors should be paid first and adult children attending school only if there is remaining available income. What it could not do was run scenarios on how that would play out. The Child Support Program will be working with a contractor to do modeling work, and we are waiting for scenarios through that process.

Design Workgroup: Draft Worksheet Review

Jeremy Gibbons

There were two sets of handouts. Peter and Lois represent a typical case scenario, while Homer and Marge represent most of the available adjustments.

Homer and Marge

Section 1: Income

Implements the income workgroup's proposed change to the non-joint-child deduction method. Specifically, while the current method references the scale using the number of the parent's non-joint children, the proposed method references the scale using all the parent's children, including those in the current calculation, and returns a prorated amount for only the non-joint children as the deduction amount. The amount of the deduction is lower—and thus more appropriate—than the current method. The worksheet includes draft instructions and math for the proposed method.

Section 2: Basic support

Significant changes. Minor children and adult children attending school are entered separately. The worksheet totals the number of children, pulls a basic support figure from the scale, and divides the result into pro rata portions for the minor children and children attending school. Line 2f is new and reflects the proposed policy that the child attending school is responsible for one-third of her or his own support.

Section 3: Child care

There is nothing new in this section. It is much shorter without the tax credit calculation.

Section 4: Health insurance

“Medical support” was broken into two sections to make it more readable and to make it easier to bypass cash medical support where appropriate. Automated selection between multiple insurances may be possible; however, that might add more complexity to the worksheet.

The final page is the summary. There has been a push for more detail and findings on the summary. This is an example weighted toward providing more information.

Line to be added: number of children the premium will cover.

Section 5: Cash medical support.

The question was posed whether the instructions on this line reflected the committee's discussions.

Section 6: Self-support reserve

This consolidated section lays out the various types of support in order of committee's priorities. Beginning with the self-support reserve, it applies each parent's available income first to minor children's support, then to health insurance, then to cash medical support, and finally to support for the adult child attending school. Once available income is exhausted, lower-priority support categories are not funded.

Section 7: Credits for minor children.

After applying the self-support reserve to the total sum of money of the parent pays—including the parent's share of expenses that aren't part of the transfer payment to the other parent, like insurance, daycare, and parenting time—the worksheet credits the parent for those direct payments. The worksheet uses this section to determine which parent will be the obligor. Only one parent will end up with a positive number here, and that is the parent that will pay support.

Section 8: Credits for an adult child attending school in the household.

The only credit applicable to this section is the adult child's portion of the insurance premium.

Section 9: Minimum order.

If the parent's net payment reaches \$100, the calculation is done. If not, then there must be a calculation for how much to add to reach \$100. If there are minor children, the worksheet adds the difference to the minor children. If there are only adult children attending school, it will augment that obligation to reach a total of \$100. Again, this calculation includes all the parents' payment obligations under the order. The worksheet will not increase an order to make a parent pay \$100 cash when it knows the parent is already paying \$400 in daycare expenses.

Final Report Discussion	Kate Cooper Richardson
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With the deadline next month, the draft report outline was sent to the Committee for review. Also distributed were the outstanding issues list, needed rule changes, and a list of which commentaries will be needed. Workgroups will be responsible for providing their section for the final report. If any issues cannot be decided, please provide a statement why there was no recommendation. The hard deadline is February 23, 2012.

The workgroup reports should:

1. Identify the major changes that are being recommended, prioritize the ones having the biggest bang for the buck.

2. Identify the contrary policies that may have been considered and rejected.
3. Include changes considered and rejected.
4. Include minority reports, if any.
5. Identify dependencies for the recommendations.
6. If there is a rule revision or new rule needed, provide the substance for the rule, not the actual rule language.
7. Include any proposed commentary language.

The issues list will be an appendix along with other supporting documents. For the recommendations, it would be helpful to have documentation to explain and support. State why the recommendation supports one or more of the four guiding principles:

1. The guidelines produce fair awards.
2. The rules are understandable to families and practitioners.
3. The calculation required to implement the rule is not complex.
4. The outcomes are enforceable.

The consensus recommendation is that an 18-year-old living at home and going to high school be treated as a minor for child support calculations, which primarily results in the application of the application of the parenting time credit to such children.

Round Table	All
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Kate Cooper Richardson

Asked that members to use Basecamp as an opportunity for committee-wide feedback, and as a place to share communications on the final report.

The next meeting is Thursday, February 23, 2012.