

NEW SECTION 10.3.1.1.2 Including the Amount of Child Support Retained in W-2 Overpayment Calculation

All parents in the W-2 group are required by law to assign all child support payments to the State while they are participating in the W-2 program and placed in a CSJ or W-2 T placement, or a CMC placement in certain situations. W-2 participants in these placements have 25% of their Child Support retained by the State. (See 15.1).

Participants who incur overpayments related to eligibility such as unreported income and assets should not have had any of their Child Support retained during the time period they were ineligible for W-2. When determining eligibility-related overpayments, W-2 agency workers must consider the amount of Child Support retained by the State when determining the final overpayment amount.

EXAMPLE: Doris is in a CSJ placement. Her worker learns she is no longer eligible and has incurred an overpayment for her last two months of payments. During those two months the State retained \$30 a month of her child support payment received due to W-2 participation. Because she was not eligible for the W-2 program during that time, the W-2 agency worker must subtract the \$60 total in child support payments that was retained when calculating the overpayment. Doris earned \$1,306 in W-2 payments during two months of participation (\$653 x 2 months). The W-2 agency worker subtracts the retained child support payments from the overpayment to reach the final total overpayment to collect: $\$1,306 - \$60 = \$1,246$.