

July 25, 2018

Glen Dickinson, Director
Legislative Services Agency
State Capitol LOCAL

Dear Mr. Dickinson:

This letter provides an update on the centralized debt collection program for the quarter ending March 31, 2018. This report is required quarterly by Iowa Code Chapter 421.17(27) (h.) and (j.) regarding collection results, costs, and positions added.

Centralized Collection Program Implementation

The Centralized Collection Unit (CCU) provides collection services to Iowa College Aid, Department of Human Services (DHS), Department of Natural Resources (DNR), and the Iowa Department of Revenue (IDR). Each agency placing accounts with the CCU may also undertake additional collection efforts beyond those reflected in this report.

As of September 2017, the CCU began providing collection services to Iowa College Aid. As of March 2018, the CCU expanded its collection services for Department of Human Services to include Medicaid Provider Overpayments and Health & Wellness Premiums.

Collections by Quarter

The attached tables show quarterly revenues generated by the CCU. Collections for the March 2018 quarter totaled \$10.35 million, a decrease of \$0.57 million compared to the same quarter last year (see table 2). When compared to the same quarter in FY2017, DNR collections remain consistent, while DHS Child Support decreased by \$0.02 million. IDR debt collection experienced an increase of \$0.56 million. No comparison for FY17 is available for Iowa College Aid, DHS Medicaid Provider Overpayments, and DHS Health & Wellness Premiums. The tables and figures below reflect only the efforts of the Centralized Collection Unit.

Cost/Benefit

The Centralized Collection Unit is self-supporting and charges for all direct and indirect costs that are properly allocable to CCU activities. No new positions were added this quarter. Fiscal year costs as a share of CCU collections are provided in Table 1 below.

Table 1. Centralized Collection Unit Cost as a Share of Amount Collected, FY 2015-2017

Fiscal Year	Cost as a Share of Amount Collected
2017	7.14%
2016	6.84%
2015	7.44%

If you have any questions regarding this information, please let me know.

Yours truly,


Courtney M. Kay-Decker
Director

Table 2. Centralized Collection Unit Quarterly Collections

Program	Collections for Quarter Ending				FYTD 2018
	September 2017	December 2017	March 2018	June 2018	
CCU - IDR	\$7,866,014	\$10,703,703	\$10,147,787		\$28,717,504
CCU - DHS Child Support	\$121,123	\$110,191	\$134,350		\$365,664
CCU - DNR	\$50,136	\$7,967	\$12,126		\$70,228
CCU - College Aid	\$4,463	\$42,893	\$28,733		\$76,090
CCU - DHS Medicaid			\$773		\$773
CCU - DHS Health & Wellness			\$30,363		\$30,363
Total	\$8,041,736	\$10,864,754	\$10,354,132		\$29,260,622
	September 2016	December 2016	March 2017	June 2017	FY 2017
CCU - IDR	\$8,851,840	\$10,138,260	\$9,589,103	\$7,898,242	\$36,477,445
CCU - DHS Child Support	\$167,953	\$171,912	\$158,912	\$115,048	\$613,825
CCU - DNR	\$9,015	\$13,178	\$13,514	\$9,842	\$45,549
CCU - Court	\$1,627,190	\$1,577,870	\$1,047,439	\$1,373,616	\$5,626,115
CCU - IWD	\$212,391	\$162,297	\$116,433	\$91,860	\$582,981
Total	\$10,868,388	\$12,063,518	\$10,925,401	\$9,488,607	\$43,345,915
	September 2015	December 2015	March 2016	June 2016	FY 2016
CCU - IDR	\$8,957,198	\$9,365,762	\$8,370,619	\$6,735,025	\$33,428,605
CCU - DHS Child Support	\$122,570	\$140,616	\$158,602	\$128,827	\$550,616
CCU - DNR	\$1,589	\$1,628	\$13,243	\$16,888	\$33,348
CCU - Court	\$5,031,483	\$4,280,084	\$2,385,138	\$2,105,038	\$13,801,743
CCU - IWD				\$247,920	\$247,920
Total	\$14,112,840	\$13,788,091	\$10,927,602	\$9,233,699	\$48,062,233

Fiscal year totals may not equal the sum of quarterly numbers due to rounding.

Figure 1. Centralized Collection Unit Quarterly Collections

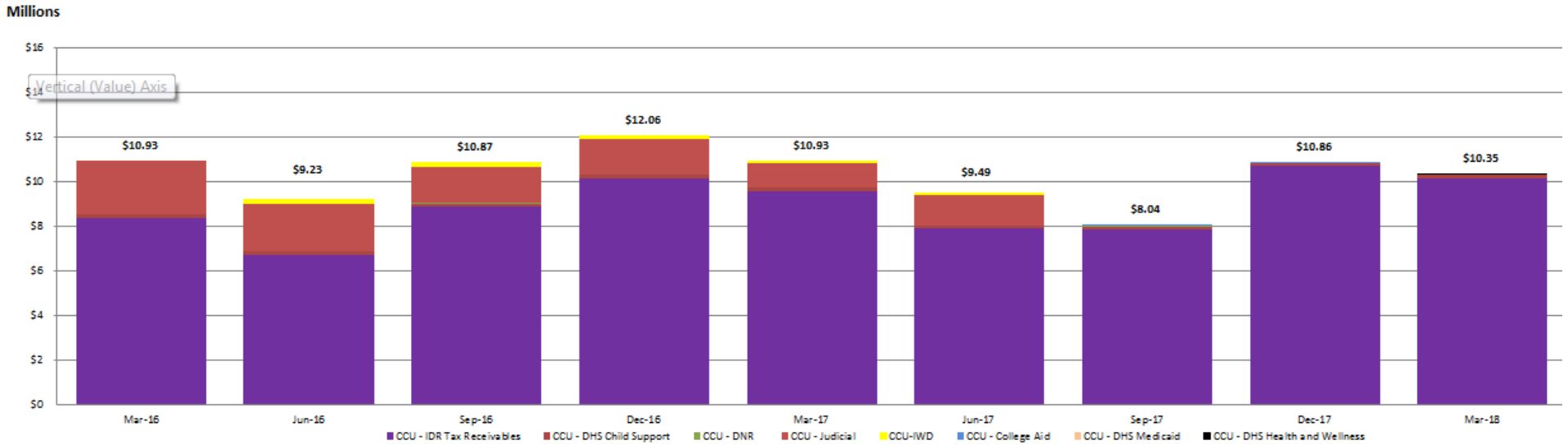


Figure 2. Subset of Centralized Collection Unit Quarterly Collections

