

## STATE OF NEW MEXICO Human Services Department Governor Michelle Lujan Grisham David R. Scrase, M.D., Cabinet Secretary Kari Armijo, Deputy Cabinet Secretary Nicole Comeaux, JD, MPH, Medicaid Director

## FOR IMMEDIATE RELEASE

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## Human Services Department to pass through more money to low-income families

New child support distribution rules will result in as much as \$6.9 million paid to families first rather than government recovery

SANTA FE – The New Mexico Human Services Department (HSD) today announced that they are implementing changes to the way child support collections are distributed to benefit families first rather than paying back the state and federal government for the time low-income families were on TANF cash assistance benefits.

HSD is increasing the amount of child support payments that are passed through to families who are currently on the Temporary Assistance for Needy Families (TANF) cash assistance program effective Jan. 1, 2023. The increased pass through and distribution changes are allowed by the federal government without penalty to the state.

The pass-through amounts are as follows:

- An increment from \$100 to up to \$200 for families with two or more children when a child support payment of at least the same amount is made.
- For a family with one child, the amount will remain at \$100 when a child support payment of at least that amount is made.

"This change will benefit low-income families and children in New Mexico," said **David R. Scrase, M.D.**, cabinet secretary for the New Mexico Human Services Department. "A pass through of an additional \$100 can make a real difference to a family who is living below the federal poverty line, which is what it takes to even qualify for TANF cash assistance."

HSD's Child Support Program received \$1.74 million in funding during the 2022 legislative session that allows the larger pass-through to families currently receiving TANF cash assistance. The funding also allows HSD to change the way it distributes collections to families formerly on the TANF program. The new distribution change will be effective Jan. 23, 2023. These two new changes to the Child Support Program will benefit as many as 8,000 families.

"Distributing payments to families first will result in as much as \$6.9 million going into family household budgets each year to help with the costs of raising children," said **Kari Armijo**, HSD Deputy Secretary. "In addition, just by making the distribution changes, New Mexico families are likely to benefit with more child support payments being made, as studies show non-custodial parents are more likely to make payments when they know the payments are going directly to custodial parent and the child."

"Passing through more collections to families is one of the most important of our modernization initiatives, but our efforts won't stop there," said **Betina Gonzales McCracken**, HSD's Child Support Program Acting Director. "We will continue to find efficiencies in establishing and enforcing child and medical support orders to ensure children have the financial and medical coverage they need to grow up happy and healthy."

The New Mexico Child Support program began a concerted effort in 2019 to implement national best practices and modernization efforts that positively impact the families and children it serves. The state's Child Support Program was recognized with the 2022 Excellence Award from the Western Intergovernmental Child Support Engagement Council for its modernization efforts.

The New Mexico Child Support collected \$130.3 million in Fiscal Year 2022, the program serves more than 177,000 parents and children in over 50,000 cases.

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The Human Services Department provides services and benefits to 1,088,981 New Mexicans through several programs including: the Medicaid Program, Temporary Assistance for Needy Families (TANF) Program, Supplemental Nutrition Assistance Program (SNAP), Child Support Program, and several Behavioral Health Services.