



Michigan Department of Human Services Office of Child Support

ELECTRONIC DISBURSEMENT OF SUPPORT

FREQUENTLY ASKED QUESTIONS

In November 2005, the Michigan State Disbursement Unit (MiSDU) was required to disburse support electronically in three pilot counties. In 2006, the Office of Child Support (OCS) phased the rest of the state into electronic disbursement of support payments. Electronic disbursement provides support recipients with a safe, convenient and secure method to receive their payments, and the state with a more efficient way to disburse funds.

Frequently Asked Questions:

Will everyone be included?

All cases will be included in the program except those with exemptions under the law.

What does electronic disbursement of support mean?

Electronic disbursement of support means that support payments will no longer be sent by check to recipients. Instead, recipients will receive their payments either through direct deposit to their personal bank account, or through an MiSDU debit card. Recipients may choose which option they want.

Are there any exemptions to receiving support electronically?

Yes. The law allows some individuals to continue receiving support payments by check. These include individuals with a mental disability, physical disability, or language or literacy barrier that results in a hardship in accessing electronic payments; and individuals with both home and work addresses that are more than 30 miles from an automated teller machine (ATM) or their financial institution.

Recipients may request an exemption by calling their local Friend of the Court (FOC) Interactive Voice Response (IVR) system and following the prompts to the MiSDU. All other individuals must choose between direct deposit or a debit card.

How do I choose direct deposit or a debit card?

With each first-time paper check disbursement, the MiSDU includes with the check a notice indicating the recipient must choose either direct deposit or a debit card for future support payments. If the recipient fails to choose one of these options, (s)he will automatically receive a debit card. Included with the notice is a direct deposit request form that recipients must complete and return if they want direct deposit to their personal bank account. Recipients may also obtain a direct deposit request form by accessing the MiSDU Web site at <https://www.misdu.com>, or by calling the FOC IVR system and following the prompts to the MiSDU to request a form.

What is the MiSDU debit card?

Instead of issuing a paper check, the MiSDU uses debit cards to provide support to recipients.

Is it a credit card?

No. Unlike a credit card, the debit card may only be used to access the funds that have been deposited to the cardholder's account by the MiSDU. Also, cardholders cannot deposit additional funds to the card. There are no credit checks or approvals required.

How is the MiSDU debit card used?

The debit card may be used to:

- Make purchases everywhere the MiSDU debit cards are accepted, including places like grocery stores, gas stations, and restaurants;
- Get cash with purchases from participating merchants;
- Pay bills and pay for online, phone, and mail orders;
- Get cash from any bank that accepts the MiSDU card; and
- Get cash from ATMs (fees apply).

The amounts of purchases or cash withdrawals are automatically deducted from the available funds on the card.

Is a PIN (Personal Identification Number) needed to use the card?

Yes and no. The card may be used to make signature-based purchases without a PIN. However, a PIN must be used for cash withdrawals at ATMs (there is a fee for ATM transactions). Cardholders must choose their own PIN by calling the debit card's customer service number after they receive their card. For security reasons, it is important that cardholders pick a PIN that only they would know, and they must not share their PIN or card with anyone.

When getting cash, does the cardholder have to go to the debit card's sponsored ATM or the debit card's bank or credit union?

No. The cardholder may get cash back without fees on purchases made at participating merchants throughout the United States, such as grocery and discount stores. *Note: To identify a participating merchant, cardholders may match the Interlink logo on the back of their card to the logo displayed on the merchant's door or at the check-out counter.* Cash may also be obtained at any of the debit-card-sponsored ATMs outside the United States, but these transactions require a fee.

How does the state deposit money onto the card?

When payments are due to the cardholder, the state electronically deposits funds to the card just as it deposits funds for recipients who have direct deposit into their checking or savings account. This allows funds to be sent quickly, safely and dependably.

Do cardholders receive a new card every time a payment is due to them?

No. All support payments will be automatically deposited onto the initial card received. If the card is ever lost or stolen, a new one will be sent for which the debit card bank may assess a fee. Subsequent payments will automatically go to the new card, along with any remaining available balance from the old card.

What does the recipient do after (s)he receives the card?

After receiving the card in the mail, the recipient must call the debit card's customer service number to activate the card. Although the state may deposit funds onto the card immediately, the card cannot be used until it has been activated. The recipient must also choose his/her PIN at this time. The number to call to activate the card is sent with the card. Once the card is activated, the recipient is known as a cardholder.

Is the recipient required to have an existing relationship with the debit card bank or any other bank?

No.

How do recipients qualify for the card?

No approval is required. The state is mandating electronic distribution of support payments. Therefore, unless the recipient signs up for direct deposit, (s)he will receive the debit card automatically.

Who can cardholders contact if they have questions about their card?

For questions regarding support payments, such as the most recent payment(s) deposited, cardholders must call the debit card bank's customer service number. This number is listed on the back of the card.

How do cardholders check their available balance?

Possible ways for customer to check their balances are as follows:

- Call the toll-free customer service number on the back of their card;
- Perform a balance inquiry at an ATM. (Most ATM owners/operators do not charge a fee for checking a balance. If an ATM owner/operator does charge a fee for a balance inquiry, an onscreen message will alert cardholders so they may decide if they would like to proceed with the inquiry.)
- Check the debit card bank's Web site or account statement (if available).

What happens if the card is lost or stolen?

The customer may contact the debit card bank's customer services.

Are cardholders able to add funds to their card in addition to what the state puts on it?

No, only the MiSDU may deposit funds to the card.

Can a cardholder request a second card for another individual, such as a family member?

No, only the recipient to whom the state is issuing payments will receive a card.

Can the card be used by someone other than the person whose name is on it?

No. For security reasons, cardholders should never share their PIN or allow anyone else to use their card.

What happens if a cardholder no longer receives payments from the state, or has decided to have his/her payments directly deposited into a checking or savings account?

The cardholder may continue to use his/her card until any remaining balance has been used.

Are there any fees associated with the debit card?

Yes, there are standard fees associated with the debit card; however, all money on the card may be accessed without incurring any fees. All fee amounts are provided at the time the recipient receives the card.

Can the debit card be overdrawn?

Cardholders may only use up to the amount of funds available to them. However, under certain circumstances, the card may become overdrawn. It is therefore important for cardholders to track their balances carefully to avoid an overdraft situation. Cardholders may be responsible for any amount that is overdrawn.

Do cardholders receive a monthly paper statement in the mail?

Yes. The debit card bank may provide a monthly paper statement. The debit card bank may also provide access to an electronic account balance.

When the card is sent in the mail, what does the envelope look like?

For security reasons, the cards are mailed in plain white envelopes with an address window that allows the recipient's name and address to show through.

What information or instructions come with the card?

The card comes with the following:

- Instructions on how to activate the card;
- A card member agreement disclosing fees and all other terms and conditions of use;
- A welcome brochure detailing where and how the card may be used; and
- The debit card bank's privacy pledge.

What services does the debit card bank’s customer services provide, and are there any fees for these services?

Via a Voice Response System (VRS) and free of charge, the debit card bank provides the following services:

- Activating the card;
- Choosing/Changing a PIN;
- Checking an account balance; and
- Reviewing recent transaction history, including deposits.

Cardholders may also call the debit card bank’s customer service representatives; however, the debit card bank may charge a fee for customer service calls. The debit card bank’s customer service representatives provide the following services:

- Assisting cardholders when cards are lost/stolen/not received;
- Issuing new cards;
- Resolving disputed transactions;
- Updating account information (address, phone number, etc.); and
- Transferring money from the card to a checking/savings account.

Can cardholders view their account online?

The following functions may be provided by the debit card bank online:

- Changing a PIN;
- Checking an account balance;
- Viewing the current month’s transactions; and
- Viewing previous statements for the last 12 months.

Can the state view or track individual cardholder transaction activity?

No. For privacy reasons, the debit card bank does not share card account numbers or transaction details with the state. However, for reconciliation purposes, the state does have access to the amount and date of deposits it made to individual cards.

Note: For a list of current fees charged by the debit card bank, cardholders may contact the bank directly or access the MiSDU Web site at <https://www.misdu.com>.