

**NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES
BISMARCK, NORTH DAKOTA
May 1, 2022**

Second Amended IM 5431

TO: Human Service Zones
Economic Assistance Policy Division

FROM: Michele Gee, Director, Economic Assistance

SUBJECT: CCAP COVID Policy Updates

PROGRAMS: Child Care Assistance Program (CCAP)

EFFECTIVE: March 1, 2021 – March 31, 2023 unless otherwise mentioned

**SECTIONS
AFFECTED:** **Allowable Activities 400-28-55-05**
Co-pay Requirements 400-28-90
Overview 400-28-90-05
Waived Co-Pay Families 400-28-90-20

This IM is being amended to remove the timely rules for activity search. All cases eligible for activity search will get three full months beginning the month after the change occurred.

The Coronavirus Response and Relief Supplement Appropriations Act (CRRSA) allocated \$10 billion in supplement funding for the Child Care and Development Fund (CCDF) to prevent, prepare for and respond to coronavirus. The North Dakota Department of Human Services is committed to supporting CCDF eligible families and the child care sector by implementing the changes below.

Effective March 1, 2021 activity search will be an allowable activity at application and review. This change will be effective beginning March 1, 2021 through September 30, 2022.

Households will be eligible for three months from the month of application or review when their only allowable activity is activity search.

In addition, all co-payments will be waived effective the service month of

March 2021 through the service month of March 2023. Payments will be issued at the max state rate for each child based on their approved level of care **when payment is issued directly to provider. Payments issued to the family will continue to be calculated based off the payment request details.** April 2023 co-payments will be re-implemented for all new applications and on-going cases.

An FYI will be issued with additional details regarding these changes, as well as examples for SPACES processing.

Allowable Activities 400-28-55-05

Caretakers must be participating in an allowable activity to be eligible for assistance under the Child Care Assistance Program (CCAP).

The following are allowable CCAP activities **at application, review and after initial eligibility** has been established:

1. Work – Work is an activity in which an individual is engaged through employment or self-employment. Work must entail personal involvement and effort on the part of the applicant or recipient.

The following are allowable work activities:

- Paid employment
 - Paid work studies, internships or assistantships (this includes when an individual is in a non-allowable postsecondary education program).
- Self-employment

Note: Child care providers must be licensed, self-declared or registered by a tribe in order to be considered an allowable activity. Approved relative providers are not considered to be in an allowable activity.

2. Education or Training - Child care relating to an allowable education or training activity.

Allowable postsecondary education includes:

- Certificate
- Associate's degree
- Bachelor's degree

CCAP may pay eligible child care costs for individuals pursuing a certificate, Associate's degree or Bachelor's degree provided the individual has not already earned a Bachelor's degree.

NOTE: Payment of postsecondary educational related child care costs incurred by an individual who already has earned a Bachelor's degree is prohibited. See policy in 400-28-60, Non-Allowable Activities.

Required activities related to the pursuit of a post-secondary degree (student teaching, internships, etc.) may be considered allowable activities. If an individual has already earned a certificate or Associate's degree, eligible child care costs are allowed if the individual is continuing to pursue another allowable education activity and has not earned a Bachelor's degree.

Attending high school or alternative high school or pursuing a GED is an allowable activity even if the individual is not participating in Crossroads. Traditional high school "attendance" is defined by the Department of Public Instruction (DPI) as:

- Full-time - 4 or more classes
- Part-time - less than 4 classes
- Attendance in an alternative high school setting for full-time/part-time as identified by the school

GED may be full time/part-time.

If a high school diploma or GED is not required to receive a certificate, it is considered training and is not considered postsecondary education.

Example: A Certified Nurse Assistant (CNA) certificate is NOT considered postsecondary education as a high school diploma is not required to receive a CNA certificate.

Allowable Training includes but is not limited to:

- Basic remedial education
- Training designed to assist an individual to achieve basic literacy
- Training needed to secure or retain employment which includes skills and technology training
- Vocational Training (trade school or career school)
- Individuals who are participating in classes for English as a second language.
- Internet Classes – Child care related to completing on-line computer classes that meets the allowable education or training requirements is an allowable activity.
- Vocational Rehabilitation education plans must follow CCAP education requirements.

3. Activity Search - Activity search is an allowable activity at application or review. Child care for activity search must be allowed for three full consecutive months within an eligibility period. When activity search is the only activity at application or review, a part-time level of care will be approved.

In order for activity search to start in an on-going case, a caretaker must have a non-temporary loss of all of their activities. A non-temporary loss of allowable activity is any loss of activity that is not time limited (two week, one month, etc.) and the individual does not anticipate returning to that activity. Child care for activity search must be allowed for three full consecutive months within an eligibility period once a caretaker loses their allowable activity. When a household includes two caretakers, each caretaker is eligible for three consecutive months of activity search within a certificate period. The level of care that was effective before the loss of activity cannot be reduced and must continue through the three allowable months of activity search. Verification of activity search hours is not required.

A household may be allowed more than one period of three full consecutive months of activity search within a certificate period.

Exception:

TANF recipients must follow the JOBS program guidelines, therefore, the three full consecutive month limitation does not apply to TANF recipients who are participating in the JOBS program when their JOBS employment plan includes any type of activity search.

Example 1:

Mom applies for CCAP on June 16th and had a job at the time of application. The case is approved based on mom's work schedule. Mom reports on September 13th that she lost her job and is now job searching. Child care can be allowed for the time mom searches for a job.

Example 2:

Dad applies for CCAP on October 2nd listing his allowable activities as education and job search. The application can be approved for education job search hours.

~~When a household reports a non-temporary loss of activity, it must be determined if the change was reported timely. If the change was reported timely, within 10 days of the day the change occurred, the three months of continued assistance will begin in the month after the change occurred.~~

Example 3:

Household was approved for CCAP starting August 1st through July 31st at the full time level of care with employment as an allowable activity. On October 12th, the household reports that they lost their employment as of October 5th. ~~Since the household timely reported the loss of activity,~~ The household's three full months of continued assistance will begin in the month of November. The household remains eligible for the full time level for the months of October, November, December and January.

On December 20th, the household reports that they have found new employment. Since the household found a new allowable activity before the end of the three full consecutive month period, the household remains eligible. The full time level of care continues through the remainder of the certificate period,

even if the household reports a decrease in allowable activity hours based on the new employment, based on policy at 'Determining the Level of Care 400-28-80-50.'

The co-pay may be decreased if the household reports that there is a reduction in income based on the new employment based on policy at 'When Income and Allowable Income Deductions are Verified and Changed 400-28-75-50.'

~~If the change was not reported timely, the three months of continued assistance will begin in the month the change occurred.~~

Example 4:

Household was approved for CCAP starting August 1st through July 31st at the part time level of care with education as an allowable activity. On October 12th, the household reports that they are no longer in an education activity as of September 15th. ~~Since the household did not timely report the loss of activity,~~ The household's three full months of continued assistance will begin in the month of October ~~September~~. The household remains eligible for the part time level for the months of September, October, and November, and December.

On November 3rd the household timely reports that they now have employment as an allowable activity. Since the household found a new allowable activity before the end of the three full consecutive month period, the household remains eligible. The household reports an increased need in the level of care based on allowable activity hours. The level of care can be increased to the full time level of care based on policy at 'Determining the Level of Care 400-28-80-50.'

The co-pay may be decreased if the household reports that there is a reduction in income based on the new employment as per policy at 'When Income and Allowable Income Deductions are Verified and Changed 400-28-75-50.'

On March 18th, the household timely reported that they lost their employment as of March 11th and no longer has any allowable activity. Since the household timely reported the loss of activity, the household's is allowed another three full months of continued assistance that will begin the month of April. The

household remains eligible for the full time level for the months of March, April, May and June.

The household does not report by June 10th that they now have an allowable activity. Verification of an allowable activity must be requested and the case may be set to close at the end of June. If no verifications are received by June 30th, the case is closed and the household must reapply.

The following are allowable CCAP activities **after initial eligibility** has been established:

- ~~1. Activity Search – Activity search is not an allowable activity at the time of application or review. Activity search hours can only be allowed in ongoing cases after a case has been approved for work, education or training.~~

~~Exception:~~

~~Activity search hours are allowable at the time of application or review for households that are also in receipt of Diversion, TANF or Transition and households that are homeless. Activity search hours must be listed on the most recent JOBS employability plan for TANF and Transition cases.~~

~~At time of application or review, in households with two caretakers, if one caretaker is in an allowable activity (work, education or training) and the other caretaker only has activity search as an activity, the application or review must be denied.~~

~~Example:~~

~~Mom applies for CCAP on May 5th listing her only allowable activity as activity search. The application must be denied as activity search is not an allowable activity at time of application.~~

~~In order for activity search to start, a caretaker must have a non-temporary loss all of their activities. A non-temporary loss of allowable activity is any loss of activity that is not time limited (two week, one month, etc.) and the individual does not anticipate returning to that activity. Child care for activity search must be allowed for three full consecutive months within an eligibility period once a caretaker loses their allowable activity. When a household~~

includes two caretakers, each caretaker is eligible for three consecutive months of activity search within a certificate period. The level of care that was effective before the loss of activity cannot be reduced and must continue through the three allowable months of activity search. Verification of activity search hours is not required.

A household may be allowed more than one period of three full consecutive months of activity search within a certificate period.

Exception:

~~TANF recipients must follow the JOBS program guidelines, therefore, the three full consecutive month limitation does not apply to TANF recipients who are participating in the JOBS program when their JOBS employment plan includes any type of activity search.~~

Example 1:

Mom applies for CCAP on June 16th and had a job at the time of application. The case is approved based on mom's work schedule. Mom reports on September 13th that she lost her job and is now job searching. Child care can be allowed for the time mom searches for a job.

Example 2:

Dad applies for CCAP on October 2nd listing his allowable activities as education and job search. The application can be approved for education hours only, as job search is not an allowable activity at time of application.

When a household reports a non-temporary loss of activity, it must be determined if the change was reported timely. If the change was reported timely, within 10 days of the day the change occurred, the three months of continued assistance will begin in the month after the change occurred.

Example:

Household was approved for CCAP starting August 1st through July 31st at the full time level of care with employment as an allowable activity. On October 12th, the household reports that they lost their employment as of October 5th. Since the household timely reported the loss of activity, the household's three full months of continued assistance will begin in the month of November. The household remains eligible for the full

time level for the months of October, November, December and January.

On December 20th, the household reports that they have found new employment. Since the household found a new allowable activity before the end of the three full consecutive month period, the household remains eligible. The full time level of care continues through the remainder of the certificate period, even if the household reports a decrease in allowable activity hours based on the new employment, based on policy at 'Determining the Level of Care 400-28-80-50.'

The co-pay may be decreased if the household reports that there is a reduction in income based on the new employment based on policy at 'When Income and Allowable Income Deductions are Verified and Changed 400-28-75-50.'

If the change was not reported timely, the three months of continued assistance will begin in the month the change occurred.

Example:

Household was approved for CCAP starting August 1st through July 31st at the part time level of care with education as an allowable activity. On October 12th, the household reports that they are no longer in an education activity as of September 15th. Since the household did not timely report the loss of activity, the household's three full months of continued assistance will begin in the month of September. The household remains eligible for the part time level for the months of September, October, and November.

On November 3rd the household timely reports that they now have employment as an allowable activity. Since the household found a new allowable activity before the end of the three full consecutive month period, the household remains eligible. The household reports an increased need in the level of care based on allowable activity hours. The level of care can be increased to the full time level of care based on policy at 'Determining the Level of Care [400-28-80-50](#).'

The co-pay may be decreased if the household reports that there is a reduction in income based on the new employment as per policy at 'When Income and Allowable Income Deductions are Verified and Changed [400-28-75-50](#).'

~~On March 18th, the household timely reported that they lost their employment as of March 11th and no longer has any allowable activity. Since the household timely reported the loss of activity, the household's is allowed another three full months of continued assistance that will begin the month of April. The household remains eligible for the full time level for the months of March, April, May and June.~~

~~The household does not report by June 10th that they now have an allowable activity. Verification of an allowable activity must be requested and the case may be set to close at the end of June. If no verifications are received by June 30th, the case is closed and the household must reapply.~~

2. **1.** Parental Leave – Parental Leave includes maternity, paternity and adoption leave. Parental leave is not an allowable activity at the time of application or review. Leave hours can only be allowed in ongoing cases after a case has been approved for work, education or training. The caretaker must intend to return to their employment, education or training.

In households with two caretakers, if one caretaker is in an allowable activity (work, education or training) and the other caretaker only has paternity leave as an activity, the application or review must be denied.

Example 1:

Mom applies for CCAP on May 5th listing her only allowable activity as parental leave. The application must be denied as parental leave is not an allowable activity at time of application.

Example 2:

Mom applies for CCAP on June 16th and had a job at the time of application. The case is approved based on mom's work schedule. Mom reports on September 13th that she is now on parental leave. Child care can be allowed for the time mom takes for parental leave.

Child care for parental leave is allowed for a minimum of three full consecutive months within a certificate period. The household may be

eligible for more than the three full consecutive months when the parental leave timeframe is verified by an employer. The level of care must continue at the same level that was established before the caretaker went onto parental leave. No additional hours are allowed for travel and breaks.

Example 1:

Household applies for CCAP on June 16th and had employment at the time of application. Household reports on September 13th that the caretaker is now on parental leave as of September 5th. Household also reports that the caretaker expects to return to employment December 1st. Since the household timely reported the parental leave, the household's three full months of continued assistance will begin in the month of October. The household remains eligible at the already determined level of care through the three full consecutive month period, even though the household reports an expected return to employment prior to the end of the three month period.

Example 2:

Household applies for CCAP on June 16th and had employment at the time of application. Household reports on September 13th that the caretaker is now on parental leave as of September 5th. Household also reports that the caretaker expects to return to employment February 1st. The household provides verification that they will return to employment as of February 1st. Since the household timely reported and verified the parental leave, the household continued assistance will begin in the month of October and continue until February 1st.

Co-pay Requirements 400-28-90-05

Federal regulations require each family receiving Child Care Assistance Program (CCAP) benefits to contribute towards the monthly costs of such care.

- The portion that a family is responsible to contribute is called a Co-pay.
- The Co-pay that is applied to child care costs incurred each month is referred to as Family Monthly Co-pay.

The Co-pay requirement is waived for **all families throughout the COVID-19 response effective the service month of March 2021 – March 2023.**
~~receiving TANF, Diversion and Crossroads.~~

Families who are not waived from the Co-pay requirement are subject to a Family Monthly Co-pay when determining their CCAP eligibility. In addition to the Co-pay, the family is responsible for any amount that is charged over the State Maximum Monthly Share amount.

It is the responsibility of the provider to collect the Co-pay from the family. Verification that the Co-pay has been paid is not required.

Waived Co-pay Families 400-28-90-20

The Co-pay requirement is waived for all families throughout the COVID-19 response effective the service month of March 2021 – March 2023.

~~The Co-pay requirement for certain families with very low income will be waived and their child care paid up to the State Rate. These include:~~

- ~~• Families receiving services through the Crossroads Program~~
- ~~• Ineligible/SSI children whose caretaker is receiving TANF or Diversion~~
- ~~• Families receiving TANF or Diversion~~

~~Note:~~ ~~Payment of child care is subject to Co-pay when the child care is a result of an activity for a TANF caretaker who is:~~

- ~~• In receipt of SSI~~
- ~~• A Disqualified Alien or~~
- ~~• An ineligible non-legally responsible caretaker~~

~~Families who are not subject to the Co-pay requirements are not subject to the income requirements. Since these families are not subject to co-pay or income requirements, child care may be paid up to the maximum State Rate.~~

Waived Co-Pay for TANF Recipients 400-28-45-05

The Co-pay requirement is waived for all families throughout the COVID-19 response effective the service month of March 2021 – March 2023.

~~The Co-pay requirement is waived for child care that is a result of participation in an approved activity of a caretaker in receipt of or deemed in receipt of TANF or Diversion. This includes child care for an SSI or ineligible child whose caretaker is receiving TANF, TANF Transition or Diversion Benefits.~~

Note: ~~Payment of child care is subject to Co-pay when the child care is a result of an activity for a TANF caretaker who is:~~

- ~~• In receipt of SSI~~
- ~~• A Disqualified Alien or~~
- ~~• An ineligible non-legally responsible caretaker~~

~~Families not subject to the Co-pay requirements are not subject to the income requirements for the Child Care Assistance Program. These families do not have to provide verification of their income in order for their eligibility to be determined.~~