

**Service Chapter:** Child Care Assistance Program 400-28

**Effective Date:** September 1, 2024

### **Overview**

Effective September 1, 2024, child care employees will be eligible to care for their own children when they are employed with an eligible licensed child care provider. Owners are still not eligible to receive the payment for their own business.

### **Description of Changes**

#### **1. Basic Eligibility Alignment 400-28-20-40 – Change**

Updated policy to allow for employees to be eligible to care for their own children when employed with a licensed child care program.

#### **2. Overpayments 400-28-150-15**

Updated policy to allow for an exception on some provider overpayments.

## Policy Section Updates

### 1. Basic Eligibility Alignment 400-28-20-40

#### CCAP Workforce Benefit

Households who have at least one caretaker participating in employment as an employee in a ND licensed or ND tribally licensed or registered child care setting can be eligible for CCAP with a waived co-payment. Households applying for CCAP who have verified employment in a licensed or certified child care program are eligible to have all household income excluded, if they meet all other eligibility requirements. In households with two caretakers, the second caretaker does not need to be in an allowable activity.

Child Care employees must work at least 25 hours per week at a ND licensed child care program or ND tribally licensed program. The employee must have their employer complete a SFN 354, which will serve as verification of their employment. Providers who are Approved Relatives, Self-Declared, or out-of-state licensed are not eligible to have employees who would qualify. ~~Employees cannot care for their own children.~~

Owners of a licensed child care program do not qualify for the CCAP Workforce Benefit, unless their children attend a different licensed child care program.

At the time employment ends, or the license for the child care program ends, it must be reported within 5 days by the household or the employer. Income will no longer be waived for these households, and co-payments will be determined the month following the month of employment ending. If there is no other known allowable activity the household must be allowed three months of continued assistance. The three months of continued assistance begins in the month following the month of the employment ending. CCAP will be closed for any household with monthly gross income, minus allowable deductions over 85% SMI for the household size.

**Example 1:** A two caretaker household applies for CCAP in July. An SFN 354 is turned in for one caretaker. The other caretaker is not in an allowable activity. The SFN 354 is reviewed and it is determined that one caretaker is employed with a ND licensed child care program with 30 hours a week. CCAP is approved for an eligibility period of 18 months from July through December of the next year.

**Example 2:** A two caretaker household applies for CCAP in July. An SFN 354 is turned in for one caretaker. The other caretaker is employed and provides income verification. The SFN 354 is reviewed and it is determined that this caretaker is only employed for 20 hours per week. The household must meet all CCAP eligibility

requirements as they do not meet the minimum work hour requirement for the CCAP Workforce Benefit.

**Example 3:** A household is approved under the CCAP Workforce Benefit for an eligibility period of 18 months from July through December of the next year. In October it is reported that the child care program's license has ended October 17th. Starting November, income is evaluated and it is determined the household is over 85% SMI. The CCAP case closes October 31.

**Example 4:** A household is approved under the CCAP Workforce Benefit for an eligibility period of 18 months from July through December of the next year. In February the household reports that they are no longer employed with the child care program. The household will be allowed three full months of activity search beginning March.

## 2. Overpayments 400-28-150-15

An overpayment is a correction to benefits paid to a provider or adult member of the Child Care Assistance unit who was originally paid more than they were entitled to receive.

Overpayments are only established for errors caused by the client or provider due to failure to notify the Human Service Zone (HSZ) of a mandatory reportable change, fraud or an Intentional Program Violation (IPV).

Overpayments will be established for a provider in the following situations, and as determined by Child Care Assistance Policy:

- When a provider certifies a child is in their care, but there are no attendance records to verify the child attended.
- When a provider certifies a child will be attending for the future month, however the child does not attend a minimum of 8 hours.

**EXCEPTION: When a child has attended at least 8 hours in one month, but does not attend in the following month, the first following month will not be considered an overpayment if the provider did not have knowledge that the child would not be attending.**

- A provider, who terminates services with the parent during the month, must reimburse the Department for the days care was not provided.
- The enrollment amount or amount charged changes after payment has been issued.

Overpayments are not established due to agency errors.

**EXCEPTION:**

**Overpayments will be pursued when duplicate payments are issued, or the incorrect provider is paid.**

**Example 1:** At the time of application, the eligibility worker fails to request verification of the household's income. The application is approved and payments are issued over the course of the eligibility period. It is later discovered that income verification was not requested or received. No overpayments are established as the agency failed to request verification of income.

**Example 2:** At the time of application, the household verified income eligibility below the income limit. During the eligibility period, the household had an increase in income that resulted in income over the maximum allowable income limit but the household failed to report this change. In this situation, overpayments will be established as the household failed to notify the county of the mandatory reportable change.

**Example 3:** At the time of application, the household was approved with mom and child. The father of the child moves into the home three months after the initial eligibility determination and is not engaged in an allowable activity. The household does not report the addition of father in the home. No overpayments are established as the addition of a household member is not a mandatory reportable change.

**Example 4:** A provider has been certifying within the Provider SSP that a child that is eligible for CCAP is in their care. It is later discovered that the child for whom the provider billed was not attending child care with that provider. In this situation, overpayments will be established and IPV may be pursued against the provider, household or both.

**Example 5:** A provider has been providing care for a child and certifies for the month of September for this child. On September 5<sup>th</sup>, the provider reports the child has not attended, and that the child will not be returning. The provider reports this was not reported to them until September 5<sup>th</sup>, the month of September will not be pursued as an overpayment.

The eligibility worker must promptly take all reasonable and practical steps to establish all overpayments.

Anytime an overpayment is discovered, a determination must be made whether or not to pursue an Intentional Program Violation.

When it is determined that an overpayment exists, each service month that is potentially incorrect must be reworked using the policies, procedures and information that should have been applied for those months.