

Service Chapter: Child Care Assistance Program 400-28

Effective Date: January 1, 2026

Amended: 01/15/2026

Overview

Amended 1/15/2026 to change the hour requirement from 25 to 40 for the non-CCAP Infant/Toddler Bonus.

Effective January 1, 2026, providers with a QRIS rating of 2 or higher will be eligible to receive an infant/toddler bonus for all children under the age of 3, including non-CCAP children. Policy has also been updated for Workforce Benefit applications around the second caretaker.

Description of Changes

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

Updated policy for eligibility requirements for the second caretaker in workforce applications. If the second caretaker has “no activity”, the application will be denied.

2. Basis for Allowable Child Care Rate of Payments 400-28-100-30- Change

Changed bonus amounts for providers. Added in information about bonus payments for non-CCAP children. Updated requirements for current infant/toddler bonuses.

Policy Section Updates

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 that is open and operating child care services a minimum of 25 hours a week 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 **must also be in an allowable activity, however activity search will not be time limited.** ~~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.

Households who reside outside of North Dakota but are employed with a ND licensed program may be eligible for the Workforce Benefit.

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 or hours are reduced below 25 hours a week, 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.

Note: Maternity leave is allowable exception for hours to reduce below the minimum 25 hours a week.

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.

Basis for Allowable Child Care Rate of Payments 400-28-100-30

The allowable amount of child care is based on:

- Type of provider
- Household income
- Household size
- Level of Care
- Child's Age
 - Infant care - birth through the month they turn 18 months
 - Toddler - 18 months to 2 years through the month of their third birthday
 - Preschool - 3-5 years through the month of their sixth birthday
 - School age - 6 to 13 years through the month of their thirteenth birthday
 - Youth ages 13-19 years of age who are special needs children or court order child care.

- A child who meets the definition of disability and who is attending a provider with a Quality Rating Improvement System (QRIS) rating of a step 2 or higher will be eligible to receive an additional 10% of the state max rate (SMR).
 - Written verification is required and should state the nature of the special needs and if for a child age thirteen (13) under age **nineteen (19)**.
 1. A qualified health professional, a physician, physician's assistant, advanced registered nurse practitioner, qualified mental health professional. ~~as defined by KRS 600.020 (48) or registered nurse defined by KRS 314.011(5).~~
 2. A court order or similar documentation indicating the child is under court supervision.
 3. An Individualized Education Program (IEP) ~~provided~~ **completed** by the **educational agency school.** ~~(For children ages 3 -19)~~
 4. **An Individualized Family Service Plan (IFSP) completed by a ND Early Intervention Provider. (For children ages birth through 2)**

Note: A child that is receiving SSI would still need the written verification explained above.

Providers with a current QRIS rating of a step ~~2~~ **3** or higher are eligible to receive an additional payment at a tiered rate. These payments are separate from the service month payments issued for a child's child care costs, and are not intended to be used for a child's billed amount. QRIS payments will be issued on the 5th of the month for all payments processed prior to the 5th. If the 5th does not fall on a business day, the batch will run the next available business day.

- ~~○ An additional 2% of the SMR will be paid to providers with a current step 2 Quality Rating.~~
- An additional 5% of the SMR will be paid to providers with a current step 3 Quality Rating.
- An additional 10% of the SMR will be paid to providers with a current step 4 Quality Rating.

Example:

Provider ABC Kids has a QRIS rating of 3 for the month of December. ABC Kids received 4 CCAP payments for the service month of December for 1 infant, 1 toddler, and 2 preschool age children on December 1st. On December 5th, the QRIS payments will calculate, and ABC Kids will receive 5% of the SMR for each of these payments.

- North Dakota ~~Licensed, tribally licensed or military licensed~~ providers who **have a current QRIS rating of step 2 or higher and** are caring for CCAP infants and toddlers are eligible to receive an additional payment. These payments are separate from the service month payments issued for a child's child care costs, and are not intended to be used for a child's billed amount. The infant/toddler payments will be issued on the ~~5-10~~th of the month for all payments processed prior to the ~~5-10~~th. If the ~~5-10~~th does not fall on a business day, the batch will run the next available business day.
- **North Dakota licensed providers who have a current QRIS rating of 2 or higher and are caring for non -CCAP infants and toddlers are eligible to receive an additional payment. The non – CCAP infant/toddler payments will be issued on the 10th of the month, for the month prior. If the 10th does not fall on a business day, the batch will run the next available business day. Payments will only be made to one provider per child for a service month. The child must be in attendance at least 2540 hours to be eligible for payment.**