

Service Chapter: Child Care Assistance Program 400-28**Effective Date: October 1, 2026****Overview**

Effective October 1, 2026, policy is being combined and updated to allow for all TANF eligible cases to be eligible for CCAP and not placed on the waitlist.

Description of Changes

- 1. Child Care for TANF Recipients 400-28-45-05 – Update**
Policy has been updated and combined into one section.
- 2. Caretakers Who Receive or are Deemed to be Receiving TANF 400-28-45-10 – Repealed**
Policy has been repealed.
- 3. Non-Recipient Caretakers of TANF (SSI, Disqualified Alien, Non-legally Responsible Caretakers, or ineligible Kinship Care caretakers) 400-28-45-15 – Repealed**
Policy has been repealed.
- 4. Final Two Months of TANF 400-28-45-35 – Repealed**
Policy has been repealed
- 5. Processing of Child Care Assistance for TANF or Diversion Applicants and Recipients 400-28-45-45 – Repealed**
Policy has been repealed
- 6. Waived Co-pay Families 400-28-90-20**
Updating policy for the correct categories of families who will receive a waived co-pay. For TANF-specific situations, clarifying policy can be found under Child Care for TANF and Diversion Recipients 400-28-45-05.

Policy Section Updates

1. TANF Families Eligibility 400-28-45

Child Care for TANF and Diversion Recipients 400-28-45-05

The Co-pay requirement is waived for child care that results from participation in an approved activity of a caretaker in receipt of or deemed in receipt of TANF, TANF Transition, or Diversion benefits, except for the situations identified below.

Note: Payment of child care is subject to co-pay in the following TANF-related situations:

- o The child is in receipt of SSI.
- o The caretaker is a disqualified alien.
- o The caretaker is an ineligible non-legally responsible caretaker.
- o The caretaker is an ineligible Kinship Care caretaker with non-kinship children/non-TANF children.
 - o **Exception:** An ineligible Kinship Care caretaker with non-kinship children and children who are TANF eligible will receive a waived co-pay.

Families not subject to the co-pay requirements are not subject to the income requirements for the Child Care Assistance Program. **The TANF benefit for the child(ren) is disregarded as income. All other CCAP requirements must be met.**

A TANF or Diversion applicant who has ongoing CCAP must be updated to waived co-pay effective the month TANF or Diversion is approved. Child care expense for months prior to TANF or Diversion approval would be covered using the existing eligibility and would be subject to co-pay requirements.

If TANF or Diversion closes and remains eligible for CCAP, the co-pay remains as waived co-pay for the remainder of the eligibility period.

If TANF or Diversion closes and there is not a known allowable activity which continues, the household must be allowed three months of continued assistance before CCAP can close. The three months of continued assistance begins in the month following the month of the TANF or Diversion closure.

~~TANF recipients who are not required to participate in the JOBS or Tribal NEW programs must volunteer to participate in the program in order for their child care costs to be paid through CCAP, unless granted good cause from the JOBS program, or except when the recipient is participating in Alternative Response for Substance Exposed Newborn (ARSEN) program. ARSEN households receiving TANF are not required to participate or volunteer in the JOBS or Tribal New Program to have their child care costs paid through CCAP.~~

~~TANF households may choose to use child care expenses as a TANF earned income disregard up to the TANF maximum allowable costs or they may receive assistance under CCAP. Households may not receive the disregard and have child care paid under CCAP in the same month.~~

If a minor parent in the TANF household needs child care to complete high school or its equivalent, the minor parent should be informed of and referred to the Crossroads Program. (Refer to section 400-28-40, Crossroads Families).

Eligible children under Kinship Care are not eligible to have their child care costs paid through CCAP as these costs are covered under TANF Kinship Care Supportive Services.

Ineligible/SSI children whose caretaker is receiving TANF or Diversion must have their child care paid through CCAP since their child care expenses cannot be used as an expense deduction in TANF or Diversion. Since the caretaker is in receipt of TANF, the children are considered part of the TANF household for CCAP purposes. Child care for an SSI child remains subject to co-pay requirements.

~~Caretakers Who Receive or are Deemed to be Receiving TANF 400-28-45-10~~

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~~Individuals are considered in receipt of TANF during months in which:~~

- ~~• An individual receives a TANF or Transition Assistance benefit~~
- ~~• A TANF grant is suspended for the reason of extra check from a recurring source~~
- ~~• The TANF household receives a zero benefit because the TANF benefit is less than \$10.00 (TANF does not issue benefits for less than \$10)~~
- ~~• Child care expenses were not allowed as a deduction from income in the final two (2) months of TANF eligibility~~
- ~~• An individual is sanctioned for non-cooperation with the JOBS/Tribal NEW Program or Child Support Enforcement~~
- ~~• An individual disqualified from TANF for an Intentional Program Violation (IPV)~~
- ~~• An individual is disqualified from TANF because of a drug felony, fleeing felon or a parole or probation violator~~
- ~~• An individual is disqualified from TANF for Fraud~~
- ~~• An individual receives a Diversion benefit~~

~~The Child Care Assistance Program can pay child care costs for allowable activities in which a TANF caretaker is participating. These cases are not subject to Co-pay requirements.~~

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~~Non-Recipient Caretakers of TANF (SSI, Disqualified Alien, Non-legally Responsible Caretakers, or ineligible Kinship Care caretakers) 400-28-45-15~~

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~~The Child Care Assistance Program (CCAP) can pay child care for allowable activities in which an SSI, disqualified alien, non-legally responsible caretaker, or ineligible Kinship Care caretaker with non-kinship children are participating in. However, these cases are subject to Co-pay requirements.~~

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~~Income of the household members are counted and the household size must include all caretakers and all children, including the TANF and kinship children. The TANF benefit for the child(ren) is disregarded as income. All other CCAP requirements must be met.~~

~~Final Two Months of TANF 400-28-45-35~~

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~~A North Dakota TANF case that had been using child care costs as an expense deduction for TANF and who incurred payable child care expenses during the last two months the TANF case was open will not have received the child care disregard for those last two months if the family was subject to the TANF program's retrospective budget methodology. These expenses can be paid under the Child Care Assistance Program (CCAP) and are considered Waived Co-pay.~~

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~~If the former TANF recipient does not have an open CCAP case, an application must be submitted by the end of the month following the month the TANF case closed. If the application is not submitted by the end of the month following the month the TANF case closed, child care cannot be paid under CCAP for the final two months of TANF.~~

~~Processing of Child Care Assistance for TANF or Diversion Applicants and Recipients 400-28-45-45~~

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~~In addition to applying for TANF or Diversion an applicant must also apply for the Child Care Assistance Program (CCAP) if there is a need for child care. If TANF or Diversion and CCAP are approved for the same month, CCAP is approved as waived co-pay.~~

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~~A TANF or Diversion applicant who has ongoing CCAP must be updated to waived co-pay effective the month TANF or Diversion is approved. Child care expense for months prior to TANF or Diversion approval would be covered using the existing eligibility and would be subject to co-pay requirements.~~

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~~An ongoing TANF or Diversion household that applies for CCAP and is approved for CCAP in a month the household is eligible for TANF or Diversion will be a waived co-pay effective the month CCAP is approved.~~

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~~If TANF or Diversion closes and remains eligible for CCAP, the co-pay remains as waived co-pay for the remainder of the eligibility period.~~

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~~If TANF or Diversion closes and there is not a known allowable activity which continues, the household must be allowed three months of continued assistance before CCAP can close. The three months of continued assistance begins in the month following the month of the TANF or Diversion closure.~~

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Ineligible/SSI children whose caretaker is receiving TANF or Diversion must have their child care paid through CCAP since their child care expenses cannot be used as an expense deduction in TANF or Diversion. Since the caretaker is in receipt of TANF, the children are considered part of the TANF household for CCAP purposes. Child care for an SSI child remains subject to co-pay requirements.

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

The Co-pay requirement will be waived and child care paid up to the State Rate for the following families:

- Families receiving services through the Crossroads Program
- Families receiving TANF or Diversion
- Families participating in the Alternative Response for Substance Exposed Newborns (ARSEN) program
- Families who are at or below 30% of the SMI according to the Sliding Fee Schedule

Note: Payment of child care remains subject to co-pay in the following TANF-related situations:

- The child is in receipt of SSI.
- The caretaker is a disqualified alien.
- The caretaker is an ineligible non-legally responsible caretaker.
- The caretaker is an ineligible Kinship Care caretaker with non-kinship children/non-TANF children.
- Exception: An ineligible Kinship Care caretaker with non-kinship children and children who are TANF eligible will receive a waived co-pay.