

Par.1. **Material Transmitted and Purpose** – Transmitted with this Manual Letter are changes to Service Chapter 400-28, Child Care Assistance Program. This manual letter also incorporates changes made with:

- IM 5363 CCAP Policy Updates
- Amended IM 5363 CCAP Policy Updates
- IM 5367 Use of Federal Data Services Hub (FDSH) For Economic Assistance Programs
- IM 5380 Application Maintained in Any County for Economic Assistance Programs
- IM 5385 Additional Absent Days
- Amended IM 5385 Additional Absent Days
- Second Amended IM 5385 Additional Absent Days
- IM 5390 Allowable Activity Change
- Amended IM 5390 Allowable Activity Change
- IM 5405 Activity Search at Application

Par. 2. **Effective Date** – Changes included in the manual letter are effective October 1, 2020.

Items that include a change in policy are indicated. Legacy terminology has been updated throughout all sections. All other items are corrections or clarifications.

The following sections have been repealed:

Issuing a Certificate 400-28-120-30
Updating Certificates 400-28-120-35
Payment Issuance 400-28-135
Notification of Underpayment 400-28-150-10-10
Notification of Overpayment 400-28-150-15-20
SFN 113, Postsecondary Education Information 400-28-165-15
Child Care Certificate 400-28-165-85

1. 422-28-05 – Definitions. A new definition of “Disability” was added as children with a verified disability can be eligible for an additional 10% of the state max rate. Refer to Basis for Allowable Child Care Rate of Payments 400-28-135-05 for policy on these situations and acceptable verification. **This is a new policy.** A new definition of extenuating circumstance was added. **This is clarification to policy.** A new definition of Quality Rating Information System (QRIS) was added.

Definitions 400-28-05

Disability - A special needs child is a child who has multiple and/or severe functional needs that requires ongoing specialized care. 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) state that the child is unable to care for themselves.

Extenuating Circumstance - a failure or delay, beyond the control of an applicant, to provide needed information and is not due to agency delays.

Quality Rating Information System (QRIS) - A voluntary provider improvement process for licensed early childhood providers. QRIS utilizes a tiered system of quality indicators for providers to achieve

Administrative Requirements 400-28-15

2. **400-28-15-15 Narrative Documentation.** A new policy section has been created to address narrative requirements.

Narrative/Documentation 400-28-15-15

Case files must be documented to support eligibility, ineligibility, and benefit level determinations. Documentation must be detailed to permit a reviewer to determine the reasonableness and accuracy of the determination. Document ALL requests for verification and whether or not the verification was provided.

Casefile narrative must be in the eligibility system narrative.

Application 400-28-20

3. 400-28-20-10 – Date of Application and Benefit Start Date. Updated policy to include SPACES self-service portal and remove OASYS. Policy also updated to include that a provider is not needed at time of application, and that an application can be processed in any county based on IM 5380.

Date of Application and Benefit Start Date 400-28-20-10

Households can apply for the Child Care Assistance Program in person, by mail, fax or electronically using one of the following:

- SFN 598 Child Care Assistance Program Application
- SFN 405 Application for Assistance
- ~~The Electronic Application (OASYS) found on the Department of Human Services Website~~
- SPACES self-service portal (SSP)

An SFN 616 Child Care Request for Payment form or provider payment request from the SSP is not required at time of application.

Applications may be received, filed and maintained at any county office within the state, based on what is most convenient for the applicant or recipient.

CCAP does not require an interview in order to determine eligibility. Households are not required to identify a provider at the time of application.

Date of Application and Benefit Start Date

The date of the application is the date the signed application is received in the county ~~social-service~~ office.

The county ~~social-service~~ office must document on the application the date the application was received in the county ~~social-services~~ office.

Note: Applications received after business hours, on weekends or holidays are considered received on the next business day.

The application is considered signed as long as the signature is found anywhere on the application, other than in answer to a question.

If an unsigned application is received, the unsigned application must be returned to the applicant for signature. The county must document the date the signed application is received in the office. This date will become the application date.

Benefits will begin on the first day of the month in which the **signed** application is considered received in the county ~~social-service~~ office.

Prior Month

Applicants may request assistance for the month prior to the application month (prior month). Households may request the prior month up to the last day of the month following the month of application. Requests for prior months made after the time of application must be submitted in writing to the county ~~social-services~~ office.

Example:

A household applies for CCAP on April 3rd and is approved on April 15th. The household's benefit start date is April 1st. The household has until May 31st to request the prior month.

If eligible, ~~the system will~~ ~~CCAP will issue a one month certificate~~ determine eligibility and make payment for the prior month based on actuals.

If a certificate eligibility already exists for the requested prior month, a new eligibility determination is not made and payment for that month is based on the previous certificate determination.

4. 400-28-20-15 – Application Processing Timeliness Standards. Policy on extenuating circumstances has been updated.

Application Processing Timeliness Standards 400-28-20-15

A decision to either approve or deny an application must be made no later than 30 days following the day the signed and dated application is received in the county ~~social service~~ office. The first calendar day following receipt of the signed application is day 1 of the 30 day processing timeframe.

Additional time may be allowed due to an extenuating circumstance. An extenuating circumstance may be determined by the eligibility worker, but reason for the extenuating circumstance must be documented in the ~~system~~ case narrative file. If it has been determined that an extenuating circumstance exists, 15 extra days are allowed to process the application. Action must be taken no later than 45 days following the date of application.

If an application is filed with no address, the eligibility worker should review the contact information found on the mailing envelope, in a phone book, on a Motor Vehicle query, or using any other available resources for address information. The application must be pended and if no mailing/residence address can be located, 'General Delivery' must be used for the mailing address and applicable notice(s) sent.

An application can be denied prior to the 30th day when the household fails to provide required verification(s) within 10 days of the date of the request for verifications.

Before denying prior to the 30th day, a 'Pending Request for Verification' notice must be sent when any information required to determine eligibility is not received with the application. The applicant has 10 days from the print mail date of the pending Request for Verification notice to provide the required information and verifications. The 'Pending Request for Verification' notice must include:

- The information and verifications that are needed including the months for which information is needed.
- The time frame for submitting the information and verifications (10 days from print the mail date of notice).
- Information regarding application denial if the information and verifications are not provided within 10 days.

Information and verifications received after business hours, on weekends or holidays are considered received on the next business day and are considered to be timely.

If verifications have been requested and received and it is determined the applicant is not eligible; the application can be denied at any time prior to the 30th day.

If the notices are returned for insufficient address:

- If the application has not been approved, it should be denied due to loss of contact and documented in the system case narrative file.
- If the application has been approved, the case CCAP can be closed for loss of contact and documented in the system case narrative file.

If the applicant provides information for one month but not the other month(s), the month that the information was provided for can be processed and the other month(s) must be denied.

- If the applicant is not eligible for child care for the prior month but is eligible for the month of application, the prior month is denied and the application is approved, effective the first of the application month.
- If the applicant is eligible for the prior month but not for the month of application, the prior month is approved effective the first day of that month and the ~~the case~~ **CCAP** is closed as of the last day of the month. The same application would be processed for the application month and denied.

An application may be withdrawn at any time prior to a decision being rendered. The request to withdraw the application can be made in writing or verbally by the applicant.

Application for Other Programs at time of CCAP Application

If an individual applies for CCAP and TANF, Diversion, or Crossroads at the same time, the application for CCAP must be pended until TANF, Diversion, or Crossroads eligibility is known.

If an individual applies for CCAP and TANF, Diversion, or Crossroads at the same time, requests CCAP for the prior month, all information needed to process the prior month has been submitted and the application month is pending, the prior month can be processed. In these situations, if the prior month is processed as Co-pay use actual income and allowable expense deductions ~~and a one-month certificate is issued~~. If the prior month is processed as Waived Co-pay (TANF, Diversion, or Crossroads) the prior month is processed without regard to income or allowable expense deductions, ~~and a one-month certificate is issued~~. In both situations, Co-pay or Waived Co-pay, ~~the case~~ **CCAP** must be closed as of the last day of the prior month. The application month would then be pended until TANF, Diversion, or Crossroads eligibility is known.

Example: An individual applies for TANF and CCAP in June. The individual requests child care for the prior month of May. The information needed to determine May's eligibility has been provided and the case **CCAP** has been determined to be Co-pay for May.

The prior month of May is processed as **applying a** ~~Co-pay issuing a one month certificate~~. The ~~the case~~ **CCAP** must then be closed the end of May. The CCAP application for June is pended until TANF eligibility is determined.

5. 400-25-20-25 New Application Not Required. Clarifications to policy were added and terminology updated.

New Application Not Required 400-28-20-25

A new application **is not required** in the following circumstances:

1. To approve a case **CCAP** **when** denied in error or reopen a case **CCAP** when it has been closed due to agency error
2. If a case **CCAP** closes for no review, a review form may be used in the month following the month of case closure
3. If the applicant is not eligible in the month of application, the application must be denied. The same application can be used to determine eligibility for the month following the month of denial. In this situation, the application month becomes the month following the month of denial and the application received date is the first day of the month following the month of denial. The application cannot be used for more than two months **except** when eligibility needs to be determined in the prior month.

Example: An individual **A household** applies for the Child Care Assistance Program in April and requests child care for the prior month of March. The individual is eligible for March but not eligible for April.

- The application is approved for March and closed March 31 because the individual is not eligible for April.
 - The application must be denied for April.
 - If eligible for May, the same application can be used.
4. When a case **CCAP** closes for failure to provide information, a new application is not needed to reopen the **CCAP** case (revert to open) when the recipient provides **ALL** requested information prior to the closure effective date and remains eligible. If the closure date is a weekend or holiday, the recipient must provide the information by the close of business on the last working day of the month in which the case will close.
6. 400-28-20-35 – Establishing Need. Clarifications to policy were added and terminology updated.

Establishing Need 400-28-20-35

For a new application or review, in order for a child to be included on a certificate eligible, the child must have a child care need for the current application or review month or the month following the current application or review month. **A child is considered to have a need when** the caretaker(s) is participating in an allowable activity. All hours the child needs child care, in the month need is being established, must be taken into consideration (which includes hours needed for days off from school, weekends, after school, etc.). At application or review, if a child does not have a child care need for the current application or review month or the month following the current application or review month, the child ~~cannot be included on the certificate~~ is not considered eligible. If there is only one child in the household and that child does not have a child care need, then

the application or review is denied. If the case is ongoing, the case would close.

At time of application, if need has been determined for a child for the prior month only, the child can be added to the 1-month certificate eligible for the prior month, but would not be included in the eligible for the 12-month certificate eligibility period.

If child care assistance is requested for the prior month, actual hours the child needed child care while their caretaker(s) was in an allowable activity in the prior month must be used.

Once need is established for a child and the child is included on the certificate determined eligible, the child will remain on the certificate eligible for the remainder of the certificate period as long as all other eligibility criteria is met.

Review 400-28-25

7. 400-28-25-05 – Timeliness Standards for Processing Reviews.
Clarifications to policy were added and terminology updated.

Timeliness Standards for Processing Reviews 400-28-25-05

A review must be completed every 12 months. The 12 month review is due in the last month of the certificate eligibility period. A review can be submitted to the county social service office in person, by mail, by fax or electronically.

An SFN 841, "Child Care Assistance Program Review" A review form is automatically sent to the caretaker household on the 5th to last working day in the month prior to the last month of eligibility the certificate is valid. The caretaker must submit the completed and signed review form, either electronically or hard copy by the last day of the month in which the review is due, in order for eligibility to be continued.

The review notice informs the household of when the review is due and of case closure if no review is received.

~~A completed and signed review is due in the county social service office by the 10th day of the review month. If a completed and signed review form is not received by the 10th day of the review month, a closing notice must be sent informing the caretaker that failure to submit a review form by the last day of the review month will result in case program closure.~~

The review is considered received as of the date a signed review is received in the county social service office. The county social service office must document the date a review is filed by recording the date received on the review form.

Note: Reviews received after business hours, on weekends or holidays are considered received on the next business day.

The review is considered signed if the signature is found anywhere on the review form, other than in answer to a question.

If an unsigned review is received, the unsigned review must be returned to the caretaker for signature. The county must document the date the signed review is received in the office. This date will become the review date.

A decision to approve a review or to close the case **CCAP** must be made no later than 30 days following the day the signed and dated review is received in the county social service office. The first calendar day following receipt of the signed review is day 1 of the 30 day processing timeframe.

A review cannot be denied prior to the 30th day following the date the review was received, if the household has been sent a closing **request for verification** notice ~~requesting verifications~~. Unless extenuating circumstances exist, all verifications must be received and case **CCAP** processed within the 30 days from the date of receipt of review.

- If additional time is allowed beyond the 30 day period due to extenuating circumstances, an additional 15 days can be allowed. When extenuating circumstances are allowed, action must be

taken no later than 45 days following the date the review form was received. The extenuating circumstances must be clearly documented in the **system** case **narrative** file.

If a CCAP case is closed because a review has not been submitted and completed by the end of the month the review was due, ~~the case~~ **CCAP** remains closed as of the last day of the month in which the review is due, if:

- The 30th day from receipt of the review extends into a future month and the family fails to provide the required information by the 30th day or 45th day if extenuating circumstances have been allowed; or
- The family is determined ineligible at any time during the month the review is due and through the 30th day or 45th day if extenuating circumstances have been allowed.

If a review is received by the last day of the month the review was due and additional information is needed, a ~~closing~~ **request for verification** notice must be sent. This notice must advise:

- The required verifications and information needed allowing the caretaker 10 days to provide the information
- ~~The date by which the review process must be completed (this date is the 30th day from receipt of the signed review)~~
- ~~The date the case will be closed if the review process is not completed (this is the last day of month the review was due in)~~

Example: A review form is received on April 3 and additional information is needed. On April 7, a ~~closing~~ **request for verification** notice is sent asking for required verifications, allowing the caretaker 10 days to provide the required information.

- If all the required verifications **are** provided by May 3 and the household remains eligible, a new **eligibility period is authorized** ~~certificate is issued~~.

- If all the required verifications **are not** provided by May 3 or all required verifications are provided and the household **does not** remain eligible, the case **CCAP will be** remains closed as of April 30 **and the review must be denied**.

NOTE: April 4th is day 1 of the 30 day period.

When a caretaker household is sent a request for verification closing notice that includes a request for additional information, the caretaker must be allowed at least 10 days from the date of the notice to provide the additional information, even if the 10 days takes them past the 30th day from when the review was submitted or past the 45th day when extenuating circumstances have been allowed.

When the 10th day falls on a weekend or holiday, the information is deemed to have been provided timely if received by the county social service office by close of business the first business day following the weekend or holiday.

~~**Example:** A closing notice for non-receipt of review was sent on June 15. A review form is received on June 26. On June 28 a closing notice is sent asking for required verifications, allowing the caretaker 10 days to provide the required information. The case closes June 30 as eligibility for July cannot be determined.~~

- ~~• If all the required verifications **are** provided by July 26 and the household remains eligible, a new **eligibility period is authorized** certificate is issued.~~
- ~~• If all the required verifications **are not** provided by July 26 or all required verifications are provided and the household **does not** remain eligible, the case remains closed as of June 30.~~

~~**NOTE:** June 27 is day 1 of the 30 day period.~~

When a caretaker household is sent a closing request for verification notice which allows the household 10 days to provide required verifications and this takes the household past the 30th day from date of receipt of the review form and into the following month:

If the household does provide the required information, CCAP must be processed to determine eligibility. If eligible, a new eligibility period will be determined and a notice of eligibility for the approval will be sent. If the household is ineligible, the case must be closed as of the last day of the month in which the review was due and the review must be denied.

- If the caretaker ~~does provide~~ the required information within the 10 days, if the case remains eligible, the case must be reverted to open and the review processed. If the case is ineligible, the case it remains closed.
- If the caretaker household **does not provide** the required information within the 10 days, the case CCAP remains closed and a new application is needed.

Example: A completed and signed review form is received on July 3 at the county office. Additional verifications are required. A closing request for verification notice is sent on July 6 asking for the requested verifications, allowing the caretaker 10 days to provide the requested information, and advising the case CCAP will close July 31st if verifications are not provided by August 2nd. On July 28th, the caretaker provides the requested information, but also provides additional information, requiring further clarification. On July 28th, a closing request for verification notice is again sent to the caretaker requesting additional information, allowing the caretaker 10 days (August 7) to provide the requested information advising the case CCAP will close July 31 if the verification are not provided.

- ~~If the caretaker household does provide the requested verification within the 10 days, if the case remains eligible, the case is reverted to open and the review processed. If the case is ineligible, the case remains closed as of July 31st.~~

- ~~• If the caretaker does not provide the required information within the 10 days, the case remains closed and a new application is required.~~

If the review form is returned, the eligibility worker should review the returned mail to determine if there is a forwarding address.

- If there is a forwarding address, mail the review form to the new address.
- ~~• If there is no forwarding address, send a closing notice to the household using the last known address informing them that their case will be closed due to loss of contact.~~

Regardless of the action, the eligibility worker must document the actions taken in the **system** case file narrative.

Adequate or advance notice is not required for any action taken on a review. However, a notice must be sent.

8. 400-25-25-10 Review Form Received After the Case Closed.
Clarifications to policy were added.

Review Form Received After the Case Closed 400-28-25-10

When a case **CCAP** closes for no review and the review form is submitted in the month following the case closure, the review form can be used as an application. All application processing applies.

If the review form is received after the month following the month of case **CCAP** closure, a new application is required. The review form cannot be used as the application.

Household Composition 400-28-35

9. 400-28-35-02 – Eligible Children. Updated policy on foster care children.

Eligible Children 400-28-35-02

An eligible child in the household is a child who needs child care and:

1. Is under age 13.

A child who is age 12 in the month of application or review and turns 13 during the certificate period, will remain eligible through the certificate period. If the child turns age 13 in the month of application or review, the child is ineligible.

Example

Household was approved for child care with a certificate starting in April. At the time of approval the child was age 12. On June 9th, the child turned 13. The child remains eligible for CCAP for the remainder of the certificate period.

2. Is at least age 13, but under age 19, and who is physically or mentally incapable of caring for themselves as verified in writing by a physician or a licensed /certified psychologist.
3. Is at least age 13, but under age 19, and is in need of supervised care as specified in a court order.

A child is considered "under age 13 or 19" through the month of the child's 13th or 19th birthday.

North Dakota Foster care children placed in a licensed foster home are not eligible for the Child Care Assistance Program (CCAP) as the ND Foster Care funding will support reimbursement. ~~program provides for this service.~~ Children who are placed in an unlicensed foster care setting (ex: relative care) may be eligible for CCAP.

Note: Children in foster care under the custody of another state, placed in North Dakota must receive documentation detailing if the sending state will reimburse for child care expenses. If the sending state will not reimburse for child care, CCAP will review the households income for eligibility.

All eligibility information must be provided for each child for whom ~~CCAP benefits are being~~ assistance is requested. Any child for whom all information is not provided is not eligible for CCAP. However, that child is included in the ~~household~~ filing unit size and their unearned income is considered. If at a later date the requested verifications are provided for the child, the child's eligibility ~~for CCAP~~ begins the month the verifications are received, and all other eligibility criteria is met.

10. 400-28-35-05 – Child Care Assistance Unit. Clarifications to policy were added and terminology updated.

Child Care Assistance Unit 400-28-35-05

The household must include the child(ren) for whom assistance is being requested and the following individuals residing in the home:

- The natural, adoptive or stepparent(s)
- All siblings, (including half and step-siblings) who are under age 19
- All natural or adoptive children of the caretaker and caretaker's spouse who are under the age 19.

Note: The Child Care Assistance Program (CCAP), considers a child under the age of 19 through the month of the child's 19th birthday.

- Child under the Subsidized Guardianship Program

When two unmarried adults reside together, in order for a child to be considered a child in common, paternity of the child in common must be verbally acknowledged or legally adjudicated, or the parents must have signed a voluntary acknowledgment of paternity:

- If child care is being requested for a child in common of unmarried parents, both parents and the children of both parents must be included in the unit.
- If child care is NOT being requested for a child in common of unmarried parents, the child in common must be included in the unit(s) of siblings who child care is being requested.

Example #1: Unmarried non-TANF household includes mom, her child, Dad, his child and a child in common. Mom is requesting child care for her child and Dad is requesting child care for his child. Child care is not being requested for the child in common. Since assistance is not being requested for the child in common, Mom and Dad must each complete an application for CCAP. The child in common would be included as a household member in both Mom and Dad's household. Both Mom and Dad would have a 3 person household.

Example #2: Unmarried non-TANF household that includes Mom, her child, Dad, and Mom and Dad's child in common. Mom is requesting child care for her child. Child care is not being requested for the child in common. Mom must complete an application for CCAP. Mom would have a have a 3 person household which includes herself, her child and the child in common.

See Section 400-28-45-25, Unmarried TANF Households – Child in Common for an exception for TANF Households.

If the child(ren) for whom assistance is being requested resides with a loco parentis, the household must include the following individuals residing in the home:

- The sibling(s) (including half and step-siblings) of the child for whom assistance is being requested
- The loco parentis and spouse of the loco parentis
- The loco parentis' and spouse's children under age 19

A minor parent who needs child care for their child(ren) and who is residing in his/her parents' home is considered a separate household and must apply on their own behalf.

- If the minor parent is in receipt of TANF, ~~the case~~ **CCAP** is considered TANF for CCAP.
- If the minor parent is in receipt of Crossroads, ~~the case~~ **CCAP** is considered Crossroads for CCAP.
- If the minor parent is in receipt of Diversion, ~~the case~~ **CCAP** is considered Diversion for CCAP.
- All other minor parents are subject to Co-pay.

If a minor parent is residing with their parent(s) and the parent(s) have a child(ren) for whom child care is requested, the minor parent and the minor parent's child(ren) are not considered members of their parents' case.

The following individuals are excluded from the **filing unit** ~~household count~~:

- Children 19 years of age or older (a child is considered under the age of 19 through the month of the child's 19th birthday).
- Any child for whom the household receives Foster Care payments.
- An individual in the household who is not the caretaker or sibling of the child and not acting as loco parentis.

- Parent(s) and other family members of a minor parent when the minor parent is requesting CCAP.
- Minor parents and their child(ren) if the parent(s) of the minor child are requesting CCAP.
- A child under 19 years of age who resides away from home may come home on weekends or vacations breaks. The child is not counted as part of the household if their visit is less than a full calendar month.

Note: A child under age 19 who has a child care need can be included in the household of the caretaker with whom the child care costs were incurred (refer to 400-28-35-25, Parents Not Residing Together).

Persons Entering the Home:

- New Applications and Reviews:
 - Individuals required to be included in the ~~child care assistance~~ **filing** unit who enter the home in the month prior to the application month must be included in the prior month determination.
 - Individuals required to be included in the ~~child care assistance~~ **filing** unit who enter the home prior to an application or review being approved must be included in the application or review month determination.
- Ongoing Cases:
 - Households are not required to report changes in household size except when there is no longer an eligible child.

When an eligible child moves into the household:

- If timely reported (within 10 days of the date of change) and verified, or is not questionable, the child is added effective the month the child entered the household.
- If the change is not reported timely or is questionable and not verified timely, the child is added effective the month the change was reported or was verified, whichever is later.

~~If the addition of the child to the household size increases the co-payment amount, the household size is not changed. The child is still added to the certificate. If the child has unearned income that would increase the co-payment amount, that income is not included.~~

Example:

~~September application was approved with mom and her child. On January 10th, mom reports that her other child from a previous relationship has moved into her household on January 5th and she will need assistance for that child. The application was initially approved with an income of \$1000 and a household size of 2 which resulted in a \$30 co-payment. The addition of the child increased the household size to 3 which increased the co-payment to \$35. As increases in co-payments are not allowed, the household size remains at 2 to keep the \$30 co-payment. The new child is still added to the certificate effective January as the change was timely reported.~~

When other individuals enter the household:

If an additional individual enters the household it must be determined if the cumulative effect of change in the household size, income and deductions of that caretaker

results in an increase or decrease in the co-payment amount.

If the addition of the individual results in a decreased co-payment, the change is made based on timely reporting. If timely reported (within 10 days of the date of change) and verified, or is not questionable, the household size is changed and income is added effective the month the individual entered the household.

When an additional caretaker enters the household, it must be determined if that caretaker has an allowable activity. If the caretaker does not have an allowable activity, the household must be allowed three consecutive months of continued assistance based on timely reporting of the change and policy at Allowable Activities 400-28-55-05.

Example:

September application was approved with mom and her child. On February 15th, mom reports that the father of the child has entered her household February 13th. ~~The application was initially approved with an income of \$1000 and a household size of 2 which resulted in a \$30 co-payment. The addition of the father with no income increased the household size to 3 which increased the co-payment to \$35. As increases in co-payments are not allowed, the household size remains at 2 to keep the \$30 co-payment.~~ The father does not have an allowable activity as of entering the household. As the change was reported timely, the household's three months of continued assistance begins March. Child care can continued to be paid for February, March, April and May with no activity of the father.

Persons Leaving the Home

- New Applications and Reviews:
 - At application, individuals who are required to be included in the ~~child care assistance~~ **CCAP** unit leave the household in the month prior to the application month are included in the prior month determination but are not included in the application month determination.
 - Individuals who are required to be included in the ~~child care assistance~~ **CCAP** unit leave the home in the month of application or review prior to the application or review being approved or denied are not included in the child care assistance unit, unless the individual who left is a child and the child had a need for child care.
- Ongoing Cases:
 - Households are not required to report changes in household size except when there is no longer an eligible child.

When an eligible child moves out of the household:

- If timely reported (within 10 days of the date of change) and verified, or is not questionable, the child is removed ~~from the certificate~~ in the month following the month the change occurred.
- If the change is not reported timely or is questionable and not verified timely, the child is removed effective the month the change occurred.
- If the only eligible child leaves the household, ~~the case~~ **CCAP** is closed based **on** timely reporting. Overpayments may need to be established for any months in which payment was made for child that was not present in the household.

When other individuals leave the household:

- If an additional individual leaves the household it must be determined if the cumulative effect of change in the household size, income and deductions of that caretaker results in an increase or decrease in the co-payment amount.

If the removal of the individual results in a decreased co-payment, the change is made based on timely reporting. If timely reported (within 10 days of the date of change) and verified, or is not questionable, the **filing unit size** ~~household size~~ is changed and income is **ended** ~~removed~~ effective the month the individual left the household. If the change results in an increased co-payment, the change is not made.

In order for a marriage performed in North Dakota to be recognized or considered valid in North Dakota, couples are required to obtain a marriage license through the County Recorder's Office.

Marriages that occur outside of North Dakota are considered valid in North Dakota if:

1. The marriage was legally performed in another state;
2. The marriage is a common law marriage that occurred in another state and was considered a valid marriage in that state (the couple would be required to provide documentation verifying that the common-law marriage was considered valid by the state in which it took place); or
3. The marriage occurred in another country and the marriage was considered valid according to the law of the country where the marriage was contracted, unless the marriage violates the strong public policy of North Dakota.

Note: Polygamous marriages violate the strong public policy of North Dakota.

11. 400-28-35-10 – Caretaker temporarily out of home. Terminology was updated.

Caretaker Temporarily Out of Home 400-28-35-10

A household with one caretaker who is living apart from the children either in state or out of state, due to allowable employment, allowable education or training, uniformed service, medical condition may be eligible for the Child Care Assistance Program (CCAP) in the month they leave. Child care incurred until the time they leave can be covered and ~~the case~~ **CCAP** is closed at the end of the month they leave.

The new caretaker(s) with whom the child(ren) resides must apply. If the new caretaker applies and incurs child care costs in the month the first caretaker's case **CCAP** was closed, child care for the new caretaker can be paid starting from the date the child(ren) reside with the second caretaker and incur child care costs.

Should the first caretaker return home and the child(ren) resides with that caretaker, ~~the case~~ **CCAP** for the second caretaker must be closed at the end of that month. The child care costs for the second caretaker would be paid only through the date the children were residing in that home. The first caretaker must reapply and child care costs for the first caretaker could be paid starting from the date the children were residing in that home.

A household with two caretakers where one of the caretaker's is temporarily living apart from the other caretaker and child(ren), either in state or out of state, due to allowable employment, allowable education or training, uniformed service or medical condition is not considered absent from the home as long as he or she continues to function as a caretaker; even if the level of support or care is reduced. Child care costs can be paid while the remaining caretaker is participating in an allowable activity. Both caretakers are counted as a household members and all gross countable

income and allowable expenses are used to determine CCAP income eligibility.

In families with two caretakers, CCAP may pay for child care costs of a caretaker participating in an allowable activity for the children remaining in the home, when the other caretaker is temporarily out of the home due to a state approved medical condition of either the caretaker or of a child in the Child Care Assistance Unit.

The family must obtain verification from a medical provider supporting the medical condition of the member of the ~~Child Care Assistance~~ filing unit, and provide the information to the eligibility worker. The information must be forwarded to the CCAP State Determination Team for a decision.

The CCAP State Determination Team will render a decision and notify the eligibility worker if the request has been approved or denied. If approved, the CCAP State Determination Team will determine the length of the approval.

When the caretaker and member of the ~~Child Care Assistance~~ filing unit with the medical condition are back in the home, ~~the child care case~~ CCAP must be closed, unless otherwise eligible.

Crossroads Families 400-28-40

12. 400-28-40-05– Eligibility for Crossroads Families. Policy updated to reflect current Crossroads policy.

Eligibility for Crossroads Families 400-25-40-05

The Crossroads Program is designed to assist with child care costs for individuals who are:

- Parents up to 21 years of age (prior to the month the parent turns 21 years of age)
- Parents who are male or female
- Parents who are married or unmarried
- Parents who have the primary responsibility for the care of their child
- Parents who are pursuing **an educational activity** ~~high school, a GED or alternative high school~~

If the parent is interested in receiving assistance through Crossroads, the parent must apply for Crossroads.

A parent applying for Crossroads who is requesting assistance with child care expenses must also apply for the Child Care Assistance Program (CCAP) unless the parent already ~~has an~~ **is** open **for** CCAP case. Upon receipt of the Crossroad's approval letter, the individual is eligible for CCAP to cover the costs of child care.

A copy of the Crossroads approval letter must be submitted to the county to verify the parent(s) is eligible for Crossroads. The approval letter shows the period of time the parent is eligible for Crossroads.

While an individual is eligible for Crossroads, child care for that individual can be reimbursed under CCAP. In these situations, the **allowable activity** ~~certificate~~ must ~~reflect~~ **be** education, work or approved activities on the education plan.

A parent, who participated in Crossroads in the previous school period and who intends to participate in Crossroads for the next school period is eligible for Crossroads coverage during the break between the two school periods if the parent is working or participating in Crossroads case management services during that time. Verification of participation must

~~be provided to the county. If the break is expected to last for more than a calendar month and the parent will not be in an allowable activity, working or attending parenting classes, the CCAP case must be closed. At the time it is learned that the individual will not be returning to school, eligibility as a Crossroads family ends.~~

When an individual eligible for Crossroads is married or resides with the parent of the child, CCAP will pay the Crossroads approved child care without regard to the activities or income of the spouse or second parent.

A child in receipt of a Supplemental Security Income (SSI) may be eligible for Crossroads provided the parent meets the Crossroads eligibility criteria.

If the parent is not eligible for or chooses not to participate in the Crossroads Program, the parent can apply for CCAP and if all other program criteria is met, be eligible and is subject to the Co-pay or Waived Co-pay if eligible for TANF or Diversion.

13. Crossroads Case **Program** Closure and Continued Child Care Assistance Program 400-28-40-10-20. Section renamed and updated to reflect current policy on case closings.

Crossroads Case Closure and Continued Child Care Assistance Program 400-28-40-10-20

~~If a Crossroads case closes and there is a known allowable activity, the certificate must be updated effective the month following the month of Crossroads case closure to Co-pay or Waived Co-pay, whichever applies.~~
the household remains eligible for CCAP, the co-pay remains as waived co-pay for the remainder of the eligibility period.

If a Crossroads case closes and there **is not a known** allowable activity which continues, ~~a closing notice must be sent to close the Child Care~~

~~Assistance Program case at the end of the month equal to the Crossroads closure.~~ 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 Crossroads closure.

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

14. Initial TANF or Diversion Application/Initial Child Care Assistance Program Application 400-28-45-45-05. Terminology updated.

Initial TANF or Diversion Application/Initial Child Care Assistance Program Application 400-28-45-45-05

In addition to applying for TANF or Diversion, an applicant or recipient 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, the CCAP case is approved as Waived Co-pay.

15. Initial TANF or Diversion Application/Ongoing Child Care Assistance Program 400-28-45-45-10. Terminology updated.

Initial TANF or Diversion Application/Ongoing Child Care Assistance Program 400-28-45-45-10

A TANF or Diversion applicant who has an ongoing Child Care Assistance Program (CCAP) case must ~~be have their certificate~~ 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 certificate (which would reflect Co-pay).

16. Initial Child Care Assistance Program Application/Ongoing TANF or Diversion Case 400-28-45-45-15. Section has been renamed and terminology updated.

Initial Child Care Assistance Program Application/Ongoing TANF or Diversion Case 400-28-45-45-15.

An ongoing TANF or Diversion case **household** that applies for the Child Care Assistance Program (CCAP) and is approved for CCAP in a month the case **household** is eligible for TANF or Diversion will be a Waived Co-pay effective the month CCAP is approved.

17. TANF or Diversion Case Closure and Continued Child Care Assistance Program 400-28-45-45-25. Section has been renamed and clarifications to policy were added. Updated in IM 5363.

TANF or Diversion Case Closure and Continued Child Care Assistance Program 400-28-45-45-25.

If a TANF or Diversion case closes and there ~~is a known~~ allowable activity, the certificate must be updated effective the month following the month of TANF or Diversion case closure. The case becomes Co-pay or Waived Co-pay, whichever applies. and remains eligible for CCAP, the co-pay remains as waived co-pay for the remainder of the eligibility period.

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

~~If a TANF monthly report is not completed and returned by the 15th of the month for a TANF or Diversion case, a Pending Notice must be sent to the household requesting information as to whether they continue to have a need and participate in an approved activity.~~

- ~~• If the family provides the completed TANF Monthly Report by the last day of the month and the TANF benefit for the future month is determined, the household is not subject to the three continued months of assistance and eligibility for CCAP may continue.~~

- ~~If the family does not provide the TANF Monthly Report but contacts the Eligibility Worker:~~
 - ~~If the individual will not be participating in an approved activity for the future month, the household must be allowed three months of continued assistance from the month following the TANF or Diversion closure.~~

18. Mandatory Verification 400-28-50-02. This section has been updated to include requirements on date stamping verifications.

Mandatory Verification 400-28-50-02

Eligibility for the Child Care Assistance Program (CCAP) is determined primarily by information supplied by the applicant/caretaker. Certain conditions of eligibility must be supported by conclusive, documenting evidence.

At time of application, review, or when a new member is added to the household, the household is required to provide the following verifications:

- Identity of Applicant/Caretaker;
- Citizenship for children for whom CCAP benefits are being requested;
- Age for children for whom CCAP benefits are being requested;
- Caretaker's association to the child(ren) for whom CCAP benefits are being requested;
- Verification of education or training;
- Court ordered child support or court ordered spousal support deduction;
- All income received by the family, to include all earned, unearned and self-employment income.

Should the applicant/caretaker be unable to obtain the required verifications, the eligibility worker may assist with obtaining the information.

All documentary evidence must be date stamped the day it is received at the human service zone. It is unacceptable to use the date the verifications are scanned into the case file as the date stamp. An electronic date stamp is acceptable as long as it is part of the document and stamped the day the verification is received.

19. Residence 400-28-50-05. Added clarification for eligibility requirements.

Residence 400-28-50-05

Only families physically residing within the boundaries of North Dakota are eligible for the Child Care Assistance Program (CCAP). There is no state residence duration requirement for eligibility for CCAP.

Households may be eligible for CCAP in a month where they do not reside in North Dakota for the full month and received Child Care Assistance in another state. Payment can only be made for hours when the household resided in ND and was in an allowable activity.

Non-Financial Eligibility Requirements 400-28-50

20. Social Security Number 400-28-50-30. Removed the policy relating to dummy numbers as this is no longer needed.

Social Security Number 400-28-50-30

Disclosure of the Social Security Number (SSN) is **voluntary** and is requested for the purpose of accurate identification. Failure to disclose the SSN will not affect participation in this program. A hard copy of the SSN cannot be required.

The SSN for the caretaker and for each child requesting Child Care Assistance Program (CCAP) benefits may be provided by the caretaker.

If a caretaker or child does not have a SSN when application for CCAP is made, the eligibility worker may assist the family in the application process for a SSN if they choose to apply for a SSN.

~~If the SSN is not provided for either the caretaker or the child for whom assistance is being requested, the eligibility worker will assign a number for the caretaker whose name the case will be in and to the child(ren) who are requesting CCAP. The first three digits will be "999". The second two digits will be that of the county and the last four digits will be the next available number from the county roster.~~

~~Each county should keep a log of such cases so that numbers are not duplicated.~~

~~**Example:** If the family resides in Barnes County, the number will be 999-02-0001 for the caretaker. The child's number will be 999-02-0002. If there are more children, continue in numerical order with the last four digits.~~

~~If another family applies who need numbers assigned to them, they should be given the next available number on the county roster.~~

~~-~~

~~Once a number is assigned by the eligibility worker, the number follows that individual regardless of the county the individual resides in, and is only updated if the caretaker provides the actual SSN.~~

~~-~~

~~If the caretaker provides their SSN but not the SSN for the children, use the SSN for the caretaker to establish case identification and assign a number for each child requesting CCAP using the process above.~~

~~If at a later date the caretaker provides an SSN for the caretaker and/or any eligible children, the number in the CCAP system is changed from the assigned number to the SSN.~~

In situations where there is a discrepancy (i.e. duplicate numbers for the same individual, the same number for two different individuals, etc), a copy of the SSN card may be requested but cannot be required.

21. Education or Training 400-28-50-35. Removed SFN 113 as required form and added in additional information for what can be provided as verification.

Education or Training 400-28-50-35

Verification of school attendance requirements must be provided:

- At the time an individual applies for the Child Care Assistance Program and is participating in an approved postsecondary educational or training activity
- In an ongoing case when an individual begins participation in an approved postsecondary educational or training activity

Documents or records that may be used to verify school attendance include, but are not limited to: ~~The following items are required to be included in the case file:~~

- A copy of the education or training class schedule
 - **Signed statement from the education facility**
 - ~~SFN 113 Postsecondary Education Information Form (if pursuing Postsecondary Education)~~
22. Allowable Activities 400-28-55-05. Removed old policy reference. Removed a duplicate sentence. Added a statement for when activity search hours are questionable.

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 and 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.

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 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.~~

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 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.

If activity search hours are questionable at time of payment, verification can be requested from the household before payment is processed.

2. 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 **engaged** in an allowable activity (work, education or training) and the other caretaker **is engaged in parental leave** ~~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.

Income 400-28-65-10

23. 400-28-65-10-30 Documentation/Verification of Earned Income. This section has been updated to include requirements on date stamping verifications and to incorporate IM 5367.

Documentation/Verification of Earned Income 400-28-65-10-30

All earned income received by the family must be verified.

The primary verification of declared earnings is the pay record (pay stubs, etc.) verifying the gross wages received paid by the employer.

Documents or records available to verify earned income include but are not limited to the following:

- Pay stubs
- Employer's wage records
- A statement from the individual's employer that includes the name of the business, the name of the person who completed, signed and dated the form, along with the position they occupy in the business.
- A copy of the contract if income is received on a contractual basis
- Interface

NOTE: Information received through the Federal Data Services Hub (FDSH) in order to obtain real-time verification of earnings based on data from Equifax (previously known as TALX or The Work Number) can ONLY be used to determine eligibility for Health Care Coverage programs.

For all other economic assistance programs, this information will be considered known information to the county. The information must be verified independently if action is required.

All documentary evidence must be date stamped the day it is received at the human service zone. It is unacceptable to use the date the verifications are scanned into the case file as the date stamp. An electronic date stamp is acceptable as long as it is part of the document and stamped the day the verification is received.

24. 400-28-65-10-40 Unearned Income. Added policy reference for Tribal payments and IIM Accounts.

Unearned Income 400-28-65-10-40

6. Tribal Payments and Individual Indian Monies (IIM) Accounts
400-28-65-10-47 – This section includes the policy regarding the treatment of this income.
25. 400-28-65-10-55 Documentation/Verification of Unearned Income. This section has been updated to include requirements on date stamping verifications.

Documentation/Verification of Unearned Income 400-28-65-10-55

Actual [unearned income](#) must be verified. If the individual is known to a [TANF](#), SNAP or Health Care Coverage program case, the primary [verification](#) for Social Security Administration (SSA) benefits will be the established through the State Data Exchange (SDX) or Third Party Query (TPQY) interfaces. When circumstances warrant, contact with the Social Security District Office to obtain benefit information may be necessary.

If the individual is not known to a TANF, SNAP or Health Care Coverage program case, the verification cannot be obtained through SSA (TPQY or SDX) interfaces or IRS (UFO or BENDEX) interfaces.

Documents or records available to verify unearned income include but are not limited to the following:

- SSA benefit letter or interface
- Unemployment Compensation benefit letter or interface
- Pension benefit letter
- VA benefit letter

- Railroad benefit letter

Verification of Child/[Spousal Support](#) received

Documents or records available to verify child/spousal support include but are not limited to the following:

- Divorce or separation papers
- Court order
- Support agreement
- Correspondence on support payments
- Receipts for contribution
- Employer Records of garnished wages
- Child Support Enforcement's FACES ledger or Electronic Payment Card
- Print out from agency disbursing the [child support](#)

All documentary evidence must be date stamped the day it is received at the human service zone. It is unacceptable to use the date the verifications are scanned into the case file as the date stamp. An electronic date stamp is acceptable as long as it is part of the document and stamped the day the verification is received.

26. 400-28-65-15 Income Exclusions. Added policy reference for Tribal payments and IIM Accounts.

Income Exclusions 400-28-65-15

The following types of income are excluded:

1. Non-recurring lump-sum unearned payments are those payments that cannot be reasonably anticipated to be received again. These payments include, but not limited to:

- Retroactive Social Security payments (whether it is paid in a lump sum or installments)
- Retroactive SSI (whether it is paid in a lump sum or installments)
- Retroactive adjustment payments from SSA due to changes in the individual's earning record
- Retroactive unemployment benefits
- Retroactive TANF
- Retroactive railroad retirement benefits
- Retroactive Veteran's benefits
- Retroactive Workforce Safety and Insurance
- Inheritance
- Gambling winnings
- Child support intercepted from Federal taxes
- Insurance settlements
- Mineral leasing bonuses and up-front payments
- Contests
- Employees retirement funds taken as a lump sum
- Severance Pay

- Income received from a trust - Submit SFN 1947 - Request for Trust Review, along with complete copies of all trust agreements to the Legal Advisory Unit of the Department of Human Services for review.
 - 2. Earned income received as a non-recurring lump-sum payment including, but not limited to:
 - Bonuses
 - Military re-enlistment bonuses
 - 3. Tribal Payments and Individual Indian Monies (IIM) Accounts 400-28-65-10-47 – This section includes the policy regarding the treatment of this income.
27. Terminated Source of Income 400-28-65-25. Updated with IM 5363.

Terminated Source of Income 400-28-65-25

Income is considered a terminated source of income when the final payment of income is received in the month prior to, the month of, or the month following the month:

- The application is received;
- The month the review is due;
- ~~The case changes from Waived Co-pay to Co-pay~~

If at application or review, ~~or when a case changes from Waived Co-pay to Co-pay~~ and the caretaker **household** indicates income has ended from any source, the caretaker must provide verification of the terminated source and the last date it was received. Since income eligibility is determined prospectively, this income would not be used as it is not an ongoing source of income and will not be received during that certification eligibility period.

Note: If verification of the terminated source income and the last

date it was received is not provided, the application must be denied or the case **CCAP** closed.

If a caretaker **assistance** is requesting **ed** child care for the month prior to the month of application and the caretaker **household** indicates income has ended from any source, the **caretaker household** must provide verification of the terminated source and the last date it was received. All actual gross income received in the prior month is used to determine eligibility for the prior month including terminated sources of income.

~~When adding a person to an ongoing case and the caretaker indicates the added individual's income ended from any source, the caretaker must provide verification of that individual's terminated source of income and the last date it was received. That income would not be used as it is not an ongoing source of income and will not be received during the remainder of the certification period.~~

Note: ~~Gross income of existing individuals in the case continues to be counted until the next review whether or not the existing individual's income terminates.~~

~~If a caretaker in an ongoing case reports that income from a specific source is terminated, no changes in income are made as changes in income do not affect eligibility during a certification period.~~

Allowable Income Deductions 400-28-65-30

28. 400-28-65-30-05 Overview. Removed information around prior month deductions as this covered in 400-28-70-10, Converting Allowable Income Deductions. Removed information relating to deductions for prospective income as this is covered in 400-28-75, Budgeting for the Child Care Assistance Program. Updated policy about how to treat deductions when they are not verified timely.

Overview 400-28-65-30-05

Allowable deductions are deducted from gross countable income. Allowable deductions must be verified. If the allowable deductions are not verified, they cannot be allowed.

The only allowable deduction from gross countable income is court ordered child/spousal support paid, including arrearages.

~~If eligibility is being determined for a prior month, policy that applies to allowable income deductions is found in Section 400-28-70-10, Converting Allowable Income Deductions.~~

~~-~~

~~If eligibility is being determined prospectively for allowable income deductions, policy that is applied to income is applied to allowable deductions and is found in the Child Care Assistance Program manual section 400-28-75, Budgeting for the Child Care Assistance Program.~~

A household must be given the opportunity to verify allowable deductions. If a household has been given that opportunity and does not provide the verifications, the case is processed without consideration of the claimed deductions.

If the household fails to provide verification within the 10 day period and provides verification at a later date, benefits are increased in the month the verification is received.

~~If deductions are not provided when requested, but provided after the case has been processed, the deductions cannot be used. The household will be given the opportunity to claim those expenses at the next application, 6 month review and when a case changes from Waived Co-pay to Co-pay to provide current information.~~

~~If a household member was being allowed deductions and leaves the household, the allowable deduction is removed when the household member is removed.~~

When removing a household member during the eligibility period, all deductions of that individual are removed effective the month the household member is removed. Eligibility must be redetermined for a decrease in co-payment.

Converting Income 400-28-70

29. 400-28-70-05 Converting Income. Removed child support from the list of incomes that conversion does not apply to. This is a change in policy.

Converting Income 400-28-70-05

Income for the Child Care Assistance Program (CCAP) is converted to a monthly income.

Conversion applies to all cases when income (both earned and unearned) is received either weekly or biweekly. Conversion applies to the tips, commissions, bonuses or incentives that are listed on paystubs received weekly or bi-weekly.

Income conversion does not apply to the following:

- Income for individuals who have a Waived Co-pay as income is not counted
- Self-employment income
- ~~Child support income~~

- When eligibility is being determined for the month prior to the application month
- Individuals paid monthly, semi-monthly, or irregularly
- Tips, commissions, bonuses or incentive pay which is **not** listed as income on paystubs is counted separately as earned income

To convert weekly earnings, total the weekly checks and divide by the number of checks to arrive at the weekly average. The weekly average is then multiplied by 4.3.

To convert biweekly earnings, total the biweekly checks and divide by the number of checks to arrive at the biweekly average. The biweekly average is then multiplied by 2.15.

Regular income received by those individuals who normally are paid on a weekly or bi-weekly basis must be converted even when the individual did not receive a check for each pay period in the month. To arrive at the weekly or bi-weekly amount to be converted, the gross amount of each check is totaled, then divided by the number of checks actually received.

When an individual begins a new job, or has a change in the number of hours employed and the employer verifies a range of work hours, the greater number of work hours verified must be used to determine the income for the caretaker.

Budgeting for the Child Care Assistance Program 400-28-75

30. Prospecting Income for the Certificate **Eligibility** Period 400-28-75-10. Section renamed and updated in IM 5363.

Prospecting Income for the Certificate Period 400-28-75-10

Gross income, **either earned or unearned**, must be determined prospectively ~~as eligibility is determined for a specific certificate period.~~

Income from the following timeframes must be verified and documented at application or review:

- Income from the month prior to the application or review, and
- Income from the month of application or review through the date the application or review is received by the county ~~social service~~ office.

If income from the specified timeframes is NOT reflective of anticipated income for the certificate **eligibility** period, the household must verify their anticipated monthly income.

Total countable household income at the time of application must be at or below 60% SMI, based on the DN 241 Sliding Fee Schedule.

Total countable household income at the time of review must be evaluated for graduated eligibility based on policy at Graduated Eligibility 400-28-25-15.

Prospected income amounts are rounded down to the nearest dollar.

Note: If an employer verifies a range of work hours, the ~~higher~~ **average** number of work hours verified will be used to determine the prospected income.

Example 1:

A household applies for CCAP on November 18th. The household reports that they had a job end in October and received their last check from that job on November 5th. The household also reports that they started a new job November 10th. Income from the terminated job from October is not considered when prospecting income. Anticipated income from their new job that started in November would be used.

Example 2:

A household applies for CCAP on June 4th. Paystubs from May indicate that the household worked an additional 10 hours of overtime each week in May. The household verifies that they will no longer receive overtime in June or July. The income from overtime hours in May is not used when prospecting income for the certificate **eligibility** period.

If the household requests assistance for the month prior to the application month, actual income, including **self-employment and** terminated sources, received in that month must be verified and used. Income is NOT prospected for the prior month.

Example:

A household applies for CCAP on June 4th and requests assistance with ~~May~~ child care costs from May. In May the household worked an additional 10 hours of overtime each week. All regular and overtime income would be considered and used for the month of May.

Ongoing CCAP households that were in receipt of Crossroads, Diversion, TANF or Transition, but are no longer participating in one of those programs will continue to have a waived co-payment for the remainder of the eligibility period.

Ongoing CCAP households that become eligible for Crossroads, Diversion, TANF or Transition will have their co-payment waived effective the first month of eligibility for one of those programs.

Adding or Removing a Household Member

When adding a household member during the eligibility period, all gross income and deductions of that individual is considered and must be

evaluated for an increase or decrease in benefits. If it results in a decrease, the income and deductions are not added and no further action is needed. If it results in an increase, the income and deductions are added based on timely reporting. In order to allow an increase in benefits, the new household member must verify income from the following timeframes:

- Income from the month prior to joining the household, and
- Income from the month of joining the household.
- If income from the specified timeframes is NOT reflective of anticipated income for the eligibility period, the household must verify the anticipated monthly income.

If the household fails to provide verification, the previously verified amount is used and the benefit remains the same. If there is no previously verified amount (i.e. household reports paying child support and previously had not), no change is made and the benefit remains the same.

When removing a household member during the certificate **eligibility** period, all gross income and deductions of that individual are removed effective the month the household member is removed from the household if it results in an increase in benefits.

Waived Co-Pay

~~Ongoing CCAP cases that were in receipt of Crossroads, Diversion, TANF or Transition, but are no longer participating in one of those programs must have their income prospected for the remainder of the certificate period. Income from the following timeframes must be verified and documented:-~~

- ~~• Income from the month prior to the case closure, and~~
- ~~• Income from the month of case closure.~~

~~If income from the specified timeframes is NOT reflective of anticipated income for the certificate period, the household must verify their anticipated monthly income.~~

~~Ongoing CCAP cases that become eligible for Crossroads, Diversion, TANF or Transition must have their income removed from the CCAP case effective the month of eligibility of one of those programs.~~

31. When Income and Allowable Income Deductions are Verified and Changed 400-28-75-50. Updated with IM 5363 and added clarification to when decreased income can be acted on.

When Income and Allowable Income Deductions are Verified and Changed 400-28-75-50

Verification of gross income and allowable income deductions for all household members is required at application, ~~and~~ review, ~~or when a case changes from Waived Co-pay (Crossroads, Diversion, TANF or Transition) to Co-pay.~~

In an ongoing case, changes in gross income or allowable income deductions for existing household members are not acted upon, except in the following situations:

- There is a change in income or allowable deductions that results in a decreased co-payment. Decreases in income are only acted on when the household verifies that the reduced income will continue. Reduced income will not be allowed when the household voluntarily reduces their activity hours for an allowable activity. In these situations, the previously verified income will continue to be used for the remainder of the eligibility period. If the household reports and verifies income from a new source that results in a reduced co-payment, the old income may be removed and the new income may be used.
- Decreased income can be acted on when the household loses a job and then has a new job, when the employer reduces work hours without

consent of the household, **including termination**, or when a household was working and then ends employment to attend an education activity.

- The household's monthly gross income, minus allowable deductions, exceeds 85% SMI for the household size. In these situations, ~~the case~~ **CCAP** must be closed due to excess income. Households remain eligible for CCAP during the eligibility period as long as total countable income is at or below 85% SMI, per DN 241 Sliding Fee Schedule, for the determined household size.

Note: If the household does not anticipate that the income will continue to exceed the income limit for the household size, the household must provide verification of anticipated income and deductions.

When adding a household member, only the new household member may verify their gross income and allowable deductions. No changes in income or deductions are made for existing household members, unless one of the situations listed above applies.

Allowable Child Care Hours and Level of Care 400-28-80

32. 400-28-80-10 Calculating a Caretaker's Allowable Child Care Hours.
Updated with IM 5363.

Calculating a Caretaker's Allowable Child Care Hours 400-28-80-10

When calculating a household's child care need, the hours allowed must be based on the individual caretaker's allowable activity schedule compared to the schedule of the child, when applicable.

In two-caretaker households, the allowable child care hours must be the least amount of hours needed when the two schedules are compared.

Example:

Mom works 40 hours a week. Dad works 30 hours a week. The maximum allowable child care hours are 30 hours per week.

To calculate any type of activity hours, activity schedules from the following timeframes must be verified and documented at application or review:

- Activity hours from the month prior to the application or review month, and
- Activity hours from the month of application or review through the date the application or review is received by the county social service office.

If the activity schedules from the specified timeframes are NOT reflective of anticipated allowable hours for the certificate **eligibility** period, the household must verify their anticipated activity schedule for all activities.

Note: If an employer verifies a range of work hours, the higher **average** number of work hours verified will be used as the allowable activity hours for the caretaker.

~~Job~~ **Activity** search and parental leave hours are not used when calculating the level of care as these are not considered allowable activities at the time of application or review.

To calculate allowable hours for Diversion, TANF or Transition cases, refer to 400-28-45, Eligibility for TANF Families.

Travel and Break Time

Travel and break time must be allowed for caretakers who are participating in work, education or training. For these activities, the calculated allowable activity hours must be multiplied by 25%. The additional time must be added to the allowable activity hours. Total allowable hours must be rounded up.

Example:

A caretaker has 17 allowable activity hours per week. 17 hours is multiplied by 25%, which equals an additional 4.25 hours per week. Total allowable hours are now 21.25 hours per week, which is rounded up to 22 hours per week.

In certain situations, the caretaker's travel time may exceed the 25% calculation; additional time may be allowed. The reason and needed time for travel must be documented.

Night Shift Work

Caretakers who work night shifts must be allowed sleep time. Up to 6 hours of sleep time after each shift must be allowed.

Example:

Caretaker works night shifts Tuesdays, Wednesdays and Thursdays from 6:00 p.m. to 6:00 a.m. When determining the allowable child care hours, the caretaker must be allowed an additional 6 hours for each day of work. A total of 18 hours must be allowed per week.

Employment

Weekly work hours are determined by using verified paystubs, employer's statements, etc.

To calculate the number of weekly work hours when paid **biweekly, semimonthly, monthly or irregularly**, add the total number of verified work hours for a month and divide by 4.

Example:

A household applies February 12th and verifies that they are paid biweekly. The household received a check on January 22nd with a total of 72 hours worked. Another check was received on February 5th with a total

of 70 hours worked. Total monthly hours add up to 142, which is divided by 4 to average the total weekly hours. Average weekly hours are 35.5 before the allowance of travel and break time.

To calculate the number of weekly work hours when paid weekly add the total number of verified work hours and divide by the number of checks used to verify the hours.

Example:

A household applies February 12th and verifies that they are paid weekly. The household verifies that they received a check on January 8th, January 15th, January 22nd, January 29th, and February 5th. The total hours from all paystubs adds up to 176 hours, which is then divided by 5. Average weekly hours are 35.2 before the allowance of travel and break time.

For individuals who are self-employed, the individual must provide a schedule completed by the individual, listing the hours the individual will participate in their self-employment activity for the month of application and the month prior to the month of application. The total monthly hours are divided by 4 to determine the weekly hours.

Education and Training

Students enrolled in GED, high school or postsecondary education or training which is not based on credit hours must have their allowable activity hours determined by the time they attend their education or training activity.

Example:

Caretaker attends high school Monday through Friday from 8 a.m. to 3 p.m. based on the verified school schedule. Total allowable activity hours of 37.5, before travel and break time calculation, will be allowed.

Students enrolled in postsecondary education which is based on credit hours must have their allowable activity hours determined by multiplying the verified credit hours by 2.

Note: Students who are enrolled in accelerated degree programs must also have their allowable activity hours determined by the time they attend class, not by the number of credit hours.

Example: A student's class schedule verifies 12 credit hours. Multiplying each credit by 2 results in 24 hours per week as the student's allowable child care hours, before the travel and break time calculation.

If a student applies for CCAP during a break in school attendance, verification of the anticipated school schedule must be used to determine the allowable activity hours.

33. 400-28-80-25 Absent Days. Updated with IM 5385.

Absent Days 400-28-80-25

Up to 40 hours per calendar month can be allowed for a child who is absent from their child care setting for any reason when the provider requires payment of the absence.

The total number of hours that the child was absent must be listed on the Child Care Request for Payment form.

More than 40 hours per month can be allowed in situations that result in closures or absences due to inclement weather, **state and national emergencies, or other emergencies as determined by the department. The department will provide case processing guidance in these situations.** ~~These situations must be reviewed on a case by case basis, using prudent person judgment.~~ The reason for allowing payment for additional absent days must be documented in the **system** case **narrative** file.

34. 400-28-80-50 Determining the Level of Care. Policy on determining the level of care for more than one provider has been changed.

Determining the Level of Care 400-28-80-50

The level of care is used to determine if a child needs full-time or part-time child care and is based on the calculation of allowable child care hours of the caretaker and the child.

The Level of Care must be determined in the following situations:

- application
- review
- increasing monthly child care hours
- adding a child to the certificate household
- changing or adding a provider

A child may have more than one provider. ~~The level of Care must be determined for each provider based on the number of hours the child needs care while the caretaker(s) is participating in an allowable activity.~~

To determine the Level of Care:

- Determine the allowable child care hours of each caretaker based on policy at 400-28-80-10, Calculation of Allowable Child Care Hours.
- Determine the child's allowable child care hours based on the policy at 400-28-80-10-05.
- Compare the caretaker's allowable hours to the child's allowable hours, the lesser of the hours when all schedules are compared will determine the level of care.

Example 1:

Household consists of one caretaker and one child. It is determined that the caretaker has 35 allowable activity hours per week. The child is determined to have a need of only 16 hours of care a week. 16 hours will be used to determine the level of care.

Example 2:

Household consists of two-caretakers and one school age child. Total allowable hours of the first caretaker are 22 per week. Total allowable hours of the second caretaker are 35 per week. The child attends school Monday through Friday and will be in child care after school for 3 hours per day (15 hours per week). An additional 9 hours per week are allowed for all school age children. The child's need is determined to be 24 hours per week. After comparing all schedules, it is determined that 22 hours per week will be allowed. This is because CCAP allows for the least amount of hours needed when determining the level of care.

Once this information is determined:

- If the weekly hours calculated for a child average 25 or more per week, the child falls into the full time Level of Care.
- If the weekly hours calculated for a child average from 1 to less than 25 hours per week, the child falls into part-time Level of Care.

Once a level of care is established for a child:

- The level of care is not decreased for the remaining certificate period regardless if the caretaker has a decrease in hours which would result in the child needing a lower Level of Care.
- The level of care can be increased during the certificate period when the caretaker has an increase in allowable activity hours.

Co-pay Requirements 400-28-90

35. 400-28-90-15 Applying the Co-pay. Terminology updated.

Applying the Co-pay 400-28-90-15

The Family Monthly ~~€~~co-pay amount is subtracted from the State Rate to determine the State Maximum Monthly Share.

When payment is being determined, the Family Monthly ~~€~~co-pay is deducted from the lower of the state rate or amount billed on the Child Care Billing Report Form **Request for Payment**.

When applying the Family Monthly ~~€~~co-pay to payments:

- The Family Monthly ~~€~~co-pay is applied to the provider who is first entered into the payment system. If there are two providers, the Family Monthly ~~€~~co-pay is applied to the first provider entered into the payment system. If any amount of the Family Monthly ~~€~~co-pay is remaining it will be applied to the second provider, etc.
- If the Family Monthly ~~€~~co-pay is greater than the lower of the State Rate or amount billed for the family, no child care payment will be made for the month.
- If the Family Monthly ~~€~~co-pay is less than the lower of the State Rate or amount billed for the family, the Family Monthly Co-pay is deducted from the lower of the State Rate or amount billed and the remaining amount is the maximum payment that will be made.
- ~~When the Family Monthly Co-pay is applied to a child's allowable child care costs and all of the child's costs incurred is subject to co-pay, that child continues to be eligible for CCAP and all other eligibility criteria applies to the child.~~

The DN 241, Child Care Sliding Fee Schedule is included at Section 400-28-165-25.

36. 400-28-90-20 Waived Co-pay Families. The statement regarding families who are not subject to a co-pay do not have to provide verification of their income has been removed as other programs require income verification.

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

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. ~~These families do not have to provide verification of their income in order for their eligibility to be determined.~~ Since these families are not subject to co-pay or income requirements, child care may be paid up to the maximum State Rate.

Provider Requirements and Information 400-28-105

37. 400-28-105-20. The note about siblings residing in the same home cannot be approved relatives has been removed, as no approved relative providers will be approved when they live in the same home as the children.

Approved Relative 400-28-105-20

Approved relatives must be approved to provide care for specific children. Child Care Assistance Program (CCAP) will only make payment for children who are identified on the approved relative's approval letter.

An Approved Relative is a provider, whose relationship to the child by marriage, blood, or court degree, is a:

- Grandparent (including step-grandparents)
- Great-grand parent (including great step-grandparents)
- Aunt or uncle (including step-aunt or uncle)
- Sibling (including step-siblings) when the sibling lives at a separate residence from the child(ren).

NOTE: ~~Siblings cannot be an 'approved relative' provider if the sibling resides with the child(ren).~~

Approved relatives must apply to become eligible. The following items are required as part of the application process:

- SFN 23, Application for Approval for Relative Child Care Provider
- W-9, Request for Taxpayer Identification Number and Certificate
- SFN 433, Child Abuse and Neglect Background Inquiry for each household member age 18 and over
- Verification of SSN or Employer Identification Number (EIN)
- Verification of relationship to the children that care will be provided for. Acceptable verification includes but is not limited to:
 - Birth certificates

- Adoption papers
- Court records

To assure the health and safety of children, the approved relative and all adult household members (18 and over) will be subject to the following background checks:

- North Dakota Supreme Court website
- North Dakota State's Attorney's Sex Offender website
- Children and Family Services criminal back ground check

An Approved Relative's request to be a provider will be denied or will be terminated in an ongoing case when the applicant or household members have been found guilty of, pled guilty to, or pled no contest to any offense described in section 75-02-01.3.05 of North Dakota Administrative Code (N.D.A.C.).

Approved relative applicants must reside in North Dakota. Approved relatives can only provide care in the provider's own home. Approved relative providers cannot be approved to provide care in the child's home unless the child is subject to policy at 400-28-35-30, In Home Care Due to Illness/Disability. If an approved relative provider applicant is living in the same home as the child(ren) they are applying to care for, and separate living quarters do not exist, the approved relative application is denied. The approved relative provider applicant must apply to become licensed or self-declared in order to receive payment from CCAP.

An approval or denial letter will be sent to the applicant upon determination. An applicant may appeal the decision by submitting a signed written request to the agency within 30 days from the date of the notice of the letter. During an appeal process, payments will not be made by the CCAP.

- A pending **request for verification** notice will be sent in situations when more information is needed. The applicant or approved provider has

10 days to respond to the notice. If the applicant does not respond to the notice within 10 days, the application will be denied. In ongoing approvals, the approval must end at the end of the month after the 10 days have passed.

Once approved, a provider number will be assigned by the state CCAP office.

Approved relative providers must renew the approval every year in order to continue to receive CCAP. The provider must also submit a W-9 yearly with their renewal application.

If the approved relative provider moves, the approval becomes invalid and the provider must reapply.

Approved relative providers are required to maintain attendance records for each child in their care. Records should include the child's name, the date, and check-in/check-out times. All attendance records must be made available at the request of the state or county social-services office. The attendance records must be handled in a manner that protects the identity of CCAP families.

38. 400-28-105-25- Qualified Providers for Certificate and Payment. Added policy regarding providers who are dual licensed. Removed policy for providers who are not licensed at application or review as this is no longer a requirement for eligibility. A licensed provider is only required when payments are authorized.

Qualified Providers for Certificate and Payment 400-28-105-25

The household's provider must be licensed (including military, tribal and out-of-state), self-declaration, or an approved relative provider. The license must be current, and have an expiration date later than the date of CCAP application.

If a provider is dual licensed, through the state and the tribe, payment will be issued based on the state license.

CCAP will make payment back to the first of the month in which the provider's license is effective.

~~Application or Review~~

~~If at time of CCAP application or review, the provider is not currently licensed and the provider will not become licensed within the CCAP application or review processing time frame and the family is not using any other qualified provider(s), the household must find another provider who is licensed or the application or review must be denied.~~

NOTE: Provider's may appeal a license denial. Payment for CCAP cannot be made during the appeal process as the provider is not licensed. If the provider wins the appeal, CCAP will make payment back to the effective date of the provider license.

If a CCAP applicant requests child care for a prior month and the provider was not licensed in that prior month, payment cannot be made to that provider for that month.

Ongoing

~~In an ongoing case a closing notice must be sent at the time it is discovered that the household no longer has a licensed provider, the case must be set to close at the end of the month the closing notice is sent.~~

In an ongoing case where there is more than one provider and one of the provider(s) is no longer licensed the provider must be removed from the certificate effective the month following the month of expiration.

If the provider license expires during the **eligibility** certificate period, payment can only be up to the expiration date. Any care provided

following expiration date **cannot** be paid. **Verification of attendance can be requested for any service month when payment is requested, and a provider's license expires.**

If the provider is reinstated during the month of expiration, payment can be made for the entire month. ~~and eligibility for the family can be reinstated if the family is otherwise eligible. If the case closes prior to reinstatement, the caretaker must reapply.~~

If a child care provider's license is suspended during the certificate period, CCAP will not make payment effective the date of suspension.

If a provider is issued an 'Intent to Revoke', CCAP can continue to make payment until the **revocation is final**. ~~effective date of the revocation.~~

NOTE: Providers may appeal an **revocation or a suspension** 'Intent to Revoke'. When a provider files an appeal, CCAP can continue to pay the provider during the course of the appeal. If the provider loses the appeal, all payments made during the appeal process will be considered overpayments and must be paid back to CCAP by the provider.

39. 400-28-105-40 Qualified Provider Codes 400-28-105-40. This section has been updated to remove the codes on the CCAP payment screen as this is no longer displayed.

Qualified Provider Codes 400-28-105-40

The following table identifies the codes that are assigned to providers based on type of provider. Codes are assigned by Child and Family Services (CFS) or by the CCAP state office. ~~The table also identifies the code that displays on the CCAP payment screen:~~

Type	Code Assigned by CFS or CCAP State Office	~~Code on CCAP Payment Screen~~
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Approved Relative	Q - Approved Relative	~~AR~~
Center	C - Child Care Center E - Preschool Education Facility K - School Age Child Care M - Multiple Licensed	~~CF~~
In-Home	I - In Home Child Care	~~IN~~
Non-Relative in Family/Group Care	F - Family Child Care G - Group Child Care Home H - Group Child Care Facility	- ~~NF~~
Group	G, H	~~NG~~
Relative in Family/Group Care	F, G, H	~~RF~~
Self-Declaration	S - Self-declaration R - Tribal Registration I	~~SC~~
Tribal Registration	R	~~TR~~

40. 400-28-115-10 Caretaker and Provider Contract for Services. This section has been updated to remove information on absent days as it is already covered in 400-28-80-25, Absent Days. Additional clarification was also added to about when provider absences can be paid.

Caretaker and Provider Contract for Services 400-28-115-10

When a caretaker chooses a child care provider, there is generally a contract outlining what is expected of the family for situations of absences, holidays, vacations, and termination of services.

A contract detailing the conditions related to payment for unscheduled absences, holidays and vacations, as well as termination of services is often entered into between a caretaker and the child care provider chosen. The Child Care Assistance Program (CCAP) is neither a party of nor subject to any contract or any terms therein included.

CCAP will not be paid while the provider is absent for any reason (e.g. medical, holiday, vacation, etc.), **unless determined allowable the state office or unless absence is due to an emergency as determined in 400-28-80-25.**

~~CCAP will not be paid while the caretaker(s) is absent from participating in their allowable activity for any reason (e.g. medical, temporary illness, holiday, vacation, etc.).~~

•~~Exceptions:~~

- ~~• If the absence meets the criteria in Section 400-28-80-25, Absent Days for Illness section of this manual~~
- ~~• If the hours for a college student meet the criteria in Section 400-28-80-10, Calculating Allowable Child Care Hours.~~

~~A contract may require that a notice of termination be given and the provider may request payment for that period of time. CCAP will not reimburse costs incurred because of a termination agreement except for the time the caretaker was participating in an allowable activity and the child was present and was provided care other than the exception~~

~~addressed in 400-28-80-25, Absent Days for days for Illness, and 400-28-80-10, Calculating Allowable Child Care Hours.~~

Providers must **NOT** charge CCAP caretakers more than they are charging their lowest charged private pay families.

41. ~~Certificates~~ Requirements 400-28-120-10. Section renamed and combined with Issuing a Certificate 400-28-120-30 and Updating Certificates 400-28-120-35.

Child Care Assistance Program Certificates 400-28-120

Federal regulations require states to issue a 'certificate' to the eligible household and to each provider the household has chosen for the children for whom they are providing care.

Certificates are **can be** issued for a maximum of a 12 month period, **based on the households eligibility period**, and are **can be** issued at **any point in the eligibility period** application or review. The certificate **is created when the authorization between the provider and child begin**. ~~start date begins the first day of the month for which the application or review was approved.~~

Exception:

~~**When assistance is requested for the month prior to application, a one month certificate is created to cover the prior month.**~~

~~The following information is required to issue a certificate:~~

- ~~• Household Composition~~
- ~~• Household Income~~
- ~~• Child/Spousal support paid out~~

- ~~The child care provider(s) for each child requesting assistance~~
- ~~The provider's license number~~
- ~~Provider type~~
- ~~Approved Allowable Activities~~
- ~~Level of care for each child~~

~~Child Care Request for Payment forms are not required to issue a certificate.~~

A certificate is issued by the Department of Human Services to the caretaker who is eligible and to each provider the caretaker has chosen. The certificate contains:

- The name and address of the caretaker
- The names of children who will be receiving Child Care Assistance Program benefits
- The name of each provider(s) for each child
- The Level of Care
- The Family's Monthly Co-pay
- The State Rate
- ~~The caretaker's allowable activities (work, job search, education, training)~~

Note: ~~The names of specific assistance programs are not to be entered or shown on the certificate. For TANF recipients, list "Job Activities" for the allowable activities.~~

- The period covered by the certificate

- The right to appeal

When a certificate is issued, the caretaker is sent a copy of the certificate and the provider(s) is sent a copy of the certificate with the information that applies to the child(ren) for whom the provider(s) has been approved to provide care.

42. 400-28-120-30 Issuing a Certificate. The section has been repealed. All pertinent information has been moved to section 400-28-120-10.

~~Issuing a Certificate 400-28-120-30~~

The following information is required to issue a certificate:

- ~~Household composition~~
- ~~Household income~~
- ~~Child/spousal support paid out~~
- ~~The child care provider(s) for each child requesting assistance~~
- ~~The provider(s)'s license number~~
- ~~Provider type~~
- ~~Level of Care required~~
- ~~Caretaker(s) allowable activity/schedule~~
- ~~Child(ren)'s schedule (school age)~~

Upon receipt of this information, the Excel spreadsheet may be used to determine the Co-pay and State Rate. When the Excel spreadsheet is used, a copy must be included in the case file.

-

~~The issuance of a certificate does not require submittal of a Child Care Billing Report form.~~

~~-~~

~~A certificate is issued:~~

- ~~• At application~~
- ~~• At review~~
- ~~• When a certificate must be updated~~

~~When a certificate is issued, the caretaker is sent a copy of the certificate and the provider(s) is sent a copy of the certificate with the information that applies to the child(ren) for whom the provider(s) has been approved to provide care.~~

43. 400 -28-120-35 Updating Certificates-The section has been repealed. All pertinent information has been moved to section 400-28-120-10.

~~**Updating Certificates 400-28-120-35**~~

~~When a certificate is issued, the certificate is not changed unless an eligibility criteria to change a certificate is met.~~

~~The start date of an updated certificate is the first day of the month the change is determined to be effective based on the timeliness of the reported change. An update to a certificate does not extend the maximum 12 month certificate period.~~

Example:

~~An application was approved and a certificate was created effective April 1 through March 31. On June 14 the household timely reported and verified that a child entered the home and needs child care. Because the change was reported and verified timely, the change is implemented and a certificate update is~~

~~created effective June 1. The updated certificate is now effective June 1 through March 31.~~

~~A certificate must be updated for the following reasons:~~

- ~~• When there is a change in the Child Care Assistance unit household size:
 - ~~○ Someone moves into the household~~
 - ~~○ Someone moves out of the household~~~~
 - ~~• Change in allowable activity
 - ~~○ Start or end of activity search~~
 - ~~○ Start of allowable activity (not previously in any allowable activity)~~
 - ~~○ End of allowable activity (no longer in any allowable activity)~~
 - ~~○ Start or end of school which includes:
 - ~~▪ A postsecondary student completes an associate degree, postsecondary diploma, certificate of completion or any other vocational training course or if the caretaker(s) changes to another course of study.~~~~
 - ~~○ Start or end of TANF, Diversion or Crossroads~~~~
 - ~~• Increase in monthly child care hours for a child if the increase in hours increased the Level of Care.~~
- ~~**Note:** Decreases in the Level of Care are not made during the certificate period.~~
- ~~• Changes in provider(s) or addition of provider(s)~~

- ~~When a provider is no longer being used by the family or the provider is no longer a qualified provider.~~
- ~~When a child is no longer eligible for the Child Care Assistance Program including but not limited to:~~
 - ~~if age 13 and under 19 and verified care no longer exists~~
 - ~~enters Foster Care~~
 - ~~no longer needs care~~
- ~~State residency~~
- ~~When a case changes from Waived Co-pay to Co-pay, the certificate must be updated for the month following the month the TANF, Diversion or Crossroads case closes.~~
- ~~When a case changes from Co-pay to Waived Co-pay, the certificate must be updated effective the month the case is approved for TANF, Diversion or Crossroads.~~
- ~~When an Intentional Program Violation disqualification penalty is imposed the certificate must be closed effective the month the individual is disqualified.~~
 - ~~**Exception:** Individuals who apply for or are receiving assistance through a federal or state funded program and require child care in order to participate in that federal or state funded program are eligible to receive child care through CCAP in a month they are subject to an IPV disqualification. Individuals that apply for or are receiving TANF, Transition, Diversion, or Crossroads are eligible to receive child care during an IPV disqualification period providing all other factors of eligibility are met.~~

~~There may be additional reasons not included in the list above that may require a certificate to be updated.~~

~~If a certificate must be closed, the caretaker is sent a copy of the updated certificate and the provider(s) is sent a copy of the certificate with the information that applies to the child(ren) for whom the provider(s) has been approved to provide care.~~

~~If a certificate is updated and there are multiple providers for the family, an updated certificate is only sent to the provider whose certificate has been updated. A certificate is not mailed to a provider if there is no change to their certificate.~~

Mandatory and Known Information Changes 400-28-125

44. 400-28-125-05 - Reporting Requirements. Clarification added to households who exceed the income limits.

Reporting Requirements 400-28-125-05

Any change must be reported to the county ~~social service~~ office within 10 days from the date the change occurs in order to be considered timely. The first calendar day following the date the change occurs is day 1 of the 10 day reporting timeframe.

Note: Changes reported after business hours, on weekends or holidays will be considered received on the next business day.

Changes may be reported in writing, in person, by telephone, by fax or electronically.

Mandatory reportable changes are:

- Non-temporary loss of allowable activity
 - 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. When an individual reports a non-temporary loss of allowable activity and does not already have another allowable activity, the individual must be given three months of continued assistance before CCAP can be closed.

- State residency
- When the household's monthly gross income, minus allowable expenses, exceeds **85% SMI, per DN 241 Sliding Fee Schedule** ~~the highest income level~~ for its household size
- When there is no longer an eligible child in the household.

Only mandatory reportable changes may result in a case closure.

When other changes are reported, the worker must determine if the cumulative effect of the changes will result in an increase or decrease in benefits. If it results in a decrease in benefits, no further action is taken and the changes may be acted on at the next review.

If the changes result in an increase in benefits, or it is unclear what the effect on the benefits will be, verification must be obtained and a ~~correspondence~~ **request for verification** notice must be sent. The notice must include:

- The information and verifications that are needed.
- The timeframe for submitting the information and verifications (10 days from ~~print~~ **the mail** date of notice).

If the household provides verification within the 10-day period, the worker must act on the reported changes when the changes result in an increase in benefits.

If the household fails to provide verification within the 10 day period, the previously verified amount of the reported change is used and the benefit remains the same. If there is no previously verified amount (i.e. household reports paying child support and previously had not), no change is made and the benefit remains the same.

If the household fails to provide verification within the 10 day period and provides verification at a later date, benefits are increased ~~the~~ in the month the verification is received.

If a household reports multiple changes that result in an increase in benefits, only those changes that have been verified are acted on.

Example:

Household reports a reduced income due to a reduction in work hours and an increase in a child support deductions. The household is sent a ~~correspondence~~ request for verification notice requesting verification of the change. The household provides verification of the child support deduction, but not of the reduced income. The only change that can be acted on is the increase in child support deduction.

If the changes do not affect eligibility, the case file must be documented to reflect the change reported and the reason no action was taken.

45. 400 -28- 125-15 Known Information to Agency. Clarification added and terminology updated.

Known Information to Agency 400-28-125-15

Known information to the agency is information that the eligibility worker receives from other programs or outside sources instead of from the caretaker.

Note: An IEVS (Income Eligibility Verification System) hit is not considered known information. The verifications submitted resulting from the IEVS match is deemed known information.

Known information can be information reported by the caretaker verbally, in writing, or listed on forms for other programs.

Actions required to be taken following the receipt of 'known information' may include:

- Requesting additional information from the caretaker **household**
- Updating information in the case file
- Updating information in the **CCAP** system
- ~~Updating the certificate(s) if the certificate(s) must be updated~~
- Closing the case **CCAP** if the case **CCAP** must be closed
 - Document in **system** case **narrative** file **the** actions taken

The eligibility worker must document the date they became aware of the 'known information' **in the system case narrative**.

When known information is discovered, the eligibility worker must determine if a change in eligibility is required based on the policy that applies to that information.

Known information is acted upon for the month in which the information is discovered and is acted upon for the month following the month in which the information is discovered. Known information does not need to be acted upon for any future month beyond the month following the month of discovery.

If the known information results in a change in eligibility for a past month(s):

- If the change results in an overpayment, overpayments are established for the month(s) affected.
- If the change results in an underpayment, underpayments are not established for the month(s) affected.

If the known information results in no changes in eligibility ~~and/or the certificate(s)~~ per policy, the case file must be documented to reflect the change reported and the reason no action was taken.

46. Required Action on Mandatory Changes 400-28-125-30. Terminology updated.

Required Action on Mandatory Changes 400-28-125-30

When a mandatory change is reported, it must be determined if the change was:

1. Reported and verified timely
 - If the change results in an increase in benefits, or has a positive impact, the change is implemented in the month the change occurred.
 - If a payment has been made for the month the change occurred, an underpayment may need to be issued for that month.

Example: A change occurred that had a positive impact on August 25th and was reported and timely verified on September 3rd. August benefits were paid on September 1. The change is implemented and ~~the certificate~~ **CCAP** must be updated for August. September's

payment will be made based on the updated ~~certificate~~ **eligibility**. Since the change was reported and verified timely, August benefits need to be re-determined and an underpayment issued.

- If the change results in a decrease in benefits, or has a negative impact, the change is implemented in the month following the change occurred.
- Payments made for the month following the month the change occurred will be made based on the new ~~certificate~~ **eligibility that has been determined**.

Example: A change occurred **that** has a negative impact on August 25th and was reported and timely **verified** on September 3rd. The change is implemented and ~~the certificate~~ **CCAP** must be updated for September. August payments will be made based on **prior eligibility** ~~the old certificate~~. Payments beginning September will be made based on the updated **eligibility** ~~certificate~~.

2. **NOT** timely reported, verified, or both:

- If the change results in an increase in benefits, or has a positive impact, the change is implemented in the month the change is verified.
- Payments made for the month the change was verified will need to be made based on the **updated eligibility** ~~new certificate~~.
- Since the change has a positive impact, any underpayments that may have resulted for the month the change occurred through the month ~~the certificate~~ **eligibility** was updated are not issued since the change was not reported timely.

Example: A change occurred that benefited the household on August 25th and was reported on September 3rd. The eligibility worker sent a closing **request for verification** notice to the **household** caretaker on September 6th. The ~~caretaker~~ **household** did not provide verification of the change until September 23rd. The change is implemented and ~~the certificate~~ **CCAP** must be updated for

September. September's payment will be made based on the updated **eligibility** certificate. Since the change was reported timely but not verified timely, the caretaker is not eligible for additional benefits for August.

- If the change results in a decrease in benefits, or has a negative impact, the change is implemented the month the change occurred.
- Any payments made for the month the change occurred will need to be made based on the **updated eligibility** ~~new certificate~~.
- Any payments made based on the **prior eligibility** ~~old certificate~~ for months prior to the ~~certificate~~ **CCAP** being updated are subject to overpayments.

Example: A change occurred that has a negative impact on August 25th and was reported on September 3rd. On September 3rd, the eligibility worker sends a ~~closing~~ **request for verification** notice to the ~~caretaker~~ **household** requesting additional information. The requested information was not verified until September 15th. The change is implemented and the ~~certificate~~ **CCAP** must be updated for August. Since the change was not verified timely, August benefits need to be re-determined and an overpayment established. Payments issued beginning September will be based on the updated **eligibility** certificate.

- A ~~closing~~ notice must be sent for any changes that result in ineligibility. The ~~case~~ **CCAP** must close at the end of the month in which the ~~closing~~ notice was sent.

47. 400-28-127-05 Moving Within the County. Updated with IM 5380.

Moving Within the County 400-28-127-05

When the ~~caretaker~~ **household** moves and the change of address is within the same county, the eligibility worker must update the address in the ~~Child Care Assistance Program system~~. The ~~current certificate~~ **Eligibility**

will remain **the same** in effect if no mandatory changes were reported that need to be acted on.

48. 400-28-127-10 Moving to Another County. Updated with IM 5380.

Moving to Another County 400-28-127-10

When the caretaker **household** has moved to another county, the case file will be transferred to the new county and the current **eligibility** certificate will remain the same in effect if no mandatory changes were reported that need to be acted on.

The caretaker may report to either the receiving or the sending county that they are moving or have moved. The county to whom the caretaker reported the move is responsible to inform the family what is needed to allow assistance to continue based on the family's circumstances.

~~When transferring the case to the new county, the eligibility worker must change the caretaker's address and the fields "Worker ID" and "County" on the Change Master to reflect the information of the receiving county. Transferring the case file to the new county will include use of the SFN 700, "Case Transfer Log" (in 448 manual).~~

Consistent with Service Chapter 448, the eligibility worker from the sending county is responsible to complete any unresolved actions in the individual's case prior to transferring the file to the receiving county.

Verification of Child Care Costs 400-28-130

49. 400-28-130-05 Child Care Request for Payment. Policy has been updated to include request for payments submitted through the SSP.

Child Care Request for Payment 400-28-130-05

Child care costs incurred for a calendar month must be verified by using and completing the SFN 616, Child Care Request for Payment form, **or through the submission of provider payment request through the Self Service Portal (SSP)**. It is the responsibility of the child care provider to complete the Child Care Request for Payment form, **or submit the provider payment request through the SSP** each month.

Both the caretaker and the provider are required to sign and date the **SFN 616, Child Care Request for Payment** form AFTER the form has been completed.

When submitting a payment request through the SSP, it is not necessary to also obtain a signed SFN 616.

Either the caretaker or the provider may submit the form to the county ~~social-service~~ office.

If the form is not complete, the form should be returned to the caretaker or provider for completion. Column 3 of the SFN 616 can be left blank and still be accepted as a completed form. When left blank, no additional absent hours are allowed.

Completed forms **must** be processed with 21 days from the date the completed form is received in the county ~~social-service~~ office.

The county ~~social-service~~ office must document on the form the date the form was received in the county ~~social-services~~ office.

Note: Forms received after business hours, on weekends or holidays are considered received on the next business day.

If a provider or a caretaker is not available or refuses to complete or date the Child Care Request for Payment form, the eligibility worker will be expected to explore all avenues of locating the person who needs to complete, sign, or date the form. If the information needed to complete

the form can be reasonably established by the provider or caretaker, payment can be made without completion by the missing party. A third part may attest to the accuracy of the billing report form only if the individual who needs to complete the form cannot be located. All actions taken must be documented **in the system case narrative**.

50. 400-28-130-10 Time Frame for Submitting SFN 616 'Child Care Request for Payment' Forms. Clarification added.

Time Frame for Submitting SFN 616 'Child Care Request for Payment' Forms 400-28-130-10

Request for Payment forms must be submitted 2 months following the month child care services were provided. All forms must be submitted by the close of the last business day of the month in which the form is due.

Example:

If child care is incurred for the service month of May, the last day the form can be submitted is up to the close of the last business day in July, to be considered as received within the 2 month time frame.

Exception:

Payment Request forms for the month prior to application, when assistance is requested for the prior month, must be submitted within 3 months from the month child care services were provided.

Example:

Household applied on May 25th and requested assistance for the prior month of April. The household was approved June 20th including the prior month of April. The payment request form for the service month of April must be submitted no later than the last business day of July.

If a form is received after the 2 or 3 month time period, the household must be notified **in writing** that payment cannot be made because the

billing report form was received after the 2 or 3 month time limit. The household ~~must be notified in writing the payment cannot be made.~~

Extra Provider Charges 400-28-130-15

51. 400-28-130-15-15 Registration Fee. The statement for when registration fees has been reworded for clarity.

Registration Fee 400-28-130-15-15

CCAP may pay for registration fees charged by Center (C,E,K,M) or Group/Family (F, G, H) type providers.

Registration fees may only be paid when the fee is required by a provider to enroll or continue enrollment of a child in the child care setting. Fees that are charged separately from the registration fee (transportation, meals, etc.) will not be paid.

Before a registration fee can be paid, the household or provider must submit verification of the registration fee. The SFN 616 does not serve as verification of a registration fee. Registration fees can be paid in the month that they are incurred, ~~and~~ **once** verified.

Registration fees must be submitted within 2 months following the month the fee was incurred. All verifications must be submitted by the close of the last business day of the month in which the form is due.

Exception:

Registration fees incurred for the month prior to application, when assistance is requested for the prior month, must be submitted within 3 months from the month the fee was incurred.

Registration fees will be paid directly to the provider. Payment for the registration fee will be received by the provider in the form identified in 'Payment to the Provider 400-28-135-15.

Registration fees can be paid once per child in a household, per calendar year. The registration fee will be paid up to the maximum amount set by the state based on the DN 241 Child Care Sliding Fee Schedule. The fee will only be applied to one provider, even if the provider's fee does not meet or exceed the maximum amount set by the state.

Example 1:

A child is attending a center type provider. The provider requires a registration fee to enroll the child for the month of June. The provider's fee is \$100. The maximum rate the state will pay is \$150. The \$100 will be issued. Three months later, the child attends a different provider who also charges a registration fee for September. The second fee cannot be paid as a registration fee was paid in June for the child.

Example 2:

A child is attending a center type provider. The provider requires a registration fee to enroll the child for the month of November. The provider's fee is \$100. The maximum rate the state will pay is \$150. The \$100 will be issued. Three months later, the child attends a different provider who also charges a registration fee for February. The second fee can be paid as the previous registration fee was paid in the prior calendar year.

52. 400-28-135 Payment Issuance. This section is being repealed and the information moved to Computing the Bill 400-28-135-10

~~Payment Issuance 400-28-135~~

~~Benefits are paid the month following the month the child care expenses were incurred.~~

53. 400-28-135-05 Basis for Allowable Child Care Rate of Payments. The age ranges in this section have been updated to the current age ranges identified on the sliding fee schedule. This section has been

updated to include information on children who meet the disability criteria for an additional 10% of the state max rate.

Basis for Allowable Child Care Rate of Payments 400-28-135-05

~~Federal regulations require states to establish payment rates.~~ 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 of their ~~second~~ **first** birthday
 - Toddler – ~~2 and 3~~ **1 and 2** years through the month of their ~~fourth~~ **third** birthday
 - Preschool – ~~4 and 3~~ **3 to 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 courted order child care
- **A child who meets the definition of disability and who is attending a Quality Rating Improvement System (QRIS) provider will be eligible to receive an additional 10% of the state max rate.**
 - **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) state that the child is unable to care for themselves. Verification may be provided by:

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 Individual Education Program (IEP) provided by the school.

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

- Verification is not mandatory and is only required to receive the additional 10% of the state max rate.

54. 400-28-135-10 Computing the Bill. Payment Issuance 400-28-135 has been moved to this section. Additional information has been added for children who meet the disability criteria for an additional 10% of the state max rate.

Computing the Bill 400-28-135-10

Child Care costs must be submitted on the SFN 616, Child Care Request for Payment **or through the submission of provider payment request through the Self Service Portal (SSP)** for the actual calendar month the child care costs were incurred. **Benefits are paid the month following the month the child care expenses were incurred.** When a form is received, the form must be reviewed to make sure it is complete (signed, dated and completely filled out). If the form is not complete, it must be returned to the caretaker or provider for completion.

Allowable hours are based on the determined level of care. Refer to

'Allowable Child Care Hours and Level of Care 400-28-80' to determine allowable hours.

The system will determine when a child is disabled and eligible for an increased payment.

....

If the average weekly hours of child care provided on the billing form are not within a reasonable amount of the caretaker's average weekly activity hours that were determined at the time **eligibility** the certificate was determined issued, the eligibility worker may contact the caretaker to resolve the difference. This applies even if the State Rate is the same regardless of the difference in hours.

The family is responsible for the costs of child care to the provider that exceeds the Level of Care determination on the certificate for the payment month.

Lost Checks 400-28-135-25

55. 400-28-135-25 Lost Checks. This section has been updated to reflect the current process of lost checks.

If a provider/caretaker reports that a check has not been received, the eligibility worker should verify when the payment was processed. If it has been over seven working days since the check has been processed, contact the State Child Care Assistance office with the following information: **Case** ~~Social Security~~ number and name of caretaker; Social Security number/Employer Identification Number (EIN) and name of provider; the processed date, and the amount of the payment. ~~State Child Care Assistance office staff will check to see if other payments were processed on the same day for the same provider. The State Child Care Assistance office staff will request the check number from the State Finance office. The check~~

~~system will be used to determine if the check has been cashed or is outstanding.~~

If the stop payment process is necessary, it will be initiated by the State Child Care Assistance office. **If the stop payment process has been started, and the client/provider finds the lost check, the check cannot be cashed.** ~~The stop payment affidavit is sent to the county eligibility worker to secure the necessary signature and notarization. The affidavit is returned to the State Finance office, and the check is reissued by Department of Human Services. If the person received the original check after the stop payment has been issued, the State Child Care Assistance office should be notified that the stop payment should be canceled. The original check cannot be cashed until three days after the stop notice has been canceled by the Department of Human Services.~~

56. 400-28-140 Notices. This section has been updated to reflect the notices that are sent from SPACES.

Notices 400-28-140

The family must be notified with a Child Care Assistance Program (CCAP) notice whenever assistance is denied, pended, or closed, providing them the opportunity for a fair hearing.

~~The notices that are sent are the documentation of action taken on a case. When a case is authorized for payment, the family will receive a notice automatically which states the total child care billed, amount being recouped if any, the amount the state will pay and the family share. Additional information may be entered on the comment screen. Notices are mailed to the caretaker the next business day following the process date.~~

Advance or adequate notice is not required in Child Care Assistance program.

Following is a listing of notices for CCAP:

1. Child Care Certificate - issued to the caretaker and provider when an application is approved and when a review is completed eligible child has been associated to a provider. Each time an association certificate is updated, a copy is mailed to the caretaker and the provider who is affected by the updated certificate.

If an association is updated and there are multiple providers for the eligible children, an updated certificate is only sent to the provider whose certificate has been updated.

2. Payment Notification - informs the caretaker that a payment has been processed. The notification displays the child's name, amount over state rate, family monthly co-pay, amount recouped, and amount being paid by the CCAP.
3. Remittance Advice – informs the provider that a payment has been processed to them. The notification displays the caretakers name, child's name, service month, family monthly co-pay, amount recouped, amount being paid by the CCAP, and how payment will be made.
4. Household Closing – ~~informs the family they no longer meet the criteria for the CCAP.~~ sent to all providers listed on the certificate when a case closes. This informs the provider that case is closing and that any services charged after the case closure date will not be paid by CCAP
5. Provider Closing – sent to the household when the provider is closing.
6. Correspondence - ~~informs~~ sent to the ~~family~~ household when one of the other notices is not appropriate.
7. Notice of Eligibility Determination – sent to the household when an application or review is approved, denied, when there is a change in eligibility or when CCAP is closing. This notice informs the household of the maximum income amount that can be received for the household size.

5. ~~Denial~~—This notice is sent when the eligibility worker is denying the case.

6. ~~Pending~~—This notice is to be used when an application is received which is incomplete.

Note: ~~The Master Record is completed with a "P" for pending action code, and the notice is sent. Check the appropriate items that need to be completed before the application can be acted upon.~~

8. ~~Overpayment~~ **Notice of Claim**— informs the family **household or provider** of **an the amount of the overpayment, the reason for the overpayment and the recoupment method.**

9. ~~Underpayment~~ **Notification (Extra Benefits) Notice** – informs the family household of **an the amount of the underpayment, and the reason for the underpayment.**

10. **Intentional Program Violation** – informs the household or provider once an IPV has been imposed and of the disqualification period.

11. **Additional Information** – sent to a household when requesting information that requires verification that needs to be provided by the household.

9. ~~Excess Income Notice~~—This notice is automatically generated by the system once a Child Care Certificate has been created. This notice informs the caretaker of the maximum income amount that can be received for the household size.

10. ~~Closing Notice for Providers~~— This notice is sent to all providers listed on the certificate when a case closes. This informs the provider that case is closing and that any services charged after the case

~~closure date will not be paid by CCAP.~~

57. 400-28-145 Case Closings. Added the closing reason for when the household is over income.

Case Closings 400-28-145

Cases must be closed when one or more of the following happens:

1. The caretaker(s) is no longer participating in an allowable activity and has received three months of continued assistance for activity search.
2. There is no child in the child care unit who meets the eligibility criteria.
3. The caretaker does not return a completed SFN 841, Child Care Assistance Program Review, form by the end of the month in which the review is due.
4. If the review form is received but:
 - a. Is not submitted timely
 - b. Is incomplete and further eligibility cannot be determined
 - c. Indicates the household's income exceeds 85% SMI for the family size or the household had received a 12 month graduated eligibility period with the last submitted review.
 - d. The child(ren) for whom child care is being requested is determined not to have a need.
5. The caretaker moves out of state

6. The caretaker requests that the case be closed (request to close a case may be made verbally or in writing)
7. Following the imposition of an Intentional Program Violation against an individual in the household.
8. Caretaker whose name the case is in enters a public institution.
9. Factual information exists confirming the caretaker whose name the case is in is deceased.
10. Loss of contact.
11. When the household's monthly gross income, minus allowable expenses, exceeds 85% SMI, per DN 241 Sliding Fee Schedule for its household size.

A closing notice ~~of eligibility~~ **can must** be sent to close a case at the end of the current month up to the last business day of the month. ~~with the exception of:~~

- ~~• If a closing notice includes a time frame to allow a caretaker to provide information, the caretaker must be allowed the time frame given to provide the information. In these cases, the Child Care Assistance Program case closes on the last day of the month the time frame to provide information falls into.~~

The Eligibility Worker **notice** must inform the caretaker **household of the date of CCAP closure**. ~~on the closing notice the date the case is closing.~~

~~If a notice is generated on a business day, the print date on the notice is the same day that the notice was generated. If the notice is generated on a non-business day (holiday or weekend), the print date is the following business day.~~ **When the notice is generated the mail date will be the next business day.**

55. 400-28-150-10 Underpayments. This section has been re-written. No

policy has been changed.

Underpayments 400-28-150-10

An underpayment is a correction to benefits paid to a provider or adult member of the Child Care Assistance unit who was originally paid less than they were entitled to receive. The eligibility worker must promptly take all reasonable and practical steps to establish all underpayments.

When it is determined that an underpayment 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.

~~An underpayment is a correction to benefits paid a household who was originally paid less than they were eligible to receive. The eligibility worker shall take prompt action to authorize underpayments to current caretakers or to caretakers who would have been eligible if the error causing the underpayment had not occurred.~~

~~-~~

~~Underpayments must be established based on the date discovered and whether or not the household is entitled to additional benefits. To determine if there is an underpayment, the eligibility worker must complete a budget using the Excel Spreadsheet or a hand budget before entering information into the payment system.~~

~~-~~

~~If the eligibility worker has made an administrative error or discovers a caretaker error resulting in an underpayment, process the underpayment in the child care computer system and send appropriate notification.~~

~~-~~

~~If the county social service office receives notification from the Administrative Law Judge or a court of law of a favorable decision on~~

~~behalf of the client, underpayments must be established, if applicable, based on the directive included in the favorable decision.~~

~~-~~

~~If an underpayment would result instead of an overpayment because the household failed to report or failed to report timely, benefits are not restored and the underpayment is not made.~~

58. 400-28-150-10-10 Notification of Underpayment. This section has been repealed as it is covered in Notices 400-28-140.

~~Notification of Underpayment 400-28-150-10-10~~

~~When a case is reworked for the affected months(s) and an [underpayment](#) is established, the household must be sent the 'Underpayment Notification' notice. This notice informs the household of the amount of the underpayment and the reason for the underpayment.~~

59. 400-28-150-10-05 Documentation of Underpayment. Clarification has been added to document this in the system case narrative.

Documentation of Underpayment 400-28-150-10-05

Document in the case file **system case narrative** a complete record/explanation of the underpayment.

60. 400-28-150-15 Overpayments. An exception has been added to when we may pursue agency error overpayments.

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 county of a mandatory reportable change, fraud or an Intentional Program Violation (IPV). 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 submitting the SFN 616 to the county for a child that is eligible for CCAP. 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.

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.

61. 400-28-150-15-20 Notification of Overpayment. This section has been repealed as it is covered in Notices 400-28-140.

~~Notification of Overpayment 400-28-150-15-20~~

~~When the case is reworked for the affected month(s) and overpayments established, the provider or adult member of the Child Care Assistance unit must be sent the 'Overpayment Notification.' This notice informs the provider or adult member of the Child Care Assistance unit of the amount of the overpayment, the reason for the overpayment and recoupment method.~~

62. 400-28-150-15-25 Documentation of Overpayment. Clarification has been added to document this in the system case narrative.

Documentation of Overpayment 400-28-150-15-25

Document in the **system case narrative** case file a complete record of the overpayment and the plan for recovery.

63. 400-28-155-20 Benefits Pending a Fair Hearing

Benefits Pending a Fair Hearing 400-28-155-20

If an application was denied and client requested a fair hearing, the denial remains in effect.

If a recipient appeals a decision within 10 days from the date of the notice of adverse action, the case remains open and payment is issued at the same level through the end of the current ~~certification~~ **eligibility** period. If the case has already closed, the case would need to be reverted to open.

If a fair hearing has not been heard at the time the caretaker is due for a review, the review is completed and a new Co-pay, State Rate, and Level of Care is established for the new ~~certification~~ **eligibility** period.

If the client disagrees with the new Co-pay, State Rate, payment amount, and Level of Care, that is a separate appealable issue.

If the caretaker is appealing an overpayment within 10 days from the date of the notice of the overpayment, the overpayment will be suspended until the outcome of the appeal has been determined.

If the caretaker is appealing a payment amount within 10 days from the date of the notice of adverse action, the caretaker's Co-pay, State Maximum Monthly Share and Level of Care remain at the same level that was in effect at the time of the appeal.

64. 400-28-162-10 Evidence Evaluation. This section was updated to remove reference to regional representative.

Evidence Evaluation 400-28-162-10

The county has the burden to establish an Intentional Program Violation (IPV) by clear and convincing evidence. Clear and convincing evidence means evidence that leads to a firm belief that the allegations are true.

Examples:

- Application, review, and monthly report forms. An individual's signature on these forms is attesting to providing full information and to understanding the reporting requirements.
- Statements made during application or review interviews
- Notice of benefits
- A past IPV for failure to report
- Reporting/billings forms
- Narratives
- Documented phone calls
- IEVS verification
- Involvement of an interpreter

When there is evidence a possible IPV has been committed, it is suggested the county review the case and all evidence with the supervisor, director, ~~or a regional representative.~~

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This review will result in a decision to:

- Proceed with the IPV process, or
- Proceed with a client error.

When reviewing the evidence for a possible IPV, the individual must be allowed an opportunity to respond to any unresolved questions.

65. 400-28-162-40 Action Upon Receipt of Signed Findings and Order.
This section has been updated to correspond with SNAP policy.

Action Upon Receipt of Signed Findings and Order 400-28-162-40

Upon receipt of the hearing decision, review the decision signed by the Executive Director to determine if an Intentional Program Violation (IPV) was committed.

If an IPV was not committed the household remains responsible for any overpayment and the claim continues as a client error regardless of eligibility for benefits.

If the individual waives their right to a fair hearing by choosing to sign the SFN 1940 the state office will notify the county of the date the disqualification will be imposed and the length of the disqualification.

If an IPV was committed, the disqualification begins with the first month following the date the individual **signs the SFN1940, waiving their right to an administrative hearing or receives the IPV findings and order** ~~receives the signed IPV findings and order~~. When a disqualification has been imposed against an individual, the disqualification must continue uninterrupted until completed. The disqualification is imposed whether the case is currently open or closed.

An individual who is disqualified due to an IPV is not allowed to participate in the Child Care Assistance Program (CCAP) during the IPV disqualification:

- If a disqualified individual applies for CCAP as a caretaker, the application is denied and the entire CCAP household is ineligible.

- If a disqualified individual is a household member at time of application or in an ongoing case, the entire CCAP household is ineligible.

Exception:

Individuals who apply for or are receiving assistance through a federal or state funded program such as TANF, Transition, Diversion, or Crossroads requiring child care for participation are eligible to receive CCAP during a disqualification time period provided all other factors of eligibility are met.

The appropriate ~~Notice of Disqualification~~ **Intentional Program Violation Notice** must be sent to the household notifying the household that an individual is disqualified and/or assistance will be reduced or ended. The conviction and disqualification information and copies of supporting documents (including conviction information) must be recorded in the casefile. If a disqualified person moves from one county to another, include the disqualification information in the case transfer information.

Overpayments are recovered through a reduction of the CCAP payment. The rate of recovery for IPV is 20%.

Contact the state office for processing of overpayments for a provider IPV.

The provider or adult member of the CCAP household shall continue to be responsible for repayment of the overpayment which resulted from the IPV regardless of the provider or adult members of the CCAP household's eligibility for benefits.

Imposing the disqualification is required even if it means that some individuals may not be affected by the disqualification (e.g. SSI recipient).

An IPV can be pursued if a client is permanently disqualified. Pursuing the IPV will allow for recoupment of a claim at 20% rather than 10%.

After a disqualification hearing or the individual waives the right to an administrative hearing, there are no further appeal procedures available through the Administrative Hearing Process. The determination of IPV cannot be reversed by a subsequent hearing. The individual however is entitled to seek relief in a court of appropriate jurisdiction. The period of disqualification may be subject to stay or other action which would delay the imposition of the disqualification.

66. 400-28-165-15 SFN 113, Postsecondary Education Information. This section has been repealed as this form is no longer required.

~~SFN 113, Postsecondary Education Information 400-28-165-15.~~

~~SFN 113, Postsecondary Education Information form is to be completed by any adult household member who is attending postsecondary education. The form provides the eligibility worker with information regarding the individual's education history and anticipated course of study and/or degree to determine if they are in an allowable education.~~

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~~This form is available through the Department of Human Services and may also be obtained electronically via E-Forms.~~

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~~E-Forms are presented in Adobe Acrobat and require the Adobe Acrobat reader. If you do not currently have Adobe Acrobat reader installed, you may download a free copy by clicking the Get Adobe Reader icon below.~~

67. 400-28-165-85 Child Care Certificate-This section has been repealed as the certificate is now available for viewing under notice history in SPACES.

~~Child Care Certificate 400-28-165-85~~

~~A sample of the Child Care Certificate (130 kb pdf) is available at this link.~~

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~~This document is presented in Adobe Acrobat and requires the Adobe Acrobat reader. If you do not currently have Adobe Acrobat reader installed, you may download a free copy by clicking the Get Adobe Reader icon below.~~