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**GLOSSARY**

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**ADMINISTERING AGENCY :**

A county social services agency or a public or non-profit agency designated by the county board to administer the child care fund.

Legal Authority:

Minnesota Rules 3400.0020, Subp. 4

**ADMINISTRATIVE EXPENSES :**

Costs associated with the administration of direct services covered by the child care fund. These include:

- Salaries, wages and related payroll expenses including those for direct personnel costs, expenses for general administration and supervision, secretarial, clerical, accounting and other support services.
- Travel, transportation and per diem or subsistence expenses.
- Materials and office supplies.
- Publication, telephone, postage, and photocopy costs.
- Others expenses directly attributable to the child care fund.

Legal Authority:

Minnesota Rules 3400.0020, Subp. 5

**AGE OF CHILD :**

Infant. See INFANT

Preschool. See PRESCHOOL

School Age. See SCHOOL AGE

Toddler. See TODDLER

**ALLOCATION :**

The share of the total state appropriation of child care funds that a county may earn and be reimbursed for in a calendar year. Department of Human Services (DHS) may increase a county's allocation by redirecting unexpended or unencumbered funds, or when additional funds become available. DHS may decrease a county's allocation proportionate to the reduction in the total allocation when funding decreases are implemented within a calendar year.

Legal Authority: Minnesota Rules 3400.0020, Subp. 8

**GLOSSARY**

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**APPLICANT :**

All parents, stepparents, legal guardians or eligible relative caregivers who are members of the FAMILY and reside in the household that applies for child care assistance.

Legal Authority:

Minnesota Statutes 119B.011, Subd.2

**AT-RISK :**

Environmental or familial factors that create barriers to a child's optimal achievement. Factors include, but are not limited to, a federal or state disaster, limited English proficiency in a family, a history of abuse or neglect, family violence, homelessness, age of the mother, level of maternal education, mental illness, developmental disability, or parental chemical dependency or history of other substance abuse. See §9.54 (Special Needs).

Legal Authority:

Minnesota Rules 3400.0020, Subp.9a

**AUTHORIZED PROVIDER :**

A legal child care provider who has completed the county registration process and has been approved for child care assistance payments. See §11 (Providers).

**AUTHORIZATION OF CARE :**

The county determination of care needed and the payment associated with that care. The authorization is based on the family, activity, age of the child, and the provider

**BASIC SLIDING FEE PROGRAM :**

A sub-program of the Child Care Assistance Program for non-MFIP/DWP families with income below or equal to 47 % of the State Median Income (SMI). See §4.3.12 (Basic Sliding Fee (BSF)).

**BSF :**

See BASIC SLIDING FEE PROGRAM.

**CALENDAR MONTH :**

A period that begins with the 1<sup>st</sup> day of the month and ends with the last day of the month.

**CCAP :**

**GLOSSARY**

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Child Care Assistance Program.

**CCAP FAMILY :**

See FAMILY.

**CHILD :**

A person 12 years old or younger, or age 13 or 14 who has a hearing impairment, visual disability, speech or language impairment, physical handicap, other health impairment, mental handicap, emotional/behavioral disorder, specific learning disability, autism, traumatic brain injury, multiple disabilities, or deaf/blind disability which requires special instruction and services.

Legal Authority:

Minnesota Statutes 119B.011, Subd. 4

**CHILD CARE :**

Care of a child by someone other than a parent, stepparent, legal guardian, eligible relative caregiver or their spouses in or outside the child's own home.

Legal Authority:

Minnesota Statutes 119B.011, Subd. 5

**CHILD CARE FUND PLAN :**

The county and designated administering agency shall submit a biennial plan to the commissioner of DHS. The plan shall include information requested by the department to ensure compliance with the child care fund statutes and rules promulgated by the commissioner.

**COPAYMENT FEE :**

The amount the family must contribute as its share of child care costs. This amount is based on household income and size.

Legal Authority: Minnesota Rules 3400.0020, Subp. 24

**COUNTY BOARD :**

The board of county commissioners in each county.

Legal Authority:

Minnesota Statutes 119B.011, Subd. 9

**DISABILITY :**

**GLOSSARY**

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A functional limitation or health condition that interferes with a child's ability to walk, talk, see, hear, breathe or learn in order to meet the conditions required for an increased rate. Refer to section on Special Needs Rates. See §9.54 (Special Needs).

Legal Authority:

Minnesota Rules 3400.0020 Subp. 17a

**DWP :**

Diversionary Work Program. See §4.3.3.15 (DWP Overview).

**DOCUMENTATION :**

A written statement or record, including an electronic record, that substantiates information provided by a person or an action taken by an agency.

Legal Authority:

Minnesota Rules 3400.0020, Subp. 18

**EARNED INCOME :**

See INCOME.

**eDOCs :**

A Web site that gives access to the Minnesota Department of Human Services (DHS) forms and documents in multiple languages.

**EDUCATION PROGRAM (applies to Basic Sliding Fee) :**

Remedial or basic education or English as a second language instruction, a program leading to a general equivalency or high school diploma, post-secondary programs excluding post-baccalaureate programs, and other education and training needs as documented in an EDUCATION PLAN (EP). The EP must outline education and training needs of a participant, meet state and county requirements for education plans and meet the requirements of programs that provide federal reimbursement for child care services.

Legal Authority:

Minnesota Statutes 119B.011, Subd. 11

**ELIGIBLE RELATIVE CAREGIVER :**

An eligible relative caregiver is a person who is the caregiver of a child receiving an MFIP or DWP child only grant. The relative caregiver may or may not be receiving MFIP. See §5.3 (Determining the CCAP Family), §5.9 (CCAP Family Composition Examples).

Legal Authority:

**GLOSSARY**

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Minnesota Statute Section 256J.08, Minnesota Rule 3400.0020, Subp. 20

**EMPLOYMENT PLAN (applies to MFIP/DWP) :**

An Employment Plan is developed by the job counselor and the participant which identifies the participant's most direct path to unsubsidized employment, lists the specific steps that the participant will take on that path, and includes a timetable for the completion of each step. The plan also identifies any subsequent steps that support long-term economic stability.

Legal Authority:

Minnesota Statutes, section 256J.49, Subd. 5

**EXCLUDED TIME FACILITY :**

A type of living arrangement which affects the determination of state residence and the county of financial responsibility. See 8.12 (Moving Between Counties).

**FAMILY :**

The Child Care Assistance Program (CCAP) defines a family as parents, step-parents, guardians and their spouses, or other eligible relative caregivers and their spouses, and their blood related dependent children and adoptive siblings under the age of 18 years living in the same home including children temporarily absent from the family in settings such as schools, foster care, and residential treatment facilities, or parents, step-parents, guardians and their spouses, or other relative caregivers and their spouses temporarily absent from the family in settings such as schools, military service, or rehabilitation programs. For information on how to determine CCAP Family, see §5.3 (Determining the CCAP Family).

**FAMILY SUBSIDY PROGRAM :**

The Family Subsidy Program, also known as the Family Support Grant Program, is a state-funded program that provides cash grants to families with children with disabilities who live, or will live, in their family home. The grants provide families with the flexibility to purchase an array of supports and services to meet specific needs.

The goal of the Family Subsidy Program is to prevent or delay the out-of-home placement of children with disabilities and to promote family health and social well-being by enabling access to family-centered services and supports.

For additional information about the Family Subsidy Program families may either:

- Contact their local county social services agency.

**GLOSSARY**

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OR

- See the DHS Family Support Grant program website.

**FICA :**

Federal Insurance Contribution Act. Social Security withholding tax.

**FULL CALENDAR MONTH :**

From the first day of the month through the last day of the month.

**HOUSEHOLD OF APPLICANT/PARTICIPANT/FAMILY :**

The CCAP family as defined in §5.3 (Determining the CCAP Family).

**HOUSEHOLD OF PROVIDER :**

The provider and those people living with the provider or in the home during child care hours.

**INCOME :**

Earned or unearned income received by **ALL FAMILY** members, including public assistance cash benefits, at-home infant child care subsidy payments, and child support and maintenance distributed to or received by the family. See §6 (Income Eligibility).

**INFANT :**

Licensed Family Child Care:

A child is an infant up to 12 months of age.

Legal Non-Licensed Family Child Care:

Follow the Licensed Family Child Care definition.

Licensed Center Child Care:

A child is an infant up to 16 months of age. A child in center care may be considered to be an infant up to 18 months of age for purposes of staff ratios, group size, and programming with agreement of parent, teacher, and director if this decision is in the best interest of the child.

License Exempt Centers:

Follow the Licensed Center Child Care definition.

Legal Authority:

Minnesota Statutes 245A.02, Subd.19

Minnesota Rules 9503.0005

**GLOSSARY**

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**IN-HOME CARE :** Care provided in the child's own home.

**KNOWN TO THE AGENCY :**

Information about a family's circumstances that the county agency receives from the family or discovers from sources: such as MAXIS, PRISM, or MMIS.

For the purposes of this determination, the county agency includes the Minnesota Department of Human Services and the county human service agency(s) responsible for the administration of the child care, cash, food, and health care programs. It also includes any agency(s) that contracts with the human service agency(s) for the delivery of financial, health care, child care programs, and employment services.

**LEGAL GUARDIAN :**

A person or an agency that has been appointed or accepted as guardian by a court of jurisdiction or tribal law.

Legal Authority:

Minnesota Rules 3400.0020, Subp. 31b

**MAXIS :**

Minnesota's statewide automated eligibility system for public assistance programs.

**MEC<sup>2</sup> :**

Minnesota Electronic Child Care System.

**MFIP:**

Minnesota Family Investment Program. See §4.3.3.3 (MFIP Overview).

**MINOR PARENT :**

A parent who is less than 18 years of age.

**OVERPAYMENT :**

The portion of a child care payment that is greater than the amount for which a participant or provider is eligible.

Legal Authority:

Minnesota Rules 3400.0020, Subp. 33

**PARENT :**

A child's natural, step, or adoptive mother or father.

**PARTICIPANT :** A person with an active CCAP case. This includes suspended and reserved cases.

**GLOSSARY**

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**PRE-SCHOOL :**

Licensed Family Child Care:

A child is a preschooler at 24 months of age up to being eligible to attend kindergarten within the next four months.

Legal Non-Licensed Family Child Care:

Follow the Licensed Family Child Care definition. \*

Licensed Center Child Care:

A child is a preschooler at 33 months of age up to the age of being eligible to attend kindergarten within the next four months. A child in center care may be considered to be a preschooler at 31 months of age for purposes of staff ratios, group size, and programming with agreement of parent, teacher, and director if this decision is in the best interest of the child. \*

Licensed Exempt Centers:

Follow the Licensed Center Child Care definition. \*

Legal Authority:

Minnesota Statutes 245A.02, Subd.19

Minnesota Rules 9503.0005

Preschool/School age category changes; in August of each year, MEC<sup>2</sup> will complete the annual school age change batch. This process changes the Age Category for children who have reached the appropriate age to start kindergarten in the fall and who have a kindergarten start date entered on the child's school window. Without a date entered in that field, the age change cannot occur and the child will remain in the preschool age category when they should be changed to school age. Please refer to the MEC<sup>2</sup> User Manual for further information.

**PROVIDER :**

Individuals or centers licensed by a state or tribe, license-exempt centers, and legal non-licensed individuals providing legal child care services. For more information, see §11 (Providers).

Legal Authority: Minnesota Statutes 119B.011, Subd. 19

**GLOSSARY**

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**PROVIDER RATE :**

The amount the provider charges for child care.

Legal Authority: Minnesota Rules 3400.0020, Subp. 35

**PROVISIONAL AUTHORIZATION :**

A temporary approval of a legal nonlicensed provider to provide care and receive payment for the care of a specific child or children receiving child care assistance when all the requested registration information/documentation, except the background check, is available to the county. See §9.3 (Payments to Providers).

Legal Authority:

Minnesota Rules 3400.0110 Subp.2a and 2b.

Minnesota Statutes 119B.125 Subd.5

**PROVISIONAL PAYMENT :**

A temporary payment paid to a legal nonlicensed (LNL) provider based on a provisional authorization. See §9.3 (Payments to Providers).

Legal Authority:

Minnesota Rules 3400.0110 Subp.2a and 2b

Minnesota Statutes 119B.125 Subd.5

**RECOUPMENT OF OVERPAYMENTS :**

The reduction of child care assistance payments to an eligible family or a child care provider in order to correct an overpayment of child care assistance.

Legal Authority:

Minnesota Statutes 119B.011, Subd. 21

**REDETERMINATION :**

The process by which information is collected periodically by the county and used to determine whether a recipient is eligible for continued assistance under the child care fund. See §10 (Redetermination of Eligibility).

Legal Authority:

Minnesota Rules 3400.0020, Subp. 37

**GLOSSARY**

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**REGISTRATION :**

The process used by a county to determine whether the provider selected by a family applying for or receiving child care assistance to care for that family's children meets the necessary requirements for payment of CCAP for child care provided by that provider.

Legal Authority:

Minnesota Rules 3400.0120, Subp. 2 Minnesota Statutes. 119B.011, Subd. 19A

**RESERVE :**

The case remains active when the family is temporarily ineligible for assistance for a maximum of 90 days one academic semester/quarter, or until deactivated if a family has been receiving child care assistance but is temporarily ineligible due to increased income from active military service. Payments can not be made while a family is temporarily ineligible.

**RESIDENCE :**

The primary place where the family lives as identified by the applicant or participant.

Legal Authority: Minnesota Rules 3400.0020, Subp. 38A.

**RSDI :**

See RETIREMENT, SURVIVORS, AND DISABILITY INSURANCE.

**RETIREMENT, SURVIVORS, AND DISABILITY INSURANCE :**

A program operated by the Social Security Administration that provides a monthly income to retired people, survivors or dependents of insured people, and people with disabilities.

**SCHOOL AGE :**

Licensed Family Child Care:

A child is school age when they are at least of sufficient age to attend the first day of kindergarten within the next four months through age 12 or age 14 if disabled.\*\*

Legal Non-Licensed Family Child Care:

Follow the Licensed Family Child Care definition.\*\*

Licensed Center Child Care:

**GLOSSARY**

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A child is school age when they are at least of sufficient age to attend the first day of kindergarten within the next four months through age 12 or age 14 if disabled. \*\*

License Exempt Centers:

Follow the Licensed Center Child Care definition.\*\*

\*\*CCAP recommends that counties consider a child to be school age (for payment purposes) on September 1<sup>st</sup> following the child's 5<sup>th</sup> birthday unless the parent informs the county that the child will not be starting school in September of that year. In this case, the child would not be school age until September 1<sup>st</sup> of the following year. If a child starts school before the child's 5<sup>th</sup> birthday, the child is considered school age on the day the child starts school.

Legal Authority:

Minnesota Statutes 245A.02, Subd. 19

Minnesota Rules 9503.0005

**SMI :**

State Median Income.

**SSI :**

See SUPPLEMENTAL SECURITY INCOME.

**STUDENT :**

A person enrolled in an educational program as defined by the definition of EDUCATION PROGRAM. The following determines student status:

- A non-MFIP student is a full-time student if the student is enrolled in the minimum equivalent of 12 credits or 20 hours of classroom training per week.
- A non-MFIP student is a part-time student if the student is enrolled in a minimum equivalent of 6 credits or 10 hours of classroom training per week up to the minimum equivalent of full-time student status.
- An MFIP student is a student who is in compliance with the education or training requirements in the student's Employment Plan.

Legal Authority:

Minnesota Rules 3400.0020, Subp. 40

**GLOSSARY**

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**SUPPLEMENTAL SECURITY INCOME :**

A program operated by the Social Security Administration that provides monthly income to low income people who are AGED, BLIND, or have a DISABILITY.

**SUSPENDED :**

The family remains eligible up to 1 year if there are temporary breaks when child care assistance is not needed. See §8.9 (Suspending).

**TEMPORARY ABSENCE :**

A period of time a family member is physically absent from the family's residence but still included in the household size as he/she intends to return to the residence. See §5.6 (CCAP Family – Temporary Absence).

Legal Authority:

Minnesota Rules 3400.0020, Subp. 40a

**TODDLER :**

Licensed Family Child Care:

A child is a toddler at 12 months of age up to 24 months of age.

Legal Non-Licensed Family Child Care: Follow the Licensed Family Child Care Definition.

Licensed Center Child Care:

A child is a toddler at 16 months of age up to 33 months of age. A child in center care may be considered to be a toddler up to 35 months of age for purposes of staff ratios, group size, and programming with agreement of parent, teacher, and director if this decision is in the best interest of the child.

License Exempt Centers:

Follow the Licensed Center Child Care definition.

Legal Authority:

Minnesota Statutes 245A.02, Subd. 19

Minnesota Rules 9503.0005

**TRANSITION YEAR CHILD CARE :**

Child care assistance used to support employment or job search for families who have received MFIP assistance or who were eligible to receive MFIP assistance after

**GLOSSARY**

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choosing to discontinue receipt of the cash portion of MFIP assistance or who have received DWP assistance for at least 3 of the last 6 months before losing eligibility for MFIP or DWP. Transition year child care is not available to families who have been disqualified from MFIP or DWP due to fraud.

Legal Authority:

Minnesota Statutes 119B.011, Subd.

**TRANSITION YEAR EXTENSION CHILD CARE :**

Child care assistance used to support employment or job search for families who have completed their transition year of child care assistance and who are eligible for, but on a waiting list for, basic sliding fee services, for the duration of time necessary for the families to be moved from the basic sliding fee waiting list into the basic sliding fee program.

Legal Authority:

Minnesota Statutes 119B.011, Subd. 20A

**UNITARY RESIDENCE :**

The 2-month period when a county remains financially responsible for child care assistance benefits after a participant moves from that one county to another county.

**GLOSSARY**

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## APPLICATIONS

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Before families can receive child care assistance, they must complete an application, and meet eligibility requirements. **The application must be signed.**

There are three ways families can apply for the Child Care Assistance Program (CCAP). The method the family uses depends on their situation and the program(s) they are applying for.

- A Minnesota Child Care Assistance Program Application DHS-3550 can be completed when the family is applying for CCAP only.
- A Combined Application – Child Care Addendum DHS-5223D and a Combined Application Form DHS-5223 (CAF) can be completed with the family is applying for cash, SNAP, and/or health care with CCAP. See §3.9 (Combined Application – Child Care Addendum).
- ApplyMN, Minnesota’s online application, can be completed when the family is applying for CCAP only or when the family is applying for cash, SNAP, and/or health care with CCAP. ApplyMN is online at [www.applymn.dhs.mn.gov](http://www.applymn.dhs.mn.gov).

Do not require a new application for families moving from one child care sub-program to another without interruption in service. See §4.3 (CCAP – Sub-programs).

"Applicant household" means people who apply for assistance together. If you find 2 or more families living in the same applicant household, each family MUST apply separately.

Your agency must have staff available during office hours to answer program questions and advise people of their right to file an application. See §3.3 (Assistance Requests).

Encourage people to apply for assistance in their county of residence. However, accept applications from residents of other Minnesota counties. Follow the instructions in §3.6 (Accepting and Processing Applications) for handling applications from residents of other counties. Also see §8.12 (Moving Between Counties).

When a person contacts your agency:

Advise the person of his or her right to file an application, how and where to apply, and if necessary assist the person with the application.

Give or mail the person an application. See §3.3 (Assistance Requests).

## APPLICATIONS

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Once an application is filed:

Request the necessary verification. See §7.3 (Verification – Initial Application).

Determine eligibility and the date it begins.

Notify the applicant of eligibility or ineligibility. See §12 (Notices).

The date of application is the date a **Minnesota county agency receives a signed and dated application**. The application process and processing time table start from the date the application is received by the agency. The beginning date of eligibility may **differ from the** date of application. For more specific information, see §4.12 (Date of Eligibility). Complete the application process within designated time frames. See §3.6 (Accepting and Processing Applications).

Use forms developed by Department of Human Services (DHS) to inform and advise clients about their responsibilities and rights (this form is part of the application), the status of an application or redetermination, and ongoing eligibility for assistance.

## LEGAL AUTHORITY:

Minnesota Statutes 119B

Minnesota Rules 3400.0035

Minnesota Rules 3400.0060

Minnesota Rules 3400.0040

## ASSISTANCE REQUESTS

3.3

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When a family contacts you in person, by phone or in writing to ask for information about child care assistance:

- Tell people of the right to file an application, where to file it and the application process. See §3. 6 (Accepting and Processing Applications).
- Give or send the family the “Do you need help paying for child care?” brochure [DHS-3551-ENG](#) and “Changes in state law that may affect CCAP providers and families” [DHS-6467-ENG](#) supplied by the Department of Human Services (DHS).

Also inform the family of the following:

- Eligibility requirements.
- Verification needed.
- If it appears the family would be eligible for the Basic Sliding Fee (BSF) sub-program, whether a waiting list exists and if so the number of families on the waiting list or estimated time that they will spend on the waiting list before reaching the top.
- The procedure for applying for child care assistance.
- The family copayment fee schedule and how the fee is computed.
- How to choose a provider.
- The family’s responsibilities and rights when choosing a provider.
- The availability of special needs rates.
- The family’s responsibility for paying provider charges that exceed county maximum payments in addition to the copayment fee.
- The importance of promptly reporting a move to another county to avoid overpayments and increase the likelihood of continuing benefits.

When giving or mailing an application to a family, include at least the following in the application packet:

- The Minnesota Child Care Assistance Program Application [DHS-3550-ENG](#)
- OR

- The CAF –Child Care Addendum [DHS-5223D-ENG](#), if the family is also applying for other forms of assistance (for example, cash and or /food support).  
**OR**
- **Information advising the family that they can apply online at [www.applymn.dhs.mn.gov](http://www.applymn.dhs.mn.gov).**  
**AND**
- A cover letter that includes your agency’s address, office hours, and phone number.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B

Minnesota Rules 3400.0035

Minnesota rules 3400.0060

## ACCEPTING AND PROCESSING APPLICATIONS

## 3.6

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Encourage applicants who reside in another county to apply in their county of residence. However, **you must** accept an application from an applicant who does not reside in your county and immediately forward the application to the county where the applicant resides.

Process the application within 30 calendar days from the date of receipt and mail a notice of approval or denial of assistance to the applicant. With the consent of the applicant, you may extend the response time by 15 calendar days.

If it appears the family may be eligible for child care assistance but is unable to document eligibility, you must offer them the opportunity to sign a release of information allowing you to verify the necessary information.

When a family requests child care assistance and it appears they are eligible for Basic Sliding Fee (BSF) but funds are not available, inform the family of the waiting list, screen them for potential eligibility, and place them on the waiting list. As child care funds become available, inform the family at the head of the waiting list and ask them to complete an application.

You must offer the applicant the opportunity to sign a release of information allowing you to give the family's child care provider the following information:

- The family name.
- When/if the application is approved.
- Hours of care authorized.
- Maximum rate that can be paid.
- How payments are made.
- Notification of termination of a case or an adverse action.

**NOTE:** Signing the informational release is optional for the applicant. It does not affect eligibility for the Child Care Assistance Program.

## ACCEPTING AND PROCESSING APPLICATIONS

3.6

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All applications for CCAP, whether they are paper or electronic, must be reviewed, entered into MEC<sup>2</sup> and processed.

In cases where the information listed on the application indicates that the person submitting an ApplyMN electronic application may not actually need child care assistance, the worker should contact the applicant, explain the situation, and ask the applicant if they want to withdraw their application.

- If the applicant says that they would like to withdraw their application, the worker should:
  1. Enter basic information from the application into MEC<sup>2</sup> via the application workflow. See MEC<sup>2</sup> user guide for further information.
  2. Select deny or case closed window. Approve ineligibility results which will send a notice to the applicant.
  3. Document the withdrawal and the reason for it in case notes.
- If the county is unable to contact the applicant, the worker should process the application as usual.
- If the applicant indicates that they would like to proceed with the application, the worker should process the application as usual.
- If the applicant applies for CCAP using ApplyMN and the family is already receiving child care assistance, manually deny the new request using DHS-4532-ENG “Notice of Denial for Public Assistance Applicants or Recipients” and document the actions taken in case notes.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B

Minnesota Rules 3400.0035

Minnesota Rules 3400.0060

Minnesota Rules 3400.0185

Minnesota Statutes 119B.13

The Combined Application –Child Care Addendum [DHS-5223D-ENG](#) form is a tool designed to simplify the child care assistance process for families who are also applying for cash or food assistance and health care. The Combined Application [DHS-5223-ENG](#) (CAF), and the Worker Interview Form [DHS-5223A-ENG](#) (WIF) are needed in addition to the (DHS-5223D)

The purpose of the Child Care Addendum is to avoid duplication of information and verification requested from parents, and to reduce the paperwork necessary to determine eligibility for these programs. Use of the Child Care Addendum is optional. You may choose to use the Minnesota Child Care Assistance Program Application [DHS-3550-ENG](#).

Apply child care policy rules and verification requirements, and communicate reported changes in the Combined Application Forms (CAF) programs that apply to the CCAP case.

Use the Child Care Addendum when:

- A family completes the CAF and the WIF and requests child care assistance.  
OR
- The CAF and WIF are completed and the family is not eligible for cash assistance, but requests child care assistance.  
OR
- The CAF and WIF have been completed and approved within the past 30 days and the family is now requesting child care assistance.

LEGAL AUTHORITY:

Minnesota Statutes 119B

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**ELIGIBILITY REQUIREMENTS****4**

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This chapter describes the general eligibility requirements for the Child Care Assistance Program (CCAP). In order to be eligible for CCAP all applicants MUST:

- File an application. See §3 (Applications).
- Provide required verification. See §7.3 (Verification – Initial Application).
- Have children needing care who are of an appropriate age. See §2 (Glossary) for the definition of child.
- Cooperate with child support. See §4.9 (Cooperation with Child Support).
- Meet income limits. See §6.3 (Income Limits).
- Use a legal provider. See §11 (Provider Requirements).
- Participate in authorized activities. See §4.3 (CCAP Sub-Programs).
- Meet citizenship and immigration status requirements. See §4.15 (Citizenship and Immigration Status).
- Pay the required family copayment fee. See §6.21 (Family Copayment).

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0040

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## CCAP SUB-PROGRAMS

4.3

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The Child Care Assistance Program (CCAP) has several sub-programs with differing eligibility criteria, and different allowable activities and authorized hours. This chapter provides information on each sub-program's criteria, allowable activities and authorized hours.

MFIP/DWP, Transition Year (TY) and Transition Year Extension (TYE) are fully funded. This means all eligible families are served.

The Basic Sliding Fee (BSF) sub-program is a capped allocation program. This means that a specific amount of money is allocated to this program each year, and when all allocated funds have been spent or obligated, applicants are put on a waiting list rather than approved for receipt of child care assistance.

Participation in authorized activities is required for child care assistance eligibility. Authorized activities are, in general, employment and activities necessary for the family to prepare for, seek, and retain employment. See §4.6 (Employment and Training Requirements). Allowable activities and hours may vary by CCAP sub-program. Refer to the following sections of this chapter for specific information regarding each sub-program:

- §4.3.3 MFIP & DWP
- §4.3.3.3 MFIP Overview
- §4.3.3.6 Opting Out of MFIP Cash
- §4.3.3.9 MFIP Sanctions
- §4.3.3.12 MFIP Fraud Disqualifications & Convictions
- §4.3.3.15 DWP Overview
- §4.3.3.18 DWP Sanctions
- §4.3.3.21 MFIP/DWP Authorized Activities & Hours
- §4.3.6 Transition Year (TY)
- §4.3.6.3 TY Authorized Activities
- §4.3.9 Transition Year Extension (TYE)
- §4.3.9.3 TYE Authorized Activities & Hours
- §4.3.12 Basic Sliding Fee (BSF)
- §4.3.12.3 BSF Students
- §4.3.12.6 BSF Authorized Activities & Hours
- §4.3.12.9 BSF Priorities
- §4.3.12.12 BSF Waiting List Management
- §4.3.12.15 BSF Portability Pool

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.011 to 119B.26

Minnesota Rules 3400.0040 – 3400.0090

**MFIP & DWP****4.3.3**

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MFIP and DWP are Minnesota's cash assistance programs for families with children. They differ in eligibility requirements and length of time a person can be on assistance. Persons receiving MFIP or DWP are eligible for the MFIP Sub-Program of Child Care Assistance if they are participating in appropriate activities. For payment purposes, retroactive eligibility cannot go back further than six months. See subsequent sub-sections for specific information on each.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.05

Minnesota Statutes 256J

Minnesota Statutes 256J.95

**MFIP OVERVIEW****4.3.3.3**

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MFIP is the Minnesota Family Investment Program. Its purpose is to provide temporary assistance to support families in the process of becoming economically stable. MFIP emphasizes and rewards work. Eligibility is limited to 60 months in a lifetime, with some exceptions.

The MFIP grant includes both a cash and food portion by combining federal or state family cash assistance and the Supplemental Nutrition Assistance Program (SNAP). It is the cash portion of the grant which is time-limited. See §4.3.3.6 (Opting out of MFIP Cash) for its effect on CCAP eligibility.

In a two parent household when one parent is on MFIP and continues to meet the eligibility requirements for MFIP and the other parent is not included in the MFIP grant, they can still receive MFIP child care if the other parent meets BSF eligibility requirements. Examples of this would be when one parent receives SSI or when one parent has been disqualified from MFIP for fraud.

**LEGAL AUTHORITY:**

Minnesota Statute 119B.05

Minnesota Rule 3400.0080

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**OPTING OUT OF MFIP CASH****4.3.3.6**

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Families may choose to “opt out” of the cash portion of MFIP to avoid using up their 60 months of lifetime eligibility. These families still receive the food portion of MFIP, and can return to receiving cash benefits if necessary.

Families which receive the food portion of MFIP only are still considered MFIP recipients, and therefore continue to be eligible for child care assistance under the MFIP sub-program.

Continue to authorize child care, see §4.3.3.3 (MFIP Overview).

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.05

Minnesota Statutes 256J

Minnesota Rules 3400.0080

**MFIP SANCTIONS****4.3.3.9**

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Counties apply MFIP sanctions when participants do not cooperate with employment services or with child support enforcement. Sanctioned participants are NOT removed from the MFIP assistance unit. Instead counties reduce the amount of the MFIP grant.

Whether the participant continues to be eligible for child care assistance depends on the type of non-cooperation and participation in authorized activities.

Do NOT approve child care assistance if the sanction is due to non-cooperation with child support. Cooperation with child support is a condition of eligibility for child care assistance. Reinstate assistance if the family subsequently cooperates with child support, effective the date of compliance.

If the participant is sanctioned for an activity in their Employment Plan (EP) but is complying with another part of their EP, authorize child care for the hours of the compliant activity.

You may, however, continue to authorize child care assistance if:

- The participant is seeking employment (up to 240 hours).
- AND/OR
- The participant is working an average of 20 hours per week, or 10 hours per week if they are a full-time student, receiving at least the applicable minimum wage for all hours worked.

Reinstate child care for all authorized activities if a participant subsequently complies with their full EP effective that date of compliance.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.011 to 119B.24

Minnesota Statutes 256J

**MFIP FRAUD DISQUALIFICATIONS & CONVICTIONS****4.3.3.12**

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Do not approve MFIP child care assistance under the MFIP sub-program for families when both parents have been disqualified from MFIP due to MFIP fraud. In a one parent household, do not approve MFIP child care if the parent has been disqualified from MFIP and there is a child only MFIP grant. Allow these families to apply for the Basic Sliding Fee (BSF) sub-program. Approve child care assistance for authorized activities if all BSF eligibility requirements are met.

If the family includes 2 parents and only 1 parent has been disqualified for MFIP fraud, you may still authorize child care assistance under the MFIP sub-program if:

- The MFIP parent continues to meet the eligibility requirements in §4.3.3.3 (MFIP Overview).
- AND
- The non-MFIP parent meets the eligibility requirements in §4.3.12 (Basic Sliding Fee (BSF)).

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.011 to 119B.24

Minnesota Statutes 256J

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**DWP OVERVIEW****4.3.3.15**

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DWP is the Diversionary Work Program. It is a 4-month intensive program that focuses on immediate employment. All adults are considered job-seekers, and must develop an Employment Plan (EP) with a job counselor **before any benefits are issued**. DWP child care assistance is funded through MFIP child care assistance.

Because of the short duration of the program, and its intent to move people to employment as soon as possible, it is crucial to provide child care assistance as quickly as possible. To assist in this, financial workers obtain a child care application from DWP applicants during the intake interview if child care is needed. To make this process as easy and speedy for the applicant as possible, the Department of Human Services (DHS) developed a CAF – Child Care Addendum ([DHS-5223D](#)).

Apply the same child care eligibility requirements for DWP that you apply to MFIP child care assistance. See §4.3.3.3 (MFIP Overview).

Authorize child care for activities that are in the approved DWP Employment Plan (EP).

Encourage DWP participants to remain in DWP for at least 3 of the 4 allowable months, as it will affect their eligibility for the Transition Year (TY) and Transition Year Extension (TYE) child care assistance sub-programs. See §4.3.6 (Transition Year (TY)) and §4.3.9 (Transition Year Extension (TYE)).

**LEGAL AUTHORITY:**

Minnesota Statutes 256J.95

Minnesota Statutes 119B.011 to 119B.24

**DWP SANCTIONS****4.3.3.18**

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DWP sanctions are imposed when participants do not cooperate with employment services or child support enforcement. Unlike MFIP, DWP sanctions result in total ineligibility. The 4 months of DWP eligibility continues to run while a sanction is in place.

**Do NOT approve or continue child care assistance if the sanction is due to non-cooperation with child support.** Cooperation with child support is a condition of eligibility for child care assistance. Reinstate assistance if the family cooperates with child support in the 4 month DWP eligibility period, effective with the date of compliance.

Allow DWP-sanctioned families to apply for Basic Sliding Fee (BSF) child care assistance. The parent(s) must be in an authorized activity and all other BSF eligibility requirements must be met. See §4.3.12 (Basic Sliding Fee (BSF)), §4.3.12.6 (BSF Authorized Activities & Hours) and 4.3.12.9 (BSF Priorities).

**LEGAL AUTHORITY:**

Minnesota Statutes 256J.95

Minnesota Statutes 119B.011 to 119B.24

## MFIP/DWP AUTHORIZED ACTIVITIES

## 4.3.3.21

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Approve child care assistance for MFIP recipients in authorized activities in an Employment Plan (EP), based on the prescribed number of hours. If number of hours is not specified, do not authorize more hours than the activity requires and is needed for the child. Include travel time in the authorized hours. Never authorize more than 120 hours per 2 week period, per child. See §16.1 (CCAP Authorizations for Clients with an EP).

Treat the following activities outside of an EP as authorized activities:

- Job search up to 240 hours per calendar year per participant. There is no minimum amount of hours required for authorization. Job search includes locating and contacting potential employers, preparing for interviews, interviewing, and up to 2 hours travel time per day as needed.
- Financial and employment services orientations and assessments.
- Appeals and hearings for cash assistance.
- Employment at least for an average of 20 hours per week, or 10 hours per week if a full-time student, and earning at least the applicable minimum wage. The full-time student status needs to be verified. See § 9.15 Authorized Hours-Employment.

Education is **NOT** an authorized activity outside of an EP.

Treat the following activities in an approved EP as authorized activities:

- Employment services overviews and assessments.
- Social service and pre-employment activities
- Appeals and hearings.
- Job search as identified in the EP.
- Participation in work as identified in the EP.
- Participation in training, using actual time in class and study time, as identified in the Employment Plan..

**MFIP/DWP AUTHORIZED ACTIVITIES****4.3.3.21**

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Authorize child care assistance for any activity included in the EP of an MFIP/DWP participant.

- In some cases, MFIP allows for baccalaureate and advanced degrees to be included in an approved employment plan. If post baccalaureate education is included in the approved Employment Plan, child care assistance should be authorized for the post baccalaureate activity according to the approved plan.
- Except For: Political activities done for political purposes: when the act is done to influence voting as a primary or other election. This applies to any paid, unpaid, or subsidized private sector or public sector position.
- Except for: Licensed family child care providers and their employees and legal nonlicensed child care providers and their employees are NOT eligible to receive child care subsidies for their own children or children in their family during the hours they are providing child care or being paid to provide child care.

Families may be involved in a combination of activities.

Families receiving Family Stabilization Services (FSS) are eligible for child care according to the same rules and guidelines as other DWP or MFIP recipients. Child care is available for activities included in an FSS plan.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.011

Minnesota Statutes 256J

Minnesota Rules 3400.0040 and 3400.0080

## TRANSITION YEAR (TY)

## 4.3.6

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Transition Year (TY) Child Care is available to families whose MFIP or DWP closes, and who meet other criteria provided below. Transition Year child care is not available to families who have been disqualified from MFIP or DWP due to fraud.

Families must have received MFIP or DWP for at least 3 of the 6 months prior to the closing of their cash assistance. For example, a family whose MFIP was closed effective December 1st would have to have received MFIP or DWP (or a combination of both) for at least 3 months in the period from June through November.

**NOTE:** Families who choose to “opt out” of the MFIP cash portion are still considered MFIP participants.

In most TY cases, families were receiving MFIP child care assistance before their cash assistance closed and continue to need child care assistance after cash assistance closing. Move these families from MFIP child care assistance to TY child care assistance. When there is no break in receipt of child care assistance:

- Do not require a new application.
- Consider the family to have met the 47% or less of State Median Income (SMI) requirement in their 1st program of participation.

Former MFIP or DWP participants can apply for TY for up to 12 months after their cash assistance closes. In the example provided above, the family would be able to apply for TY through the following November, but their TY would end November 30<sup>th</sup>. **IF THERE IS A BREAK IN ELIGIBILITY BETWEEN MFIP AND TY CHILD CARE ASSISTANCE, THE FAMILY’S INCOME MUST BE AT OR BELOW 47% OF SMI TO BE ELIGIBLE FOR TY.** See §16.36 (Transition Year (TY) Eligibility Relative to 47% SMI).

For payment purposes, the retroactive eligibility cannot go back further than 6 months prior to the application signature date. Refer to the MEC<sup>2</sup> User Manual for instructions.

The family needs to cooperate with child support enforcement in order to approve eligibility for TY.

If a family begins receiving MFIP again, move the family to MFIP child care assistance and consider the following when the MFIP case closes again:

- Look at the previous 6 months. If the family received MFIP or MFIP and DWP for 3 of those previous 6 months, the family qualifies for a new 12 months

**TRANSITION YEAR (TY)****4.3.6**

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Transition Year Period.

- Look at the previous 6 months. If the family received MFIP or DWP for only 1 or 2 of those previous 6 months, the family is eligible for the remaining months of the original Transition Year period. Treat the month or months on MFIP as a suspension of the TY child care benefit but not the Transition Year period. The family may be eligible for MFIP child care during the time they receive MFIP or DWP.

Once families complete their 12 months of TY eligibility, move them to Basic Sliding Fee (BSF) child care if:

- They remain eligible.
- Your county has BSF funds available.
- Your county does not have any higher priority families on the waiting list.

**TRANSITION YEAR AND WAITING LIST REQUIREMENTS**

If your county does not have BSF funds available at the end of a family's transition year, move the family to Transition Year Extension (TYE) and add them to your BSF waiting list as 2<sup>nd</sup> priority.

Transition Year families are placed on the waiting list the date their Transition Year period ends, their effective date for the waiting list is the date they 1st became eligible to apply for TY.

- If a TY family moves to a new county, the date that the family was placed on the waiting list in the original county shall transfer with the family.
- If a TY family is eligible for TY child care but does not need child care at the time of TY eligibility, they retain their priority status on the waiting list.

**TRANSITION YEAR STUDENTS**

If a parent has an educational activity that meets the county requirements for an approved BSF education plan when their MFIP closes, and the county has no BSF waiting list, that family could be served in the BSF program as soon as possible. This family could go directly to BSF with an approved education plan when the MFIP case is closed. Education is not an authorized activity for TY.

A full-time student retains full-time status during school breaks, including summers, if the student is expected to return to school full time after the break.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.011

Minnesota Statutes 119B.05

Minnesota Rules 3400.0060

Minnesota Rules 3400.0090

**TY AUTHORIZED ACTIVITIES**

**4.3.6.3**

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Approve Transition Year (TY) for employment activities. Require employment of at least an average of 20 hours per week and receipt of at least the applicable minimum wage for all hours worked.

If a TY participant is a full-time student and requests child care assistance for only the employment hours, require employment of at least an average of 10 hours per week and receipt of at least the applicable minimum wage for all hours worked. The training or education does not require approval by the county. The full-time student status needs to be verified.

Education is not an authorized activity for Transition Year participants.

Approve TY for up to 240 hours job search per calendar year.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.011- 119B.10

Minnesota Rules 3400.0040 – 3400.0090

**TRANSITION YEAR EXTENSION (TYE)****4.3.9**

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Transition Year Extension (TYE) was designed to provide continuous child care assistance to families who complete their 12 months of Transition Year (TY), continue to be eligible, but cannot be moved into Basic Sliding Fee child (BSF) because your county lacks funds and has a waiting list. Approve TYE and retain the family on the Basic Sliding Fee (BSF) waiting list as 2<sup>nd</sup> priority. There is no time limit on TYE.

Transition Year Extension (TYE) child care may be used to support employment of at least an average of 20 hours per week, or 10 hours per week if the family member is a full time student and earning at least the applicable minimum wage. Job search is available for up to 240 hours per calendar year. TYE is available for the time necessary for families to be moved from the (BSF) waiting list into the (BSF) program. TYE families are not to be considered TY families.

If BSF funds become available and there are no 1<sup>st</sup> priority applicants, move TYE families into the regular BSF program. First serve families who have been in TYE the longest. See §4.3.12 (Basic Sliding Fee) for more information.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.011

**TYE AUTHORIZED ACTIVITIES****4.3.9.3**

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Approve Transition Year Extension (TYE) for employment activities. Require employment of at least an average of 20 hours per week and receipt of at least the applicable minimum wage for all hours worked.

If a TYE participant is a full-time student and requests child care assistance for only the employment hours, require employment of at least an average of 10 hours per week and receipt of at least the applicable minimum wage for all hours worked. The training or education does not require approval by the county. The full-time student status needs to be verified.

Education is not an authorized activity for Transition Year Extension participants.

Approve TYE for up to 240 hours job search per calendar year.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.05 - 119B.011

Minnesota Rules 3400.0040 – 3400.0090

**BASIC SLIDING FEE (BSF)****4.3.12**

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Your county receives a yearly allocation for the Basic Sliding Fee (BSF) sub-program. When sufficient funding is available, approve BSF for non-MFIP/DWP families whose income is below or equal to 47% of the State Median Income (SMI), and who meet all other eligibility requirements specified in §4.3.12.6 (BSF Authorized Activities & Hours). If your allocation is insufficient to meet the demand for BSF child care services, establish waiting lists until funding again becomes available. See §4.3.12.9 (BSF Priorities), §4.3.12.12 (BSF Waiting List Management) and §4.3.12.15 (BSF Portability Pool).

Close BSF if a family meets any of the following conditions:

- The family begins receiving MFIP or DWP, and is therefore moved to another CCAP sub-program.
- Family income exceeds 67% of the SMI.
- An employed member of the family no longer works the required number of hours.
- A student has finished the approved education, or no longer has an approved education plan. See also §4.3.12.3 (BSF Students).

**LEGAL AUTHORITY:**

Minnesota Statute 119B.03

Minnesota Statute 119B.09

Minnesota Statute 119B.10

Minnesota Rules 3400.0060

**BSF STUDENTS****4.3.12.3**

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Your county must approve a student's education or training program prior to authorizing child care assistance for education under Basic Sliding Fee (BSF). Education or training programs must reasonably lead to full-time employment opportunities as determined by the county. Use the criteria in your Child Care Fund Plan to assess this.

Provide ways to expedite and streamline the child care assistance application process for minor parents participating in school-based adolescent parenting child care programs.

Students must meet the requirements of education or Employment Plans. They must also maintain satisfactory progress in the education or training program. Require the student to provide documentation of satisfactory progress from the institution.

Your county must approve any changes in education and training programs prior to the change being made, to continue to authorize BSF child care assistance for these activities.

**BASIC OR REMEDIAL EDUCATION**

You must approve basic or remedial education programs needed to prepare for post-secondary education or employment. Do not apply specific time limits if the student is maintaining satisfactory progress as determined by the institution.

If your county has a waiting list, require students who do not have a GED or high school diploma, or who need remedial and basic skill courses, to be participating in an education program in order to be considered a 1<sup>st</sup> priority. See §4.3.12.9 (BSF Priorities).

**ASSOCIATE OR BACCALAUREATE EDUCATION**

Do not establish time limits for BSF students more restrictive than those established by the educational institution. However, do not authorize BSF child care assistance for more than the time necessary for a part-time or full-time student to complete the requirements the institution determines necessary for an associate or baccalaureate degree. Require the student to provide documentation from the institution regarding credits and hours necessary to complete the program. If you question whether a student is actually attending part-time or full-time, refer to the institution for that determination.

**POST BACCALAUREATE EDUCATION**

Do not approve a training plan for a 2<sup>nd</sup> baccalaureate degree or for education beyond a baccalaureate degree except for continuing education units or certification or coursework necessary to update credentials to obtain or retain employment.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.07

Minnesota Rules 3400.0040

**BSF AUTHORIZED ACTIVITIES & HOURS****4.3.12.6**

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Basic Sliding Fee (BSF) child care assistance can be authorized for:

- Job Search.
- Education.
- Employment.
- Any combination of the above.

Authorize no more than 240 hours of job search per calendar year.

See §4.3.12.3 (BSF Students) for policies regarding authorizing BSF for education.

To authorize BSF to cover employment hours, require employment of at least an average of 20 hours per week and receipt of at least the applicable minimum wage for all hours worked. If the compensation is other than an hourly wage, divide the earned income by the number of hours worked to determine if this requirement is met.

If a full-time student also requests child care assistance for employment hours, require employment of at least an average of 10 hours per week and receipt of at least the applicable minimum wage for all hours worked. The training or education may or may not be approved by the county. The full-time student status needs to be verified. A full time student retains full time status during school breaks, including summers if the student is expected to return to school full time after the break.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B

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**BSF PRIORITIES****4.3.12.9**

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Each county receives an annual capped allocation for Basic Sliding Fee (BSF) child care assistance. When funding is not available, establish a written record of applicant families who would be eligible if funding was available. Sort the list by the priorities provided below.

**1<sup>st</sup> Priority**

Non-MFIP/DWP applicants without a high school or general equivalency diploma, or who need remedial and basic skill courses in order to pursue employment or education leading to employment. Students must be participating in the education program. Within this group, give priority to:

- Parents under age 18.
- Parents 18-20.
- Parents 21 and older.

**2<sup>nd</sup> Priority**

Transition Year families are placed on the waiting list effective the date their Transition Year (TY) period ends, however their effective date for the waiting list is the date they first became eligible to apply for TY. If the family moves, their waiting list date transfers with them. If their name reaches the top of the waiting list before TY ends, continue TY and encumber BSF funds for the months remaining in the allocation period. Use the encumbered funds when TY ends.

**The length of time on the waiting list reported to DHS should NOT include time spent in TY child care. Do not include families who are still in their transition year of child care on the waiting list reported to DHS.**

Move TY families into BSF child care as soon as possible after completion of TY. If the family's name doesn't reach the top of the waiting list by the end of TY, transfer the family to Transition Year Extension (TYE) until BSF funding becomes available. The family retains their TY waiting list date after moving to TYE.

Also give 2<sup>nd</sup> priority to families who receive less than 3 months of DWP benefits. These families are not eligible to receive TY child care, but are 2<sup>nd</sup> priority for BSF.

**3<sup>rd</sup> Priority**

Families who are eligible for portability pool BSF assistance. Families remain in this priority even if their portability pool assistance ends. See §4.3.12.15 (BSF Portability Pool). **Report families in this priority starting with the month that they become eligible for portability pool funding. The family's effective date on the waiting list should be the date of the family's move.**

**4<sup>th</sup> Priority**

**Families in which at least 1 parent is a veteran as defined under Minnesota Statutes section 197.447.** A veteran is a US citizen or resident non-citizen separated under honorable conditions from any branch of the US armed forces after:

- Serving on active duty for 181 consecutive days.  
OR
- Incurring a disability while serving on active duty.  
OR
- Meeting the minimum active duty requirement.  
OR
- Has active military service certified a discharge under honorable conditions.

**5<sup>th</sup> Priority**

All other eligible families, the county may set priorities within this category. Check your County's Child Care Fund Plan. For the definition of Child Care Fund, see §2 (Glossary).

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.03

Minnesota Rules 3400.0060

**BSF WAITING LIST MANAGEMENT****4.3.12.12**

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If you have determined that a family is or will be eligible for the Basic Sliding Fee (BSF) sub-program, but funds are not immediately available, put the family on the BSF waiting list. Perform a preliminary determination of eligibility based on family size, income, and authorized activity. Determine the highest priority group for which the family qualifies. See §4.3.12.9 (BSF Priorities).

When funding becomes available, go to the top of the list and authorize assistance for the number of eligible families the funding will cover.

If the family at the top of the list is temporarily ineligible for child care, leave the family at the top of the list of their priority group and authorize the next applicant on the list. Check your county's Child Care Fund Plan to see if your county has established a different procedure for handling families who are temporarily ineligible and at the top of the waiting list.

Add families who inquire or apply while they are temporarily ineligible to the waiting list, if it appears they will be eligible.

Review and update the waiting list at least every 6 months. It is extremely important to keep the list up-to-date, as it can affect your county's funding.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.03

Minnesota Rule 3400.0035

Minnesota Rule 3400.0060

Minnesota Rule 3400.0040

## BSF PORTABILITY POOL

4.3.12.15

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The Basic Sliding Fee (BSF) portability pool assists families who move from one county in which they were receiving BSF services to another county which has a waiting list.

Families who move are required to notify their new county. If the family was receiving BSF in the previous county, the family must notify the new county of the move within 60 days of the move in order to receive portability pool funding. The original county remains financially responsible for the family's BSF child care for 2 full calendar months. A family who moves on or after the 1<sup>st</sup> day of a month is considered a participant in the original county for that month. The 2 calendar month period would start on the 1<sup>st</sup> day of the next month. See §8.12 (Moving Between Counties) for information regarding a second move after the initial move has been reported. **If a family does not notify their new county within 60 days of the move, they are not eligible for portability pool funding.**

When a family notifies the new county of a move:

1. Determine if the family continues to meet income and eligibility criteria for BSF. As long as there has not been an interruption in eligibility, apply the 67% State Median Income (SMI) income exit criteria. (If there has been an interruption in eligibility, for example, the family does not report the move for several months, the family is not eligible for portability pool. The agency should treat the family as a new applicant.)
2. If the family is eligible for portability pool funding, add the family to the waiting list at the highest priority that applies, but no lower than the 3<sup>rd</sup> priority, effective the date of the move. If the family is not eligible for portability pool funding, but the family would be eligible for BSF if funding were available, the family should be listed in the highest priority that applies, effective the date of contact to the new county. The family is not eligible to be listed in the 3<sup>rd</sup> priority.
3. If the family is eligible for portability pool funding continue BSF child care assistance for the lesser of:
  - 6 months funded through the portability pool (beginning at the end of the 2 full calendar months after the move).OR
  - Until the date your county has the funding necessary to provide regular BSF to the family.

Allow students with post-secondary education plans to follow the original education plan during the portability pool time period. When the family is able to use your county's BSF, apply your county's criteria for education plans, as identified in the approved county Child

Care Plan.

If the new county does not have funds available to continue BSF assistance at the end of the 6-month portability pool period, end child care assistance. If funds become available after the family's child care assistance has been terminated due to the end of the portability pool period, the family must be treated as a new applicant and must have a household income that meets the income requirements in Chapter 6 (Income Eligibility). When funds become available to serve priority three families, serve the families who have been on the priority three waiting list, the longest first.

If after an initial reported move, the family moves again to a new county while they are receiving portability pool funding and the new county has a BSF waiting list, the family continues to be eligible for portability pool funding through the original end date of their portability pool period or until the date the new county has the funding necessary to provide regular BSF to the family. The family is not eligible for a new 6 month portability pool period.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.03

Minnesota Statutes 119B.03

Minnesota Statutes 119B.09

Minnesota Rules 3400.0060

**HEAD START FULL DAY INTEGRATED  
CHILD CARE PROGRAMS****4.3.16**

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Head Start enrolled children are eligible for CCAP payments for child care hours outside of the Head Start hours. In some cases Head Start enrolled children may be eligible for full day CCAP payments that include the Head Start hours, when Head Start and Child Care programs operate a full day integrated model.

A Head Start and Child Care full day integrated program model may operate in a Head Start facility, a child care center, or a licensed family child care provider home that provides Head Start services for at least eight hours per day in one facility.

The Department of Human Services, in conjunction with the Department of Education, has developed an approval process for full day Head Start Programs. Programs that operate a full day integrated model may submit an application to determine if they meet the criteria of operating a full day integrated model.

The programs that qualify for full day CCAP payment are kept on a list, posted on SIR in the MEC<sup>2</sup> area and [programs that qualify](#) on the Child Care Assistance Program CountyLink page. This list is kept up to date and available to counties so that county staff knows which payment principles to apply when authorizing care to a CCAP eligible child who is also enrolled in Head Start. See § 9.9 (Determination of Payment Amounts) and § 16.38 (Head Start & Child Care Assistance Payment Examples).

**Steps to determine if a CCAP eligible child enrolled in Head Start is eligible for full day services**

1. Determine if the CCAP eligible child is also enrolled in Head Start. This may be based on information from the application, family or child care provider/program.
2. Determine which hours the child attends the Head Start Program
3. Determine if the program is operating under Financial Service Model A or B.
  - A. Check SIR/MEC<sup>2</sup> Content Area under Worker Resources for a list of Head Start programs that are approved for full day CCAP payments.
  - B. Apply Financial Service Model A, if the program is on this list (include the Head Start hours). See § 9.9 (Determination of Payment Amounts).
  - C. Apply Financial Service Model B, if the child attends a Head Start program for less than 8 hours per day in addition to another child care provider or program. Deduct the Head Start hours from the CCAP payments. If this totals more than five hours per day, apply CCAP full day payment policies.

**HEAD START FULL DAY INTEGRATED  
CHILD CARE PROGRAMS**

**4.3.16**

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- D. See § 9.9 (Determination of Payment Amounts) and § 16.38 (Head Start & Child Care Assistance Payment Examples).
  - E. Contact your CCAP technical liaison and assistance will be provided to determine which payment principle applies, if the Head Start program is a full day program (at least 8 hours per day), but it is not on the list.

## EMPLOYMENT AND TRAINING REQUIREMENTS

4.6

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People must meet employment, (work study must be counted as employment), education, and training requirements as outlined below to be eligible for child care assistance.

- **SINGLE PARENT, UNMARRIED LEGAL GUARDIAN OR ELIGIBLE RELATIVE CAREGIVER:** The applicant or participant must meet employment, education, or training requirements and other eligibility requirements for the child care assistance program for which the family is applying or in which the family is participating.
  
  - **TWO PARENTS, A PARENT AND STEPPARENT, A LEGAL GUARDIAN AND SPOUSE, OR AN ELIGIBLE RELATIVE CAREGIVER AND SPOUSE:** At least 1 parent, legal guardian, eligible relative caregiver, or spouse must meet employment, education, or training requirements and other eligibility requirements for the child care assistance program for which the family is applying or participating in. The other parent, legal guardian, eligible relative caregiver, or spouse must:
    - Meet employment, education, or training requirements and other eligibility requirements for the child care assistance sub-program for which the family is applying or participating in.
- OR
- Be unable to care for the applicant's child or dependent as determined by a licensed physician, licensed psychologist, or the local social services agency. The condition of the parent who is determined to be "unable to care" may be permanent or temporary.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.011

Minnesota Rules 3400.0040



## COOPERATION WITH CHILD SUPPORT

4.9

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Require all new applicants and current recipients to cooperate with child support for all minor children in the home with an absent parent. See §4.9.3 (Child Support Enforcement Referral Process).

Consider applicants to be cooperating when the Referral to Support and Collections form ([DHS-3163B-ENG](#)) is signed and filled out.

Cooperation with child support may include:

- Establishing paternity.
- Establishing a support order.
- Modifying a support order.
- Enforcing of an existing support order.

It also includes the following, as determined necessary by child support enforcement:

- Providing all known information relevant to the absent parent such as name, address, social security number, phone number, place of employment or school, and the names and addresses of any relatives.
- Appearing at interviews, hearings and legal proceedings.
- If under a judicial or administrative order, submitting to genetic tests including genetic testing of the child.
- Providing additional information necessary to cooperate in good faith with the child support agency.

If a court order establishes child care support for a child in care and subsidized by the Child Care Assistance Program, require the parent to assign this type of support to the State. Assignment of child care support is a condition of eligibility for child care. The Referral to Support and Collections form ([DHS-3163B-ENG](#)) is used for this purpose. If a client is receiving or has applied for MFIP, it is the financial worker's responsibility to have an applicant complete and sign the Referral to Support and Collections form ([DHS-3163B-ENG](#)). Notify the applicant or recipient in writing of the right to claim a good cause exemption from cooperation with child support enforcement. If the client claims good cause, the Cooperation with Child Support Enforcement-Client Statement of Good Cause ([DHS-](#)

**COOPERATION WITH CHILD SUPPORT**

**4.9**

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[2338-ENG](#) is used. See §4.9.6 (Child Support Good Cause Claim).

Consider applicants to **NOT** be cooperating when the family refuses to sign the Referral to Support and Collections ([DHS-3163B-ENG](#)) form.

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0040

Minnesota Statutes 119B.09

Minnesota Statutes 256.741

**CHILD SUPPORT ENFORCEMENT REFERRAL (CSE) PROCESS****4.9.3**

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CCAP applicants and participants must cooperate with Child Support for all children in the CCAP family with an absent parent. If a family does not cooperate they are not eligible for CCAP unless the parent has claimed good cause.

MEC<sup>2</sup> automatically sends some referrals to the Child Support agency through an interface with PRISM. However, because referrals are interfaced from MEC<sup>2</sup> to PRISM only for children who have open Service Authorizations, the family must complete the Cooperation with Child Support Enforcement (DHS-2338) and, if the family is not claiming good cause, the Referral to Support and Collections (DHS-3163B) for all children in the family with an absent parent and the physical Cooperation with Child Support Enforcement (DHS-2338) and Referral to Support and Collections (DHS-3163B) forms must be sent to Child Support. Keep a copy of the physical Cooperation with Child Support Enforcement (DHS-2338) and Referral to Support and Collections (DHS-3163B) forms for the family's CCAP file. If the forms are not completed, the CCAP case must be denied or closed. The Child Support filing fee charged to a NPA (non-public assistance) custodial parent is waived as Child Support cooperation is a CCAP requirement.

Beyond the initial forms completed at CCAP application, the local Child Support agency is responsible for determining if the family is cooperating with child support. If the family has completed the Cooperation with Child Support Enforcement (DHS-2338) and has an approved good cause claim, or has completed the Cooperation with Child Support Enforcement (DHS-2338) and the Referral to Support and Collections (DHS-3163B) for all children in the family with an absent parent, an open CCAP case should not be closed for Child Support noncooperation unless the CCAP worker is notified by Child Support that the client has failed to cooperate.

If an intact family applies for CCAP but the father does not have verification of parentage, refer the family to the county Child Support office to sign a Recognition of Parentage (ROP). A copy of the ROP can be used as the father's verification of relationship. Also have the family complete the Cooperation with Child Support Enforcement (DHS-2338) and the Referral to Support and Collections (DHS-3163B). Complete the appropriate Child Support windows in MEC2.

A caregiver assigns all rights of the family to Child Care Support by completing the Child Care Assistance Program Application (DHS-3550) or the Combined Application - Child Care Addendum (DHS-5223D) in addition to the Combined Application Form (DHS-5223).

If a family applies for CCAP and already has an open MFIP or health care case on MAXIS the CCAP worker should not require that new Child Support forms be completed if all

children in the family are on the existing MFIP or health care case.

If a family applies for CCAP and had a prior CCAP, MFIP or health care case that has closed the family must complete new forms.

If a child with an absent parent is added to the CCAP family or a parent is removed from the CCAP family, the family must complete the Cooperation with Child Support Enforcement (DHS-2338) and, if not claiming good cause, the Referral to Support and Collections (DHS-3163B). Allow 15 days for the parent to complete and return the forms. If the Cooperation with Child Support Enforcement (DHS-2338) and the Referral to Support and Collections (DHS-3163B) (if not claiming good cause) are not completed and returned within 15 days, close the CCAP case with a 15 day notice.

If a CCAP case closed due to noncooperation with Child Support the family must cooperate before a new CCAP case is opened. Because updates are interfaced from PRISM to MEC2 only for children who have open Service Authorizations, the CCAP worker will need to contact Child Support to determine that the family is cooperating before changing the "Cooperation Status" in MEC2 to "Yes."

If the CCAP worker is informed that the parent is not cooperating with child support, the worker must include some form of documentation of the non-cooperation in the CCAP case file. The CCAP worker should also include some form of documentation in the CCAP case file if they are later informed that the parent is cooperating. The CCAP worker must enter case notes indicating what occurred and the documentation sources to support their actions. Documentation could include copies of the alerts, copies of a notice or an email received from child support, or any other form of documentation.

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0040

Minnesota Statutes 119B.09

Minnesota Statutes 256.741

**CHILD SUPPORT GOOD CAUSE CLAIM****4.9.6**

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If a family completes the Cooperation with Child Support Enforcement (DHS-2338) and claims good cause, the family does not need to complete the Referral to Support and Collections (DHS-3163B) and the CCAP worker does not need to wait to open child care until good cause is approved. The county's Good Cause committee will approve or deny the family's good cause claim. If the family's good cause claim is denied, the family must complete the Referral to Support and Collections (DHS-3163B). Allow 15 days for the parent to complete and return the forms. If the Referral to Support and Collections (DHS-3163B) is not completed and returned within 15 days, close the CCAP case with a 15 day notice.

If a family's good cause claim is approved it applies to all programs (eg. CCAP, MFIP, health care for 12 months). If a new CCAP application is submitted and the family has an approved good cause claim that was initiated for any program and was approved during the past 12 months a new Client Statement of Good Cause (part of the Cooperation with Child Support Enforcement) does not need to be completed. If a new CCAP application is submitted more than 12 months past the last good cause approval a new Client Statement of Good Cause should be completed.

For active CCAP cases where good cause has been approved and a good cause review exemption has not been granted, MEC2 will send the CCAP worker an alert 30 days prior to the next good cause review date. The Notice of Child Support Good Cause Redetermination (DHS-3630) must be sent by the worker.

When a good cause review exemption is granted, the Notice of Child Support Good Cause Redetermination (DHS-3630) is not sent to the family. Instead, at the beginning of the biweekly period in which the anniversary occurs, MEC2 will send the CCAP worker an alert to send a Notice of Child Support Good Cause Approval (DHS 3629). The Notice of Child Support Good Cause Approval must be sent manually by the worker.

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0040

Minnesota Statutes 119B.09

Minnesota Statutes 256.741

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**CCAP WORKER TO CHILD SUPPORT ENFORCEMENT (CSE) WORKER**

Tell the Child Support agency of all case openings, changes, or closings by entering the appropriate data on MEC<sup>2</sup>.

Case updates are only interfaced between MEC2 and PRISM for children who have open Service Authorizations.

For children without open Service Authorizations the updates must be sent to Child Support manually.

- Use the Child Care Status Transmittal Update to Child Support (DHS-4003) to send updates to Child Support for children who do not have open Service Authorizations in MEC2.
- Keep a copy of the physical Child Care Status Transmittal Updated to Child Support (DHS-4003) form for the family's CCAP file.

An open CCAP case should not be closed for Child Support noncooperation unless the CCAP worker is notified by Child Support that the client has failed to cooperate.

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0040  
Minnesota Statutes 119B.09  
Minnesota Statutes 256.741

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**DATE OF ELIGIBILITY****4.12**

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The date eligibility begins depends on the sub-program the family is eligible for.

**MFIP/DWP**

- Approve eligibility for employed persons beginning the later date of:

The date of employment or approved job search.

OR

1. The date of MFIP or DWP eligibility.

- Retroactive eligibility cannot go back further than 6 months prior to the application date.

- Approve eligibility for participants in employment services beginning the later date of:

1. The date of commencement of the services.

OR

2. The date of MFIP or DWP eligibility.

**TRANSITION YEAR (TY)**

- Approve eligibility the 1<sup>st</sup> day of the month after the family loses eligibility for MFIP or DWP if the family is eligible. Make child care payments retroactive to this date if the family has maintained eligibility during the entire time period. Payments of child care assistance may only be made retroactive for a maximum of 6 months from the CCAP application date.
- A family with verifiable continued CCAP eligibility does not need to meet the income entry requirement.

**TRANSITION YEAR EXTENSION (TYE)**

- Approve eligibility the date the family completes their Transition Year child care and is eligible for but are on a waiting list for Basic Sliding Fee.

**BASIC SLIDING FEE (BSF)**

Approve child care assistance beginning the later date of:

- The date the application was received by the agency.  
OR
- The beginning date of employment, approved education or training, or approved job search.

For information on provisional payments, see §2 (Glossary), §9.3 (Payments to Providers).

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0040

Minnesota Statutes 119B.09

## CITIZENSHIP AND IMMIGRATION STATUS

## 4.15

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Citizenship or immigration status of the child seeking assistance can affect eligibility. United States citizens are always eligible if they meet other eligibility criteria. Eligibility of non-citizens depends on the setting where child care will be provided and their U.S. Citizenship and Immigration Services (USCIS) classification. See §4.15.3 (Non-Citizens –Eligibility Classification) to determine citizenship or immigration classification for child care assistance. Also, see §7.12 (Verifying Citizenship and Immigration Status) for information on how to verify immigration status.

Citizenship and immigration status do not affect a non-citizen's eligibility to participate in Head Start or non-postsecondary educational programs. Consequently, when child care assistance will be used to pay for child care in a setting subject to public educational standards, such as Head Start or a pre-kindergarten or a school-age care program operated under public education standards, citizenship or immigration status does not have to be determined or verified.

The child is the beneficiary of child care assistance benefits. Therefore, when child care is provided in a setting not subject to public educational standards, the county must verify only the citizenship and immigration status of the child for whom child care assistance is sought. Do not ask for citizenship or immigration information from anyone in the family other than the child for whom child care assistance is sought.

Immigration status can change. Check with participants at appropriate intervals to see if the child's status has changed. For example:

- Check when the citizenship waiting period is over.
- Check at the ending date for non-citizens who are granted status with an ending date.

Non-citizens are people present in the United States who have not attained United States citizenship by birth or naturalization. Non-citizen children who are lawfully residing in the United States meet the technical requirement for immigration status. Non-citizens fall into the following broad categories:

- **LAWFUL PERMANENT RESIDENTS (LPR):** LPRs are immigrants who have been granted permission to live and work in the United States on a permanent basis.

- 
- **PEOPLE FLEEING PERSECUTION:** Includes refugees, people granted asylum or withholding of deportation (or removal), Cuban or Haitian entrants, and Amerasian immigrants from Vietnam.
  - **LAWFULLY RESIDING NON-CITIZENS:** Includes people with permission to live and work in the United States on a temporary basis, such as people granted parole, temporary protected status (TPS), deferred enforced departure (DED), or other temporary status.
  - **NON-IMMIGRANT:** People such as tourists, students, business visitors, diplomats, and others who have permission to enter the United States for a limited period of time, but have not abandoned their residence in their home country.
  - **UNDOCUMENTED PEOPLE:** People who do not have permission to enter or stay in the United States.

Also see the following sections to determine whether children fall into eligible or ineligible classes of immigration status:

§4.15.3	Non-Citizens - Eligibility Classification.
§4.15.6	Non-Citizens - Lawful Permanent Residents.
§4.15.6.3	Non-Citizens - Adjustment of Status.
§4.15.9	Non-Citizens - People Fleeing Persecution.
§4.15.12	Non-Citizens - Victims of Battery or Cruelty.
§4.15.15	Non-Citizens - Lawfully Residing People.
§4.15.18	Non-Immigrant and Undocumented People.

Deny assistance when:

- The setting where child care will be or is being provided is not subject to public educational standards (such as a Head Start or a pre-kindergarten or a school-age care program operated under public education standards).

AND

- The county cannot verify that any of the children for whom assistance is being sought or paid have a citizenship or immigration status that makes them eligible for child care assistance.

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0040

Minnesota Statutes 119B.025

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## NON-CITIZENS – ELIGIBILITY CLASSIFICATION

4.15.3

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The Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996, limits the eligibility of non-citizens for federal public benefits. Child care assistance has been determined to be a federal public benefit. The federal government, however, determined that child care assistance is not a “federal means-tested public benefit.” Consequently, those non-citizens who are “qualified non-citizens” can receive child care assistance from federal funds. A “qualified non-citizen” is generally:

- A non-citizen who is lawfully admitted for permanent residence under the Immigration and Nationality Act [8 U.S.C. 1101 et seq.]. See §4.15.6 (Non-Citizens - Lawful Permanent Residents).
- OR
- A non-citizen who is granted asylum under section 208 of such Act [8 U.S.C. 1158]. See §4.15.9 (Non-Citizens - People Fleeing Persecution).
- OR
- A refugee who is admitted to the United States under section 207 of such Act [8 U.S.C. 1157]. See §4.15.9 (Non-Citizens - People Fleeing Persecution).
- OR
- A non-citizen who is paroled into the United States under section 212(d)(5) of such Act [8 U.S.C.1182 (d) (5)] for a period of at least 1 year. See §4.15.9 (Non-Citizens - People Fleeing Persecution).
- OR
- A non-citizen whose deportation is being withheld under section 243(h) of such Act [8 U.S.C.1253] (as in effect immediately before the effective date of section 307 of division C of Public Law 104-208) or section 241(b)(3) of such Act [8 U.S.C. 1231 (b) (3)] (as amended by section 305(a) of division C of Public Law 104-208). See §4.15.15 (Non-Citizens - Lawfully Residing People).
- OR
- A non-citizen who is granted conditional entry pursuant to section 203(a)(7) of such Act [8 U.S.C.1153(a)(7)] as effective prior to April 1, 1980. See §4.15.9 (Non-Citizens - People Fleeing Persecution).
- OR
- A non-citizen who is a Cuban or Haitian entrant (as defined in section 501(e) of the Refugee Education Assistance Act of 1980) [8 U.S.C. 1644]. See §4.15.9 (Non-Citizens - People Fleeing Persecution).
- OR
- A battered non-citizen (as defined in 8 U.S.C. 1641 (c)). See §4.15.12 (Non-Citizens - Victims of Battery or Cruelty).

The federal government has clarified that the child is the beneficiary of child care assistance benefits and, therefore, PRWORA requires that only the citizenship and immigration status of

**NON-CITIZENS – ELIGIBILITY CLASSIFICATION****4.15.3**

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the child be verified for child care assistance eligibility purposes. When determining whether a Minnesota family is eligible for child care assistance, the county therefore verifies only the citizenship and immigration status of the child or children for whom assistance is sought.

PRWORA specifically provides that its provisions do not apply to Head Start and non-postsecondary educational programs and that it does not have any effect on the right of non-citizen children to participate in these programs. Consequently, the federal government has determined that when child care assistance funds are used to pay for child care in settings subject to public educational standards, such as a Head Start or a pre-kindergarten or a school-age care program operated under public education standards, it is considered that the child is participating in a non-postsecondary educational program rather than receiving federal public benefits.

PRWORA also prohibits certain non-citizens from receiving state or local public benefits. Under federal law, only “qualified non-citizens” as listed above, non-immigrants under the Immigration and Nationality Act, and non-citizens paroled into the United States under 8 U.S.C. 1182 (d)(5) for less than 1 year, can receive state and local public benefits.

You must deny a family’s application for child care assistance or terminate a family’s child care assistance when:

- The setting where child care will be or is being provided is not subject to public educational standards (such as a Head Start or a pre-kindergarten or a school-age care program operated under public education standards)
- AND
- The county cannot verify that the child(ren) for whom assistance is being sought or paid meets immigration status requirements for child care assistance.

Refer to the Guide to Non-citizen Eligibility for Cash and Food Support ([DHS-4864-ENG](#)), available through e-Docs, for additional information and guidance on identifying immigration documents and determining immigration status.

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0040  
Minnesota Statutes 119B.025

**NON-CITIZENS - LAWFUL PERMANENT RESIDENTS****4.15.6**

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Non-citizens who lawfully immigrated to the United States are called Lawful Permanent Residents (LPRs). LPRs have permission to live and work permanently in the United States. They can travel abroad and return to the United States as long as they have not abandoned their United States residence. Permission to enter as an LPR is usually granted to people living abroad, but under certain circumstances it may be granted to a person already present in the United States. See §4.15.6.3 (Non-Citizens - Adjustment of Status). An LPR can apply for naturalization to United States citizenship after living in the United States for 5 years (3 years if married to a United States citizen).

Most LPRs obtain permission to enter the United States through a petition from a family member. They may be immediate relatives (for example, spouses, minor children, or parents) of adult United States citizens, or receive family-sponsored preference. The number of family-sponsored immigrants has an annual cap, and the waiting list may be several years long. All petitions for family members must also include an affidavit of support.

People who receive LPR status through marriage to a United States citizen will be granted conditional permanent residence if they have been married less than 2 years. The purpose is so that U.S. Citizenship and Immigration Services (USCIS) can determine that the reason for the marriage was not for the purpose of gaining entry to the United States. At the end of 2 years, either the couple must file a joint petition with the USCIS to remove the condition, or, to keep his or her LPR status, the non-citizen spouse must qualify for a waiver of joint petition requirement. Conditional permanent residents have the same documents and rights as other LPRs, EXCEPT their I-551 card expires after 2 years and is coded "CR".

There are also provisions for employment-based immigrants with special skills or abilities, or for jobs in which there is a shortage of workers. Most require a petition from an employer. If the employer is related to the immigrant, an affidavit of support (I-834) may also be required.

There are also 55,000 visas per year awarded to people from countries from which few people have been admitted over the previous 5 years. These "diversity" visas are awarded on the basis of an annual lottery where names are submitted and randomly drawn. The I-551, passport, or I-94 will identify these non-citizens as DV1, DV2, or DV3.

Some LPRs may also have held a previous immigration status, such as refugee or asylee, that may impact eligibility. See §4.15.6.3 (Non-Citizens - Adjustment of Status).

Consider North American Indians born in Canada who have at least 50% North American Indian blood to be LPRs when they enter the United States from Canada.

LPRs are eligible for child care assistance if they meet all other eligibility criteria. See §4.15 (Citizenship and Immigration Status), §4.15.3 (Non-Citizens – Eligibility Classification).

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0040

Minnesota Statutes 119B.025

**NON-CITIZENS – ADJUSTMENT OF STATUS****4.15.6.3**

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Non-citizens already present in the United States who are not lawful permanent residents (LPRs) may apply for adjustment of status to LPR. This process relates to program eligibility in several ways. Only LPRs may become United States citizens.

Refugees normally adjust their status 1 year after arrival in the United States. The process is currently completed through a mailed application. If the person has no barrier to admission in the United States, the adjustment is automatic.

Asylees may also apply for adjustment 1 year after their asylee status is granted, but there is an annual limit of 10,000 people who may adjust to LPR.

Though refugees and asylees may have adjusted to LPR, their eligibility for child care assistance is still based on their original U.S. Citizenship and Immigration Services (USCIS) status. See §4.15.9 (Non-Citizens - People Fleeing Persecution).

Battered spouses and/or children of United States citizens or LPRs who are non-citizens may be eligible to self-petition for adjustment of status. They may be eligible for assistance while their application is pending. See §4.15.12 (Non-Citizens - Victims of Battery or Cruelty).

Under the Immigration Reform and Control Act of 1986 (IRCA), non-citizens who had resided unlawfully in the United States since before 1-1-82 (general amnesty, or section 245A) of the Immigration and Nationality Act and certain farmworkers (Special Agricultural Worker (SAW), or section 210 of the Immigration and Nationality Act) were allowed to legalize their status through a 3-stage process. Amnesty applicants whose applications were granted were then given lawful temporary resident (LTR) status. The majority of people who legalized under IRCA have become LPRs. However, general amnesty applicants were required to complete English language and United States civics requirements as a condition of adjustment. A few people were unable to complete the requirements and remain Lawful Temporary Resident (LTRs). See §4.15.15 (Non-Citizens - Lawfully Residing People). There were originally program restrictions on those that adjusted under IRCA but those restrictions are no longer in effect.

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0040

Minnesota Statutes 119B.025

## NON-CITIZENS - PEOPLE FLEEING PERSECUTION

4.15.9

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Some non-citizens are allowed to enter or remain in the United States because they are unable or unwilling to return to their country of residence for fear of persecution. There are several levels of immigration status that relate to this, most of which are temporary. However, people may adjust their status to lawful permanent residents. See §4.15.6.3 (Non-Citizens - Adjustment of Status).

- **REFUGEES:** People who have established that they have a well-founded fear of persecution as a condition of their entry to the United States. The U.S. Citizenship and Immigration Services (USCIS) has interviewed them outside this country, and they have met the processing priorities established by the State Department. The priorities have to do with need for protection or close ties to the United States through employment or relatives. Prior to 1981, some refugees entered the country under other immigration categories, such as conditional entrant or paroled as a refugee. Refugees are eligible.
- **ASYLEES:** People who are already present in the United States and have established a well-founded fear of persecution if returned to their home country, may be granted asylum status. The process for establishing a claim of asylum before an USCIS asylum officer or immigration judge may take some time, often a year or more. Applicants may be granted employment authorization after their case has been pending for a sufficient time, or when preliminary approval of the claim is granted prior to a background check. Some applicants who are not granted asylum may be given withholding of removal (or deportation) when it is decided that persecution is more likely than not. Asylees are eligible.
- **AMERASIANS:** The non-citizen children of Vietnamese mothers and American fathers may be admitted to the United States along with their immediate relatives. Though they are admitted as lawful permanent residents (LPR), they are generally eligible for the same benefits as refugees.
- **CUBAN OR HAITIAN ENTRANT:** In 1980 there was a massive boat lift of Cubans and Haitians to Florida. The immigration status of Cuban-Haitian Entrant was created to accord them a legal status while their cases were pending. Not all Cubans or Haitians would be considered Cuban-Haitian Entrants, as they may enter the United States under other circumstances. Those who enter the country as LPRs under preference categories would be treated as any other LPRs.

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0040

Minnesota Statutes 119B.025



A non-citizen who is a victim of battery and/or cruelty and who is either married to or is the child of a United States citizen or lawful permanent resident may be able to "self-petition" for permanent residency if he or she does not already have this immigration status. The U.S. Citizenship and Immigration Services (USCIS) will determine the battery and/or cruelty.

The non-citizen may be eligible for child care assistance once the petition is accepted by USCIS.

The bottom section of the Family Violence Referral ([DHS-3323](#)) provides space for the county to make a referral to the local legal aid office or 1 of the following agencies for people in need of legal assistance under this provision:

- Centro Legal 651-642-1890 or 1-800-245-5753 (for Spanish speakers who need assistance with family violence and immigration matters).
- Immigration Law Center 651-291-0110 (for assistance with immigration matters).

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0040

Minnesota Statutes 119B.025



## NON-CITIZENS - LAWFULLY RESIDING PEOPLE

4.15.15

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Under certain circumstances people are permitted to enter and/or remain in the United States on a limited basis. Consider these people as lawfully residing non-citizens. In most cases, people will depart the United States when their status expires, or have a petition filed to adjust their status to Lawful Permanent Resident (LPR). Review their status to be sure it has not expired or changed.

- **PAROLE:** The United States Attorney General has authority to parole non-citizens into the United States when it is in the public interest or for humanitarian reasons. Parole is usually granted for a specific time period, but in some instances it may be indefinite. Humanitarian parole is usually for the purpose of medical treatment that is not available in a non-citizen's home country. Parole may also be used while other applications are pending, such as asylum applications. Parole is often used for people from refugee-producing countries, such as Vietnam or the former Soviet Union, when they do not qualify as refugees but have family members already in the United States.
- **LAWFUL TEMPORARY RESIDENT (LTR):** Under the Immigration Reform and Control Act (IRCA) of 1986, certain undocumented non-citizens were allowed to legalize their status, first to Lawful Temporary Resident (LTR), and then to Lawful Permanent Resident (LPR). However, there is no current provision to allow undocumented non-citizens to apply for legalization to LTR. A small number of LTRs were unable to adjust to LPR, mostly because of the English language and civics testing requirements.
- **FAMILY UNITY:** A program resulting from problems that arose due to the Immigration Reform and Control Act (IRCA) of 1986, which allowed the spouses and children of people who legalized their status, to remain in the United States. Most Family Unity cases should be pending adjustment to LPR and the numbers should be decreasing.
- **TEMPORARY PROTECTED STATUS (TPS):** Certain countries may be designated as temporarily unsafe to return to because of armed conflict or natural disaster. Residents of those countries who are present in the United States at that time may apply for TPS. TPS is granted for a specified time (6 to 18 months). At the end of the specified time period, U.S. Citizenship and Immigration Services (USCIS) will conduct a review to determine if it is safe for the people to return or if TPS should be extended.

- **OTHER DISCRETIONARY CLASSIFICATIONS:** There are several classifications used to permit non-citizens to remain in the United States for humanitarian or other public policy reasons. These classifications include:
  - Deferred enforced departure (DED).
  - Deferred action.
  - Voluntary departure.
  - Stay of deportation.
- **PEOPLE WITH PENDING IMMIGRATION STATUS:** Under certain circumstances a person may be considered to be lawfully residing in the United States while his or her application is still being processed. This would specifically include:
  - The spouse or child of a United States citizen whose visa petition has been approved and who has a pending application for adjustment of status to LPR.
  - An applicant for asylum or withholding of deportation who has been granted employment authorization.

Lawfully residing non-citizens paroled for a period of 1 year or more may be eligible for child care assistance.

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0040

Minnesota Statutes 119B.025

## NON-IMMIGRANT AND UNDOCUMENTED PEOPLE

4.15.18

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Non-immigrants are people allowed to enter the United States for a specific purpose and for a limited period of time. They maintain a residence in their home country that they have no intention of abandoning. They include tourists, students, business visitors, diplomats, and others who have permission to enter the United States for a limited period of time, but have not abandoned their residence in their home country.

When child care will be provided in a setting not subject to public educational standards, children who are undocumented and non-immigrant people are **NOT** eligible. Do **NOT** assume a child is undocumented because the applicant is unable or unwilling to verify immigration status. Such a child is ineligible, but not necessarily undocumented.

Undocumented people are those living in the United States without authorization. If the setting where child care will be provided is not subject to public educational standards, follow the normal verification procedures to determine if the child for whom child care assistance is being sought is an undocumented person. See §7.12.9 (Identify Non-Immigrant & Undocumented People).

When the setting where child care will be provided is not subject to public educational standards, applicants who are unable or unwilling to produce proof of the immigration status of the non-citizen children for whom they are applying for child care assistance are ineligible. Do **NOT** try to confirm the status of anyone in the applicant's family with the U.S. Citizenship and Immigration Services (USCIS) without the person's authorization.

Other family members not receiving child care assistance are not required to disclose their immigration status.

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0040

Minnesota Statutes 119B.025



**CCAP FAMILY COMPOSITION****5**

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The CCAP family consists of people who live together whose needs and income you consider together, in determining child care assistance eligibility. See §2 (Glossary) for the definition of family.

To determine who to include in a child care family, see §5.3 (Determining the CCAP Family).

An adult family member who is not in an authorized activity may be temporarily absent up to 60 days, and then will be removed from the CCAP household. See §5.6 (CCAP Family - Temporary Absence).

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.011



## DETERMINING THE CCAP FAMILY

## 5.3

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For information on what constitutes a family for the Child Care Assistance Program (CCAP), see the definition of FAMILY in §2 (Glossary).

An adult family member who is not in an authorized activity **may be** temporarily absent for up to 60 days. People may remain in a Child Care Assistance Program (CCAP) family while temporarily absent under certain conditions; see §5.6 (CCAP Family - Temporary Absence).

An adult age 18 or older who meets the definition of family and is a full-time high school or post-secondary student may be considered a dependent member of the family if 50 percent or more of the adult student's support is provided by the parents, stepparents, guardians, and their spouses or eligible relative caregivers and their spouses residing in the same family. To include the adult student as a dependent in the family, the family must verify:

- The adult dependent's student status.
- That the family provides 50 percent or more of the dependent students support.
- All other eligibility factors required for members of the CCAP family.

See the following sections for more information:

- §7.3 (Verification – Initial Application).
- §7.6 (Verification – Eligibility Redetermination).
- §7.9 (Income Verification).

Agencies may want to set up criteria for determining the level of **family support for adult students**. Suggestions include determining household costs, for example, rent, utilities, and food. Divide the amount by the total number of family members. Assign a percent to each member, and then compare that to the adult student's income. The adult student's earned and unearned income must be included in determining the household income, if the adult student is included in the family, unless the adult student is under the age of 19 and has not earned a high school diploma or GED.

When a minor parent or parents and his/her, or their child or children are living with other relatives, and the minor parent or parents apply for a child care subsidy, "family" means only the minor parent or parents and their child or children.

**DETERMINING THE CCAP FAMILY****5.3**

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When a child resides in 2 homes, both families can apply for child care assistance. Shared custody arrangements are an example of this. The child is considered to be temporarily absent from each home during the time the child is not in residence in that home. The child is included in the household size in both homes. Child care assistance can only be paid on each case during the time the child is residing with that parent. Both cases would have to cooperate with child support enforcement as there is an absent parent in each case. Eligibility, income, copayment, and household size are determined separately for each case.

When a child resides in more than one home and care is needed by both parents who use different providers, care should be authorized to avoid the payment of absent days to one of the parent's provider when care is being paid to the other parent's provider.

The Department of Human Services (DHS) has developed a series of case examples to assist you in determining the CCAP family. See §5.9 (CCAP Family Composition Examples).

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.011, Subd. 13

## CCAP FAMILY – TEMPORARY ABSENCE

5.6

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People may remain in a Child Care Assistance Program (CCAP) family while temporarily absent under certain conditions. Children included in the CCAP household size may be considered temporarily absent from the household if they intend to return to the CCAP household. Continue to include these children in the CCAP household size. Do not authorize care for these children.

An adult included in the CCAP household size may be considered temporarily absent from the household if they intend to return to the CCAP household. An adult family member who is not in an authorized activity may be considered temporarily absent for up to 60 days. When the temporarily absent adult is not in an authorized activity and has been absent from the household for 60 days MEC<sup>2</sup> will remove the absent adult from the CCAP household, and will change household size. This may result in the need for child support cooperation. Children and temporarily absent adults who are in an authorized activity are not subject to the 60 day restriction. The CCAP worker must determine if the absent adult family member is in a CCAP authorized activity. The activity must be verified.

For more information on a CCAP family, see §2 (Glossary), §5.3 (Determining the CCAP Family), §5.9 (CCAP Family Composition Examples).

Temporary absences may include, but are not limited to:

- Family members attending schools away from the home.  
OR
- Children in foster care.  
OR
- Family members in residential treatment facilities.  
OR
- Family members in military service.  
OR
- Family members in rehabilitation programs.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.011

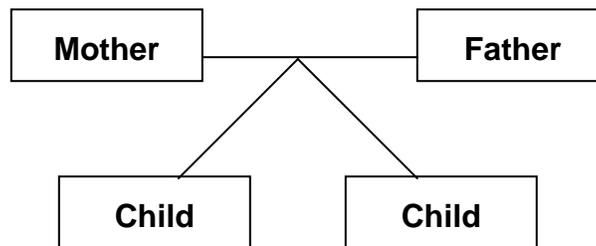
Minnesota Rules 3400.0040

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## CCAP FAMILY COMPOSITION EXAMPLES

5.9

The following are examples of Child Care Assistance Program (CCAP) family composition, authorized activities, and the child care funding source(s) (Basic Sliding Fee (BSF), MFIP or Transition Year (TY)).

**2-PARENTS MARRIED FAMILIES****1<sup>st</sup> case scenario:**

**Mother:** Working 35 hours per week.

**Father:** Going to school

**Family Size:** 4

**2<sup>nd</sup> case scenario:**

**Mother:** Working 35 hours per week.

**Father:** Unable to care as determined by licensed physician.

**Family Size:** 4

If the family meets general eligibility for CCAP, the following CCAP programs may be available to them:

**BSF:** Case 1: Eligible with county-approved education plan for father's education.

Case 2: Eligible for mom's work activity.

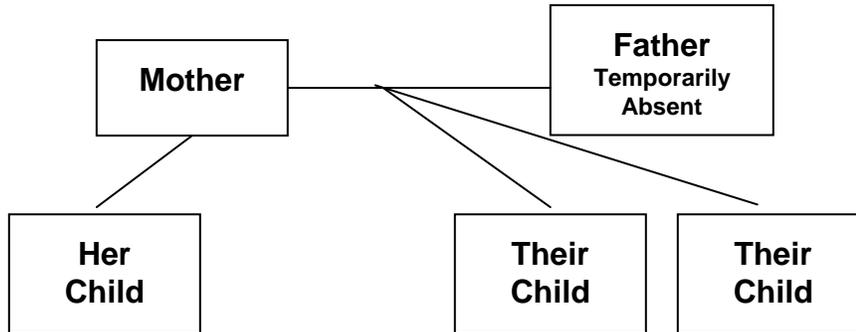
**MFIP:** Case 1: Eligible with an approved Employment Plan for the father.

Case 2: Eligible for mom's work activity.

**TY:** Case 1: Father is considered available to provide care. Education is not an authorized activity under TY.

Case 2: Eligible for mom's work activity.

---

**2-PARENT MARRIED FAMILY (1 TEMPORARY ABSENT)**

**Mother:** Working 40 hours per week.

**Father:** Temporarily absent from home and intends to return.

**Family**

**Size:** 5

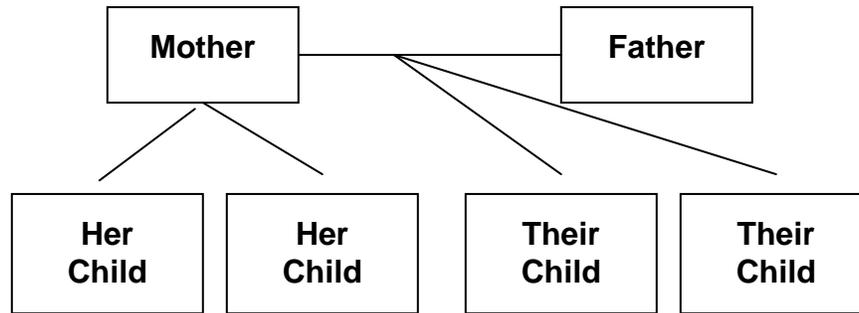
If the family meets general eligibility for CCAP, the following CCAP programs may be available to them:

**BSF:** Eligible.

**MFIP:** Eligible.

**TY:** Eligible.

---

**2-PARENT MARRIED BLENDED FAMILY**

**Mother:** Attending School.

**Father:** Working 40 hours per week.

**Family Size:** 6

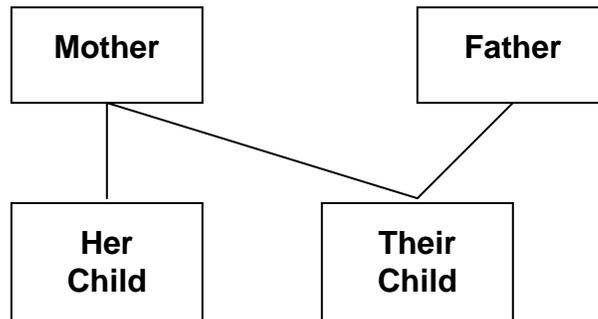
If the family meets general eligibility for CCAP, the following CCAP programs may be available to them:

**BSF:** Eligible with an approved education plan.

**MFIP:** Eligible with an approved Employment Plan.

**TY:** Not eligible. School is not an authorized activity for TY.

---

**2-PARENT UNMARRIED BLENDED FAMILY**

**Mother:** Working 35 hours per week.

**Father:** No authorized activity.

**Family Size:** 4

If the family meets general eligibility for CCAP, the following CCAP programs may be available to them:

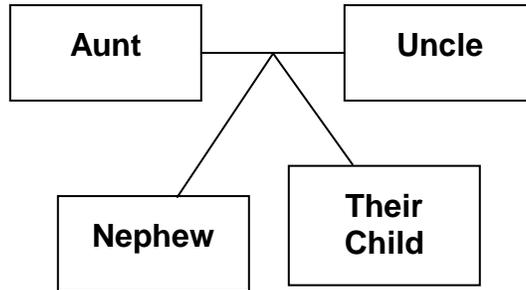
**BSF:** Eligible for her child only. Father could **NOT** be paid to care for her child.

**MFIP:** Eligible for her child only. Father could **NOT** be paid to care for her child.

**TY:** Eligible for her child only. Father could **NOT** be paid to care for her child.

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**ELIGIBLE RELATIVE CAREGIVER OR LEGAL GUARDIAN FAMILY**



**Aunt:** Working 35 hours per week.

**Uncle:** Working 40 hours per week.

**Nephew:** MFIP, child-only grant.

**Family Size:** 4

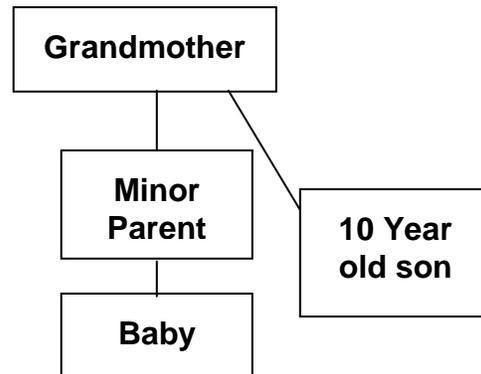
If the family meets general eligibility for CCAP, the following CCAP programs may be available to them:

**BSF:** Eligible.

**MFIP:** No. Would be eligible only if aunt and/or uncle (applicant for CCAP) are on the MFIP grant.

**TY:** No. Would be eligible only if aunt and/or uncle (applicant) had been on MFIP for 3 of the 6 months.

---

**MINOR PARENT FAMILY LIVING WITH HIS OR HER PARENT**


**Grandmother:** Working 40 hours per week.

**Minor Parent:** Attending High School.

**Family Size:** Two families of 2 or 1 family of 3 depending on whether minor parent applies for and receives CCAP:

If the family meets general eligibility for CCAP, the following CCAP programs may be available to them:

**Family A** = Grandmother, Minor Parent, and 10 Year old.

OR

**Family B** = Grandmother and 10 Year old.

AND

**Family C** = Minor Parent and Baby.

**BSF:** **Family A/B:** Family could apply for assistance for 10 year old while the grandmother works.

**Family C:** Child care is available while minor parent attends school with an approved education plan.

**MFIP:** **Family A/B:** Grandmother could apply for assistance for 10 year old while she works.

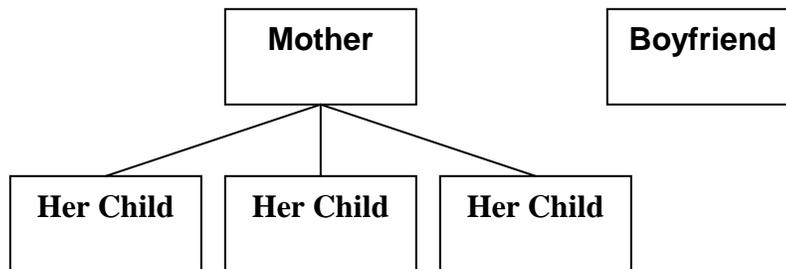
**Family C:** Minor parent must have an approved Employment Plan.

**TY:** **Family A/B:** Family would be eligible for child care for 10 year old while grandmother works if she has been on MFIP for 3 out of the previous 6

months.

**Family C:** Not eligible. School is not an authorized activity for Transition Year.

### UNMARRIED PARENT LIVING WITH BOYFRIEND



#### Case Scenario 1:

**Mother:** Working days.

**Boyfriend:** Working intermittently, some days and some nights.

#### Family

**Size:** 4 (boyfriend does **NOT** meet the definition of family and is not considered part of the CCAP family.)

If the family meets general eligibility for CCAP, the following CCAP programs may be available to them:

**BSF:** Eligible for mother's work activity.

**MFIP:** Eligible for mother's work activity.

**TY:** Eligible for mother's work activity.

#### Case Scenario 2:

Mother and boyfriend get married.

**Mother:** Working days.

**Husband:** Working intermittently, some days and some nights.

#### Family

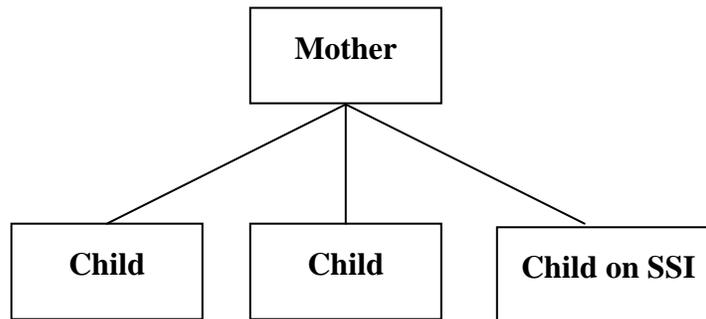
**Size:** 5.

**BSF:** Eligible for times when both mother and her husband are simultaneously in authorized activities.

**MFIP:** Eligible if both have an approved an Employment Plan.

**TY:** Eligible only if the mother was previously MFIP.

### UNMARRIED PARENT WITH A CHILD ON SSI



**Mother:** Receives MFIP for herself and 2 out of her 3 children. The other child receives SSI.

**Family**

**Size:** 4 (The child that receives SSI meets the definition of family and is considered a member of the CCAP family).

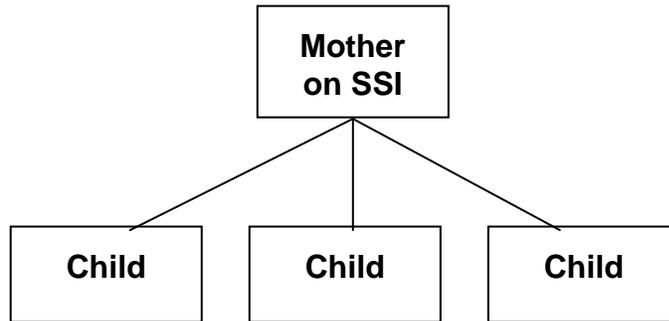
If the family meets general eligibility for CCAP, the following CCAP programs may be available to them:

**BSF:** Not eligible.

**MFIP:** Eligible (determined by the applicant's status).

**TY:** Not eligible.

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**UNMARRIED MOTHER ON SSI**

**Mother:** Receives SSI.

**Children:** Receive MFIP.

**Family**

**Size:** 4. The mother receives SSI and meets the definition of family. She is considered a member of the CCAP family.

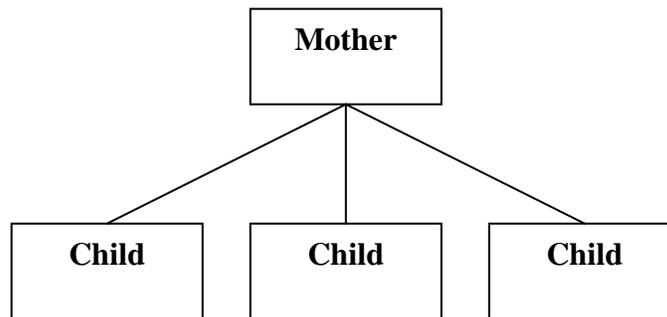
If the family meets general eligibility for CCAP, the following CCAP programs may be available to them:

**BSF:** Eligible to apply (determined by the applicant's status). SSI is excluded income.

**MFIP:** Not Eligible.

**TY:** Not eligible.

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**MOTHER DISQUALIFIED DUE TO FRAUD**

**Mother:** Not on MFIP because of MFIP fraud disqualification (**NOT** a MFIP child care fraud.).

**Children:** 3 children receive MFIP.

**Family**

**Size:** 4

If the family meets general eligibility for CCAP, the following CCAP programs may be available to them:

**BSF:** Eligible to apply (determined by the applicant's status). If MFIP closes, family would continue to be eligible for BSF.

**MFIP:** Not Eligible.

**TY:** Not eligible.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.011

Minnesota Rules 3400.0040

## INCOME ELIGIBILITY

6

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This chapter covers policies and procedures regarding income eligibility.

Count earned and unearned income received by all family members, unless specifically excluded. See §6.12 (Excluded Income).

To determine income eligibility:

- Collect information regarding income received by all family members.
- Verify all income.
- Allow specific exclusions.
- Annualize all counted income.
- Annualize all allowable deductions.
- Apply annualized income after deductions to the appropriate income limit. See §6.3 (Income Limits).
- Calculate the family copayment if eligible.

The Minnesota Child Care Assistance Program Application ([DHS-3550](#)) asks the applicant to list all income received by all family members. This includes earned income, self-employment income and unearned income. It also requests information on non-reimbursed expenses.

Applicants may also use the Combined Application Form (CAF) ([DHS-5223](#)) along with the Combined Application – Child Care Addendum ([DHS-5223D](#)) if they are applying for cash assistance, food support, and/or health care programs as well. The CAF requests the same income information as the CCAP Application.

Additional information is included in the following sub-sections:

- §6.3 Income Limits
- §6.6 Earned/Unearned Income
- §6.12 Excluded Income
- §6.15 Annualizing Income
- §6.15.3 Annualizing MFIP & Earned Income
- §6.15.6 Annualizing Self-Employment Income

**INCOME ELIGIBILITY**

**6**

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- §6.15.9 Annualizing Rental Property Income
  - §6.15.12 Annualizing Farming Income
  - §6.15.15 Annualizing Lump Sum Income
  - §6.16 Applicable Minimum Wage
  - §6.18 Income Deductions
  - §6.21 Family Copayment
  - §6.9 Income Verification

**LEGAL AUTHORITY:**

- Minnesota Statutes 119B.09
- Minnesota Statutes 119B.011
- Minnesota Rules 3400.0170

**INCOME LIMITS****6.3**

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Use annual gross income after allowable deductions to determine eligibility for child care assistance. Use the same income to determine copayment amount for eligible families. See §6.21 (Family Copayment) for current income limits and copayment amounts.

**APPLICANTS**

Compare an MFIP family's income to 67% of the State Median Income (SMI). If income exceeds 67% of the SMI the family is not eligible for child care assistance.

For all other applicant families, compare income to 47% of SMI. Also see §6.21 (Family Copayment).

**TRANSITION YEAR CHILD CARE ASSISTANCE**

If there is no break between receiving MFIP child care assistance and Transition Year (TY) child care assistance, compare a TY family's income to 67% of SMI.

If there is a break in eligibility between MFIP and TY child care assistance, compare a TY family's income to 47% of SMI. If annual income exceeds 47% of SMI, the family is not eligible for child care assistance.

If the family did not receive MFIP child care assistance and applied during their transition year, and their annual income exceeds 47% of SMI, the family is not eligible for child care assistance.

**PARTICIPANT**

Once determined eligible, compare a participant's income to the exit level of 67% of SMI. When annual income exceeds 67% of SMI, the family is then ineligible.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.011

Minnesota Rules 3400.0170

**EARNED/UNEARNED INCOME****6.6**

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Earned income is a payment a family member had to expend individual effort or labor to receive. Examples are:

- Wages/salaries.
- Paid vacation or sick leave.
- Uniform, mileage and meal allowances if federal income tax is deducted from the allowance.
- Fair market value of housing if housing is provided as part of total work compensation.
- Tips/gratuities.
- Self-employment income.
- Commissions.
- Incentive payments from work or training programs.
- Jury duty pay.

Gross earned income is income from employment prior to any payroll deductions. Gross income includes such things as 401K contributions and pre-tax medical/dental accounts. Refer to §6.18 for information on income deductions that should be deducted from annual gross income.

Unearned income is a payment a family member did not have to expend individual effort or labor to receive. Expenditures necessary to secure payment of unearned income are deducted from the unearned income. Examples of unearned income are:

- Cash portion of MFIP.
- Work Benefit (WB).
- DWP.
- Relative Custody Assistance.

- Interest or dividends.
- Unemployment Compensation.
- Disability insurance payments.
- Insurance payments or settlements.
- Veteran benefits.
- Pension payments.
- Child or spousal support, medical or child care support which is not assigned to the state.
- Retirement, Survivors, Disability Insurance (RSDI).
- Severance payments.
- Lump sums such as insurance settlements, court settlements and child support arrears.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.09

Minnesota Statutes 119B.011

Minnesota Rules 3400.0170

**EXCLUDED INCOME****6.12**

Exclude the following types of income:

- Supplemental Security Income (SSI).
- Earnings and payments to individuals participating in programs under Title 1 of the Workforce Investment Act.
- Scholarships, work study, income and grants that cover costs or reimburse for tuition, fees, books and educational supplies.
- Student loans for tuition, fees, books and living expenses.
- State and Federal earned income tax credits.
- **State and Federal income tax refunds.**
- In-kind income such as (SNAP) Supplemental Nutrition Assistance Program (including the food portion of MFIP), Energy Assistance, Foster Care, Medical Assistance, Child Care Assistance and housing subsidies.
- Grants from the Family Subsidy Program. **For the definition of the FAMILY SUBSIDY PROGRAM, see §2 (Glossary).**
- Non-reoccurring lump sum income to the extent that it is earmarked and used for the purpose for which it is intended.
- Earned income for full time or part time students up to the age of 19, who have not earned a high school diploma or GED high school equivalency diploma. This includes earnings from summer employment when the family member is not actually attending school, as long as the student intends to return to school the following year.
- Child support and spousal maintenance, medical support and child care support which is assigned to the State.
- Assistance specially excluded as income by other laws, including but not limited to Adoption Assistance and AmeriCorps.
- Payments made by a source other than the family of part or all of the family's child care expenses not payable under the CCAP if the funds are paid directly to the family's child care provider on behalf of the family.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.011

Minnesota Rules 3400.0170

## ANNUALIZING INCOME

6.15

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Annualize income to determine eligibility for child care assistance. There are several methods used by MEC<sup>2</sup> to annualize income. The worker should enter in the individual income components supported by the verification documents and MEC<sup>2</sup> will calculate the annualized income amounts. The individual components needed within MEC<sup>2</sup> will vary depending upon the type of income. The income components used in MEC<sup>2</sup> include: Payment Frequency, Income Projection Amount, Income Projection Payment Frequency and Income Projection Hours per Week.

MEC<sup>2</sup> uses the following multipliers to annualize income:

- Multiply a weekly income projection payment frequency by 52.
- Multiply a biweekly income projection payment frequency by 26.
- Multiply a semimonthly income projection payment frequency by 24.
- Multiply a monthly income projection payment frequency by 12.

If the individual income component information entered into MEC<sup>2</sup> is not supported by the verification information, the worker must include a detailed case note describing the relationship between the individual income components and the verification information.

If there is a change in income (for example, starting work or an increase in the average number of hours worked), begin a new 12-month annualization period. Enter the income components into MEC<sup>2</sup> and the system will calculate the new annualized income.

**LEGAL AUTHORITY**

Minnesota Statutes 119B.09

Minnesota Rule 3400.0170

Minnesota Statutes 119B.011

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The financial worker determines MFIP eligibility and grant amount prospective for the first 2 months of participation and retrospectively thereafter. This means that when an MFIP participant begins working, the earned income is not budgeted against the MFIP grant until 2 months later. For example, an MFIP participant who begins working in September sees a grant reduction in November based on September earnings.

**The cash portion of the MFIP grant carries over from MAXIS and is included in the MEC<sup>2</sup> calculation of the annualization of unearned income for the family.**

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.09

Minnesota Rules 3400.0170

Minnesota Statutes 119B.011

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## ANNUALIZING SELF-EMPLOYMENT INCOME

6.15.6

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To annualize self-employment income and determine income eligibility, do the following:

1. Determine Gross Self Employment Receipts
2. Determine the operating Expenses.
3. Subtract the operating Expenses from the Gross Self Employment Receipts.
4. The difference is the CCAP Gross Earned Income from Self Employment.

**NOTE:** You must annualize self-employment income **BEFORE** you determine the number of hours to authorize. For information on determining the number of hours to authorize, see §9.15.1 (Authorized Hours – Self-Employment).

Allow operating expenses that are allowed by the Internal Revenue Service (IRS), unless specifically prohibited. The following expenses are **NOT** allowed:

- Purchases of capital assets.
- Payments on the principal of loans for capital assets.
- Depreciation.
- Amortization.
- The cost of building an inventory, until the time of the sale.
- Transportation costs exceeding the amount allowed by the IRS for use of a personal car (currently \$.50/mile).
- Transportation costs between home and the place of employment.
- Wages and salaries paid to and other employment deductions made for members of a family for whom an employer is legally responsible, provided family income is only counted once.
- Monthly expenses for each roomer greater than the flat rate deduction listed in the Combined Manual issued by the Department of Human Services.

**ANNUALIZING SELF-EMPLOYMENT INCOME****6.15.6**

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- Monthly expenses for each boarder greater than the flat rate deduction listed in the Combined Manual issued by the Department of Human Services.
- Monthly expenses for each roomer-boarder greater than the flat rate deduction listed in the Combined Manual issued by the Department of Human Services.
- Annual expenses greater than 2 % of the estimated market value on a county tax assessment form as a deduction for upkeep and repair against rental income.
- Federal, state and local income taxes.
- The employer's own share of FICA.
- Money set aside for the self-employed person's own retirement.

Receipts are budgeted in the month received. See §7.9 (Income Verification).

Expenses are budgeted against receipts in the month paid except:

- Purchase of inventory must be deducted at the time payment is received for the sale.
- Expenses paid at least annually, but less often than monthly must be prorated forward over the period in which they are intended to cover (cannot exceed 12 months). Examples of this would be unemployment taxes or insurances.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.09  
Minnesota Rules 3400.0170  
Minnesota Statutes 119B.011

**ANNUALIZING RENTAL PROPERTY INCOME****6.15.9**

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For information on annualization of income, see §6.15 (Annualizing Income).

Treat income from the rental property as earned income when the owner spends an average of at least 20 hours or more a week on maintaining or managing the rental property. Treat the income as unearned when the owner spends an average of less than 20 hours a week on maintaining the rental property.

Deduct the following expenses from gross rental receipts:

- Real estate taxes.
- Insurance.
- Utilities.
- Interest on principal payments.
- Annual expenses greater than 2% of the estimated market value on the county tax assessment form for upkeep and repairs.

When the CCAP family lives on the rental property, divide the above expenses by the number of units to determine the expense per unit, do not deduct expenses for units occupied by CCAP family members.

MEC<sup>2</sup> will annualize the rental income based on the individual income components supported by the verification documents.

**LEGAL AUTHORITY:**

Minnesota Statutes  
Minnesota Rules 3400.0170  
Minnesota Statutes 119B.011

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Farm income is gross receipts less operating expenses EXCEPT those listed in §6.15.6 (Annualizing Self-Employment Income).

Gross receipts from farming include:

- Sales.
- Rents.
- Subsidies.
- Soil conservation payments.
- Production derived from livestock.
- Income from the sale of home-produced foods.

Farm income MUST be determined for a 1-year period. For information on annualization of income, see §6.15 (Annualizing Income).

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.09  
Minnesota Rules 3400.0170  
Minnesota Statutes 119B.011

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## ANNUALIZING LUMP SUM INCOME

6.15.15

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See §6.12 (Excluded Income) for information on excluded lump sum income.

Examples of lump sums can include child support arrears, an inheritance, an insurance payment, gambling winnings, etc.

Families are required to report receipt of lump sums timely (within 10 days of receipt). Once you are aware of the lump sum, divide the total amount by 12 months or 26 2-week periods and apply an equal amount throughout the entire year. Determine the new copay amount.

If there is another change in the family's income during the year you count the remaining months/weeks of the lump sum. Include the remaining amount in the new annualization.

Count the annualized lump sum effective the date of receipt. Continue counting it for 12 months or 26 2-week periods from the date of receipt.

If lump sum income is received prior to CCAP participation the lump sum is NOT included in the CCAP household income. However, if a CCAP participant receives a lump sum income and chooses to close the case and reapply at a later date, the lump sum income is calculated from the date of receipt for what would have been the annualization period. If any amount is left within the annualization period, include it in the income when the applicant reapplies.

When a lump sum income IS reported timely, resulting in an increased copayment, send an adverse action notice with an effective date beginning the next payment period following the 15-day notice requirement.

When lump sum income is NOT reported timely, cite an overpayment for child care assistance paid in excess of what should have been paid had the payment been reported timely. The overpayment would include the time period between the date of receipt of the lump sum and the end of the 15 day adverse action notice.

If the lump sum calculation results in an adverse action, send an adverse action notice, see §12.3.9 (Adverse Action Notices – Family).

**NOTE:** The Child Care Assistance program does NOT have an asset test. The liquidation of an asset does NOT count as lump sum income when determining a household's income. However, during CCAP participation, any interest/dividend received as a result of investments must be included in the household's income. See §6.6 (Earned/Unearned Income).

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.011

Minnesota Statutes 119B.02

Minnesota Rules 3400.0170

Minnesota Rules 3400.0180

Minnesota Rules 3400.0185

**APPLICABLE MINIMUM WAGE****6.16**

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There are both [state-minimum-wage laws](#) and federal minimum wage laws. In cases where an employee is subject to both the state and federal minimum wage laws, the employee is entitled to the higher of the two minimum wages. [www.dli.mn.gov/LS/FedMinWage.asp](http://www.dli.mn.gov/LS/FedMinWage.asp)

The federal minimum wage should be applied to contracted, salaries, or self-employed applicants or participants unless the person can supply information to show that they are not subject to this standard. The county should work with the applicant or participant to identify the correct applicable amount if the person believes that they should not be subject to the Federal minimum wage but verification is not available.

The above link provides the contact information for the MN Department of Labor and Industry.

If a worker receives an hourly wage from their employer, assume that the applicable minimum wage is being paid by the employer.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.10

Minnesota Rules 3400.0040

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## INCOME DEDUCTIONS

6.18

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MEC<sup>2</sup> will calculate the annualized net income by reducing the gross income by allowable deductions.

Allow the following verified deductions from annual gross income:

- Child support paid to or on behalf of someone living outside of the household.
- Spousal support paid to or on behalf of someone living outside of the household.
- Medical, dental and vision insurance premiums for family members, paid by family members.
- If the participant is on Medical Assistance, any portion of the insurance premium that the participant is not reimbursed for.
- Expenditures necessary to secure payment of unearned income (for example, lawyer's fees for an insurance settlement can be deducted from the unearned income).

Do NOT allow the following deductions:

- Pre-tax withholding accounts for anticipated expenses, such as medical/dental, child care and transportation expenses.
- Insurance premiums for other than medical, dental or vision insurance.
- Flexible work benefits received from an employer if the employee has the option of receiving the benefit or benefits in cash.

If medical support payments are received from the non-custodial parent (NCP), these amounts are considered income and are added to gross annual income. Client must then provide verification of medical insurance premiums paid to have any amount deducted.

Require verification of the amount and type of expense. The following are examples of acceptable verification:

- Payroll deductions as indicated on the pay stubs. Request consecutive check stubs to verify that the deduction is ongoing.
- Copy of invoice and receipt of payment from an insurance company. The documentation provided must verify the amount and type of expense covered
- **Copy of current invoice for Minnesota Care premiums.**

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.011

Minnesota Rules 3400.0170

**FAMILY COPAYMENT****6.21**

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Child care assistance families are required to pay the family copayment fee. When a family fails to pay the required family copayment fee, the family is ineligible for child care assistance until:

- The fees are paid.
- OR
- The family reaches an agreement for payment with the provider and the county.
- AND
- The family continues to comply with the payment agreement.

The copayment amount is based on family size and annual income after allowable deductions. It is the provider's obligation to collect or waive copayments.

Some providers apply the amount paid by the family to the oldest fees or to the amount that is more than the county maximum rate. In these cases, the provider considers the copayment not to have been paid and may indicate this on the billing voucher. Consider the family to have met their requirement if the family is able to document that an amount has been paid that is equal to or greater than their copayment.

If someone outside the family pays the copayment on behalf of the family, or the provider waives the copayment, the provider must keep a record of these transactions. Do not consider this as income for the family. Consider the family's copayment requirement to have been met.

Copayments are graduated to provide movement of families to full payment of child care costs as their income increases.

During the 1<sup>st</sup> bi-weekly period of eligibility, MEC<sup>2</sup> will prorate the copayment based on the number of calendar days left in the biweekly copayment period.

When family income increases, or the family receives a lump sum resulting in an increased copayment, provide a 15-day notice of adverse action to the family and provider. Make the increased copayment effective with the biweekly copayment period after the 15 day notice period.

For the Bi-Weekly Copayment Schedules, click on the applicable State Fiscal Year (SFY) time period:

**BI-WEEKLY COPAYMENT SCHEDULES** effective October 1, 2012: [DHS-6413A](#)

**BI-WEEKLY COPAYMENT SCHEDULES** effective October 3, 2011: [DHS-6413](#)

**BI-WEEKLY COPAYMENT SCHEDULES** effective October 4, 2010 through October 2, 2011: [DHS Bulletin](#) 10-68-14

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.12

Minnesota Rules 3400.0100

## VERIFICATION

7

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The Child Care Assistance Program requires verification of certain information. Families have the primary responsibility to verify information.

Any form of verification is acceptable if it confirms the client's statement. Do not demand a specific document or form of verification if another is more readily available. **Be sure that the documentation on file establishes eligibility and validates the eligibility criteria in question.**

Sources of verification include:

- Written records or documents.
- Written or oral statements from people outside the family.
- Safe At Home Identification Card for participants in the Safe At Home (SAH) Program. For more information on the Safe At Home Program, see §7.21 (Verification – Safe At Home Program).

Providing proof **of eligibility** is the responsibility of the client. However, you must help clients who have trouble getting proof. Clients must either provide necessary proof or give their written consent for you to get the information. **Certain information may be verified using various DHS systems or third-party interfaces. See §7.24 (DHS System Verification).**

With the exception of income verification, when proof is not available despite the efforts of you and the client: get a signed statement from the client attesting to the correctness of the information. **For the purpose of obtaining verification, information reported on the application does not qualify as proof of eligibility.**

**Allow families at least 15 days to provide requested verification. See §7.1 (Verification Due Dates) for exceptions.** If a family refuses to help or deliberately fails to cooperate to verify an eligibility factor, deny or terminate child care assistance. If the unverified eligibility factor affects only a family member (such as a child's immigration status), deny or end the member's eligibility. If the unverified factor affects the entire unit (such as income), deny or close the case.

See the following sections for more information:

- **§7.1 (Verification Due Dates).**
- **§7.3 (Verification – Initial Application).**

- §7.6 (Verification - Eligibility Redetermination).
- §7.9 (Income Verification).
- 7.12 (Verifying Citizenship and Immigration Status).

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0040  
Minnesota Statutes 119B.025  
Minnesota Rules 8290  
Minnesota Statutes 5B

**VERIFICATION DUE DATES****7.1**

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Allow families 15 days to provide verification. Indicate the due date on the MEC<sup>2</sup> Special Letter: Verification Request.

If a family fails to provide the requested verification by the specified due date; issue a 15-day notice of adverse action. The 15-day verification request period and the 15-day notice of adverse action cannot overlap each other.

When the last day of the 15-day verification request period falls on a Saturday, Sunday, or legal holiday, extend the time period to the next working day.

NOTE: These policies do not apply to incomplete redetermination forms received from families subject to scheduled reporting. When additional verifications are requested at redetermination, proof of eligibility must be returned within 15 days of being requested or by the last day of the certification period, whichever is earlier. See §10.6.3 (Redetermination Processing Standards).

**LEGAL AUTHORITY:**

Minnesota Statutes 119B

Minnesota Rules 3400

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## VERIFICATION-INITIAL APPLICATION

7.3

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Verify the following at ALL initial child care applications.

- Identity of all members of the household.
- Presence of the minor child in the home, if questionable.
- Relationship of minor child(ren) to the parent, stepparent, legal guardian, eligible relative caretaker, or the spouses of any of the foregoing.
- Age of the child(ren) in the family.
- Age of the applicant if he or she is under 21.
- Citizenship and immigration status of all children for whom child care assistance is being sought. A child who is participating in child care in a setting subject to public educational standards, such as in Head Start or a pre-kindergarten or school-age care program operated under public educational standards, is exempt from this requirement. See §7.12 (Verifying Citizenship and Immigration Status).
- Social Security Number, if given. The county MUST request Social Security Numbers from all applicants for child care assistance. A county must NOT deny child care assistance solely on the basis of failure of an applicant to provide a social security number. Before asking for the social security number, the county must give the applicant the Minnesota Department of Human Services Notice of Privacy Practices (DHS-3979), which explains whether the disclosure is mandatory or voluntary; under what authority the number is being requested; and how the number will be used.
- Income. See §7.9 (Income Verification).
- **The Federal Employer Identification Number (FEIN) must be entered into MEC<sup>2</sup>. Verification is not required. A county may choose to verify a FEIN if they have a reason to believe that the information received may not be accurate.**
- Spousal support and child support payments made to persons outside the household.
- Residence. The family must verify their address. Mail may be used to verify residence. **This does not include a P.O. Box as a standalone address. Mail addressed to a P.O. Box may not be used to verify residence.** Any form of mail provided by the client that shows their current name and address may serve as adequate proof of residence. A forwarding address sticker received at the administrating agency from

the US Postal Service cannot be considered verification of residence for CCAP.

- Inconsistent information, if related to eligibility.
- Employment and/or education status of adult family members including employment and/or class schedule. The schedule must show the days and times worked or the days and times that classes meet. If employment and/or class schedule is not provided, the case should be suspended. For MFIP/DWP families with an approved Employment Plan, verification of the family's employment and education schedule is not required if the Employment Services worker has indicated days and the hours that child care is needed.
- School schedule for every child who needs child care and attends school, such as a school calendar with start and end times. Verification does not need to include the child's name. Worker obtained verification of the school schedule is acceptable. If there is not verification of school schedule for every child who needs child care and attends school, the case should be suspended. For MFIP/DWP families with an approved Employment Plan, verification of the child's school schedule is not required if the Employment Services worker has taken the child's school schedule into account and indicated the days and the hours that child care is needed.

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0040

Minnesota Statutes 119B.025

## VERIFICATION-ELIGIBILITY REDETERMINATION

7.6

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Verify the following at the time of eligibility redetermination:

- Income
- Residence. See §7.3 (Verification –Initial Application).
- Employment and Education/Training Status including employment and/or class schedule. The schedule must show the days and times worked or the days and times that classes meet. If employment and/or class schedule is not provided, the case should be suspended. For MFIP/DWP families with an approved Employment Plan, verification of the family’s employment and education schedule is not required if the Employment Services worker has indicated the days, and the hours that child care is needed.
- School schedule for every child who needs child care and attends school, such as a school calendar with start and end times. Verification does not need to include the child’s name. Worker obtained verification of the school schedule is acceptable. If there is not verification of school schedule for every child who needs child care and attends school, the case should be suspended. For MFIP/DWP families with an approved Employment Plan, verification of the child’s school schedule is not required if the Employment Services worker has taken the child’s school schedule into account and indicated the days and hours that child care is needed.
- Changes in Family Status and Family Size.
- Continued Cooperation with Child Support Enforcement and Assignment.
- Inconsistent information, if related to eligibility.
- Any other factor required to be verified at initial child care application that has changed since the last eligibility determination. See §7.3 (Verification – Initial Application).
- The FEIN does not need to be verified. Enter the FEIN into MEC<sup>2</sup>. A county may choose to verify a FEIN if they have reason to believe that the information received may not be accurate.

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0040

Minnesota Statutes 119B.025

## INCOME VERIFICATION

7.9

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Verify all sources of income, including excluded income, prior to approving or denying eligibility, or continuing to authorize child care assistance. Request documentary evidence from the applicant that proves when, what type and the amount of income a family member receives. **An MFIP/DWP Employment Plan is not documentary evidence and cannot be used as verification of income.**

All income must be verified using the most current 30 days of verification, excluding child support tracked through PRISM. For child support tracked through PRISM, the last six months of information is required. If the worker does not follow these standards, they must case note why they deviated from the standard and what and how verification is used to support the income components required in the calculation of annualized income.

If the applicant or recipient cannot provide an actual document, ask him or her to provide a release of information signed by the family member receiving the income allowing you to contact the source of the income directly. A client statement cannot be used to verify income except in two circumstances:

1. Self-employment income: If existing verification is insufficient to accurately predict self-employment income (for example in the start-up phase of self-employment) a client statement may be used to verify self-employment income. When child care is authorized based on estimated income, inform the parent of possible overpayments if the estimated income used does not reflect the actual income earned. The worker must request verification and a redetermination of eligibility must be done within the following three months. The worker should reconcile the information provided on the verifications with the original self-declaration of income. Workers should act on the new information if the differences affect the copayment amount, authorized hours and/or eligibility and assess any overpayment. Workers should also act on underpayments if the county has identified in the County Child Care Plan that they make corrective payments.
2. Child support income: In cases where there is a previously agreed upon child support arrangement and the absent parent refuses to sign a verification of payment, the applicant may self-declare child support income during the initial application but must agree to cooperate with child support enforcement by completing the required paperwork. The self-declared child support received is included in the annualization of income.

**EARNED INCOME**

Ask first if the applicant or recipient has paycheck stubs for the most current 30 days that specifically identify the number of hours worked, gross income based on those hours, payroll period covered, client and employer name. If the person with earned income has some but not all of the paycheck stubs for the most current 30 days, use the paycheck stubs provided and look at year to date totals to determine if you can use year to date totals to gather the necessary information for the missing paycheck stubs. If something other than the most current 30 days is used to calculate the income components, the worker must case note what was used and how it was used to determine the income components.

If paycheck stubs are not available, or do not contain all the necessary information, ask the applicant or recipient to provide a letter from the employer on company letterhead with the necessary information. If an employer statement is used as verification, the worker must request paycheck stubs for the most current 30 days as soon as they become available and reconcile the information on the employer statement to the information on the paycheck stubs. Workers should act on the new information if the differences affect the copayment amount, authorized hours and/or eligibility and assess any overpayment or act on any underpayment (if the county reimburses underpayments).

**SELF-EMPLOYMENT INCOME**

Documentation of self-employment income must meet the following criteria:

- Ask for books and tax statements, if available, providing gross receipts and expenses from self-employment income.
- Self-employment business income records must be kept separate from the family's personal income records.
- At application, if business records and personal records are not separate, ask the parent to separate income records and resubmit according to CCAP requirements.
- If existing verification is insufficient to accurately predict self-employment income (for example in the start-up phase of self-employment) a client statement may be used to verify self-employment income. When child care is authorized based on estimated income, inform the participant of possible overpayment if the estimated income used does not reflect the actual income earned.
- If self-employment income is estimated at application, the worker must request verification and redetermination of eligibility must be done within the following

## INCOME VERIFICATION

7.9

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three months. The worker should reconcile the information provided on the verification with the self-declaration of income. Workers should act on the new information if the differences affect the copayment amount, authorized hours and/or eligibility and assess any overpayment or act on any underpayment if the county reimburses underpayments.

- When the federal income tax return has been filed, which reflects the current self-employment activity, review the tax records and compare with the income amount used for calculating child care eligibility in the corresponding tax year. If the current self-employment activity is not reflective of the previous year's tax statement, adjustments must be made in the amount used for future authorizations.
- If a self-employed person believes that they should not be subject to the federal minimum wage, the county should work with the applicant or client to identify the correct applicable amount. If a self-employed person believes that they should not be subject to the federal minimum wage but verification is not available, accept a statement from the person that states that they are not subject to that amount and the reason why.

**UNEARNED INCOME**

All unearned income must be verified using the most current 30 days of verification, excluding child support tracked through PRISM. For child support tracked through PRISM, the last six months of information is required. For child support that is not tracked through PRISM require the most current 30 days of verification. If something other than the most current 30 days of verification (or six months for child support tracked through PRISM) is used to calculate the income components, the worker must case note what was used and how it was used to determine the income components.

Examples of acceptable documentation of unearned income include but are not limited to:

- Court documents providing child support and/or spousal maintenance amounts.
- Documentation from the Child Support and Collections office. In cases where there is a previously agreed upon child support arrangement and the absent parent refuses to sign a verification of payment, the applicant may self-declare child support income during the initial application but must agree to cooperate with child support enforcement by completing the required paperwork. The self-declared child support received is included in the annualization of income.
- Award letters from the Social Security Administration, the Veterans' Administration,

etc.

- Documentation from the MAXIS system or the financial worker
- Bank Statements indicating periodic payments of interest or similar income.
- Copies of checks for pensions, trust funds, annuities, unemployment compensation, etc.
- Cash settlements/awards/winnings may be verified through copies of the “letters of award” or court order or other applicable items.
- Financial aid award letter.
- See §7.24 (Data System Documentation for Verification)

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.025

Minnesota Rules 3400.0170 Subp. 1

## VERIFYING CITIZENSHIP AND IMMIGRATION STATUS

7.12

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People who report that they are not United States citizens may have several factors that require verification. Non-citizens will generally have 1 of 2 forms (I-551 or I-94) that indicate current immigration status and the date it was attained. See §7.15 (Verification - I-94 Cards), §7.18 (Verification - I-551 Cards).

Only citizenship and immigration status of the children for whom child care assistance is being sought is relevant for determining eligibility for child care assistance. When child care is provided in a setting subject to public educational standards, such as Head Start or a pre-kindergarten or a school-age care program operated under public educational standards, do **NOT** verify citizenship and immigration status.

You must verify the child's immigration status if the child care is provided in a setting that is not subject to public educational standards. See §4.18.3 (Non-Citizens - Lawful Permanent Residents), §4.18.12 (Non-Citizens - Lawfully Residing People), §4.18.15 (Non-Immigrant and Undocumented People), §7.12.6 (Verifying Lawful Permanent Residence), §7.12.6.3 (Lawful Permanent Resident: USCIS Class Codes).

**NOTE:** An expired immigration document is **NOT** acceptable verification of current status. Do not assume that an expired document is an indication that the immigration status has changed or that the person should be considered undocumented. Verification of current immigration status for the children for whom child care assistance is sought is mandatory when child care is not provided in a setting subject to public educational standards and eligibility does not exist until it is received. Obtain a signed release of information to contact U.S. Citizenship and Immigration Services (USCIS) to verify the child's immigration status.

Deny a family's application for child care assistance or terminate a family's child care assistance when:

- The setting where child care will be or is being provided is not subject to public educational standards (such as a Head Start or a pre-kindergarten or a school-age care program operated under public education standards).

AND

- The county cannot verify that the child(ren) for whom assistance is being sought or paid meets immigration status requirements for child care assistance.

Refer to the Guide to Non-citizen Eligibility for Cash and Food Support ([DHS-4864-ENG](#)) for further guidance on identifying immigration documents and determining immigration status.

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0040

Minnesota Statutes 119B.025

For eligibility purposes, see §4.15.15 (Non-Citizens - Lawfully Residing People).

The following documents indicate an immigrant is a Lawful Temporary Resident (LTR):

- An unexpired Temporary Resident Card - form I-688.
- An unexpired Employment Authorization Card - form I-688A. This card is issued to people applying for temporary resident status.
- Receipt for application for temporary resident status - form I-689.
- Correspondence from U.S. Citizenship and Immigration Services (USCIS) documenting that the person is an LTR. USCIS documentation does not necessarily use the term "Lawful Temporary Resident" (LTR).
- A non-citizen entering as a Special Agricultural Worker (SAW) under section 210 of the Immigration and Nationality Act is an LTR. The class code will be S16 or S26.
- A non-citizen entering under the legalization program under section 245(a) of the Immigration and Nationality Act is an LTR.

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0040

Minnesota Statutes 119B.025



The following documents indicate a non-citizen is a Lawful Permanent Resident (LPR):

- I-94 cards or a foreign passport endorsed with "Processed for I-551 as Temporary Evidence of Admission for Lawful Permanent Residency" or the term "Resident Alien". The LPR will only have an I-94 card until U.S. Citizenship and Immigration Services (USCIS) processes the I-551 card (4-6 months after application).
- An unexpired Permanent Resident Card (formerly known as a "green card") form I-551.
- An unexpired Conditional Resident Alien Card - I-551.
- An unexpired Re-Entry Permit - form I-327.

Inform immigrants without documentation, who say they are not undocumented, that they must provide USCIS documentation for the children for whom they seek child care assistance. Failure to provide verification for a child for whom child care assistance is sought results in ineligibility for that non-citizen child only.

Children who are LPRs, under age 18 automatically acquire naturalization through their parents by meeting 1 of the following categories:

- Both parents become naturalized.
- The naturalization of the surviving parent, if 1 of the parents is dead.
- The naturalization of the parent having legal custody of the child, when there has been a legal separation of the parents.
- The naturalization of the mother, if the child was born out of wedlock and the paternity of the child has not been established by adjudication.

Children deriving citizenship automatically through their parents do not necessarily have documents verifying their status. Do not require verification of naturalization for the children if you have the parent's documents.

Identify LPRs whose sole entrance reason is because someone petitioned for their entry into the United States. The name of the sponsor will not be on the immigrant's I-94, or temporary or permanent I-551. However, most codes on the card beginning with an I, C, or P indicate

**VERIFYING LAWFUL PERMANENT RESIDENCE****7.12.6**

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an LPR entered because someone petitioned for the LPR's entrance. See §7.12.6.3 (Lawful Permanent Resident: USCIS Class Codes).

Verify the status of LPRs who were originally admitted as refugees or asylees. The I-551 card will show the following codes denoting their status before the adjustment: AS6, 7, 8; IC6, 7; RE6, 7, 8 or RE86; Y1-16 and Y64. See §7.12.6.3 (Lawful Permanent Resident - USCIS Class Codes) for more information. The I-551 card will have the date of admission to the United States.

Verify tribal membership for non-citizen American Indians who declare tribal membership in a tribe whose members are eligible for programs provided by the United States. This includes those who were born in Canada or Mexico and are entitled to freely cross the United States borders into Canada or Mexico. Use a tribal membership card that shows membership in a specific tribe. If no card is available, contact the specific tribal offices to verify the membership. If it is uncertain that a specific tribe is eligible for programs provided by the United States, contact either the tribal office or the United States Bureau of Indian Affairs (BIA) for verification. Obtain a signed authorization from the client before making the contact.

Verify the birth of American Indians born in Canada. They should have an unexpired I-551 with code S-13, an unexpired I-551 stamp in a Canadian passport or an I-94 with code S-13, or a letter or tribal document certifying 50% Indian blood along with a birth certificate or other satisfactory evidence of birth in Canada.

Verify tribal membership, date of birth, and relationship of an individual, spouse, unremarried surviving spouse (must not be divorced from the individual), or a minor child of a Hmong or Highland Laotian tribe member who is lawfully residing in the United States and was a member of that tribe at the time the tribe rendered assistance to United States personnel by taking part in a military or rescue operation during the Vietnam war era (8-5-64 through 5-7-75). Acceptable documentation may consist of unexpired I-551 or other USCIS documentation. The USCIS documentation will be coded as 1 of the following: RE1, RE2, RE3, RE6, RE7, RE8, RE86, IC6, or IC7. A Refugee Data Center (RDC) list contains information on eligible Hmong and Highland Laotian refugees who entered the United States after 1979. Exclusion from the list is not reason for denial. If you are unable to verify, have client sign an affidavit. An applicant is ineligible as a tribal member if his/her birth date is AFTER 5-7-75, unless he/she is a spouse, unremarried spouse, or minor child of an eligible tribal member.

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0040

Minnesota Statutes 119B.025



## LAWFUL PERMANENT RESIDENT - USCIS CLASS CODES

7.12.6.3

The U.S. Citizenship and Immigration Services (USCIS) class code may be stamped on an I-551, a passport, or any other correspondence USCIS gives an immigrant. The class codes listed below are those given to immigrants applying for Lawful Permanent Resident (LPR) status.

The alphabetical letter(s) in the class codes represent the latest revision of the various classes while the numerical figure reflects the order and relationship within the class. Therefore agencies should not be concerned if the numerical figure is not listed. Listed below is the most current class code.

The section numbers are the sections of the immigration law which authorize the immigrant's entrance into the United States. Refer to the sections listed in §4.15 (Citizenship and Immigration Status) to determine if an immigrant entering under a particular section of law is eligible for child care assistance. This list is **NOT** all-inclusive.

Curr. Class Code ====	Section of Law =====	Description =====
AM1		Amerasian. born in Vietnam.
AM2		Spouse/child of AM1 or AM6.
AM3		Mother, guardian or relative of AM1 or AM6.
AM6		AM1 adjustment to LPR.
AM7		AM2 adjustment to LPR.
AM8		AM3 adjustment to LPR.
AS1	208	Approved primary asylee.
AS2		Spouse of asylee.
AS3		Child of asylee.
AS6		AS1 adjustment to LPR.
AS7		AS2 adjustment to LPR.
AS8		AS3 adjustment to LPR.
C20		Child of unmarried son/daughter of LPR, Adjustment (conditional).
C21	216(a)(1)	Spouse of LPR (conditional).
C22	216(a)(1)	Child of LPR (conditional).
C23	216(a)(1)	Child of C21 or C22 (conditional).
C24	216(a)(1)	Unmarried child of LPR (conditional).
C26		Spouse of LPR, adjustment (conditional).
C27		Child of LPR, adjustment (conditional).

## LAWFUL PERMANENT RESIDENT - USCIS CLASS CODES

7.12.6.3

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C31	216(a)(1)	Married child of U.S. citizen (conditional).
C32	203(d)	Spouse of C31 (conditional).
C33	203(d)	Child of C31 (conditional).
C36		Married son/daughter of U.S. citizen, adjustment (conditional).
CH		Humanitarian parolee Cuba or Haiti.
CH6		Cuban/Haitian entrant adjustment to LPR.
CP		Cuban/ Haitian parolee processed at Guantanamo or other public interest parolee.
CR1	201(b)	Spouse of U.S. citizen (conditional).
CR2	201(b)	Child of U.S. citizen (conditional).
CU6		Cuban refugee adjusted under Cuban Adjustment Act.
CU7		Spouse or child of CU6 (not Cuban).
DV1		Diversity principal, new arrival.
DV2		Spouse of DV1 or DV6, new arrival.
DV3		Child of DV1 or DV6, new arrival.
DV6		Diversity principal, adjustment.
DV7		Spouse of DV1 or DV6, adjustment.
DV8		Child of DV1 or DV6, adjustment.
E11	203(b)(1)(A)	LPR with extraordinary ability.
E12	203(b)(1)(B)	LPR who is professor or researcher.
E14	203(d)	Spouse of E11 or E12.
E15	203(d)	Child of E11 or E12.
E21	203(b)(2)	LPR with advanced degree.
E22	203(d)	Spouse of E21.
E23	203(d)	Child of E21.
E31	203(b)(3)(A)(i)	Highly skilled LPR.
E32	203(b)(3)(A)(ii)	Professional with BA degree.
E34	203(d)	Spouse of LPR classified E31 or E32.
E35	203(d)	Child of LPR classified E31 or E32.
F11	204(g)	Unmarried child of U.S. citizen.
F12	204(g)	Child of non-citizen classified F11.
F16		Unmarried son/daughter of U.S. citizen, adjustment.
F17		Child of F11 and F16.
F21	203(a)(2)	Spouse of LPR.
F22	203(a)(2)	Child of LPR.
F23	203(d)	Child of F21 or F22.
F24	203(a)(2)(b)	Unmarried child of LPR.
F26		Spouse of LPR, adjustment.
F27		Child of LPR, adjustment.

## LAWFUL PERMANENT RESIDENT - USCIS CLASS CODES

7.12.6.3

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F31	203(a)(3)	Married child of U.S. citizen.
F32	203(d)	Spouse of F31.
F33	203(d)	Child of F31.
F36		Married son/daughter of U.S. citizen, adjustment.
F37		Spouse of married son/daughter of U.S. citizen, Adjustment.
F41		Brother/sister of U.S. citizen, new arrival.
F42	203(d)	Spouse of F41.
F43	203(d)	Child of F41.
F46		Brother/sister of U.S. citizen, adjustment.
FX1		Spouse of LPR, new arrival.
FX2		Child of LPR, new arrival.
GA6		Iraqi asylee (processed in Guam) adjusted to LPR.
GA7		Spouse of GA6 adjusted to LPR.
GA8		Child of GA6 adjusted to LPR.
IC6		Indochinese Refugee.
IC7		Spouse or child of Indochinese Refugee.
IF1		Spouse, entered as a fiancé(e), adjustment.
IF2		Child of IF1, adjustment.
IR0		Parent of adult U.S. citizen, adjustment.
IR1	201(b)	Spouse of U.S. citizen.
IR2	201(b)	Child of U.S. citizen.
IR3	201(b)	Orphan adopted abroad by U.S. citizen.
IR5		Parent of adult U.S. citizen, new arrival.
IR6		Spouse of U.S. citizen, adjustment.
LA6		Parolee, Soviet/Indochinese.
NC6		NACARA principal.
NC7		Spouse of NC6.
NC8		Child of NC6.
NC9		Unmarried son/daughter of NC6.
NP6, 7, 8	203(a)(7)	Non-preference immigrants.
PH6		Parolee, Polish/Hungarian.
RE1	207	Refugee.
RE2		Spouse of Refugee RE1.
RE3		Child of Refugee RE1.
RE5		Haitians Refugees admitted to U.S. on or after 6-1-94.
RE6		RE1 adjustment to LPR.
RE7		RE2 adjustment to LPR.
RE8		RE3 adjustment to LPR.
RE86		Refugee Parolee

S-13	American Indians born in Canada.
SY6	Syrian Asylee.
SY7	Spouse of Syrian Asylee.
SY8	Child of Syrian Asylee.
W16	LPR who was previously an LTR.
W26	LPR who was previously an LTR.
W36	LPR who was previously an LTR.
Y1-16, Y64	Refugees.

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0040

Minnesota Statutes 119B.025



For eligibility purposes, see §4.15.18 (Non-Immigrant and Undocumented People).

Undocumented people are non-citizens who do not have legal documentation authorizing their entry into the United States. Do not assume a non-citizen is here without U.S. Citizenship and Immigration Services (USCIS) authorization just because the person does not have documentation.

Non-Immigrants are visitors, tourists, some temporary or agricultural workers, diplomats, and students. Forms of verification for non-immigrants are:

- Student visa.
- An I-94 card not labeled "Temporary I-551" and whose class code indicates a non-Immigrant. The class codes begin with letters (A) through (R). See §7.12.9.3 (Non-Immigrant People - USCIS Class Codes).
- Form I-185: Canadian Border Crossing Card. However, if the person is a Canadian Indian, the non-citizen is an Lawful Permanent Resident (LPR), not a non-immigrant. See §7.12.6 (Verifying Lawful Permanent Residence).
- Form SW-434: Mexican Border Visitor Permit.
- Form I-95A: Crewman's Landing Permit.
- Form I-688B or I-766: Employment Authorization Document (EAD). These are the usual documents issued to non-citizens granted permission to work in the United States. Check the Code of Federal Regulations (CFR) citation stamped or printed on the form to determine the person's immigration status.

If a child is not receiving child care in a setting subject to public educational standards and the county cannot verify that the child for whom child care is being sought has an immigration status that makes the child eligible for child care assistance, deny child care assistance for that child. See § 4.18.15 (Non-Immigrant and Undocumented People).

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0040

Minnesota Statutes 119B.025

## NON-IMMIGRANT PEOPLE - USCIS CLASS CODES

7.12.9.3

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The following codes indicate non-immigrant status. The codes may be printed on the I-94, passport, visa, or other U.S. Citizenship and Immigration Services (USCIS) correspondence. The codes begin with (A) through (R) and are followed by a dash and single digit number. To determine whether a non-immigrant is eligible for assistance, refer to §4.15.18 (Non-Immigrant and Undocumented People).

- A-# Foreign government officials on business and their families.
- B-# Visitor for business or pleasure - not accepting employment.
- C-# Non-citizens in travel status while traveling through the U.S.A.
- D-# Non-citizen crew.
- E-# Treaty traders and investors and their families.
- F-# Students (may accept employment with written permission).
- G-# International organization representatives and their families.
- H-# Temporary workers, including agricultural workers.
- I-# Members of foreign press or news media and their family.
- J-# Exchange visitor under United States Department of State approved program.
- K-# Fiances and fiances of United States citizens and their children.
- L-# Intra-company transferees and their families.
- M-# Students at vocational or non-academic institutions.
- N-# Parent of a non-citizen who is a special immigrant.
- O-# People with extraordinary ability in the sciences, art, education, business, or athletics and their families.
- P-# Participants in an athletic or artistic event.
- Q-# Participants in an international cultural exchange program.
- R-# Members of religious organizations and their families.

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0040

Minnesota Statutes 119B.025



## VERIFICATION - I-94 CARDS

7.15

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The U.S. Citizenship and Immigration Services (USCIS) issues "Form I-94 (Arrival-Departure Record)" or "Form I-94 (Arrival-Departure Record) (Parole Edition)" to the following people when they enter the United States:

- **PAROLEES:** Parolees are people who normally would not be admitted to enter the United States, but are allowed to enter temporarily for humanitarian, medical, and legal reasons. Parolees are not on a predetermined path to permanent resident status.
- **REFUGEES:** Refugees are people who have permission to enter and live in the United States because they have a well-founded fear of persecution in their home country. They will have an I-94 card stamped "Admitted as a Refugee pursuant to section 207 of the Act." The I-688B or I-766 will be coded 274a.12(a)(3).
- **PAROLED AS REFUGEES:** People who fear persecution are "paroled" into the United States as refugees when the number of refugees allowed to enter has been exceeded. These parolees are given an I-94 with "paroled as a refugee" or "207" stamped on it.
- **ASYLEES:** People already in the United States who satisfy the requirements for refugee status because they fear persecution in their home country can apply for asylum or withholding of deportation. These people do not have refugee status because there is not a well-founded fear of persecution in their home country. People granted asylum may have an I-94 stamped "Asylum status granted pursuant to section 208 of the INA valid to (date)". An asylee may have a written decision from the USCIS or immigration judge in addition to an I-94, I-688B, or I-766. Asylees with an I-688B or I-766 Employment Authorization Document (EAD) will be coded as 274a.12(a)(5).
- **NON-IMMIGRANT PEOPLE:** Non-immigrants are non-citizens admitted to the United States temporarily for specific purposes and periods of time. USCIS does **NOT** issue I-94 cards to all non-immigrants. For example, tourists and students might not receive I-94 cards.
- **PEOPLE APPLYING FOR IMMIGRANT STATUS:** USCIS does **NOT** issue I-94 cards to all people applying for immigrant status. Some people are issued a temporary I-551 card.

**VERIFICATION - I-94 CARDS****7.15**

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If USCIS issues the "Parole Edition" of the I-94, the section of the Immigration and Nationality Act (INA) the person enters under is printed on the front of the card. For all other I-94s, the class code stamped on the front of the card indicates what the person's entrance reason is. Use the class code on an adult's card only if necessary to help determine the immigration status of the child for whom child care assistance is sought. See §7.12.6.3 (Lawful Permanent Resident - USCIS Class Codes), §7.12.9.3 (Non-Immigrant People - USCIS Class Codes).

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0040

Minnesota Statutes 119B.025

**VERIFICATION - I-551 CARDS****7.18**

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An I-551 card is issued to immigrants admitted to the United States for Lawful Permanent Residence (LPR). When a non-citizen marries a United States citizen, the I-551 will have a 2-year expiration date. Consider these people to have permanent residency status during the 2 years. The U.S. Citizenship and Immigration Services (USCIS) may give the person permanent residence status at the end of the 2-year period if the non-citizen is still married to the citizen.

The I-551 replaces a person's I-94 card or the endorsement "Processed for I-551 as Temporary Evidence of Admission for Lawful Permanent Residency" on a foreign passport.

The class code stamped on the front of the I-551 card indicates the immigrant's entrance reason. Use the class code on an adult's care only if necessary to help determine the immigration status of the child for whom child care assistance is sought. See §7.12.6.3 (Lawful Permanent Residents - USCIS Class Codes), §4.18 (Citizenship and Immigration Status).

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0040  
Minnesota Statutes 119B.025



**VERIFICATION – SAFE AT HOME PROGRAM****7.21**

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Participants in the Safe At Home (SAH) Program must provide the county with a Safe At Home Identification Card that verifies that they are participating in the program. Participants use the Safe At Home P.O Box along with a unique Lot number assigned to them by the Secretary of State's office as their actual address of their residence and employment.

Safe At Home participants only need to tell the county agency the county where they actually live as verification.

Because there may be a delay in the mail forwarding process, public assistance program notices may not be received by the participants when anticipated and the ability of the participant to respond timely will be affected. County workers will need to make exceptions in these situations.

For more information about the [Safe At Home Program](#), call 651-201-1399 or 1-866-723-3035 or TTY 1-800-627-3529 or 711.

**LEGAL AUTHORITY:**

Minnesota Rules 8290

Minnesota Statutes 5B

CCAP participants are required to verify certain information as a condition of eligibility and to authorize care. See §7 (Verification).

For families who have received public assistance benefits through the Minnesota Department of Human Services and/or the county human service agency(s), this may mean certain information can be verified through MAXIS or various other DHS systems or interfaces.

The procedures outlined in this section do not apply in cases where system verifications interface directly from another source such as the Social Security Administration (SSA) or Internal Revenue Service (IRS). When information is verified using a third party interface, record the source of the verification and make a screen print for the case file.

If verification not obtained through a third-party interface is coded as received in a DHS system other than MEC<sup>2</sup>, but there is no documentation in the child care file, you must do the following:

- Confirm that verification exists within the agency. Document in Case Notes what action was taken to confirm this information. In addition, note the type of documentation on file and how it was used to establish eligibility for CCAP.  
OR
- Request a hard copy of the verification for the CCAP file.

Counties are responsible for developing best practices for inter-agency communication to determine whether system documentation exists and meets CCAP verification requirements. These practices must be applied consistently.

CCAP workers must obtain hard copies of income verification for the child care file. See §7.9 (Income Verification). Exceptions occur when income is verified through a third-party interface. For example, Social Security Administration (SSA) benefits may be verified with the State Verification and Exchange System (SVES) interface between MAXIS and SSA, and Disbursed Child Support may be verified using PRISM.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B

Minnesota Rules 3400

## CHANGES IN CIRCUMSTANCES

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You may become aware of changes through various sources:

- Family reporting. See §8.3 (Reporting Requirements) for family reporting responsibilities, timeliness, and methods.
- Information reported by other people or agencies.
- Upcoming or potential changes the agency has been tracking through MEC<sup>2</sup> or other tracking methods.

When you become aware that a change in circumstances has occurred or will occur, follow these steps:

1. Determine if you need more information.
2. Determine if the change affects eligibility. See §5 (CCAP Family Composition), §6 (Income Eligibility).
3. Determine if the change affects the family's copayment amount. See §6.21 (Family Copayment).
4. Determine if the change affects the payment amount. See §9 (Payments).

County agencies must take prompt action on changes reported regardless of the method used by the family to report the change, and must determine or re-determine eligibility without requiring verification of any eligibility factor that did not change. See §4 (Eligibility Requirements). **Changes must be acted on within 10 calendar days from the date the change was reported or becomes known to the agency.**

When a change resulted in families moving from 1 child care sub-program to another, do not require a new application. See §3 (Applications).

If you become aware of a future change which may affect eligibility, track the expected change. Request that the family provide documentation of the change.

Notify families of the effect of changes. See §7 (Verification), §12 (Notices).

When you become aware of a change, you may need to ask the family for more information or verification before you can determine if the change affects the case.

- 
- For changes which families report on a CCAP Change Report Form (DHS-4794), follow Change Report Form processing requirements. See §8.3.3 (Agency Responsibilities for Family Reporting).
  - For changes reported or discovered by a method other than on a Change Report Form for which you need verification, give clients at least **15** days to provide the verification. See §7 (Verification) and **§7.1 (Verification Due Dates)**.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B  
Minnesota Rules 3400

## REPORTING REQUIREMENTS

8.3

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Families must report the following changes within 10 calendar days after they occurred:

- Income.

NOTE: A change in income occurs on the day the participant receives the first payment reflecting the change in income.

- Residence.

NOTE: Includes the county the family lived in (in non-excluded time status) immediately before entering an excluded time facility. See §8.12 (Moving Between Counties) for further information.

- Employment status.
- Education or training status.
- Family status.
- Family size.

Families must report changes in provider to the county and the provider at least 15 days prior to the change.

NOTE:

- A 15-day notice period is not required, when:
- A MN licensed provider's license has been temporarily, immediately suspended  
OR
- There is imminent risk of harm to the health, safety, or rights of a child in the care of a legal nonlicensed provider, license exempt center, or a provider licensed by an entity other than the State of Minnesota.

Failure to meet this requirement may result in overpayments.

Changes may be reported:

- In person.
- By telephone.

- By facsimile.
- By mail, including electronic mail.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.025

Minnesota Statutes 245A.07.

Minnesota Rules 3400.0040 Subp. 4

Give the Child Care Assistance Program - Change Report Form ([DHS-4794](#)) to eligible families. Use of this form is optional.

- At application and redetermination, so they have it readily available.
- When the family reports a change in a different way and more information or verification of change is needed.
- When the county sends notification to the family of the effect of a reported change, so the family has it to report their next change.

Assist families who need help to complete the report form.

Counties must take prompt action on all changes to determine if the change affects the household's eligibility or family copayment amount without requiring verification of any eligibility factors that did not change. **Changes must be acted on within 10 calendar days from the date the change was reported or becomes known to the agency.**

If the reported change resulted in an adverse action to the family and/or the child care provider, the agency must send a 15 calendar day notice of adverse action to the family, and/or to child care provider. See §12 (Notices).

There is no overpayment if the family reported the change timely and the agency acted on the change timely.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.025

Minnesota Rules 3400.0040, subp. A and B

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**TEMPORARY INELIGIBILITY****8.6**

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When a family has been receiving child care assistance and a change makes them ineligible, AND you believe the ineligibility to be temporary and do not know when the temporary ineligibility will end, reserve the family's position in CCAP. Such situations include:

- Participants who quit or have been laid off from employment, and have not yet found new employment. Temporary ineligibility status for this reason cannot exceed 90 days.
- Students during breaks between sessions who do not have documentation verifying continued school registration. Temporary ineligibility status for this reason cannot exceed 1 academic quarter or semester as determined by the educational institution.
- Families whose increased income from active military service makes them ineligible. Continue temporary ineligibility status until the person is deactivated from military service.

In addition, your county may reserve a family's position in CCAP if the family:

- Reaches the top of the Basic Sliding Fee (BSF) waiting list.  
AND
- Is temporarily ineligible.

Check your county's child care fund plan to determine whether your county has chosen this option. Follow the time periods established above for those families you reserve a position for, if the county has chosen this option.

The county must reserve a military family's position on the BSF waiting list if the family is approved to receive CCAP and reaches the top of the waiting list but is temporarily ineligible for assistance.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.09 subd. 4a  
Minnesota Rules 3400.0040 Subp. 17  
Minnesota Rules 3400.0060 Subp. 6

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**SUSPENDING****8.9**

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For the definition of suspended, refer to §2 (Glossary).

Suspend a case for a period of time up to 1 year when ALL of the following conditions exist:

- There is a temporary break during which child care is not needed.
- The family remains eligible for child care assistance.

Some suspension examples include:

- School age children not needing care during the school year.
- Cost of care is less than the family's copayment for a temporary period of time.
- A student is on break between quarters or semesters including summer breaks, but is registered for the next quarter or semester. See section 9.12 for more information about suspending care for students on break.
- A participant is temporarily laid off from his/her job, but provides documentation that he/she is still considered an employee.
- The family has not identified a provider.
- A family whose only child receiving child care assistance has been placed in foster care and is expected to return to the home within 1 year.
- The family meets all eligibility requirements but has not provided employment and/or class schedules for each adult family member. Proof of employment and/or class schedules is not a condition of eligibility, but is needed to authorize child care appropriately.
- The family meets all eligibility requirements but there is no verification of school schedule for every child who needs child care and attends school. Proof of school schedule is not a condition of eligibility, but is needed to authorize child care appropriately. Families with an approved MFIP/DWP Employment Plan are not required to verify the child's school schedule if the Employment Services worker has taken the child's school schedule into account and indicated the days and the hours that child care is needed.

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0040

**MOVING BETWEEN COUNTIES****8.12**

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**MOVING FROM YOUR COUNTY**

A family that moves from your county to a new county must notify you within 10 days after the move. Your county remains responsible for child care funding for the Unitary Residency period of 2 full calendar months after the move. If the family moves on or after the 1<sup>st</sup> day of the month, the 2 full calendar month period begins the 1<sup>st</sup> of the following month.

If after an initial reported move, the family moves again to a new county during the 2-month unitary residency period, the first county is also responsible for the 2<sup>nd</sup> 2-month unitary residency period. See the MEC<sup>2</sup> user manual for further information.

If the family is on MFIP or DWP, your county remains financially responsible while still responsible for the employment services plan. Your county and the new county may transfer the responsibility earlier, if you are both in agreement.

See Inter Agency Case Transfer Form [DHS-3195](#) for a sample status transfer form. For transferring county information, see MEC<sup>2</sup> User Manual, Physical Transfer of a CCAP File in the Case Transfer procedures section.

**MOVING TO YOUR COUNTY**

When a MFIP or DWP family moves to another county and the new county accepts responsibility for the family's approved job search support or employment plan, the new county **is also** responsible for providing child care assistance on the date that the county accepted responsibility for the plan.

If the family was in the Basic Sliding Fee (BSF) program in the previous county, the family must let your county know of the move within 60 days of the move in order to receive Portability Pool funding. See § 4.3.12.15(BSF Portability Pool)

Re-determine the family's eligibility. The family must continue to meet all eligibility guidelines to remain eligible. As long as the family contacts the new county prior to their case closing, apply the 67% State Median income (SMI) income exit criteria. If the family does not contact the new county prior to their case closing, the new county must treat the family as a new applicant.

Your county must accept administrative responsibility for applicants for BSF portability pool funding at the end of the two months of assistance under the Unitary Residency Act.

**MOVING BETWEEN COUNTIES****8.12**

Continue basic sliding fee (BSF) assistance for the lesser of six months, or until the family is able to receive assistance under the county's regular BSF program and notify DHS through the quarterly reporting process of any family that meets the criteria of the BSF Portability Pool.

If a case has closed and the family reapplies within 30 days, that case remains the responsibility of the county from which the family moved until they have lived in the new county for two full calendar months. A request to send the physical file should be made to the previous county.

If the family was not receiving child care assistance but was on the BSF waiting list in the previous county, they are not eligible for Portability Pool funding. Treat the family as a new applicant in your county.

When a Transition Year (TY) family moves to a new county their transition year continues for the remainder of their 12-month period.

**EXCLUDED TIME FACILITIES**

The financially responsible county for a person who lives in an excluded time facility or receives excluded time services, is the county in which he/she lived, in non-excluded time status, immediately before entering an excluded time facility. For example, a person lives in County A, directly enters a facility in County B, then transfers to a facility in County C. County A remains financially responsible. For the definition of Excluded Time Facility, see §2 (Glossary).

If a person enters an excluded time facility or begins to receive excluded time services during the 2-months of Unitary Residency, do not transfer responsibility until the person is in non-excluded time status for 2 full calendar months. Transfer responsibility on the 1st of the month after the 2nd full calendar month the person is in non-excluded time status.

If a person leaves an excluded time facility and remains in the facility's county, delay transfer of responsibility until the person lives in non-excluded time status for 2 full calendar months.

If a person who is not a Minnesota resident, moves to Minnesota and directly enters an excluded time facility, the county of financial responsibility is the county where he/she signed the Minnesota Child Care Assistance Program Application ([DHS-3550-ENG](#)) if:

- They have lived only in excluded time facilities in Minnesota.
- AND
- They left an excluded time facility to live in Minnesota.

**LEGAL AUTHORITY:**

Minnesota Statute 119B.03

Minnesota Statute 119B.07

Minnesota Rule 3400.0020

Minnesota Rule 3400.0040

Minnesota Rule 3400.0060

Minnesota Rule 3400.0080

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**TERMINATION**

**8.15**

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Terminate child care assistance when:

- The family asks you to close their case.
- The family is no longer eligible.
- A member of the family has been disqualified.

Send a notice of termination to the family at least 15 calendar days before closing the case.  
See §12.3.12 (Termination Notices - Family).

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0183 Subp. 2 and 5

Minnesota Rules 3400.0040 Subp. 6a

Minnesota Rules 3400.0185

**PAYMENTS****9**

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This chapter contains information about authorizing hours, payment rates, payment frequency, who receives payments, and methods of payment. See the specific topic below for detailed information:

§9.0	Payments
§9.3	Payments to Providers
§9.6	Payments to Families
§9.9	Determination of Payment Amounts
§9.12	Authorized Hours - Students
§9.15	Authorized Hours – Employment
§9.15.1	Authorized Hours – Self-Employment
§9.18	Authorized Hours - Job Search
§9.21	Authorized Hours - Combinations of Activities
§9.24	Provider Rates
§9.24.3	Child Care Rates
§9.24.42	Counties with NSH Rates
§9.27	Accreditation/Credential Differential Rate
§9.30	Rate Authorization
§9.33	Care for Sick Children
§9.36	Care During Medical Leaves of Absence
§9.39	Care During Child Absences
§9.42	Holidays
§9.45	Registration Fees
§9.48	Activity Fees
§9.51	Non-Standard Hour Care
§9.54	Special Needs
§9.57	Correcting Underpayments

Also see §16.21 (Payment Policy Chart).

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.09 Subd. 10

Minnesota Statutes 119B.13, Subd. 6

## CHILD CARE AUTHORIZATION

9.1

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The amount of child care authorized must reflect the needs of the family and minimize out of pocket child care costs to the family. **Include information in the case notes describing how care is authorized.**

**GUIDELINES FOR AUTHORIZING CHILD CARE:**

There are different rules for how to authorize child care depending on the family's activities:

- For clients with approved Employment Plans see §16.1 (CCAP Authorizations for Client With an EP)
- For students see §9.12 (Authorized Hours – Students)
- For employed clients see §9.15 (Authorized Hours – Employment)
- For self-employment clients see §9.15.1 (Authorized Hours – Self Employment)
- For clients who are job searching see §9.18 (Authorized Hours – Job Search)
- For clients who are participating in a combination of activities see §9.21 (Authorized Hours – Combinations of Activities)

**DETERMINING THE NUMBER OF HOURS TO AUTHORIZE:**

Do NOT authorize more than the 120 hours maximum in a bi-weekly period unless the child is switching to a new provider during the 2 week period. Do NOT pay for more than 120 hours of child care assistance per child every 2 weeks.

Care must be authorized in full hour increments. The number of hours authorized for each child should be the number of hours that care is needed to support the parental authorized activities, excluding the hours that the child does not need child care. The child may not need child care due to the child being in school or the parent having another care arrangement.

In a two parent family where both parents are in an authorized activity and are able to care for the child, care should only be authorized during time periods when both parents are participating in authorized activities, including travel time and breaks/meals. During times when only one parent is participating in authorized activities, care is not needed because the other parent is available to care for the child. There are limited circumstances when care can be authorized in support of employment. See §9.15 for information on Child Care in support of employment.

In many cases, care is needed for partial hour increments during a day or session. If the amount of care needed is in increments of less than a full hour, the care should be rounded up to obtain a daily total of hours to be authorized. For example, if care is needed for 5.5 hours per day, 5 days per week, the number of hours authorized per day should be rounded up to 6 hours. 6 hours per day times 5 days per week is 30 hours of care per week. 60 hours of care biweekly should be authorized.

## CHILD CARE AUTHORIZATION

9.1

When authorizing care for school age children, if the amount of care needed is in increments of less than a full hours, care and transportation should be rounded up during each separate session and added together to obtain a daily total of hours to be authorized. In many cases, school age children need care authorized for before and after school sessions. Often the care needed is in such a small amount that it will be difficult for families to find provider that are willing to care for their children.

Example: Child needs the following care 5 days per week.

AM	PM	
1.5 hours = 2 hours	1.5 hours = 2 hours	4 hours=40 hours/biweekly Rather than 30 hours biweekly.
15 minutes =1 hour	1.5 hours = 2 hours	3 hours=30 hours/biweekly Rather than 20 hours/biweekly

**SCHOOL RELEASE DAYS:**

Child care may be authorized for families who only need child care on school release days and for families who need more care on school release days. Do NOT authorize or pay for more than 120 hours of child care assistance per child every 2 weeks.

**Each county is encouraged to develop standards for how care should be authorized for school release days.**

**Describe how child care is authorized in case notes.**

**There are 3 acceptable methods to authorize child care for school release days**

1. Authorize the actual number of hours care is needed, increasing or decreasing the hours authorized based on school release days. **Case note the method used.**  
OR
2. Authorize the number of hours care is needed when there are not school release days. If care is not needed when there are not school release days, authorize 1 hour of care. Authorizing 1 hour of care results in the provider receiving billing forms. When the provider provides additional care for a school release day, payment can be made by increasing the number of hours listed in the “total hours of care authorized” field on

## CHILD CARE AUTHORIZATION

9.1

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the billing window or creating a new Service Authorization with additional hours. There must be communication between families, providers, case workers and billing workers regarding when additional care can be paid. **Case note the method used.**

OR

3. Authorize the highest number of hours care is needed with the provider. The provider is expected to bill only for the time that care is needed. There must be communication between families, providers, case workers and billing workers regarding when care with the provider can be paid for. **Case note the method used.**

Counties may develop standards for use of more than one of the above methods. For example a county may determine that for all children who ONLY need care on school release days, 1 hour of care will be authorized, but for children who regularly need care and need additional care, the highest number of hours of care needed will be authorized. Or, a county may determine that for school based providers the highest number of hours care is needed will be authorized, but for all other providers the minimum number of hours care is needed will be authorized and the authorized hours will only be increased for the weeks when there is a school release day.

**FLEXIBLE SCHEDULES:**

Child care may be authorized for families who have flexible schedules. Do NOT authorize or pay for more than 120 hours of child care assistance per child every 2 weeks.

**Describe how child care is authorized in case notes.**

**When authorizing child care for families with flexible schedules, it is important that there be communication between families, providers, case workers and billing workers.** Depending on the method used to authorize child care, providers may be able to be paid for more or less child care than has been authorized in the service authorization.

**There are 3 acceptable methods to authorize child care for families with flexible schedules:**

1. Authorize the typical number of hours needed. When the family's schedule requires additional care, the provider bills for the additional care. Payment can be made by increasing the number of hours allowed for payments. This method is recommended for families with a set schedule that occasionally requires them to work additional hours. **Case note the method used.**  
OR
2. Authorize the minimum number of hours care is needed. When the family's schedule

## CHILD CARE AUTHORIZATION

## 9.1

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requires additional care, the provider bills for the additional care. Payment can be made by increasing the number of hours listed in the “total hours of care authorized” field on the billing window or by creating a new Service Authorization with additional hours. This method may be used for families whose schedules require them to work a varying number of hours each week. Providers must be informed that they may bill for additional hours when the family works additional hours. Counties should develop communication strategies to ensure that appropriate payments are made when additional hours are billed. **Case note the method used.**

OR

3. Authorize the highest number of hours care is needed with the provider. The provider is expected to bill only for the time that care is needed. This method may be used for families whose schedules require them to work a varying number of hours each week. Providers must be informed that they should bill for fewer hours when the family works fewer hours. Counties should develop strategies to ensure that appropriate payments are made. Case workers are encouraged to periodically review provider billing to reduce the likelihood of overpayments in these situations. **Case note the method used.**

**MULTIPLE PROVIDERS:**

Child care may be authorized for more than 1 provider per child. Families may choose to have more than one provider on a regular basis or choose to have a back-up provider who is used only when the primary provider(s) is unavailable.

- When authorizing care for multiple providers, workers should be aware of how full-day and weekly payment policies interact with the 120 hour payment limitation. A full-day payment counts as 10 hours. A weekly payment counts as 50 hours, see chapter § 9 for more information. Do NOT pay more than 1 provider for the same time period.

To authorize care for multiple providers:

- If the number of hours of care needed with a provider is known, authorize the number of hours care is needed with the provider. Do NOT authorize or pay for more than a total of 120 hours of child care assistance per child every 2 weeks.
- If the number of hours of care needed with a provider is not known, authorize the minimum or typical number of hours care is needed with the provider. When the family’s schedule requires additional care, the provider bills for the additional care. The case or billing worker can increase the authorized hours for the biweekly period

## CHILD CARE AUTHORIZATION

9.1

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when more of the care can be paid. Do NOT authorize or pay for more than a total of 120 hours of child care assistance per child every 2 weeks.

**IN ORDER TO AUTHORIZE CARE FOR A BACK-UP PROVIDER:**

Authorize the minimum number of hours care is needed with the provider. If the minimum number of hours care is needed is 0 hours, authorize 1 hour of care with the back-up provider. Authorizing 1 hour of care results in the back-up provider receiving billing forms. When the back-up provider provides care, payment can be made by increasing the number of hours allowed for payment. There must be communication between families, providers, case workers and billing workers regarding when care with the back-up provider can be paid. If a family specifically designates a provider as a back-up provider, document this information in Case Notes.

**SWITCHING PROVIDERS:**

When a child switches to a new provider, the worker must give the original provider a 15 day notice of adverse action to end the service authorization:

- If the end of the 15 day notice of adverse action falls in the middle of a biweekly period, the worker may authorize more than a total of 120 hours to allow for care with the original provider for the first part of the biweekly period and care with the new provider for the last part of the biweekly period. Do not pay for more than a total of 120 hours of child care assistance per child during the 2 week time period.
- If the original provider informs the county that they will not bill for the full 15 day notice of adverse action period, the county may authorize care with the new provider during that time period. The worker may authorize more than a total of 120 hours to allow for care to begin with the new provider. The county should inform the new provider that they will not be paid for the time period if the original provider bills for the time period since 2 providers cannot be paid for the same time period. Do not pay for more than a total of 120 hours of child care assistance per child during the 2 week time period.

**LICENSED FAMILY CHILD CARE PROVIDERS AND LEGAL NONLICENSED PROVIDERS:**

Licensed family child care providers and their employees and legal nonlicensed child care providers and their employees are NOT eligible to receive child care subsidies for their own children or children in their family during the hours they are providing child care or being paid to provide child care. They are eligible to receive child care assistance subsidies for their children when they are engaged in other authorized activities, as long as the hours do not overlap with the hours they provide or are being paid for providing child care services. This

## CHILD CARE AUTHORIZATION

9.1

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includes the full 10 hours counted when **care is provided by a licensed family child care provider** for more than 5 hours. This does not apply to child care centers and their employees.

**MEDICAL LEAVE:**

In some cases child care can continue to be authorized and paid while a client is on a medical leave of absence from employment or education. See §9.36 (Care during Medical Leaves of Absence) to determine whether a client is eligible for continued child care assistance while on medical leave.

**ONE PARENT UNABLE TO CARE:**

In a two parent family child care may sometimes be authorized and paid if one parent is not in an authorized activity AND that parent is unable to care for the applicant's child. See §4.6 (Employment and Training Requirement) for specific requirements.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.13 and 119B.09

Minnesota Rules 3400.0110

## PAYMENTS TO PROVIDERS

## 9.3

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Make payments to providers, unless the provider cares for children in the children's own home. **Care provided in the child's home must be approved by DHS.** Payment must be made directly to the family when care is provided in the child's home. This applies whether the provider is licensed or legal nonlicensed. See §9.6 (Payments to Families).

Make payments in a way that allows the family to choose legal child care providers that best meet the needs of the family.

You must:

- Make payments at least monthly.
- Make payment no later than 30 days after receipt of the bill when the provider submits a bill for services within 10 days after the last date of service.
- Provide notice to both the family and provider of the payment amount, and how and when the payment will be made.

Pay the provider (or parent, if the care in the home is approved) after the provider is authorized by the county, retroactive to the later of the date that:

- Child care was authorized to begin. OR
- The **county agency received the application.** See §4.12 (Date of Eligibility). OR
- The family began using a licensed provider OR the family began using a legal nonlicensed provider and the provider submitted a certificate of completion of First Aid/CPR training in addition to other requirements. See §11.9 (**Legal Nonlicensed (LNL) Providers**).

If a provider has received an authorization of care and been issued a billing form for an eligible family, the billing form must be submitted within 60 days of the last date of service on the bill. You may pay a bill submitted more than 60 days from the last date of service (but less than 1 year) if the provider shows good cause for the delay. Good cause is defined in your Child Care Fund Plan, and it must include county error.

If a provider provided care for a time period without receiving an authorization of care and a billing form for an eligible family, payment of the child care assistance may only be made retroactively for a maximum of six months from the date the provider is issued an authorization of care and billing form.

## PAYMENTS TO PROVIDERS

9.3

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Do **NOT** pay a bill submitted more than a year after the last date of service on the bill.

Do **NOT** require participants to pay providers in advance of receiving payment from the child care fund as a condition for receiving child care assistance.

Licensed family child care providers and their employees and legal nonlicensed child care providers and their employees are **NOT** eligible to receive child care subsidies for their own children or children in their family during the hours they are providing child care or being paid to provide child care. They are eligible to receive child care assistance subsidies for their children when they are engaged in other authorized activities, as long as the hours do not overlap with the hours they provide or are being paid for providing child care services. This does not apply to child care centers and their employees.

You may stop payment issued to a provider or refuse to pay a bill submitted by the provider if:

- The provider admits to intentionally giving materially false information on the billing forms.
- OR
- Your agency finds by a preponderance of evidence that the provider intentionally gave materially false information on the billing forms.

Receipt of federal, state or local funds by a child care provider either directly or through a child care assistance recipient does **NOT** establish an employee-employer relationship between the provider and the county or state.

**PROVISIONAL PAYMENTS**

After a county receives a completed application from a legal nonlicensed (LNL) provider, the county may choose to issue provisional authorization and payments to the provider during the time needed to determine whether to give a final authorization to the provider. See §2 (Glossary) for the definition of provisional authorization and provisional payments. Check your county's Child Care Fund Plan to see if your county has chosen this option.

If a provisionally authorized LNL provider does not receive final authorization by the county:

- Send notice to terminate provisional authorization and payment to the provider.
- AND
- Send a notice of adverse action to notify the family using the ineligible provider that they must choose a new provider to continue to receive child care assistance.

A provider's failure to receive final authorization does not cause payments made during the provisional authorization to be overpayments.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.09  
Minnesota Statutes 119B.13  
Minnesota Rules 3400.0110  
Minnesota Rules 3400.0185  
Minnesota Statutes 119.125  
Minnesota Rules 3400.0110  
Minnesota Rules 3400.0120  
Minnesota Rules 3400.0140

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## PAYMENTS TO FAMILIES

## 9.6

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Make payments directly to the family when a provider cares for children in the children's own home. **This applies whether the provider is licensed or legal nonlicensed (LNL).**

CCAP prohibits child care assistance to be paid to a provider that resides in the same household or occupies the same residence as the child.

CCAP only allows child care assistance for care authorized in the child's home if the child's parents have authorized activities outside of the home and if one or more of the following circumstances are met:

1. The parents' qualifying activity occurs during times when out-of-home care is not available. If the child care is needed during any period when out-of-home care is not available, in-home care can be approved for the entire time care is needed AND
2. The family lives in an area where out -of -home care is not available OR
3. A child has a verified illness or disability that would place the child or other children in an out-of-home facility at risk or creates a headship for the child and the family to take the child out of the home to a child care home or center.

See §11.27 for in home child care request instructions.

If the provider is licensed at an address where the child does not live, but the provider provides care for a child in the child's home, the provider is providing LNL care for that child and, for that care, should be paid up to the maximum LNL rate when the parent meets the above listed criteria for authorized activities and is approved by DHS.

When your county pays the parent(s) and he/she fails to pay the provider the family is ineligible for child care assistance until:

- The payment is made. OR
- The family reaches an agreement for payment with the provider and the county. AND
- The family continues to comply with the payment agreement.

Do **NOT** require the family to pay providers in advance of receiving payment from the child care fund as a condition for receiving these payments.

Monitor these payments to ensure funds are used for child care, following your county's established process.

**PAYMENTS TO FAMILIES****9.6**

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The family is responsible for meeting any employer-related requirements when the care is provided in the child's home.

A 1099 form is issued by DHS to the in-home provider at the end of the year.

Give the Fair Labor Standards Act (FLSA) information to child care assistance families who chose in-home care providers. Go to <http://www.dol.gov/whd/regs/compliance/whdfs23.pdf> for further information.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.09 Subd. 8, 9, 10 and 13

Minnesota Statutes 119B.13, Subd. 5 and 6

Minnesota Rules 3400.0110, Subp. 1 and 7 Minnesota Rules 3400.0040, subp. 6a

**DETERMINATION OF PAYMENT AMOUNTS****9.9**

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The payment amount is the provider's rate, not to exceed the county maximum rate, minus the family copayment. See §9.24.3 (Provider Rates), §9.27 (Rate Differential for Accreditation), and §6.21 (Family Copayment).

Base the maximum payment rate on the county where child care is provided. Pay out-of-state providers based on the participant's county of residence.

Do not exceed the county maximum rate or the rate the provider charges to private pay parents, whichever is lower. Do not place other limits on the payment amount.

The payment amount is determined by the:

- applicable maximum rate,
- provider's charge,
- number of child care hours authorized,
- hours the child is scheduled to be in care.

When the provider charge is greater than the maximum payment amount allowed, the parent is responsible for payment of the difference in the rates in addition to any family co-payment fee.

**LEGAL NONLICENSED PROVIDERS (LNL)**

Legal nonlicensed child care providers can only be paid on an hourly basis. The maximum payment to a legal non-licensed provider for one week of care must not exceed 50 hours. The maximum payment to a legal non-licensed provider for one day of care must not exceed 10 hours.

**LICENSED PROVIDER AND LICENSE EXEMPT CENTERS**

For children attending licensed family child care providers, licensed centers, and license - exempt centers, if the child is authorized for:

- More than 35 hours per week with a single provider, CCAP will pay the maximum weekly rate, not to exceed the provider charge.

OR

- 35 hours or less per week with a single provider and:
  1. More than 5 hours per day with a single provider, CCAP will pay the maximum daily rate, not to exceed the provider charge. CCAP cannot pay more than the maximum weekly rate for one week of care.
  2. 5 hours or less per day with a single provider, CCAP will pay the maximum hourly rate for each hour of care, not to exceed the provider charge. CCAP cannot pay more than the maximum daily rate for one day of care. CCAP cannot pay more than the maximum weekly rate for one week of care.

**DETERMINATION OF PAYMENT AMOUNTS****9.9**

- During the school year for school age children. Before and after school age care providers sometimes use “session rates”. In these cases, the hours of care authorized will determine if an hourly, daily or weekly rate may be paid. Payment will be the lesser of the county maximum rate or the provider charge. See § 9.30 for further information on authorizing care for school age children.

**MAXIMUM AUTHORIZATION AND PAYMENT**

Do NOT authorize or pay for more than 120 hours of child care assistance per child every biweekly period.

Count all hourly rates paid to legal non-licensed providers towards the 120 hours.

To convert child care paid on a full-day or weekly basis to licensed providers into hours to determine if payment exceeds 120 hours of child care assistance:

- Payment at the daily maximum rate is equal to 10 hours of care
- Payment at the weekly maximum rate is equal to 50 hours of care

<b>RATE</b>	<b>ACTUAL HOURS OF CARE</b>	<b>COUNT TOWARD TOTAL HOURS OF CARE</b>
Hourly	5 or less	Actual number of hours
Full-Day	Greater than 5	10 hours
Weekly	Greater than 35	50 hours

**PAYMENT DEDUCTIONS**

If the county receives notification from the IRS, Minnesota Department of Revenue, or other public authority or court requiring the county to reduce a payment or payments, send the appropriate notice to the provider. See §12.6.12 (Payment Deduction Required By Law Notices) to determine which notice to send.

**LICENSE EXEMPT PROGRAM RATE**

Make payments for care of children in license exempt programs (such as school based school-age programs, summer camps, etc.) at the same rate as licensed centers in the same age category.

**SPECIAL NEEDS RATE**

Payment rates for care of children with special needs may exceed your agency’s maximum rates. See§9.54(Special Needs)

**DETERMINATION OF PAYMENT AMOUNTS****9.9****CO – PAYMENTS**

Child care providers are responsible for collecting family copayment fees and must inform your agency if the copayment was or was not received. Most billing statements provide a declaration of receipt of the family's copayment. Your agency may stop payment or refuse to pay a submitted bill if the provider falsely declares receipt of the family's copayment. When a family is unable to pay their copayment, a payment arrangement can be established between the provider, the parent, and the county. The parent must continue to comply with the payment agreement. See § 9.24.3 (Copayment schedule)

**CHILD CARE EXPENSES PAID BY OTHER SOURCES**

If the family receives partial or full reimbursement for child care expensed from sources other than child care assistance funds, reduce the amount of the child care assistance by the amount or reimbursement earmarked for the same child care expenses.

When the family receives a post-secondary child care grant that is earmarked to cover the same child care expenses that could be paid by the child care assistance program, the entire grant must be used before CCAP can make payments.

When funds from other sources are paid directly to the family's child care provider on behalf of the family, eligibility is not affected and the funds are excluded from the family's income. Child Care providers who accept third-party payments must maintain family specific documentation of payment source, amount, types of expenses, and time period covered by the payments. CCAP should not be billed for costs covered by third party sources. The provider is responsible for ensuring proper billing. Providers may use form DHS-5318-ENG to record third party payments.

**RATE DIFFERENTIAL FOR ACCREDITATION**

A provider or center holding a current early childhood development credential or accreditation may submit a request for payment of an additional 15% differential rate above the maximum rate, up to the actual provider charge. Pay the differential rate to both licensed and legal nonlicensed providers. See §9.24.3 (Rate Differential for Accreditation)

**CHILD CARE SUPPORT ORDER**

A CCAP applicant or participant may have a Child Care Support Order that indicates that the noncustodial parent pay a percentage or a set amount of the child care expenses. If the noncustodial parent is making payments directly to the provider and the amount only covers the copayment or another part of the child care expenses that CCAP would not pay it would not affect the CCAP case. The provider would need to indicate on the billing form that the copay was paid or that there was a payment agreement. If the noncustodial parent is making the payment directly to the provider and the amount covers part of the child care expenses that CCAP would pay the

**DETERMINATION OF PAYMENT AMOUNTS****9.9**

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provider should be directed not to bill CCAP for that part of the child care expense. In both of these situations the provider must keep records of the payments received and the payment sources. If the noncustodial parent is making the payment to the custodial parent the payment would be considered income to the custodial parent.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.13 and 119B.231

Minnesota Rules 3400.0130

## AUTHORIZED HOURS – STUDENTS

9.12

Do not authorize more than 120 hours per child every 2 weeks.

Authorize only the time necessary to complete the credit requirements for an associate or baccalaureate degree as determined by the educational institution. Require the student to provide documentation from the school on the credit requirements for the approved program.

A student must be in good standing and making satisfactory progress toward completion of the program. Require the student to provide documentation from the school.

**Full Time\*\*\***

Enrollment in a minimum of 12 credits, or credits equivalent to full-time students.  
OR  
Participation in 20 hours of classroom training per week.

**Child Care Assistance Allowed:**

1. On a full-day basis for the days of class and on non-class days, if needed for study, as determined by your agency. \*
- OR
2. Child care on a weekly basis.
- OR
3. Child care calculated according to standards identified for part-time students.

\* Do not allow less than the standard calculated for part-time students and do not exceed 120 hours per child per bi-weekly.

**Part Time\*\*\***

MFIP student who is less than a full-time student but is in compliance with the education or training requirements of the EP.  
OR  
A non MFIP student who is less than a full-time student but is in compliance with the education or training requirements of the county's education plan.

**Child Care Assistance Allowed:**

1. All hours of actual class time and credit hours for independent study and internships.
- AND
2. Up to 2 hours per day for travel time.
- AND
3. Two hours per week per credit hour for post-secondary students for study and academic appointments. \*\*

\*\* When a part-time student has more than 1 hour between classes on any 1-day, reduce the authorized study time by the number of hours between classes.

\*\*\*Because schools have differing definitions of full-time and part-time students, rely on the terminology of the specific school for the determination. If you have questions about a student's status, contact the school or ask the student to do so for more information.

**OTHER CIRCUMSTANCES WHEN DETERMINING AUTHORIZED CARE:**

- Students in basic or remedial education needed to prepare for post-secondary education or employment. Authorize child care assistance for remedial classes as needed for the student to attend class and complete class assignments.
- MFIP or DWP students whose Employment Plan (EP) specifies a different time frame.
- Basic Sliding Fee (BSF) students who's Education Plan has been approved by the county.
- Authorize child care assistance for a student with a baccalaureate degree for continuing education units or certification or coursework necessary to update credentials to obtain or retain employment.
- Students on school breaks who are expected to return to school at the end of the break remain eligible during the break:
  1. If the break is expected to last 15 calendar days or less, care should continue to be authorized during the break period.
  2. If education is the family's only authorized activity, and the break is expected to last more than 15 calendar days, the case should be suspended for the break period. A 15 day notice of adverse should be sent to the client and provider in advance of the scheduled break. The case should be suspended the day the break begins.
  3. If education is not the family's only authorized activity, and the break is expected to last more than 15 calendar days, the number of hours authorized should be reduced to reflect the authorized hours needed for the family's other authorized activities during the break period. A 15 day notice of adverse action should be sent to the client and provider in advance of the scheduled break. The reduction in authorized hours should be effective the day the break begins.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.07  
Minnesota Rules 3400.0040

**AUTHORIZATION HOURS-EMPLOYMENT****9.15**

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Authorize no more than 120 hours per child every bi-weekly period.

If a MFIP/DWP family has an approved Employment Plan with an employment activity, authorize the number of hours needed for the employment activity or for support of the employment activity, as indicated by the Employment Services worker.

**EMPLOYMENT**

Participants who do NOT have an approved MFIP/DWP Employment Plan must work at least an average of 20 hours per week and receive at least the applicable minimum wage to receive child care during employment hours. When a participant has multiple employment activities, the hours worked at the different employment activities may be combined to meet the 20 hours per week at the applicable minimum wage requirement. See §6.16 (Applicable Minimum Wage).

Work with the participant to determine a length of time, not to exceed 6 months, over which the number of hours worked weekly can be averaged to determine if the participant meets the requirement to work an average of 20 hours per week at the applicable minimum wage.

When the participant works for an hourly wage, child care should be authorized for the number of hours scheduled to be worked, including break and meal time during the employment, and up to two hours per day for travel time.

When the participant does not work for an hourly wage, authorize child care for the LESSER of:

- The number of hours spent in the employment activity, plus meal/break time and up to two hours per day for travel time,
- OR
- The number of hours determined by dividing the annual gross earned income from the employment activity by 52 weeks and then by the applicable minimum wage, plus up to one hour per eight hours worked for meals/breaks, and up to two hours per day for travel time.

**STUDENTS AND EMPLOYMENT**

Students are not required to work.

- If a full-time student that does NOT have an approved MFIP/DWP Employment Plan chooses to work and requests child care assistance during their employment time, they are required to work an average 10 hours per week at the applicable minimum wage.
- If a part-time student that does NOT have an approved MFIP/DWP Employment

**AUTHORIZATION HOURS-EMPLOYMENT****9.15**

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Plan chooses to work and requests child care assistance during their employment time, they are required to work an average 20 hours per week at the applicable minimum wage.

**CHILD CARE IN SUPPORT OF EMPLOYMENT**

For participants that do NOT have an approved MFIP/DWP Employment Plan, authorize child care assistance in support of employment for non-work hours if necessary if the following conditions are met:

- The child care in support of employment or in combination with the employment activity does not exceed the amount of child care that would normally be granted for child care during employment.
- The family meets all eligibility requirements.
- The employed person cannot reasonably modify the non-work schedule to provide child care.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.10

Minnesota Rules 3400.0040

## AUTHORIZED HOURS-SELF EMPLOYMENT

9.15.01

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**NOTE:** You must calculate the annual CCAP gross earned income from self-employment income BEFORE you determine the number of hours to authorize. See §6.15.6 (Annualizing Self-Employment).

To determine whether care can be authorized for the self-employment activity:

- Divide the gross earned income from the self-employment activity by 52 weeks.
- Then divide that number by the applicable minimum wage to determine if the individual is self-employed for at least an average of 20 hours per week at the applicable minimum wage (10 hours if a full time student). See §6.16 (Applicable Minimum Wage).

The federal minimum wage applies unless the applicant or participant can supply information to show that they are not subject to this standard. If a self-employed person believes that they should not be subject to the federal minimum wage as the applicable standard **and verification is not available**, the county should work with the applicant or client to **identify the correct applicable minimum wage**. If verification is not available, accept a signed statement from the person that states why they are not subject to the federal minimum wage and that identifies the state minimum wage that the person is subject to.

If the participant is **self-employed for less than** an average of 20 hours per week at the applicable minimum wage (10 hours if a full time student), they are not eligible for child care during self-employment hours.

If the participant is self-employed for at least an average of 20 hours per week at the applicable minimum wage (10 hours if a full time student), authorize child care for the LESSER OF:

- The number of hours determined by dividing the annual CCAP gross earned income from the self-employment activity by 52 weeks and then by the applicable minimum wage, plus up to 1 hour per 8 hour for meals and up to 2 hours per day for travel time
- OR
- The number of hours spent in the self-employment activity, plus meal/break time and up to two hours per day for travel time.

If, in addition to the self-employment activity, the participant also has an employment activity that is not self-employment:

- Determine the number of hours spent in the employment activity that is not self-employment.
- Determine the number of hours spent in the self-employment activity by dividing the

## AUTHORIZED HOURS-SELF EMPLOYMENT

9.15.01

annual CCAP gross earned income from the self-employment activity by 52 weeks and then by the applicable minimum wage.

- Add the hours for the employment activity that is not self-employment and the hours for the self-employment activity to determine if the participant is employed for at least an average of 20 hours per week at the applicable minimum wage (10 hours if a full time student).
  1. If the participant is not employed for at least an average of 20 hours per week at applicable minimum wage (10 hours if a full time student), they are not eligible for child care during their employment activities.
  2. If the participant is employed for at least an average of 20 hours per week at applicable minimum wage (10 hours if a full time student), add the hours for the employment activity that is not self-employment and the hours for the self-employment activity to determine the number of hours to authorize.

If the participant has at least one self-employment activity with a negative gross income:

- Determine the annual CCAP gross earned income from each self-employment activity separately.
- Divide the annual CCAP gross earned income for each self-employment activity by 52 weeks and then by the applicable minimum wage to determine the number of hours the participant is employed in that self-employment activity. The number of hours associated with the self-employment activity with the negative gross income is 0.
- Add the number of hours from each employment that is not self-employment and each self-employment activity together to determine if the participant is employed for at least 20 hours per week at the applicable minimum wage (10 hours if a full time student)
  1. If the participant is not employed for at least an average of 20 hours per week at applicable minimum wage (10 hours if a full time student), they are not eligible for child care during their employment activities.
  2. If the participant is employed for at least an average of 20 hours per week at applicable minimum wage (10 hours if a full time students), use the total number of hours from each employment activity (including self-employment) to determine the number of hours to authorize.

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0040

**AUTHORIZED HOURS – JOB SEARCH****9.18**

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Authorize assistance with child care costs for participants who are participating in job search or related activities up to a maximum of 240 hours per calendar year, not to exceed 120 hours per child every 2 weeks. At the option of the individual in job search and with prior approval from your agency, you may authorize child care assistance less than full time.

**EXCEPTION:** Exempt MFIP or DWP participants with an approved Employment Plan (EP) which includes job search from the 240 hours per calendar year maximum.

You may authorize employed MFIP or DWP participants without an approved EP for up to 240 hours per calendar year of child care assistance for job search activities in addition to child care assistance that you may authorize for work.

Job search activities include locating, contacting, preparing for interviews and interviewing with potential employers, and travel time associated with these activities.

Job search hours should be counted using only the hours of child care authorized for the job search activity (including travel time, if needed). For example, if the parent is authorized for six hours per day of child care for the job search activity and the provider charges a daily rate, count only six hours of job search toward the 240 hours allowed per year.

If the amount of child care authorized is being reduced due to a decrease in the number of hours the parent is job searching, a 15 day notice is required. During the notice period, count only the hours the parent is job searching toward the 240 hours allowed per year. For example, if 50 hours of care was previously authorized and care is being decreased to 20 hours, pay the 50 hours of care through the required notice period. Count the 20 hours used for job search toward the 240 hours allowed per year.

Counties must identify how child care assistance for job search outside an approved EP is authorized in their County Child Care Plan. Counties identify whether they verify the actual numbers of hours spent on job search. In addition, counties must identify whether they authorize:

The number of hours of job search requested by the participant,  
OR

The standard number of hours, which is determined by the county.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.10 Subd.1

Minnesota Rules 3400.0040 Subp.15a

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## AUTHORIZED HOURS – COMBINATIONS OF ACTIVITIES

9.21

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Authorize no more than 120 hours per child every 2 weeks.

Authorize hours necessary to support an approved MFIP or DWP Employment Plan (EP).

You may authorize hours necessary to support an approved MFIP or DWP EP plus up to 240 hours per calendar year for job search activities, even if the EP does not include job search hours.

MFIP, DWP and Basic Sliding Fee (BSF) participants only need to work at least an average of 10 hours per week receiving at least the applicable minimum wage, IF they:

- Are full-time students attending a full-time education or training program. A full-time student retains full-time student status during school breaks, including summer breaks, if the student is expected to return to full-time school after the break.

AND

- Request additional child care assistance for work.

These participants do not need to be in a county approved Employment or Education Plan to receive child care for employment hours.

When an approved MFIP or DWP Employment Plan (EP) does not include employment hours, and the participant does **NOT** attend a full-time education or training program, authorize hours for work only if the participant works at least an average of 20 hours per week and receives at least the applicable minimum wage.

Authorize hours for a BSF student with a baccalaureate degree only to complete continuing education units or certification or coursework for credentials necessary to obtain or retain employment.

BSF students are not required to work. Authorize hours for education or training programs only as approved in the BSF Education Plan approved by the county.

Authorize up to 240 hours per calendar year for job search activities for employed BSF, Transition Year (TY) and TY Extension participants in addition to hours authorized for work.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.10

Minnesota Rules 3400.0040 Subp. 11

Minnesota Rules 3400.0040 Subp. 14

**PROVIDER RATES****9.24**

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The Department of Human Services conducts a statewide child care provider rate survey annually. All licensed family child care providers and licensed child care centers and licensed school age care programs are included in the survey. The resulting information is compiled and used by the Department of Human Services (DHS) and legislators to consider changes to the maximum rates.

Rates are county specific and determined by type of provider and age of child. See §9.24.3 for a link to the hourly, full-day, weekly child care rates. See §9.51 (Non-Standard Hour Care), §9.24.42 (Counties with NSH Rates) for counties with non-standard hourly child care rates.

Authorize payment at the provider's rate, up to your county's maximum, for all hours of child care authorized in the participant's case. The maximum rate may be based on provider responses within a county or other geographic grouping including region-based and statewide-based groupings.

All changes to maximum provider rates must be implemented the Monday following the effective date of the new rate.

Apply the age categories for children in family child care (Licensed/Legal Non-Licensed) and child care centers (Licensed/License Exempt Centers). See §2 (Glossary) under infant, toddler, preschool and school age for these age categories.

Use the maximum rates in the **provider's** county of residence. If the provider lives outside of the State of Minnesota, use the maximum rate in the **participant's** county of residence.

The family must pay for any provider charges that exceed the maximum rates, in addition to the family copayment fee.

See §9.27 (Rate Differential for Accreditation).

**EXTENDED KINDERGARTEN PROGRAMS:** The program must be:

- An optional program.

AND

- Operated in conjunction with a free kindergarten program.

AND

- Part of the community education program.

AND

- Charging a sliding fee to all families, based on family income.

**PROVIDER RATES****9.24**

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CCAP funds may be considered for extended kindergarten programs that meet the above criteria.

Use child care assistance funds for payment of the extended kindergarten programs if it is accounted for within the district's Community Service Fund. If the district provides full-day kindergarten that is not part of community education and there is no fee charged to the family, they cannot charge a fee to CCAP. Request a copy of the school's sliding fee scale and a statement from the school district that they are not waiving fees for non-CCAP families that have children in the optional extended kindergarten program.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.13

Minnesota Rules 9502 &amp; 9503

CCAP MAXIMUM RATES effective November, 28, 2011

[DHS-6441A-ENG](#) **Minnesota CCAP Standard Maximum Rates - Non-accredited (Effective November 28, 2011)** - English - 10-11

Minnesota Child Care Assistance Program table listing the maximum rates that non-accredited providers can charge for Family Child Care/LNL and for Child Care centers.

[DHS-6442A-ENG](#) **Minnesota CCAP Standard Maximum Rates - Accreditation/Credential Differential (Effective November 28, 2011)** - English - 10-11

Minnesota Child Care Assistance Program table listing the maximum rates that accredited/credentialed providers can charge for Family Child Care/LNL and for Child Care centers.

REGISTRATION FEES effective November 28, 2011

[DHS-6443-ENG](#) **Minnesota CCAP Maximum Child Care Registration Fees (Effective November 28, 2011)** - English - 10-11

Minnesota Child Care Assistance Program table listing the maximum fees that a provider can charge for CCAP.

For links to rates effective July1, 2006 –November 27, 2011 and for copayment schedules effective prior to October 3, 2011 see §14.6 (Amount of Overpayment)

COPAYMENT SCHEDULES effective October 3, 2011

[DHS-6413-ENG](#) **Minnesota CCAP Copayment Schedules** - English - 10-11

Minnesota Child Care Assistance Program table listing the family copayment fee based on family size and income after allowable deductions.

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**COUNTIES WITH NSH RATES****9.24.42**

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Non-Standard Hour (NSH) maximum hourly rate differentials for family child care obtained through the rate survey are available for the following counties on the Maximum Rates window in MEC<sup>2</sup>. Consult the MEC<sup>2</sup> User Manual for instructions on how to locate this information.

County:

Aitkin	Mille Lacs
Anoka	Morrison
Benton	Mower
Big Stone	Nicollet
Blue Earth	Nobles
Brown	Olmsted
Carlton	Pine
Carver	Pipestone
Cass	Polk
Chippewa	Ramsey
Chisago	Redwood
Crow Wing	Renville
Dakota	Rice
Dodge	Rock
Faribault	Roseau
Freeborn	Scott
Goodhue	Sherburne
Hennepin	Sibley
Isanti	St. Louis
Itasca	Stearns
Jackson	Steele
Kanabec	Wabasha
Kandiyohi	Waseca
Koochiching	Washington
LeSueur	Watonwan
Lyon	Winona
McLeod	Wright
Meeker	Yellow Medicine

**ACCREDITATION/CREDENTIAL RATE DIFFERENTIAL****9.27**

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Child Care Assistance can pay 15% above the maximum rate, up to the actual provider charge, if a provider requests the differential and submits verification showing that they hold a certain current early childhood development credential or is accredited by certain organizations.

A licensed family child care provider or legal non licensed provider is **ONLY** eligible for the rate differential for accreditation if they hold one of the following early childhood development credentials or accreditations:

- A Child Development Associate credential (CDA), or degree.
- A diploma in child development from a Minnesota state technical college.
- A bachelor's degree or post-baccalaureate degree in early childhood education from an accredited college or university.
- Accreditation by the National Association for Family Child Care
- Competency Based Training and Assessment Program Certificate.

Each adult on a licensed family child care license must have one of the credentials listed above to get the rate differential for accreditation. Licensed family child care providers and legal non licensed providers that do not hold one of the above credentials are **NOT** eligible for the rate differential for accreditation. Licensed family child care providers and legal non licensed providers that hold a credential other than the ones listed above are **NOT** eligible for the rate differential for accreditation.

A child care center is **ONLY** eligible for the rate differential for accreditation if it is accredited by one of the following accrediting agencies:

- National Association for the Education of Young Children (NAEYC)
- Council on Accreditation (COA)
- National Early Childhood Program Accreditation (NECPA)
- National After School Association (NAA)
- National Head Start Association Program of Excellence.

Montessori programs accredited by one of the following accrediting agencies are also eligible for the rate differential for accreditation:

- American Montessori Society (AMS)
- Association of Montessori International – USA (AMI/USA).
- National Center for Montessori Education.

Centers that are not accredited by one of the above organizations are **NOT** eligible for the rate

## ACCREDITATION/CREDENTIAL RATE DIFFERENTIAL

9.27

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differential for accreditation. Centers that are accredited by an organization other than the ones listed above are NOT eligible for the rate differential for accreditation.

The rate differential can be paid to both licensed and legal non licensed providers.

The accreditation/credential rate becomes the maximum rate that can be paid to an accredited or credentialed provider. Pay the maximum accreditation/credential rate or the provider rate whichever is less. See [DHS-6442A-ENG](#). Accreditation/Credential maximum rate schedule.

If a county discovers that a provider was incorrectly entered into MEC<sup>2</sup> as being eligible for the rate differential for accreditation, the information must be corrected in MEC<sup>2</sup> and the county who discovered the error should contact all other counties where the provider is registered. If the provider received payment at a higher rate than allowable, over payments must be assessed according to CCAP overpayment policies See §14 (Overpayments). For accreditation/credential maximum rates in place July 1, 2006 through November 27, 2011 see §14.6 (Amount of Overpayments)

The Department of Human Services (DHS) has developed an Accreditation Rate Request Form ([DHS-4795](#)) that providers may use when requesting a rate differential for accreditation.

Reimburse the differential for providers who submit valid credentials as of the first Monday following the date you received the verification.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.13

**CARE FOR SICK CHILDREN****9.33**

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Sick child care is a child care service provided to children who cannot attend the family's regular child care provider, as a result of illness. The county agency may make payments for sick child care, in addition to making payments to the regular child care provider during illness.

Your agency has the option of assisting participants with sick child care. Sick child care payments must be at a rate comparable to like care arrangements in your county.

Your agency's Child Care Fund Plan will indicate if this option is available. The county's sick child care policy and rate shall be included in the county's Child Care Fund Plan.

Your agency may complete a survey of all providers who care for sick children in the county to determine the appropriate rate.

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0110 Subp. 8

**CARE DURING MEDICAL LEAVES OF ABSENCE****9.36**

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You must authorize child care assistance during a participant's medical leave of absence from employment or education, if the following conditions are met:

- The participant is incapable of providing child care during the medical leave of absence.

AND

- The participant is expected to return to employment or an approved education or training program within 90 calendar days after leaving the activity.

AND

- The inability of the participant to provide child care and the necessity of the medical leave is documented by a physician or licensed psychologist.

AND

- The amount of child care during the medical leave does not exceed the equivalent of 1 month of full-time care (50 hours x 4.3 weeks = 215 hours).

A single parent working less than 20 hours per week due to temporary illness, and meets the criteria listed above is eligible for child care during the medical leave.

Care can be authorized for limited work availability and also for parent medical leave. Child care would be authorized during employment hours. This care would not apply toward the 215 hours of care allowed for parent medical leave.

Care would also be authorized for time that the child is in care while the parent is unable to work or provide care and would be applied toward the 215 hours of care allowed during the parental medical leave.

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0110 Subp. 10

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## CARE DURING CHILD ABSENCES

9.39

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An absent day is any day that the child is authorized and scheduled to be in care based on the participant's activity and care needed, and the child is absent from care, even if the participant notifies the provider prior to the day the child will be absent. Child absences may occur for a variety of reasons including, but not limited to, child illness, vacation, participant illness or school break. The reason for the child's absence does not affect payment.

Pay for child absences that do not exceed 10 consecutive days, up to a total of 25 absent days in a calendar year, per child. This extends across all providers used during the year. If child care absences exceed this amount, the charges are the financial responsibility of the CCAP family.

**EXCEPTIONS:** You may exceed these limits if the child or the child's sibling or parent who lives in the child's household, have an illness verified by a "Child Care Assistance Program Medical Condition Documentation Form" ([DHS-4602](#)) signed by a qualified medical professional. A qualified medical professional is defined as a Physician, Physician Assistant, Nurse Practitioner, Psychiatrist, Psychologist, Chiropractor, public health nurse, school nurse or child care center director or lead teacher if the provider sends a child home early due to a medical reason.

Children may be exempt from the absent day limits upon request of the child care provider and approval of the county if they are in a family where:

- At least 1 parent is under the age of 21 and does not have a high school or general equivalency diploma.

AND

- This parent is a student in a school district or another similar program that provides or arranges for ALL of the following to achieve high school graduation:
  - Child care.
  - Parenting support.
  - Social services support.
  - Career and employment supports.
  - Academic support.

Absent day payment limits do not apply to children for care paid through the School Readiness Connections (SRC) Project program, provided the family remains eligible.

## CARE DURING CHILD ABSENCES

9.39

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Pay the provider's charge for a child absence when all the following conditions are met:

- The provider has a written policy for child absences, charges all other families in care for similar absence, and is charging the family for this day.
- The payment is not more than the provider charges private pay families for the same absence period.
- The charge is not being paid by a non-CCAP source.
- The provider's service is available.
- The child is scheduled to be in child care based on hours of care you authorized.

Do not charge an overpayment for the absent day unless:

- You made an error in the amount of care authorized.
- This absence exceeded the 10 consecutive or 25 cumulative absent day limits.
- The family or provider did not report a change timely.

If you are concerned that the amount or time of care authorized does not fit the current or future needs of the family, reassess the authorization. If the family is found to be not eligible and an overpayment is assessed for the absent day payment, do not count the absent day against the 25 cumulative day limit.

Providers and families will be notified of the number of absent days used upon initial provider authorization for a family and will receive ongoing notification of the number of absent days used as of the date of the notification through the Service Authorization and the Remittance Advice in [MEC2](#).

Only days in which a child is absent for the entire time authorized count against the child's 10 consecutive or 25 cumulative absent day calendar year payment limits. If a child attends child care for any part of a day, but is absent for part of the day, the full amount of care authorized for that day will be paid but the payment will not count towards the ten consecutive or 25 cumulative absent day payment limits. Payment to the provider must be for the full amount of care authorized for that day. The amount of care paid should not exceed the amount of care the child was scheduled for.

If a child does not attend child care during a notice period when care is ending, the notice

**CARE DURING CHILD ABSENCES****9.39**

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period can be paid using absent days. The absent day limits continue to apply during this period. If the child does not have enough absent days to cover the full notice period, payment may end before the end of the notice period.

A county may pay for more absent days than the statewide absent day policy if current market practice in the county justifies payment for those additional days. County policies for payment of absent days in excess of the statewide absent day policy and justification for these county policies must be included in the county's child care fund plan.

See §9.42 (Holidays) for information on payment for holidays, and the impact of holidays on absent days.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.08, Subd.3

Minnesota Statutes 119B.13, Subd. 7

Minnesota Statutes 645.44, Subd. 5

Minnesota Rules 3400.0110 Subp. 9

**HOLIDAYS****9.42**

CCAP cannot pay for provider vacation days, provider sick days or any other days that child care is not available, except for holidays.

Pay a provider's charge for up to 10 federal or state holidays per year if:

- The provider is closed and not providing care.
- AND
- The provider charges all families for these days.
- AND
- The holiday falls on a day when the child is authorized and scheduled to be in attendance.

The 10 recognized state and federal holidays are:

- New Year's Day (January 1).
- Martin Luther King's Birthday (3<sup>rd</sup> Monday in January).
- Washington and Lincoln's Birthdays (3<sup>rd</sup> Monday in February).
- Memorial Day (last Monday in May).
- Independence Day (July 4).
- Labor Day (1<sup>st</sup> Monday in September).
- Christopher Columbus Day (2<sup>nd</sup> Monday in October).\*
- Veterans Day (November 11).
- Thanksgiving (4<sup>th</sup> Thursday in November).
- Christmas Day (December 25).

\*The day after Thanksgiving is sometimes substituted for Christopher Columbus Day.

If a holiday falls on a Saturday, the preceding day shall be a holiday. If a holiday falls on a Sunday, the following day shall be a holiday.

Allow participants to substitute other cultural or religious holidays for the 10 recognized state and federal holidays when they provide you with prior notice.

**HOLIDAYS****9.42**

Christmas Eve, New Year's Eve, and Good Friday are some of the days that may be considered cultural or religious holidays and may be substituted for a federal or state recognized holiday. These days are not the only days that may be substituted for the recognized holidays.

If care is available on the holiday, but the child is absent, make payment under the basic absence policy. See §9.39 (Care During Child Absences).

If the provider's service is not available on the holiday for which payment is charged, and the family needs care from another provider on that day, you may only pay 1 provider. The family must pay the 2<sup>nd</sup> provider.

If a CCAP paid holiday occurs during the midst of other child absent days, the holiday interrupts but does not stop the absent day count. The absent day following the holiday will continue the 10 consecutive day count. Here's an example:

Absent Day #1	Absent Day #2	Absent Day #3	Holiday	Holiday	Absent Day #4	Absent Day #5	Absent Day #6	Absent Day #7	Absent Day #8	Absent Day #9	Absent Day #10
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**LEGAL AUTHORITY:**

Minnesota Statutes 119B.13, subd. 7

Minnesota Statutes 645.44, subd. 5

**REGISTRATION FEES****9.45**

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Pay for registration fees when the provider charges registration fees to all families.

If a licensed family child care provider, a licensed center, or license exempt center charges a registration fee to enroll children in the child care program and the registration fee is not included in the provider's rate, pay the provider registration fee up to your agency's maximum registration fee. The maximum registration fee may be based on provider responses within a county or other geographic grouping including region-based and statewide-based groupings. A superscript R or S denotes a regional or statewide rate. See [DHS-6443-ENG](#) for maximum registration fee schedule.

If the registration fee exceeds your agency's maximum, the participant must pay for the excess.

You may only pay for 2 registration fees per child in a 12 month period. The participant must pay any additional registration fees.

If a provider registration fee is a refundable registration deposit, maintain a record of this payment and deduct it from the final payment to the provider at the time the family discontinues service.

Do not pay registration fees to legal nonlicensed (LNL) providers.

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0130 Subp. 7

Minnesota Statutes 119B.13 Subd. 1a, (d)

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Effective September 3, 2012 activity fees are eliminated from the CCAP. Modifications will be made to MEC<sup>2</sup> to support this change. Watch SIR for announcements.

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Effective September 3, 2012 Non-standard hour care differential payments are eliminated from the CCAP program. Modifications to MEC<sup>2</sup> will be made to support this change. Watch SIR for announcements.

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**SPECIAL NEEDS****9.54**

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**CHILDREN OVER AGE 12**

Children who are ages 13 through age 14 who are disabled may receive child care assistance. Documentation of the disability such as an IEP or medical/psychological evaluation must be submitted and kept in the county CCAP case file in order for CCAP to be approved. Department of Human Services (DHS) approval is not required if the family and provider do not request a payment rate that exceeds the county maximum school age rate. Refer to the MEC<sup>2</sup> User Manual for instructions on approving CCAP eligibility for children over the age of 12. If a payment rate that exceeds the county maximum school age rate is requested by the parent or provider, follow instructions in this section to request special needs rates.

**SPECIAL NEEDS RATES**

Pay a special needs rate to a provider for the care of a child who has special needs due to a disability requiring specialized training, services or environmental adaptations. The parent and the provider must request a special needs rate and the rate must be approved by DHS. The county may pay special needs rates for a child with a documented disability through the child's 14<sup>th</sup> year of age.

A disability is a functional limitation or health condition that interferes with a child's ability to walk, talk, see, hear, breathe or learn. A special need may be any special medical, developmental and/or atypical behavior or condition that requires additional support to help the child successfully grow and develop to his or her full potential.

Special needs payments may exceed your county's maximum rate, but must never be greater than what the provider charges the private sector for the same services. It is the provider's responsibility to assure compliance with the Americans with Disabilities Act (ADA).

A special needs rate may be requested/approved when:

- The provider charges more for a child with special needs.
- OR
- The provider spreads the cost of caring for a child with special needs across all children in care. You may only pay the higher rate for the child with special needs. Do not exceed your agency's maximum rate for all other CCAP children in care.

Explore other funding sources within your region for specialized services or environmental adaptations to assure parents are linked to important community services, and that child care funds do not supplant other resources. CCAP eligibility for a child with special needs is not contingent upon parental participation or eligibility in other support programs (for example, SSI).

**FOR AN INDIVIDUAL CHILD WITH SPECIAL NEEDS**

Reimburse providers for the care of individual children with disabilities or special needs at a special rate, if approved by DHS. Counties may choose to develop a county specific process for approving special needs rates requested for the care of individual children. The county specific process must be approved by DHS in the county's child care plan. Take the following steps to establish or request renewal of a special needs rate (unless your county has a different county specific process that has been approved by DHS):

1. Ask the parent and provider to complete the CCAP Special Needs Rate Variance Request – Parent and Provider Request DHS-4194-ENG together and to ensure that documentation of the child's special needs is included.
2. Complete the CCAP Special Needs Rate Variance Request – County Recommendation Form DHS-4195-ENG recommending approval or denial of the request. If approved, DHS will determine the rate(s) to approve, based on a process used by DHS. The rate(s) approved may be lower than the rate(s) requested. When determining whether to recommend approval or denial of the request, the county should review the Parent and Provider Request to determine if the provider is providing additional services to meet the needs of the child. Remember each child's special needs may have variations of what may be defined in a diagnosis, and various degrees of severity in a diagnosis. The adaptations and services provided must reflect the personalized needs of the child.
3. Submit the Parent and Provider Request form, documentation of the child's special needs, and County Recommendation form to DHS, Child Care Assistance Program, PO Box 64962, St. Paul, MN 55164-0962, or by fax to: 651-431-7483.

The county will receive a letter indicating whether the request was approved or denied. If a special needs rate(s) is approved by DHS, pay the approved special needs rate retroactive to the effective date of approval on the official letter from DHS.

The county must notify the provider and the parent of the decision in writing and keep a copy of the official letter from DHS and the letter(s) sent to the provider and parent in the CCAP file. If approved, include the reasons for approval and any requirement or suggestions listed on the official letter sent by DHS in the county letter sent to the provider and parent. If denied, include the reasons for denial listed on the official letter from DHS and notify the parent of the right to appeal.

When the county has received the approval or denial letter from DHS, a resource and referral document may also be included. Based on the information submitted, DHS is suggesting that the child could benefit from one or more of the services or resources checked on the document. When notifying the parent and provider of the approval or denial, counties should also send a copy of the resource and referral document.

### **FOR CHILDREN IN THE AT-RISK POPULATION**

Your county may also choose to pay special needs rates to certain populations defined as at-risk in your County Child Care Plan. The county must have DHS approval for these rates to be paid. At-risk means environmental or familial factors exist that create barriers to a child's optimal achievement. This could include, but is not limited to:

- A federal or state disaster.
- Limited English proficiency in a family.
- History of abuse or neglect.
- A determination that the children are to risk of abuse or neglect.
- Family Violence.
- Homelessness.
- Age of the mother
- Level of maternal education
- Mental illness.
- Development disability.
- Parental chemical dependency or history of other substance use.

If your county has chosen to pay special needs rates to certain populations defined as at-risk in your County Child Care Plan:

- If there are 4 or more providers offering child care for children in a specific at-risk category, pay the lesser of the 75% rate, the rate negotiated with the provider by the

county, or the provider's rate.

- If there are fewer than 4 such providers, pay the lesser of the rate negotiated with the provider or the provider's rate.

**FOR SICK CHILDREN**

Special needs rates may be paid for sick children cared for by a provider when, as a result of illness, the child cannot attend the family's regular provider and the rate of the provider caring for the sick child exceeds the county maximum rate. The county must have DHS approval for this rate to be paid.

If your county pays the family's regular provider for an absent day when the provider caring for the sick child is also being paid, this county optional policy must be identified and approved in your county child care plan.

For additional information and resources, see §16.30 (Special Needs Resource Contacts).

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.13

Minnesota Rules 3400.0130

Minnesota Rules 3400.0020

For corrective payment on appeal decisions, see §15.18 (Effect of Appeal Decision).

Clients are underpaid if they do not receive the benefits for which they are eligible.

The county may decide to correct an underpayment. If the county decides to correct the underpayment the county must do so for all cases with similar circumstances.



**REDETERMINATION OF ELIGIBILITY****10**

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You must redetermine child care assistance on a regular basis, see §10.3 (When to Redetermine Eligibility).

Redeterminations **MUST** include verification of changes in:

- Income.
- Residence.
- Employment and Education/Training Status.
- Continued Cooperation with Child Support Enforcement and Assignment.
- Family status and family size.

Terminate the family from the Child Care Assistance Program if a family fails to comply with eligibility redetermination requirements. Follow all notice requirements.

Do **NOT** treat a redetermination of eligibility as a new application.

Counties must continue to mail out the Notice of Privacy Practices ([DHS-3979](#)) for the purposes of informing and advising clients about their responsibilities and rights until the family is converted to MEC<sup>2</sup>. After the family is converted, the redetermination form will be automatically mailed by MEC<sup>2</sup> to families at the time of required redetermination. The county is also required to notify the family of the status of an application or redetermination, and ongoing eligibility for assistance. See §10.6 (Redetermination Process) for the process and forms available.

The redetermination process must be completed within set time frames. See §10.6.3 (Redetermination Processing Standards).

All families must complete a redetermination form and provide required verifications to be eligible for continued benefits.

See the following sections for additional information on redeterminations:

- §10.3.3 When to Adjust the Length of Redetermination.
- §10.6 Redetermination Process.
- §10.6.3 Redetermination Processing Standards.

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0180

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Re-determine eligibility for families who are eligible for ongoing assistance at least every 6 months. The time between initial eligibility and the date an agency must review the case, or the time between required reviews, is the redetermination period.

Re-determine eligibility more frequently than once every 6 months when the family's eligibility is in the start-up phase of self-employment without an approved Employment Plan and existing documentation is insufficient to accurately predict the self-employment income.

For a family that has a minor parent under the age of twenty-one, who does not have a high school or general equivalency diploma (GED), and is a student in a school district, or another similar program that provides or arranges child care; as well as parenting, social services, career and employment supports and academic support to achieve high school graduation. The redetermination date shall be deferred beyond six months, but not to exceed twelve months, to the end of the student's school year. The county worker should choose an appropriate date for the redetermination and enter the date into MEC<sup>2</sup>. Income must be recalculated when the family's income changes.

See §10.3.3 (When to Adjust the Length of Redetermination).

If a family reports a change that affects their eligibility before the family's next regularly scheduled redetermination, the county must recalculate eligibility without requiring verification of any eligibility factor that did not change. These changes include income, residence, employment status, education or training status, family status, or family size.

See §8 (Changes in Circumstances).

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.09

Minnesota Rules 3400.0180

Minnesota Rules 3400.0040

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**WHEN TO ADJUST THE LENGTH OF REDETERMINATION****10.3.3**

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See §10.3 (When to Redetermine Eligibility) for setting the redetermination period and the maximum length of time between reviews.

County agencies may increase or decrease the redetermination period to coincide with expected changes or another program's review date. The adjusted date must not exceed the 6-month maximum time limits allowed between reviews.

Adjust the length of the redetermination period to reduce the number of times to request information and review eligibility factors.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.09 Subd. 4

Minnesota Rules 3400.0180

Minnesota Rules 3400.0040 Subp. 4



## REDETERMINATION PROCESS

10.6

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See [10.3 \(When to Redetermine Eligibility\)](#) for information on the **time between initial eligibility and the date an agency must review a case or the time between required reviews.**

The families and the agency must follow the redetermination process. See §10.6.3(Redetermination Processing Standards)

MEC<sup>2</sup> generates a cover letter and mails the following forms 45 days prior to the end of the certification period:

- [DHS-5274-ENG](#) Child Care Assistance Program Redetermination Form
- [DHS-4794-ENG](#) CCAP Change Report Form

To complete the redetermination process:

- Review the completed redetermination form,
- Obtain mandatory verifications. See [§7.6 \(Verification – Eligibility Redetermination\)](#).
- Determine the family’s eligibility for CCAP. See [§4 \(Eligibility Requirements\)](#).
- Notify the family and the provider(s) of the eligibility determination and the hours of care authorized. See [§12.3 \(Notices to Families\)](#) and [§12.6 \(Notices to Providers\)](#).

Refer to the MEC<sup>2</sup> User Manual Redetermination Process in the Case Management and Eligibility section for MEC<sup>2</sup> procedures.

MEC<sup>2</sup> will send a 15-day notice before terminating benefits if the family fails to comply with the redetermination process. See [§10.6.3 \(Redetermination Processing Standards\)](#).

If you fail to send a 15-day notice, continue benefits until you have given 15-day notice of adverse action. This applies even if the family’s current eligibility period has ended. This may cause the family to have an overpayment if the family does not meet eligibility factors such as income or other eligibility requirements.

If the family is ineligible for continued benefits or will receive reduced benefits based on information in the redetermination form, or if the information requires a reduction or suspension of the family’s benefits, the family must receive a notice 15 calendar days before the effective date of the adverse action or termination. If the change in the family’s benefit level was not reported timely, there may be an overpayment.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.09

Minnesota Rules 3400.0180

Minnesota Rules 3400.0040

Complete the review process by the end of the redetermination period. See §10.3 (When to redetermine eligibility.), §10.6 (Redetermination Process). **When information provided during the redetermination process is incomplete or insufficient, you must request missing information and/or verifications. Proof of eligibility must be returned within 15 days of being requested or by the last day of the certification period, whichever is earlier.**

**Close the case if a family fails to return or complete the redetermination form or if the family fails to provide mandatory verifications. See §7.6 (Verification – Redetermination).**

Give the family a notice of termination at least 15 **calendar** days before the end of the family's eligibility period. See §12.3.12 (Termination Notices - Family).

If the redetermination is received after the case is closed the family must **submit a new application. If the family reapplies, the Child Care Assistance Program Redetermination Form (DHS-5274) cannot be used in place of the Minnesota Child Care Assistance Program Application (DHS-3550). Follow policies for processing a new application. See §3.6 (Accepting and Processing Applications).**

**Reinstate eligibility to families who lost eligibility because the Servicing Agency failed to act on a redetermination form and documentation received prior to the end of the certification period.**

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.09 Subd. 4

Minnesota Rules 3400.0180

Minnesota Rules 3400.0040 Subp. 4

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**PROVIDERS****11**

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For the definition of a provider, see §2 (Glossary).

A licensed individual or a licensed center must have a valid child care license issued by a state or a tribe and provide child care services in the licensing state or in the area under the tribe's jurisdiction.

A legally unlicensed family child care provider must be at least 18 years of age and not a member of the MFIP assistance unit or a member of the family receiving child care assistance.

CCAP parents have a right to choose their child care provider

There are 4 different types of providers:

- Licensed family child care providers. See §11.3
- Licensed centers. See §11.3
- License exempt centers. See §11.6
- Legal non-licensed providers. See §11.9

For additional specific information regarding child care assistance provider requirements, see:

§11.3	Licensed Child Care Providers
§11.6	License Exempt Centers
§11.9	Legal Non-Licensed (LNL) Providers
§11.9.3	Complaints Against LNL Providers
§11.12	Provider Registration
§11.15	Provider Record Keeping
§11.18	Provider Reporting
§11.21	Provider Authorization
§11.24	Provider Reauthorization
§11.27	In-home Child Care Provider Information

The CCAP Child Care Provider Guide [DHS-5260-ENG](#) is a tool available to CCAP child care providers; it may be referenced by CCAP workers if needed during discussions with CCAP providers or for informational purposes.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.011, subd. 19

Minnesota Statutes 119B.09

Minnesota Statutes 119B.125

Minnesota Rules 3400.0035 Subp. 7 & 8

**LICENSED CHILD CARE PROVIDERS****11.3**

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These are providers licensed by the State of Minnesota, another state or a tribe and providing child care services in the licensing state or in the area under the licensing tribe's jurisdiction.

They include:

- Licensed family providers.
- Licensed group family providers.
- Licensed center providers.

Require a licensed provider to register with your county. See §11.12 (Provider Registration), §11.21 (Provider Authorization).

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.011, subd. 19, 119B.09

Minnesota Statutes 119B.125

Minnesota Rules 3400.0035 Subp. 7

**LICENSE EXEMPT CENTERS****11.6**

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License exempt centers include:

- Recreation programs for children operated or approved by a park and recreation board whose primary purpose is to provide social and recreational activities.
- Programs operated by a school whose primary purpose is to provide child care to school age children.
- Day camps licensed by the Department of Health under Minnesota Rules, chapter 4630.
- A program serving only children who are age 33 months or older, that is operated by a nonpublic school, for no more than four hours per day per child, with no more than 20 children at any one time, and that is accredited by:
  - (i) an accrediting agency that is formally recognized by the commissioner of education as a nonpublic school accrediting organization; **or**
  - (ii) an accrediting agency that requires background studies and that receives and investigates complaints about the services provided.

Pay license exempt centers at the same rate as licensed centers in the same age category.

Require a license exempt center to register with your county. See §11.12 (Provider Registration), §11.21 (Provider Authorization).

**LEGAL AUTHORITY:**

Minnesota Statutes 245A.03, Subd. 2

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**LEGAL NONLICENSED (LNL) PROVIDERS****11.9**

Apply the following criteria to determine if a provider can be a Legal Nonlicensed (LNL) Provider:

- At least 18 years of age.
- AND
- Not a member of the MFIP assistance unit, or a member of the family applying for or receiving child care assistance.
- AND
- Provides child care only to related children, and/or provides child care to children from a single unrelated family at one time. Related refers to the provider being a sibling, a step-sibling, a niece, a nephew, a grandparent, an aunt, or an uncle.

Require a signed Parent Acknowledgment When Choosing a Legal Nonlicensed Provider ([DHS-5367](#)) when a family chooses a legal nonlicensed provider. Require a separate form for each Legal Nonlicensed Provider the family chooses. Inform applicants who select a LNL provider of the following information:

- Description of the registration process for LNLs.
- Description of the participant's responsibilities and rights when choosing a provider.
- Acknowledgment that the participant and LNL provider will review the health and safety information provided by your county.
- Assurance that the participant will provide an immunization record for each child to the LNL family child care provider within 90 days of the date that care begins, and will update the information as necessary.
- **A copy of the Health and Safety Resource List for Parents and Legal Nonlicensed Providers** [DHS-5192A-ENG](#).
- Require a new LNL provider to register with your county. See §11.12 (Provider Registration) for specifics. LNL providers must complete the criminal background process and be authorized by your county. See §11.21 (Provider Authorization).

Your county may choose to make provisional payments to LNL providers when all the requested information/documentation except the background check is available. These payments are temporary and end if your county denies the authorization request. Check your county's Child Care Fund Plan to see if your county has chosen this option. For additional information on payments to providers, see §9.03 (Payments to Providers).

**LEGAL NONLICENSED (LNL) PROVIDERS****11.9**

As of August 1, 2012 the background study requirements for legal nonlicensed providers are aligned with the background study requirements for a licensed family child care provider. Counties and contracted agencies that authorize LNL providers should review the changes and update their background study procedures as necessary to meet the new requirements.

Included in the registration packet for LNL providers is the Child Care Assistance Program Authorization for Release of Background Study ([DHS-5193](#)). Conduct a background study that includes findings from the Bureau of Criminal Apprehension, juvenile courts, and social service agencies.

If **the** local county juvenile courts and social service agency do not maintain statewide records, contact the county where the provider currently resides and any counties where the provider resided in the past **5** years. A finding that a delinquency petition is proven in juvenile court must be considered a conviction in state district court.

The LNL provider must return a signed [DHS-5193](#) to the county for:

- The provider and each household member age 13 and older.
- **Each household member age 10-12 living in the household where the provider services will be provided when the commissioner has reasonable cause.**
- **An individual who, without providing direct contact services in the LNL program may have unsupervised access to children receiving services from the program, when the commissioner has reasonable cause.**

All new or renewing LNL providers must provide a certificate of completion of First Aid and CPR courses that were provided by individuals approved to provide such training. This is the same language that is in the licensing statute and counties should consult with county licensing staff about how to determine valid training. The training must be effective as of the date the provider registration is approved. See §11.12 (Provider Registration)

Refer to [DHS-6419-ENG](#) **CCAP Training Requirements for Legal Nonlicensed Family Providers**

Question and answer information sheet explaining the training requirements for Legal Nonlicensed Family Providers.

After one registration period, if a provider still serves children receiving CCAP, the provider must take an additional 8 hours of training in topics listed by the Minnesota Center for Professional Development Registry. CCR&R agencies coordinate and offer training that is

**LEGAL NONLICENSED (LNL) PROVIDERS****11.9**

listed in the Registry.

A county agency may charge a fee to a legal non licensed provider or applicant for authorization to recover the actual cost of the background studies completed under section 119B.125, but in any case not to exceed \$100 annually.

Counties may elect to reduce or waive the background check fees:

- In cases of financial hardship
- If the county has a shortage of providers in the county's area
- For new providers or
- For providers who have attained at least 16 hours of training before seeking initial licensure.

Counties may allow providers to pay the applicant fees on an installment basis for up to one year. A CCAP provider may have the fees deducted from the child care assistance payments for up to one year and the state shall reimburse the county for the county fees collected in this manner.

When the reports are returned, review (or have reviewed) for conviction, admission of guilt or a preponderance of evidence indicating that the person has committed a criminal act. [Minnesota Statutes 119B.125](#) is very specific as to the types of crimes, the degree of crimes and the length of time since the crime occurred which prohibit authorization of an LNL.

Additional actions which prohibit authorization of an LNL are:

- Identification of the person by the child protection agency in the county where the provider resides or has resided, or by the statewide child protection database as the person allegedly responsible for physical or sexual abuse of a child within the last 7 years.
- Identification of the person by the adult protection agency in the county where the provider resides or has resided, or by the statewide adult protection database as the person responsible for abuse or neglect of a vulnerable adult within the last 7 years.
- Refusal to give written consent for disclosure of criminal history records.
- Denial of a family child care license or a fine or sanction as a licensed child care provider that was not reversed on appeal.
- Disqualification of family child care licensing that was not set aside.
- Admission or a preponderance of evidence that fraudulent information was given to

**LEGAL NONLICENSED (LNL) PROVIDERS****11.9**

the county on the child care assistance application or in submitting child care assistance bills for payment.

- Persons who have been found guilty of theft by wrongfully obtaining public assistance by a court conviction or through an administrative court process or other judicial administrative process.
- Presence of a child age 13 or older who has access to children when care is provided, and who meets 1 of the conditions listed above (including criminal offenses as listed in Minnesota Statutes 119B.125, Subdivision 2 (b)-(e)).
- Presence of a child 10-12 years old who has access to children when care is provided:

AND

- Information or circumstances exist which provide the agency with reasonable cause to believe that further investigation may show that the child meets 1 of the conditions listed above (including criminal offenses as listed in Minnesota Statutes 119B.125, Subdivision 2 (b)-(e)).

AND

- The child meets 1 of the conditions listed above (including criminal offenses as listed in Minnesota Statutes 119B.125, Subdivision 2 (b)-(e)).

You may later authorize a previously denied LNL applicant if the person:

- Applies for and obtains a valid Minnesota child care license, a license issued by a tribe or another state.

AND

- Maintains the valid child care license.

AND

- Provides child care in the area under the jurisdiction of the licensing tribe or in the state of licensure.

An LNL provider may be authorized to provide care only in the child's home if the LNL provider is not able to be authorized to provide care in the provider's home because a household member of the provider has a factor that prohibits authorization. The family and provider should be informed of this option, but the family and provider must document that the care will be provided in the child's home **and receive DHS approval before the provider can be authorized to provide care in the child's home. If the child and the provider live in the same home this is not an option.**

Counties shall provide each registered LNL provider with:

- A copy of the Health and Safety Resource List for Parents and Legal Nonlicensed Providers [DHS-5192A-ENG](#).
- Information stating that the county is required to keep a record of substantiated complaints concerning the health and safety of children in the care of legal nonlicensed (LNL) providers and that, upon request, information governing substantiated complaints must be released to the public as authorized under Minnesota Statutes Chapter 13 <https://www.revisor.leg.state.mn.us/statutes/?id=13>

When an LNL provider is registered in more than one county at the time authorization or reauthorization is required, the new county may choose to use the background study information from the previous county with the longest current authorization.

If a family in one county selects an LNL already authorized in another county, a background investigation is not required unless 1 of the following exists:

- 2 years have passed since the 1<sup>st</sup> authorization.
- Another person age 13 or older has joined the provider's household since the last authorization.
- A current household member has turned 13 since the last authorization.
- Your county has reason to believe that a household member has a factor prohibiting authorization.
- The county's provisions for unsafe care differ from those established by the county responsible for the first authorization.

For information on the hourly rate to pay LNL providers, see §9.3 (Payments to Providers).

For information on registration fees paid to LNL providers, see §9.45 (Registration Fees).

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.011 Subd. 19

Minnesota Statutes 119B.125 Subd. 1 and 2, 3, 5

Minnesota Statutes 245C.03.08 and .15

Minnesota Rules 3400.0120

Minnesota Rules 3400.0110 Subp. 2a

Minnesota Rules 3400.0140 Subp. 5

Minnesota Rules 3400.0035 Subp. 8 and 9

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**COMPLAINTS AGAINST LNL PROVIDERS****11.9.3**

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Report immediately but no longer than 24 hours after receiving a complaint from a participant concerning the health or safety of children under the care of a Legal Non-licensed (LNL) provider.

Report the complaint to:

- Your county's child protection agency if the participant alleges child maltreatment. Maltreatment is:
  - Physical abuse.
  - Neglect.
  - Sexual abuse.
  - Mental injury.
  - Threatened injury.
- Your county's public health agency if the participant alleges danger to public health due to:
  - Communicable disease.
  - Unsafe water supply.
  - Sewage or waste disposal.
  - Building structures.
- Your local law enforcement if the participant alleges criminal activity that may endanger the health or safety of children under care.
- Other agencies with jurisdiction to investigate complaints relating to the health and safety of a child.

Refer to Minnesota Statutes [§626.556](#) for more specific information, definitions and procedures regarding alleged maltreatment.

If the allegations of child maltreatment are substantiated, keep a record of the complaint for

10 years.

If the other types of allegations are substantiated, keep a record of the complaint for 3 years.

When you are notified that a complaint has been substantiated, do not pay Child Care Assistance to that provider unless the conditions underlying the complaint have been corrected. Send the provider a notice of termination. See §12.6.9 (Termination Notices – Provider).

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0140 Subp. 6

**LNL PROVIDERS DATA DISTRIBUTION**

**11.9.6**

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Contact your county data privacy official for advice on how to proceed if you receive a request for any Child Care Assistance Program (CCAP) data.

When someone requests public information about Legal Non-License (LNL) providers, give the person the requested information on ALL LNL providers currently authorized by your county. DO NOT identify which LNL providers on the authorized list are currently serving CCAP families or currently getting paid with CCAP funds.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.02, Subd. 6

Minnesota Statutes 13.46, Subd. 4 (b)

## PROVIDER REGISTRATION

11.12

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Before you can approve payment to any provider, that provider must register with your county. Registration is the process you use to determine whether the provider chosen by a family meets the requirements necessary for payment of child care assistance.

Authorize the provider chosen by an applicant or a participant before making payment, see §11.9 (Legal Non-Licensed (LNL) Providers), §11.21 (Provider Authorization), §11.24 (Provider Reauthorization).

The county will send a provider registration and acknowledgement packet explaining the registration process, including a request for basic information regarding the provider, the provider's payment policies, and the provider acknowledgment to all providers.

Use the following letters/notices for all provider types listed below. The templates of letters/notices are on [eDocs](#).

Include the following attachments with all packets:

- Child Care Provider's Responsibilities and Rights ([DHS-4079](#)).
- Notice of Privacy Practices for Child Care Providers ([DHS-3985](#)).
- Direct Deposit Form for the Minnesota Child Care Assistance Program ([DHS-3552](#)).
- Child Care Assistance Program Financial Tracking Form Instructions ([DHS-5318](#)).
- Request for Taxpayer Identification Number and Certification ([IRS W-9](#)). The [IRS W-9](#) needs to be sent to providers when they are being authorized for the 1st time on MEC<sup>2</sup> or when being reactivated in the system. If the provider is currently authorized and active on MEC<sup>2</sup>, a [IRS W-9](#) form does not need to be included with the packet.
- **Changes in state law that may affect CCAP provides and families.** [DHS-6467-ENG](#)

Send the appropriate Provider Registration and Acknowledgement form based on the provider type:

- CCAP Licensed Provider Registration and Acknowledgement ([DHS-5190](#)).
- CCAP Licensed Exempt Provider Registration and Acknowledgement ([DHS-5191](#)).

- CCAP LNL Provider Registration and Acknowledgement ([DHS-5192](#)) and **CCAP Health and Safety Information for LNL Providers and Parents** [DHS-5192A-ENG](#).
- Child Care Assistance Program Authorization for Release of Background Study ([DHS-5193](#)) and Health and Safety Information and Immunization Information, in addition to the forms listed above, if a provider is a legal nonlicensed (LNL) provider.
- [DHS-6419-ENG](#) CCAP Training Requirements for legal nonlicensed family Providers, if a provider is a legal nonlicensed provider (LNL).

It is advisable to include the following:

- Your county's payment policies.
- Absent Day Policy.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.125

Minnesota Statutes 119B.011, Subd. 19a

## PROVIDER RECORD KEEPING

11.15

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Require child care providers to maintain **the following records** and make **them** available to you **immediately upon request**:

1. Daily attendance records for children receiving child care assistance:
  - The attendance records must be **completed daily** and include the date, the first and last name of each child in attendance, and the times when each child is dropped off and picked up. To the extent possible, the times the child dropped off to and picked up from the child care provider must be entered by the person dropping or picking up the child.
  - The daily attendance records must be kept for 6 years after the date the care was provided.
  - A county may deny or end a service authorization to a child care provider when the county knows or has reason to believe that the provider has not kept attendance records for children receiving CCAP.
2. Documentation of 3<sup>rd</sup> party payments of a family's copayment, document:
  - Payment source.
  - Amount received.
  - Time period covered.
3. Documentation of payments made by a source other than the family of part or all of a family's child care expenses not payable under CCAP if the funds are paid directly to the family's child care provider on behalf of the family. Document:
  - Payment source.
  - Amount received.
  - Type of expenses.
  - Time period covered.

A provider may use the Child Care Assistance Program Financial Tracking Form [DHS-5318-ENG](#) or use their financial system to document situations #2 and #3 above.

**PROVIDER RECORD KEEPING**

**11.15**

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Deny or rescind authorization of a child care provider when you have reason to believe the daily attendance records are not being kept. Require retention of these records for 6 years after the date of service.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.125, Subd. 6

Minnesota Statutes 119B.12, Subd. 12

Require all providers to report IMMEDIATELY to CCAP:

- Child absence days when the child has been absent more than 7 consecutive days.
- End of care for a child covered by child care assistance.
- Any changes in initial information in the provider acknowledgment including the provider's rate, charges for absences and holidays, any notice days required before a child discontinues care, and any required registration or activity fees.
- Suspected maltreatment of minors, to the appropriate authority.

In addition, require legal non-licensed providers to report all changes that require reauthorization. See 11.24 (Provider Reauthorization).

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.125

## PROVIDER AUTHORIZATION

11.21

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An authorized provider is a legal child care provider who has completed the county registration process and has been approved for child care assistance payments.

The provider chosen by an applicant or a participant must be authorized before you can approve payment for care provided by that provider. The provider must complete and sign a provider registration form based on their provider type. CCAP Licensed Provider [DHS-5190-ENG](#), CCAP Licensed Exempt Provider [DHS-5191-ENG](#) or CCAP Legal Nonlicensed Provider [DHS-5192-ENG](#) should be used to authorize providers. The criteria for authorization of providers including statements that must be acknowledged by signing the registration and acknowledgment form, and information that must be provided are listed below.

- The provider's rate, charges for child absences and holidays, any notice days required before a child discontinues care, and any required registration fees.
- If the provider is seeking the provider accreditation rate, the provider is eligible if they hold one of the approved early childhood development credentials or a current approved accreditation. See §9.27(Accreditation/Credential Rate Differential).
- Providers licensed by a state other than Minnesota, and providers licensed by a tribe, who are providing child care services in the licensing state or in the area under the licensing tribe's jurisdiction, must provide verification of their license prior to being authorized.
- Statement acknowledging that charging child care assistance participants more than families not receiving child care assistance for like services or wrongfully obtaining child care assistance may be a crime.
- Statement acknowledging that parents must be given unlimited access to their children and to the provider caring for the children during all hours that the children are in the provider's care.
- Statement acknowledging that the provider is responsible for notifying the county as provided in part Minnesota Rules [3400.0120, subpart 5](#), of child absent days and the end of care.
- Statement acknowledging that the provider is responsible for immediately notifying the county of any changes to the information supplied by the provider in the provider's acknowledgment.
- Statement acknowledging that the provider is a mandated reporter of maltreatment of minors under Minnesota Statutes, §[626.556](#).

## PROVIDER AUTHORIZATION

11.21

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- Statement acknowledging that when the county knows that a particular provider or child care arrangement is unsafe, the county may deny child care assistance payments to that provider.
  - Statement acknowledging that CCAP payments for child care provided by someone who resides in the same household or occupies the same residence as the child(ren) are prohibited.
  - All providers must register with the county **where the CCAP family lives**. See §11.12 (Provider Registration).

There are additional requirements for authorization of Legal Non-Licensed Providers. See §11.9 (Legal Non-Licensed Providers). Also, see §11.12 (Provider Registration) for Child Care Assistance Program Authorization for Release of Background Study.

You must reauthorize the providers at least every 2 years. See §11.24 (Provider Reauthorization).

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.125

Minnesota Rules 3400.0120

**PROVIDER REAUTHORIZATION****11.24**

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Providers must report all family changes that require reauthorization. When a Legal Non-licensed Provider (LNL) is authorized in more than one county at the time reauthorization is required, the county with the longest current authorization must complete the reauthorization process.

Reauthorize all providers at least every 2 years.

Upon initial authorization, legal nonlicensed (LNL) providers must provide documentation of First Aid and CPR training. The training must have current effective dates as of the date the reauthorization is approved and must have been provided by individuals approved to provide this training. Counties should align standards for acceptable training with standards used for approving licensed family child care provider First Aid and CPR training.

Upon each reauthorization after initial authorization, a provider must provide proof of 8 hours additional training. Only training listed in the Minnesota Center for Professional

Development Registry (including those offered by the Child Care Resource and Referral agencies) meets the requirements for approvable training.

In addition, reauthorize Legal Non-Licensed providers (LNL) and require a background study on the provider and/or all household members 13 years and older when:

- A current household member becomes 13 years of age since last authorization.
- OR
- A person over age 13 or older joins the household since the last authorization.
- OR
- You believe a household member has a factor that prevents the provider from being authorized.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.125, subd. 1 & 2

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CCAP will only allow child care assistance for care authorized in the child's home if the child's parents have authorized activities outside of the home and if one or more of the following circumstances are met:

1. The parents qualifying activity occurs during the times when out-of-home care is not available. If the child care is needed during any period when out-of-home care is not available, in-home care can be approved for the entire time care is needed AND
2. The family lives in an area where out-of-home care is not available OR
3. A child has a verified illness or disability that would place the child or other children in an out-of-home facility at risk or creates a headship for the child and the family to take the child out of the home to a child care home or center.

Only cases approved by DHS for an exception can be authorized. See Chapter 9.6 (payment to families) for further information.

The following provides labor law information for families who hire a child care provider to provide care for a child in the family's home.

The U.S. Department of Labor, Wage and Hour Division, enforces the Fair Labor Standards Act of 1938, as amended (FLSA). This law requires that employees be paid at a rate not less than the [federal minimum wage](#) for all hours worked and that hours worked over 40 be compensated at one and one-half times an employee's regular rate of pay. This law covers most domestic service workers. The federal-minimum wage and overtime provisions apply to any persons providing babysitting services in private homes for more than 20 hours a week, on a regular basis.

To ensure that all persons employed as child in-home care providers under the conditions described above receive the wages they are legally entitled to; The U.S. Department of Labor, Wage and Hour Division, is asking your assistance in distributing information to parents or guardians who may be receiving assistance under the Child Care Assistance, Foster Care Assistance, Child Welfare, or any other state funded program. The information provided alerts them to their legal obligations to pay minimum wage and overtime to such care providers.

Fact Sheets are available at [www.wagehour.dol.gov](http://www.wagehour.dol.gov) which summarizes minimum wage and overtime provisions of the FLSA. Provide these guides to all people who employ in-home providers.

Make copies of these sheets as needed or contact the U.S. Department of Labor, Wage and

Hour Division for additional copies.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.011, subd. 19

Minnesota Statutes 119B.09, subd. 5 and 13

Minnesota Statutes 119B.125

Minnesota Rules 3400.0035 Subp. 7-9

**NOTICES****12**

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This chapter discusses when notices are required, what they must contain and how much advance notification must be given.

Notify families and providers regarding initial eligibility and subsequent changes in eligibility.

For counties using [MEC<sup>2</sup>](#), the system generates some of these notices. The county must generate others.

For non-automated counties, templates of these notices are on the Resources page of [MEC<sup>2</sup>](#).

See the following sections:

- §12.3 Notices to Families
- §12.3.3 Approval Notices
- §12.3.6 Denial Notices - Family
- §12.3.9 Adverse Action Notices - Family
- §12.3.12 Termination Notices - Family
- §12.3.15 Notice of Overpayment
- §12.6 Notices to Providers
- §12.6.3 Approval Notices - Provider
- §12.6.6 Adverse Action Notices - Provider
- §12.6.9 Termination Notices - Provider

**LEGAL AUTHORITY:**

- Minnesota Rules 3400.0185
- Minnesota Rules 3400.0187, Subp 2
- Minnesota Rules 3400.0035, Subp 2, 4, 5 & 6

**15 DAY NOTICE REQUIREMENTS****12.1**

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Child Care Assistance Program requires a 15 day notice for adverse actions. MEC<sup>2</sup> uses the following rules to calculate the 15 day notice period.

**Calculation Rules:**

- The 1st day of the 15-day notice period is the day after the day the notice leaves IOC.
- Mail is only sent on work days and will not be sent on Saturdays, Sundays or holidays.
- The 15th day cannot fall on a Saturday, Sunday or holiday. If it does, continue counting after the Saturday, Sunday or holiday.

These rules are built into the 15-day Notice logic on the MEC<sup>2</sup> system.

**Examples:**

1. No holiday or weekend – Worker approves adverse action on the case on Monday. The notice will be printed Monday night and mailed on Tuesday. The 1st day to start the 15-day count is Wednesday. Count 15 days, beginning with Wednesday as the 1st day. The 15th day would be Wednesday.

2. Holiday – Worker approves adverse action on the case on Monday. The notice will be printed Monday night. However, Tuesday is a holiday so the notice will not be mailed until Wednesday. The 1st day to start the 15-day count is Thursday. Counting 15 days from Thursday would be another Thursday. Thursday is a holiday, so the 15th day would be Friday.

Weekend – Worker approves adverse action on the case on Friday. The notice will be printed Friday night, but the notice will not be mailed until Monday, so the 1st day to start the 15-day count would be Tuesday. Counting 15 days from Tuesday would be another Tuesday. This would be the last day of the notice period.

3. MEC<sup>2</sup> uses the State and Federal holiday schedules listed below for dates the system IS NOT available to process cases, send out notices, and determine non-mail delivery dates.

**Federal Holidays:**

New Year's Day  
Martin Luther King Jr Day  
President's Day  
Memorial Day  
Independence Day

**State Holidays:**

New Year's Day  
Martin Luther King Jr Day  
President's Day  
Memorial Day  
Independence Day

**15 DAY NOTICE REQUIREMENTS**

**12.1**

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Labor Day  
Columbus Day  
Veteran's Day  
Thanksgiving Day  
Christmas Day

Labor Day  
Veteran's Day  
Thanksgiving Day  
Friday after Thanksgiving Day  
Christmas Day

**LEGAL AUTHORITY:**

Minnesota Statutes 645.15  
Minnesota Statutes 645.44, Subd. 5  
Minnesota Rules 3400.0185

**NOTICES TO FAMILIES****12.3**

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Notify applicants of approval or denial of eligibility for child care assistance. See §12.3.3 (Approval Notices), §12.3.6 (Denial Notices - Family).

Notify participants of changes in their eligibility based on changes in their circumstances. Send a notice of adverse action when there is a reduction in hours of service, an increase in copayment amount, a denial of an education plan, an adverse determination of provider eligibility, the agency's intent to recoup an overpayment, and a termination of eligibility.

Provide the required 15-Day Adverse Action Notice for All negative actions. See §12.3.9 (Adverse Action Notices - Family), §12.3.12 (Termination Notices - Family). See §12.1 (15-Day Notice Requirements).

Non-adverse actions, such as an increase in hours of service or a reduction in copayment amount, require a notice but should be changed as soon as possible.

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0185

Minnesota Rules 3400.0187, Subp 2

Minnesota Rules 3400.0035, Subp 2, 4, & 5

**APPROVAL NOTICES - FAMILY****12.3.3**

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If you determine the applicant family is eligible for child care assistance, send a notice approving the application. The agency must mail the notice of approval to the applicant within 30 calendar days after receiving the application. With the consent of the applicant, the agency may extend the response time by 15 days. Include the following information in the notice:

- The date eligibility begins.
- The number of hours of care authorized, the maximum rate that can be paid and how the payments will be made.
- The family's copayment amount, how and when the copayment must be made.
- The family's obligation to report within 10 calendar days from the date of the change, changes in:
  - Income.
  - Residence.
  - Family size.
  - Family status.
  - Employment.
  - Education or training status.
- The family's obligation to report a change in provider at least 15 calendar days before the change occurs, unless the case involves alleged child abuse by a provider or a complaint that the health and safety of a child in care is in imminent danger.
- The importance of prompt reporting of a move to another county.
- The overpayment implications if required reporting does not occur timely.
- The family's responsibility for paying provider charges in excess of your county's maximum payments.
- That when child care assistance is terminated, the family will be informed of the reason for the termination and the family's appeal rights and the provider will be informed that, unless the family asks to continue to receive assistance pending an appeal, child care payments will no longer be made.

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0035, Subp 5

**DENIAL NOTICES - FAMILY****12.3.6**

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Document the reason(s) for ineligibility and notify the client in writing if you determine an applicant family is not eligible for child care assistance. The agency must mail a notice of denial of assistance to the applicant within 30 calendar days after receiving the application. You may extend the response time by 15 calendar days with the consent of the applicant.

Include the following in the denial notice:

- The reason for denial.
- The basis for denial in statute, rule or your county's child care fund plan.
- The applicant's right to appeal and receive a fair hearing.

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0035, Subp 4

## ADVERSE ACTION NOTICES - FAMILY

12.3.9

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Provide at least 15 calendar days notice to families before taking an adverse action on their case. See §12.1 (15-Day Notice Requirements).

Include the following in the written notice:

- A description of the action you're taking on the case.
  - The effective date of the action.
  - The reason for the action.
  - The basis for your action in statute, rule or your county's child care fund plan.
  - The right to appeal and receive a fair hearing and the procedure for doing so.
  - The choices available if they choose to appeal:
    - Continue to receive child care assistance at the previous level while the appeal is pending, and be responsible for any overpayments that may result.
- OR
- Accept the adverse action being taken, and potentially receive reimbursement for child care expenses incurred while the appeal is pending, if the family wins the appeal.

If the family corrects the condition requiring the adverse action before the effective date of the adverse action, the adverse action must not take effect.

A 15-day notice period is not required when:

- A Minnesota licensed provider's license has been temporarily, immediately suspended under Minnesota Statutes, section 245A.07.
- OR
- There is imminent risk of harm to the health, safety or rights of a child in the care of a legal nonlicensed provider, license exempt center, or a provider licensed by an entity other than the State of Minnesota.

When the action is not adverse a notice must be sent effective the date of the change. A 15-day notice is **NOT** required. Reasons can include increased authorized hours, decreased copayment, and continuation of payment awaiting appeal decision.

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0185, Subp 3

**TERMINATION NOTICES - FAMILY****12.3.12**

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Provide at least 15 calendar days notice to families before terminating child care assistance. See §12.1 (15-Day Notice Requirements).

Include the following in the written notice:

- The effective date.
  - The reason for the termination.
  - The basis for your action in statute, rule or your county's child care fund plan.
  - The right to appeal, receive a fair hearing and the procedure for doing so.
  - Choices available if they choose to appeal:
    - Continue to receive child care assistance at the previous level while the appeal is pending, and be responsible for any overpayments that may result.
- OR
- Do not receive child care assistance, and potentially receive reimbursement for child care expenses incurred while the appeal is pending, if the family wins the appeal.

Do not terminate the case if the family appeals and chooses to continue to receive child care assistance.

If the reason for termination is the family's move to another county, also include in the notice that the family may continue to receive child care assistance from the new county if they contact that county within 60 days of the move.

If the family's case is being terminated because the family requested their case to be closed and the family changes their mind before the effective date of the termination, the termination must not take effect.

If the family's case is being terminated because the family is no longer eligible for child care assistance and the family re-establishes eligibility before the effective date of the termination, the termination must not take effect.

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0185, Subp 1

**NOTICE OF OVERPAYMENT**

**12.3.15**

---

In cases of family or provider overpayments, notify the party subject to the overpayment of the following:

- The reason for the overpayment.
- The time period in which it occurred.
- The amount overpaid.
- The right to appeal.

When notifying both family and/or provider, remember to adhere to data privacy rules.

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0187, Subd. 2

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- **Providers receive notification of the amount of care authorized.** See §12.6.3 (Approval Notices - Provider).
  - **Notices that affect the amount of care authorized.** See §12 (Notices).
  - Adverse Action Notices. See §12.6.6 (Adverse Action Notices – Provider). See §12.1 (15-Day Notice Requirements).
  - Termination Notices. See §12.6.9 (Termination Notices – Provider).
  - Provider Overpayment Notices. See §12.3.15 (Notice of Overpayment).
  - Deductions Required By Law Notices. See §12.6.12 (Payment Deduction Required By Law Notices).

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0185

Minnesota Rules 3400.0187, Subp 2

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**APPROVAL NOTICES - PROVIDER**

**12.6.3**

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Once you approve an application for child care assistance, send a notice of approval to the provider. Include only the following information:

- Family's name.
- Family's request for child care assistance has been approved.
- Authorized hours of care.
- County maximum rate that may be paid.
- How payments will be made.

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0035, Subp 2

**ADVERSE ACTION NOTICES - PROVIDER****12.6.6**

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Give the affected provider at least 15 calendar days advance notice. See §12.1 (15-Day Notice Requirements). Adverse actions include but are not limited to:

- A reduction in the hours of authorized care.
- An increase in the family's copayment.
- An adverse determination of the provider's eligibility.

Include the following in the written notice:

- The family's name.
- A description of the adverse action that does **NOT** contain any information about why the action was taken.
- The effective date.
- A statement that unless the family appeals the adverse action prior to the effective date, the action will occur on the effective date.

When the action is not adverse, a notice still must be sent. The effective date is the date of the change. Reasons can include increased authorized hours, decreased copayment, and continuation of payment awaiting appeal decision.

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0185, Subp 4

**TERMINATION NOTICES - PROVIDER**

**12.6.9**

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Providers must be given a 15-Day Notice when terminating a family's benefits. See §12.1 (15-Day Notice Requirements).

Include **ONLY** the following information in the termination notice to the provider:

- The family's name.
- That child care assistance for the family has been terminated. Do **NOT** give any indication of the reason for termination.
- The effective date.
- That child care assistance payments will not be made as of the effective date unless the family asks to continue receiving assistance pending an appeal.

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0185, Subp. 2

**PAYMENT DEDUCTION REQUIRED BY LAW NOTICES****12.6.12**

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When a county receives notification from the IRS, Minnesota Department of Revenue, or other public authority or court which requires the county to reduce a payment or payments from a provider, send the appropriate notice below:

- If payments are being reduced due to back taxes owed, send Child Care Assistance Notice of Deduction for IRS Levy ([DHS-5163](#)).
- If payments are being reduced due to a Minnesota Department of Revenue levy, send Child Care Assistance Notice of Deduction for Continuous Levy ([DHS-5164](#)).
- If payments are being reduced due to a Child Support obligation, send Child Care Assistance Notice of Deduction for Child Support Obligation ([DHS-5165](#)).
- If payments are being reduced due to an IRS/MN Department of Revenue backup withholding, send Child Care Assistance Notice of Deduction for Backup Withholding ([DHS-5166](#)).

**LEGAL AUTHORITY:**

Minnesota Statutes 270C.68

Minnesota Statutes 518A.53

Minnesota Statutes 290.92, Subd. 26

**OVERPAYMENTS****14**

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This chapter gives information on overpayments and helps you determine how to pursue overpayment recoupment or recovery.

An overpayment occurs whenever a family and/or provider receives more child care assistance than they were actually eligible for, even when caused by agency error or circumstances outside the responsibility and control of the family or provider.

When you become aware of an overpayment, review the case for accuracy.

Recoup or recover overpayments from participants and/or providers. The method of recovery varies depending on whether the person responsible for the overpayment is a current or former participant and/or provider. See the sections below for more information:

§14.3	Responsibility for Overpayment
§14.6	Amount of Overpayment
§14.9	Recovery Methods
§14.9.3	Voluntary Repayment Agreement
§14.9.6	Recoupment - Families
§14.9.9	Recoupment - Providers
§14.9.12	Civil Recovery - Families
§14.9.15	Civil Recovery - Providers
§14.12	Fraudulently Obtaining Child Care Assistance.
§14.12.3	Disqualification for Fraud - Families
§14.12.6	Disqualification for Fraud - Providers
§14.12.9	Administrative Disqualification Hearing

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.011, Subd. 21  
Minnesota Statutes 119B.11, Subd. 2a & Subd. 3  
Minnesota Rules 3400.0140, Subp.19  
Minnesota Rules 3400.0187

**RESPONSIBILITY FOR OVERPAYMENT****14.3**

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Determine who benefited from the overpayment.

If the family paid less for child care than the actual circumstances warranted, the family benefited. Assign the overpayment to the family.

When the family did not benefit from an overpayment, but the provider received more child care assistance than was correct, assign the overpayment to the provider.

If both the family and the provider benefited, assign an overpayment to both parties.

Recoup or recover from the party who benefited. See §14.9.6 (Recoupment – Families), §14.9.9 (Recoupment – Providers).

If both the family and the provider acted together to intentionally cause the overpayment, both are jointly liable for the overpayment, regardless of who benefited from it. Recover the overpayment as provided in §14.9 (Recovery Methods). When the family or the provider is in compliance with a repayment agreement, the party in compliance is eligible to receive child care assistance or to care for children receiving child care assistance even if the other party's noncompliance with repayment arrangements.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.011, Subd. 21

Minnesota Statutes 119B.11, Subd. 2a & Subd. 3

Minnesota Rules 3400.0140, Subp.19

Minnesota Rules 3400.0187

## AMOUNT OF OVERPAYMENT

14.6

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To determine the amount of child care assistance the family and/or provider were actually eligible to receive, examine the following:

- Eligibility
- Copayment amount
- Authorized hours
- Payment amount

If care took place prior to the effective date of the current standard maximum rates [DHS-6441A-ENG](#) or the accredited maximum rates effective November 28, 2011 [DHS-6442-ENG](#) you will need to consult the standard [DHS-6441-ENG](#) and/or accredited [DHS-6442-ENG](#) maximum rates in place from July 1, 2006 –November 27, 2011. A county's standard maximum rates are also available in the MEC<sup>2</sup> provider rates window.

If care took place prior to the current copayment schedule, you will need to consult previous copayment schedules. For the biweekly copayment schedule in effect from October 3, 2011 – September 30, 2012 see [DHS-6413-ENG](#). For the biweekly copayment schedule in effect from October 4, 2010 - October 2, 2011 see DHS Bulletin 10-68-14 [DHS Bulletin](#). Contact your agency's Technical Assistance Liaison at DHS for previous copayment schedules.

If care took place during the copay schedule effective October 1, 2012 see [DHS-6413A-ENG](#)

The amount of the overpayment is the difference between the child care assistance payments that the family and/or provider received and the child care assistance payments that the family and/or provider were actually eligible to receive.

When a family reports changes in their circumstance **within 10 calendar days** there will be no overpayment. An exception would be when the county does not respond to a change **within 10 calendar days**. If this happens there may be an overpayment due to agency error. The overpayment would be calculated allowing for a notice period. **Counties must act on all changes within 10 calendar days from the date the change was reported or becomes known to the agency. See §8.3.3(Agency Responsibilities for Family Reporting).**

If an employment plan is modified, the Employment Services (ES) worker should notify the CCAP worker of the change within 10 **calendar** days of the date of the modified plan. If the CCAP worker is NOT notified of the modified plan timely, an agency error overpayment would be calculated allowing for a notice period.

## AMOUNT OF OVERPAYMENT

14.6

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When the family does not report changes in their circumstance **within 10 calendar days** there may be an overpayment. The overpayment would be calculated beginning on the date the change occurred. If the change is due to increased income the overpayment would be calculated **starting with the first biweekly period after the date the increased income was first received.**

The county agency may not charge interest on overpayments of child care assistance benefits.

**INELIGIBILITY**

When a family received child care assistance for a period of time when the family was not eligible for child care assistance, the amount of the overpayment is the total amount of child care assistance paid during the time period of ineligibility. If a family reported a change timely and the agency did not act on the change, the overpayment would exclude the allowable notice period.

If a family becomes ineligible for child care assistance and wants to receive child care assistance in the future, the family is required to reapply for child care assistance and meet entrance income limits.

If it is discovered that a family continuously receiving child care assistance was ineligible for a period of time when CCAP payments were made but met the eligibility requirements for a subsequent period of time, assess an overpayment for the period of ineligibility and determine if an overpayment exists for the subsequent period of time:

If the family was receiving **MFIP** child care:

An overpayment would only be assessed for the period of ineligibility. There would not be an overpayment assessed for the subsequent period of time when the family met eligibility requirements.

If the family was receiving Basic Sliding Fee (**BSF**), Transition Year (**TY**), Transition Year Extension (**TYE**) or Portability Pool (**PP**) child care:

If the period of ineligibility was shorter than the time period allowed for temporary ineligibility, an overpayment should only be assessed for the period of ineligibility. There would not be an overpayment assessed for the subsequent period of time when the family met eligibility requirements. See §8.6 (Temporary Ineligibility)

## AMOUNT OF OVERPAYMENT

14.6

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If the period of ineligibility was longer than the time period allowed for temporary ineligibility, determine whether the family's income was below the entrance income limit for the family size at the beginning of the subsequent period of time when the family met the eligibility requirements.

1. If the family's income was at or below the entrance income limit for their family size at the beginning of the subsequent period of time when the family met eligibility requirements, an overpayment should only be assessed for the period of ineligibility. An overpayment should not be assessed for the subsequent period of time when the family met eligibility requirements.
2. If the family's income was above the entrance income limit for their family size at the beginning of the subsequent period of time when the family met eligibility requirements an overpayment should be assessed for the period of ineligibility:
  - a. If the family's income was above the entrance income limit for their family size during the entire subsequent period of time, an overpayment should be assessed for the entire period, in addition to the period of ineligibility. OR,
  - b. If the family's income was above the entrance income limit for their family size at the beginning of the subsequent period of time, but at a later date was at or below the entrance income limit for their family size, an overpayment should be assessed for the beginning of the subsequent period of time when their income was above the entrance income limit for their family size, in addition to the period of ineligibility. An overpayment would not be assessed for the later period of time beginning when the family's income was at or below the entrance income limit for their family size.

**Example:**

Family was on child care assistance from January 1 to November 30. Family met eligibility requirements from January 1 to May 31. Family did not meet eligibility requirements from June 1 to September 30 (for example the parent was not in an authorized activity). Family met eligibility requirements from October 1 to November 30.

For all cases an overpayment would be assessed for the time period of June 1 through September 30 (if the family reported the change timely, an overpayment would not be assessed for the allowable notice period). In this scenario the period of ineligibility is greater

## AMOUNT OF OVERPAYMENT

14.6

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than the time period allowed for temporary ineligibility. To determine whether an overpayment should be assessed for the time period of October 1 through November 30:

- For MFIP cases: an overpayment should not be assessed for October 1 to November 30.
- For BSF, TY, TYE and Portability Pool cases:
  1. If the family's income was at or below the entrance income limit for their family size on October 1, an overpayment should not be assessed for the time period of October 1 to November 30.
  2. If the family's income was above the entrance income limit for their family size on October 1 and continued to be above the entrance income limit, an overpayment should be assessed for the time period of October 1 through November 30.
  3. If the family's income was above the entrance income limit for their family size on October 1, but was below the entrance income limit for their family size at a later time, for example November 1, an overpayment should be assessed for the time period of October 1 to October 31. An overpayment should not be assessed for the time period of November 1 through November 30.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.011  
Minnesota Statutes 119B.11  
Minnesota Rules 3400.014  
Minnesota Rules 3400.0187

**RECOVERY METHODS****14.9**

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Methods of recovery vary depending on whether the overpaid family or provider is a current participant or is no longer participating in the Child Care Assistance Program.

The recovery method for collecting overpayments from participant families and current CCAP providers is recoupment. See §14.9.6 (Recoupment - Families), §14.9.9 (Recoupment - Providers)

Common methods for recovering overpayments from non-participant families and former CCAP providers:

- Voluntary repayment, repayment agreements, and Confessions of Judgment. See §14.9.3 (Voluntary Repayment Agreement).
- Civil recovery. See §14.9.12 (Civil Recovery - Families), §14.9.15 (Civil Recovery - Providers).
- Criminal restitution. See §14.12 (Fraudulently Obtaining Child Care Assistance).

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.011, Subd. 21  
Minnesota Statutes 119B.11, Subd. 2a  
Minnesota Rules 3400.0140, Subp.19  
Minnesota Rules 3400.0187

**VOLUNTARY REPAYMENT AGREEMENT**

**14.9.3**

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A voluntary repayment agreement is a payment plan a family or a provider and the county agency agree to as a method of repaying an overpayment.

Use repayment agreements when participants or providers wish to make voluntarily repayment in excess of the recoupment amount.

Use repayment agreements with non-participants when the family is no longer eligible to receive child care assistance or if the provider no longer cares for children receiving child care assistance.

Clients or providers may voluntarily repay the overpayment before you start other methods of recovery. The Notice of Overpayment explains this option.

Overpayment repayment agreements include a written agreement between the county agency and the client or provider or both..

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.11, Subd. 2a



## RECOUPMENT - FAMILIES

14.9.6

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When the family remains eligible for child care assistance, recoup the overpayment by reducing the amount of assistance paid at the following rates:

- If the overpayment is due to agency or provider error, recoup the greater of  $\frac{1}{4}$  of the family's copayment or \$10.
- If the overpayment is due to the family's 1<sup>st</sup> failure to report changes, recoup the greater of  $\frac{1}{2}$  of the family's copayment or \$10.
- If the overpayment is due to the family's failure to provide accurate information at application or redetermination.  
OR  
The family's 2<sup>nd</sup> or subsequent failure to report changes, recoup the greater of  $\frac{1}{2}$  of the family's copayment or \$50.
- When the overpayment is due to wrongfully obtaining public assistance as established by court conviction, court-ordered stay of conviction with probationary or other terms, a disqualification agreement, a pretrial diversion, or an administrative disqualification hearing or waiver, recoup the greater of the family's copayment, 10% of the overpayment or \$100.

The overpayments must be calculated and collected on a service period basis. The family is responsible for the cost of care that is related to the reduction of the payment.

If an ineligible family later reapplies for child care assistance and is determined eligible, begin recouping the overpayment following the above rates, unless a different repayment schedule has been specified in a court order.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.011, Subd. 21  
Minnesota Statutes 119B.11, Subd. 2  
Minnesota Rules 3400.0140, Subp.19  
Minnesota Rules 3400.0187

**RECOUPMENT - PROVIDERS****14.9.9**

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If the provider continues to receive child care assistance payments, the county must recoup the overpayment by reducing the amount of assistance paid to the provider for every payment at the rates indicated below until the overpayment debt is paid in full.

- When a provider has an overpayment due to agency or family error, the recoupment amount is one-tenth the provider's payment or \$20, whichever is greater.
- When a provider has an overpayment due to the provider's failure to provide accurate information, the recoupment amount is one-fourth the provider's payment or \$50, whichever is greater.
- When a provider has an overpayment due to wrongfully obtaining child care assistance as established by a court conviction, a court-ordered stay of conviction with probationary or other terms, a disqualification agreement, a pretrial diversion, or an administrative disqualification hearing or waiver, the recoupment amount equals the greater of:
  - One-half the provider's payment.
  - OR
  - 10 percent of the overpayment.
  - OR
  - \$100.

If the provider no longer cares for children receiving child care assistance, follow the instructions in §14.9 (Recovery Methods). If the provider later resumes caring for children receiving child care assistance, begin recouping the overpayment following the above rates, unless a different repayment schedule has been specified in a court order.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.011, Subd. 21  
Minnesota Statutes 119B.11, Subd. 2A  
Minnesota Statutes 256.98, Subd. 1  
Minnesota Rules 3400.0140, Subp.19  
Minnesota Rules 3400.0187

For information related to provider overpayment recovery, see §14.9.15 (Civil Recovery – Providers).

If the family no longer receives child care assistance, use voluntary repayment or go through civil court to recover the overpayment.

If the overpayment is less than \$50 you may, but are not required to, recover the overpayment.

If the overpayment is \$50 or more, seek voluntary repayment from the family. If the family does not cooperate with voluntary repayment, initiate civil court proceedings to recover the overpayment unless the costs of recovery exceed the amount of the overpayment.

If you do not recover, keep a record of the overpayment in case the family reapplies and is eligible in the future.

A family who has an outstanding debt due to an overpayment is not eligible for child care assistance until either the debt is paid or satisfactory arrangements have been made with your agency and the family is complying with the arrangements.

Your agency is entitled to keep 25% of recovered overpayments.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.011, Subd. 21

Minnesota Statutes 119B.11, Subd. 2A

Minnesota Rules 3400.0140, Subp.19

Minnesota Rules 3400.0187

**CIVIL RECOVERY - PROVIDERS****14.9.15**

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For information related to family overpayment recovery, see §14.9.12 (Civil Recovery – Families).

Use voluntary repayment or go through civil court to recover the overpayment if the provider no longer cares for children receiving child care assistance.

You may, but are not required to, recover the overpayment if the overpayment is less than \$50.

Seek voluntary repayment from the provider if the overpayment is \$50 or more. Initiate civil court proceedings to recover the overpayment, if the provider does not cooperate with voluntary repayment, unless the costs of recovery exceed the amount of the overpayment.

Keep a record of the overpayment in case the provider begins to care for a child receiving assistance in the future, if you do not recover the overpayment.

A provider who has an overpayment is not eligible to care for children receiving child care assistance until the overpayment is paid in full or the provider is in compliance with a payment plan to repay the debt.

Your agency is entitled to keep 25% of recovered overpayments.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.011, Subd. 21

Minnesota Statutes 119B.11, Subd. 2A

Minnesota Rules 3400.0140, Subp.19

Minnesota Rules 3400.0187

## CLAIM COMPROMISE

14.9.18

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Compromising a claim consists of accepting a partial payment as full satisfaction of a claim on the condition that the payment is received promptly. Provider claims may not be compromised.

This policy applies to all FAMILY claims when the overpayment **did not** occur due to fraud **and** the initial notification of overpayment was issued through MEC<sup>2</sup>.

The text of all MEC<sup>2</sup> family overpayment notices include language that advises the debtor of:

- The right to have their claim compromised

AND

- The conditions that must be met to have their claim compromised.

The time limit for a debtor to make the compromise payment is 90 days from the initial notification of the claim. If the initial overpayment notice is sent by 1st class mail, the 90-day period begins with the date the notice is issued. If the initial notice is returned to the local agency by the postal service, the right to an overpayment notice and compromise is renewed. If the initial overpayment notice is sent by certified mail and accepted by the household, the 90-day period begins with the date a household member signs for receipt of the notice.

The right to compromise does not apply when the overpayment occurred due to fraud. In fraud situations, the agency should suppress the MEC<sup>2</sup> overpayment notice and mail their own overpayment notice without the compromise language. If an overpayment notice precedes the determination of fraud and a timely compromise payment is received, the local agency is bound by the compromise. Consequently, a local agency that pursues criminal action would not be able to seek monetary restitution for the full amount of a previously compromised claim. This does not, however, prevent a local agency from charging the full amount of a compromised claim or from requesting additional fines, penalties, interest, or non-monetary restitution in the sentencing phase of the criminal proceeding.

If the family chooses to compromise the debt after recoupment has begun, but before the 90-day time limit, the amount of the overpayment already collected through recoupment would be returned to the family through a manual payment once the compromise payment has been received. The manual payment would be issued to the provider, who would be responsible for refunding that amount to the parent, unless the child care was provided in the child's home.

Claims may be compromised by 25% if the remaining 75% is repaid within the 90-day time limit. Compromise amounts must be in the form of direct voluntary payment by a debtor. Recovery received by tax offset, recoupment, or restored benefits cannot be applied toward a compromise.

A compromise payment is considered a collection. The county deposits the money they collect then reports the full 75% in MEC<sup>2</sup>. DHS bills the county for 75% of the amount collected. The county can retain 25% of the compromise payment amount.

**LEGAL AUTHORITY:**

Minnesota Statutes 16D.15

**TERMINATION**

A claim may be terminated and the claim balance adjusted to \$0 when there is no realistic prospect for future recovery. This practice differs from a write-off which is an accounting mechanism to remove a claim as an accounts receivable asset even though the claim is retained against the possibility of future recovery. All terminated claims are automatically written off, but claims that are written off are not necessarily terminated.

Terminate claims when:

- The only responsible debtor for a claim has died and no future recovery actions are available.  
OR
- The only responsible debtor for a claim has had that debt discharged by federal bankruptcy court.  
OR
- When a claim is the sole responsibility of a debtor who resides in a Long Term Care Facility, there is no prognosis for a return to residential living in the community and there is no estate to repay the claim or there are existing commitments to repay higher priority obligations.  
OR
- When initial notification on a claim occurred at least 10 years previous, there has been no recovery on any of the claims in the preceding 6 years, criminal restitution is no longer required by district court, there is no docketed judgment and the debt is not certified for Revenue Recapture.

**UNCOLLECTIBLE DEBT**

Uncollectible debts are defined as debts older than six years with no collection activity. Uncollectible debts are not removed from MEC2 (the claims are not adjusted to zero and the balance due remains).

**LEGAL AUTHORITY:**

Minnesota Statutes 16D.09

Fraud exists when:

- A family has willfully or intentionally withheld, concealed, or misrepresented information to receive or to attempt to receive more benefits than they are eligible to receive or to help another person to receive or to attempt to receive more benefits than the person is entitled to receive.
- A provider has willfully or intentionally withheld, concealed, or misrepresented information to be authorized by CCAP; to receive or to attempt to receive payments to which the provider was not entitled; or to help another person to receive child care assistance to which that person is not entitled.

Refer anyone you suspect of fraud for investigation. If you think fraud has occurred, immediately refer the case to the county's investigator or investigative unit. Continue benefits if current eligibility exists. Do not close a case or deny benefits to people under investigation for fraud if they are otherwise eligible.

You may delay notifying a client of an overpayment if the county attorney or investigator believes that it would hinder the fraud investigation.

Disqualify people found guilty of fraud through an Administrative Disqualification Hearing (ADH), an Administrative Disqualification Waiver, a court approved pre-trial diversion plan, a disqualification consent agreement, or a conviction by a court action. See §14.12.3 (Disqualification for Fraud - Families), §14.12.6 (Disqualification for Fraud - Providers) for information on disqualification procedures, §14.12.9 (Administrative Disqualification Hearing).

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.13  
Minnesota Statutes 119B.16  
Minnesota Statutes 119B.125  
Minnesota Statutes 256.98  
Minnesota Rules 3400.0183



## DISQUALIFICATION FOR FRAUD - FAMILIES

14.12.3

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Disqualify families who have committed an Intentional Program Violation (IPV). An IPV disqualification can be established by any of the following:

- Court conviction.
- Disqualification consent agreement (DCA).
- Pre-trial diversion.
- Administrative Disqualification Hearing (ADH).
- Waiver of an ADH.

Disqualify the entire family from receiving benefits for the following lengths of time when a member or members of a family receiving child care assistance is found to have committed an IPV:

- 3 months for the 1<sup>st</sup> offense.
- 6 months for the 2<sup>nd</sup> offense.
- 2 years for the 3<sup>rd</sup> offense.
- Permanently for the 4<sup>th</sup> offense.

When you receive notification of an IPV determination, send the Notice of Disqualification for Intentional Program Violation ([DHS-3134](#)) to disqualify the family, and a CCAP termination notice to end assistance. The disqualification period for any child care assistance program must extend to all child care assistance programs and must be immediately applied allowing for a 15-day notice. See §12 (Notices). This disqualification is not appealable through an administrative hearing. The disqualification is appealable only through district or appellate court action. Once imposed, the disqualifications remains in effect, without possibility of administrative stay, unless and until the findings upon which the penalty was based are subsequently reversed by a court of appropriate jurisdiction.

The effective date of the disqualification period is the date of the IPV determination (if signed DCA or ADH Waiver, court/ADH decision) or the effective date of the CCAP termination notice, whichever is later.

**DISQUALIFICATION FOR FRAUD - FAMILIES****14.12.3**

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An IPV determination through any of the prescribed administrative or judicial options settles all prior disclosed and undisclosed violations from the standpoint of imposing disqualification penalties and is effective with the date of determination of the IPV. There still may be claims established against the family for any overpayments that are cited for the prior time period(s).

Record conviction and disqualification information and copies of supporting documents (including conviction information) in the case file. If a disqualified family moves from one county to another, include disqualification information in the case referral. See §8.12 (Moving Between Counties).

Families disqualified from MFIP due to an IPV are **NOT** barred from receiving child care assistance. When an MFIP recipient is disqualified from MFIP due to fraud, the family is no longer eligible for MFIP child care assistance. The family may be eligible for Basic Sliding Fee (BSF) and the worker will need to recover any overpayment that may have resulted while the family was on MFIP child care assistance.

The disqualified family may be placed on a child care waiting list if all factors used to determine eligibility for the waiting list are met. If the family's name rises to the top of the waiting list during the period of disqualification, they should receive the same treatment as other participants who are deemed temporarily ineligible at the time that they rise to the top of the waiting list.

Families disqualified for fraud in another state remain disqualified in Minnesota.

**LEGAL AUTHORITY:**

Minnesota Rule 3400.0183



## DISQUALIFICATION FOR FRAUD-PROVIDERS

14.12.6

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Disqualify child care providers who have committed an Intentional Program Violation (IPV). An IPV disqualification can be established by any of the following:

- Court conviction.
- Disqualification consent agreement (DCA).
- Pre-trial diversion.
- Administrative Disqualification Hearing (ADH).
- Waiver of an ADH.

Disqualify the provider from receiving payments from any child care assistance program for the following lengths of time when the provider is found to have committed an IPV:

- 12 months for the 1st offense.
- 24 months for the 2nd offense.
- Permanently for the 3rd offense.

You must inform the child care provider of their responsibilities and rights and of the penalties for intentional program violations. Failure to give a provider this Penalty Warning will lead to the dismissal of any ADH. The Child Care Provider Responsibilities and Rights [DHS-4079-ENG](#) includes the Penalty Warning required for the ADH process.

If your county chooses to use a county form for provider acknowledgement or authorization, you must include the penalty warning, and the responsibilities and rights listed in Child Care Provider Responsibilities and Rights. [DHS-4079-ENG](#) You must send any revised county form to the Department of Human Services (DHS) for approval as part of your county's Child Care Fund Plan. Failure to include the penalty warning and the provider's responsibilities and rights on the county form will lead to the dismissal of any ADH process that your county brings against child care providers accused of intentional program violation in your county.

When you receive notification of an IPV determination, send the participant a 15-day notice of provider deactivation and send the provider the Child Care Assistance Program (CCAP) Notice of Disqualification for Intentional Program Violation [DHS-3134A-ENG](#) to disqualify the provider and end child care assistance payments. See §12 (Notices).

**DISQUALIFICATION FOR FRAUD-PROVIDERS****14.12.6**

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This disqualification is not appealable through an administrative hearing. The disqualification is only appealable through district or appellate court. The effective date of the disqualification period is the date of the IPV determination (a signed DCA or ADH Waiver or court/ADH decision) or the effective date of the CCAP termination notices, whichever is later. The disqualification period for any child care assistance program must extend to all child care assistance programs and must be immediately applied.

Record conviction and disqualification information and have copies of supporting documents (including conviction information) in the provider file.

**LEGAL AUTHORITY:**

Minnesota Statutes 256.98



**ADMINISTRATIVE DISQUALIFICATION HEARING****14.12.9**

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An Administrative Disqualification Hearing (ADH) is a formal, impartial review by a human Services Judge for the purposes of rendering a decision as to whether or not an individual committed an intentional program violation (IPV).

An IPV is any action by a individual which is a willful or intentional false statement, a concealment of a fact, or misrepresentation, whether or not it did or could have resulted in receipt of additional benefits.

Misrepresentation or a failure to report on a timely basis does not necessarily constitute an IPV. The criteria for establishing the IPV requires an intentional act of deception, or one taken with an appreciation or understanding of its consequences or wrongfulness, and must be proven by a clear and convincing legal standard of proof. To establish an IPV in an ADH, there must be a finding of intentional concealment or misrepresentation of a material fact by the legal standard of “clear and convincing evidence”. Clear and convincing proof requires more than a preponderance of the evidence but less than proof beyond a reasonable doubt. Legally, clear and convincing proof is where it is highly probable that the matter asserted is true.

An ADH must be initiated for individuals accused of committing an IPV when criminal charges are not being pursued. ADH procedures and requirements, EXCEPT for the notice of hearing as explained below, are the same as for administrative appeal hearings. See §0015 (Appeals).

**REFERRAL OF IPV**

Resolve cases of suspected IPVs through either the criminal or ADH process, not both. Do not make concurrent referrals for prosecution and ADH. The practice of resolving an IPV first through the ADH process and then referring the same IPV for prosecution is prohibited.

If a case is dismissed in court, an ADH may be pursued because the burden of proof in establishing an IPV in an ADH action is the lower “clear and convincing” test as opposed to the “any reasonable doubt” standard required in a criminal prosecution.

**ADH WAIVERS AND REQUESTS FOR ADH**

Upon identifying an IPV and determining that the ADH process will be pursued, the accused individual must be offered the opportunity to waive the appearance before a Human Services Judge and simply agree to the prescribed disqualification penalties.

Initiate the ADH process by completing the Notice of Intentional Program Violation – Waiver of Administrative Disqualification Hearing ( [DHS-3131](#)) for families, or the Notice of Provider Intentional Program Violation – Waiver of Administrative Disqualification Hearing

## ADMINISTRATIVE DISQUALIFICATION HEARING

## 14.12.9

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[\(DHS-3131A\)](#) for providers, whichever is appropriate. Prepare a narrative summary of the allegations, investigative findings, and the evidence to support the findings. Someone other than the assigned case worker must also review and sign the form and find that the case facts, if proven, would justify a finding of fraud. A county contact person must also be listed for the accused person to contact for reviewing the agency's proof. The back page of the ADH waiver form has instructions to accused person as to how to waive the hearing, or request an ADH hearing. The waiver allows the accused person to admit to the facts or not, with the understanding that the disqualification penalty will be imposed in either case. Present or mail the ADH Waiver to the accused person. In either case, allow the person up to 10 days to return the form.

When the ADH involves a provider, complete one ADH Waiver for each individual or business that you propose to disqualify from receiving CCAP payments. Only the person or entity named on the ADH Waiver will be disqualified as a provider due to the ADH process. If you have questions about whether to bring an ADH against an individual provider, the provider's business or both, consult with your county attorney's office for guidance or contact the Program Assessment and Integrity Division (PAID) staff at the Department of Human Services (DHS). The provider must have received a copy of the Child Care Provider Responsibilities and Rights ([DHS-4079](#)) which includes the Penalty warning, before the ADH can be successful.

Waivers should not be offered when there is only a suspicion of guilt but the evidence is not convincing. If a county agency determines that it has sufficient evidence to hold a hearing and has offered the individual an opportunity to waive the hearing, the agency must then schedule a hearing if the individual requests a hearing or does not sign the waiver. Do not offer an ADH waiver if the case is being referred for prosecution nor should prosecution be suggested as a threat if the waiver is not signed. If an ADH waiver is offered it should be because the county has already determined that an ADH is appropriate and is merely offering the individual the opportunity to opt out of the actual hearing.

If the accused person waives their right to a hearing, disqualify the person. See §14.12.3 (Disqualification for Fraud - Families), §14.12.6 (Disqualification for Fraud - Providers).

People have the right to revoke a signed waiver and to request that an ADH be held. This revocation must be in writing and be received by the county agency prior to the effective date of the proposed disqualification or within 30 days of the date the waiver was signed, whichever is earlier.

If the accused person refuses to sign the waiver, requests to have a hearing, or fails to return the waiver, refer the case for an ADH. Complete the Request for Administrative Disqualification Hearing ([DHS-3132](#)), for families, or the Request for Provider

**ADMINISTRATIVE DISQUALIFICATION HEARING****14.12.9**

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Administrative Disqualification Hearing ([DHS-3132A](#)), for providers, whichever is appropriate, and send to:

Minnesota Department of Human Services  
Appeals Office  
P.O. Box 64941  
St. Paul, MN 55164-0941

Upon receipt of the Request for Administrative Disqualification Hearing (DHS-3132), the State Appeals Office will either accept or deny the request. If denied, the county agency will receive a notice indicating the reason for the denial. Denied requests may be resubmitted to the State Appeals Office for reevaluation. ADH requests may be withdrawn any time before the scheduled hearing date with written notice to both the accused person and the State Appeals Office.

If the State Appeals Office accepts a request it will schedule a hearing date and send accused person and county agency a notice of hearing. The notice will include a copy of the summary prepared by the county agency. Federal regulations require the State Appeals Office to give notice of an ADH hearing at least 30 days in advance (unless the accused person waives the hearing), rather than the 5-day notice for a regular fair hearing.

A Human Services Judge may combine a fair hearing and ADH into a single hearing if the factual issues arise out of the same or related circumstances. The accused person must receive 30 days advance notice (unless waived) that the hearings will be combined.

Within 90 days of client notification of an ADH or a combined hearing, the State Appeals Office must conduct the hearing, reach a decision, and notify the accused person and county agency of the decision.

Unlike fair hearings, asking the State Appeals Office to reconsider their decision is not an option. If either party disagrees with the Human Services Judge's decision, that party may start an appeal in district court. This is a separate legal proceeding that must start within 30 days of the date of the decision.

People found guilty of fraud by an ADH determination are subject to the disqualification procedures in §14.12.6 (Disqualification for Fraud - Providers), §14.12.3 (Disqualification for Fraud - Families).

**ADH INVESTIGATIVE SUBPOENA**

Subpoena authority is available to county agencies to gather information relevant to the investigation of a potential IPV that will be pursued through the ADH process. Consider using an investigative subpoena when a third party refuses to provide information. Complete the Request for Investigative Subpoena form ([DHS 3436](#)) and send to the DHS Appeals and Regulations Division. Include a description of the information being requested and the relevance of the information to establishing the IPV.

These subpoenas are not self-enforcing meaning that a first refusal to obey will not result in a contempt citation. However, these subpoenas are enforceable by appealing to district court for their enforcement by issue of a district court subpoena.

**DISQUALIFICATION CONSENT AGREEMENT**

County attorneys can also use the Disqualification Consent Agreement (DCA) ([DHS-3429](#), for families, or the Child Care Assistance Program (CCAP) Disqualification Consent Agreement (DCA) ([DHS-3429A](#)), for providers, whichever is appropriate, as an option for establishing an IPV and allowing an accused person to voluntarily agree to a disqualification and repayment of program benefits. Use of the DCA form is limited to the discretion of and execution by the county attorney's office. The DCA's intended use is for those IPV cases that the county attorney chooses to adjudicate without formal charging and prosecution outcomes.

**LEGAL AUTHORITY:**

Minnesota Rules, parts 3400.0183 & 3400.0230  
Minnesota Statutes, Section 256.046 & 256.98

**APPEALS****15**

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Families who are adversely affected by a county agency decisions can appeal for a review of the matter by the Department of Human Services (DHS) Appeals Office. Providers who are assigned responsibility for an overpayment can appeal for review of the amount and the assignment of the overpayment by the DHS Appeals Office. Most appeals are decided within 90 days of the date of request for a hearing. Follow the appeal process regardless of the possibility of fraud. See the sections below for more information:

- §15.3      Appealable Issues
- §15.6      Family and Provider Appeal Rights
- §15.9      Appeal Requests
- §15.12     Appeal Hearing Process
- §15.15     Continuation of Benefits
- §15.18     Effect of Appeal Decision

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.16

Minnesota Statutes 256.045

Minnesota Rules 3400.0230



**APPEALABLE ISSUES****15.3**

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**FAMILIES**

Families may appeal any action by the county agency that adversely affects their child care assistance. Although some issues are not appealable, forward ALL appeal requests to the Department of Human Services (DHS) Appeals Office. The Appeals Office will decide if an issue is appealable and convene a hearing.

Commonly appealed actions include:

- Denial of child care assistance application or provider.
- Suspension, reduction, or termination of child care assistance.
- Denial of a good cause exemption.
- The county agency not acting on an application within the timeliness standards in §3.6 (Accepting and Processing Applications).
- The basis for an overpayment, calculated amount of an overpayment, and the level of recoupment. See §14.9.6 (Recoupment - Families).

**PROVIDERS**

Child care providers who are charged with an overpayment, may appeal the amount and the assignment of the overpayment to the DHS Appeals Office. Providers who disagree with any other action taken, may appeal those actions to the district court.

**FAMILIES AND PROVIDERS**

The Appeals Office may deny or dismiss an appeal request if:

- The appellant withdraws the appeal request.
- The appeal request is not received within the timeliness standard outlined in §15.9 (Appeal Requests).
- The family, provider, or representative fails to appear for a hearing and cannot show good cause for doing so.
- DHS has no jurisdiction to hear the appeal.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.16

Minnesota Statutes 256.045

Minnesota Rules 3400.0230



**FAMILY**

When an action affects families' benefits, provide them with written information on:

- The right to an informal conference with the county to attempt to resolve the dispute.
- The right to appeal to the county agency or directly to the Department of Human Services (DHS) Appeals Office for a fair hearing.
- How to file an appeal.

Also provide this information at the time of application.

People also receive information from the Appeals Office regarding:

- The right to represent themselves at the hearing or to have another person represent them.
- The right to examine documents and records in the case file. Do not release information classified as confidential.
- The right to question or rebut any testimony or evidence given at the hearing.
- The right to submit evidence at the hearing to establish facts and circumstances in the case.

**PROVIDER**

A child care provider who has been assigned with an overpayment has:

- The right to an informal conference with the county to attempt to resolve the overpayment dispute.

AND

- The right to a fair hearing to challenge the amount and the assignment of the overpayment.

**JOINT HEARINGS**

When a provider requests a fair hearing, the family in whose case the overpayment was created must be made a party to the fair hearing. All other issues raised by the family must be resolved in the same proceeding. When a family requests a fair hearing and claims that the county should have assigned responsibility for an overpayment to a provider, the provider must be made a party to the fair hearing. The Human Services judge assigned to a fair hearing may join a family or a provider as a party to the fair hearing whenever joining of that party is necessary to fully and fairly resolve overpayment issues raised in the appeal.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.16

Minnesota Statutes 256.045

Minnesota Rules 3400.0230



**APPEAL REQUESTS****15.9**

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People must request an appeal in writing and must state what county agency action they are appealing. The request for an appeal must be signed by:

- The applicant.
- OR
- The participant.
- OR
- The provider (for provider appeal request).
- OR
- A representative.

People may use the Appeal to State Agency form ([DHS-0033](#)) or may send a letter indicating disagreement with the county agency's decision.

People must request the appeal hearing no more than:

- 30 days after getting a written notice of the proposed action.
- OR
- 90 days after getting the notice of proposed action, if they can show good cause for not making a request within the 30-day time limit.

People can send the appeal request to their county agency or directly to the State Appeals Office at:

Minnesota Department of Human Services  
PO Box 64941  
St. Paul, MN 55164-0941.

Refer all appeal requests to the State Appeals Office. Do this regardless of when you receive the request, and regardless of the appellant's reason for making a late appeal request. The Appeals Office will convene a hearing and decide the issue of timeliness or good cause at that time. Also see §15.15 (Continuation of Benefits).

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.16  
Minnesota Statutes 256.045  
Minnesota Rules 3400.0230



## APPEAL HEARING PROCESS

15.12

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Send the written request for an appeal, using Appeal to State Agency ([DHS-0033](#)), to the appeals office within 5 working days of receiving the appeal request.

Send the appeal summary, using State Agency Appeals Summary ([DHS-0035](#)), to the appellant and the appeals office at least 3 working days before the date of the hearing.

Before the hearing, offer the appellant an agency conference to resolve the appealed issue informally. The conference must include a supervisor or the agency director. If the conference resolves the issue, ask the appellant to sign a written request to withdraw the appeal. Do not delay sending the appeal request to the Appeals Office pending an informal conference.

To allow for proper notification, the Appeals Office normally holds hearings at least 5 days after it receives the appeal notice. Hearings can be held sooner if the appellant and Human Services judge consent. The Human Services judge may conduct a hearing face to face, or by telephone if the appellant agrees. County agencies must have equipment necessary to conduct telephone hearings (such as a telephone speaker attachment).

Summarize the issues (including timeliness) and county actions leading to the appeal on the State Agency Appeal Summary form ([DHS-0035](#)). Provide copies to the appellant and to the Human Services judge. The appellant may give additional evidence at the hearing. Evidence given at the hearing is the basis for the Human Services judge's recommendation and is the Department of Human Services (DHS) designee's decision.

The Human Services judge recommends an order to the DHS designee, who then issues an order affirming, reversing, or modifying the action of the county agency. If the DHS designee disagrees with the Human Services judge's recommendation, each party has 10 days to present additional written arguments. The DHS designee then issues a decision.

The appellant or the county agency may ask the DHS designee to reconsider within 30 days after the date the DHS designee issues the order. A request to reconsider should state the reason(s) the dissatisfied party believes the original order is incorrect. The DHS designee may reconsider an order upon request of either party or on the DHS designee's own motion, and will then issue an amended order or an order affirming the original order. The original order takes effect even if there is a request to reconsider.

The appellant or the county agency may also appeal to district court within 30 days after the date the DHS designee issues, amends, or affirms an order. Either party may also appeal to district court to enforce an appeal decision.

**LEGAL AUTHORITY :**

Minnesota Statutes 119B.16

Minnesota Statutes 256.045

Minnesota Rules 3400.0230

**CONTINUATION OF BENEFITS****15.15**

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In some cases participants may continue to receive benefits at the same level during the appeal process. Notify them that benefits paid pending an appeal will be an overpayment if they lose their appeal.

If the participant requests an appeal before the effective date of the adverse action or within 10 days after the date of mailing the notice of adverse action, whichever is later, the participant may continue to receive benefits at the same level.

If a notice period ends on a weekend or holiday, consider an appeal the participant makes on the next working day to be timely.

If a change not related to the issue under appeal occurs while benefits are continuing, notify the participant of any adverse action. Take the action unless it is also appealed.

Continue benefits until the Department of Human Services (DHS) issues a hearing decision, or another change occurs which requires an adjustment, whichever occurs first.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.16

Minnesota Rules 3400.0230

**EFFECT OF APPEAL DECISION****15.18**

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When a client wins an appeal, calculate and issue any corrective payments.

When a client who continues to receive benefits during the appeal process loses an appeal, stop or change benefits at the next issuance date. The county must send a notice of termination or reduction in benefits effective immediately to the family and the child care provider.

If the appeal decision finds the client to be ineligible, calculate the amount the client must repay for all months the client continued to receive benefits. See §14.3 (Responsibility for Overpayment).

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.16

Minnesota Rules 3400.0230



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This chapter includes resources that are necessary or helpful in administering the Child Care Assistance Program. See the various topics below for more information:

- §16.1 CCAP Authorizations for Clients With an EP
- §16.3 List of Agencies, Rules, Statutes, and Reports
- §16.15 Authorized Activities Comparison Sheet
- §16.18 CCAP & Child Support Enforcement Forms
- §16.21 Payment Policy Chart
- §16.30 Special Needs Resource Contacts
- §16.33 Eligibility While Participating in Other Programs
- §16.36 Transition Year (TY) Eligibility Relative to 47% SMI
- §16.38 Head Start & Child Care Assistance Payments

**LEGAL AUTHORITY:**

Minnesota Statutes 119B

Minnesota Rules 3400

## CCAP AUTHORIZATIONS FOR CLIENTS WITH AN EP

16.1

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An MFIP/DWP client is eligible for CCAP if the client meets all CCAP eligibility requirements. If a client meets CCAP eligibility requirements and has an Employment Plan (EP), the **amount of CCAP authorized** must be based on the parents' schedule of participation in the activities identified in the EP, the child's school schedule, the provider's availability, and any other factors that would affect the amount of care that the child needs. The amount of child care authorized should reflect the child care needs of the family and minimize the out-of-pocket child care costs to the family.

CCAP workers and Employment Services (ES) workers have different policies and procedures that they must follow in their work with clients. CCAP and ES workers can, work together in ways that support clients. By communicating effectively and understanding CCAP and ES program policies and procedures, CCAP and ES workers can support the family's ability to access the best child care for their family by:

- Preventing initial delays in child care authorizations;  
AND
- Preventing gaps in child care authorizations or services;  
AND
- Authorizing the most care possible to provide parents with the most options;  
AND
- Clustering EP activities to create blocks of time that fit with child care provider schedules and practices.

**CCAP/ES POLICY AND PROCEDURE CLARIFICATIONS**

If a MFIP/DWP client has an EP, the client is considered to be participating in the activities identified in the EP until the ES worker ends or changes the EP.

- All signed EPs are considered to be "approved."
- The ES worker does not need to indicate a date that the EP or the EP activities will end if the ES worker believes that the family will continue to participate in ES activities.
- The review dates listed on an EP should not be interpreted as "end dates."
- The ES worker regularly determines if the client is participating in the activities in the EP. They take appropriate action when and if changes occur or an EP ends. Until an EP has ended or is revised, the existing EP should be considered valid and in effect. CCAP should not automatically end when the EP review date has

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passed and a new EP has not been completed. Ideally the ES worker discovers or is notified about changes in compliance with the EP within 10 days of the change.

- WorkForce One (WF1) assigns a "Plan Start Date" on the front page of the EP and does not allow that date to be adjusted. Individual activities within the plan can have earlier dates than the "Plan Start Date". Child care assistance can be authorized and paid back to the earlier individual activity dates as long as the family was MFIP eligible and meets all other CCAP eligibility requirements.

The ES worker determines if the client is participating in the activities in the EP and takes appropriate action as necessary. It is the responsibility of the ES worker to monitor the client's activities on an ongoing basis, to adjust the EP as needed, and to determine if a client is out of compliance with his/her EP.

- The ES worker develops the EP with the client. The ES worker sends the CCAP worker the information required for the CCAP worker to authorize child care for the family. The ES worker can use the [DWP/MFIP Status Update Form \(DHS-3165\)](#) or a county-created form to transmit the information to the CCAP worker. It is not required that the ES worker send the CCAP worker the EP.
- The CCAP worker can use the [DWP/MFIP Status Update Form \(DHS-3165\)](#) or the county-created form as the verification of the client's ES activities. The CCAP worker does not need to require additional activity verifications.
- When changes are made to the EP that affect the hours of the activities or the types of activities, an update should be sent to the CCAP worker. If the changes to the EP result in a reduction in the CCAP authorization, the CCAP worker will send a 15 day notice of adverse action to the family and to the child care provider. The ES and CCAP worker should try to ensure that the childcare authorization continues without interruption in these situations.
- When a participant is out of compliance with their EP and the noncompliance results in a sanction, the ES worker should consider whether the participant is working towards curing the sanction.
  - If the participant **IS** working towards curing the sanction, CCAP should remain in place. During the Notice of Intent to Sanction phase, child care should not be cancelled, assume child care is needed to prevent the sanction.

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- If the participant **IS NOT** working towards curing the sanction, send a transmittal to CCAP staff to end CCAP for that participant. The CCAP worker will send a 15 day closing notice to the participant and the child care provider and close the CCAP case.

### **EMPLOYMENT PLANS (EP) AND CCAP OVERPAYMENTS**

At the time an EP changes, ends, or the client is sanctioned, the ES worker should contact the CCAP worker to inform the CCAP worker of the EP changes. If the ES worker informs the CCAP worker of the change timely, there is no overpayment to the client. If the ES worker does not notify the CCAP worker timely there could be a possible overpayment to the client (agency error). CCAP policy requires that the change be reported within 10 days. Additionally, there may be a CCAP overpayment if a client does not timely report changes in income, family composition, cooperation with child support, or any other factors that affect the client's CCAP eligibility.

An ES worker may determine that a client has not been in compliance for a prior period of time with some or all of the activities identified in the EP. Just as there is no MFIP overpayment or retroactive adverse action for a client's non-compliance with the activities in his or her EP, there should not be a CCAP overpayment due to lack of or reduced participation in the EP activities, except in cases of fraud.

It is important that ES workers and CCAP workers communicate efficiently and effectively to allow for a timely initial CCAP authorization and to prevent unnecessary breaks in the CCAP authorization so the family can participate in their activities and maintain a consistent relationship with the child care provider and so overpayments are minimized.

The county should develop a process to support communication between the ES worker and the CCAP worker that allows for timely transmission of the information necessary for the CCAP worker to authorize child care assistance. The CCAP worker should not need to re-verify activity information that is held and monitored by the ES worker. The ES worker and CCAP worker can communicate through a variety of methods (including, but not limited to fax and email) to update EP information.

The county should implement safeguards to ensure that the appropriate amount of care is being provided to CCAP clients. Safeguards might include EP/CCAP audits.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.05

Minnesota Statutes 119B.07

Minnesota Rules 3400.0080

The Child Care Assistance Program (CCAP) is composed of local and state agencies working together to build a child care system that assists families so that child care is affordable, available and of high quality. Below is a list of these agencies and links to federal statutes and state statutes and rules, and links to reports on CCAP waiting list and family profile.

**LOCAL AGENCIES:**

**CHILD CARE ASSISTANCE STAFF**– The individuals responsible for administering all, or a portion of, the Child Care Assistance Program. Various titles include Child Care Worker, Case Aide, Financial Worker, Jobs/Employment Services Counselor, Social Worker, and many others.

**FINANCIAL WORKERS** – The individuals responsible for the administration of the various financial assistance programs, such as MFIP, Food Support Program, Medical Assistance, etc.

**CHILD SUPPORT OFFICERS** – Those persons responsible for assisting families in establishing paternity, child support orders, and child support collections. All families utilizing the Child Care Assistance Programs must cooperate with Child Support Enforcement.

**EMPLOYMENT SERVICE (ES) PROVIDERS** – The function of ES providers is to assist MFIP participants to attain and retain employment. Child Care Staff will be working closely with Employment Service Providers to support families and assure that correct services are being utilized.

**CHILD CARE RESOURCE AND REFERRAL AGENCIES (CCR&R)** – Organizations available to assist participants in the process of choosing a child care provider, provide training to providers, and distribute grant monies to providers. Child Care Staff will often refer families to these organizations for help finding child care providers and to receive information on looking for a provider. There are 19 CCR&R programs located in 6 service districts throughout the State of Minnesota.

**CHILD CARE LICENSING STAFF** – Staff within the county who are responsible for licensing family child care homes. These individuals can assist the Child Care Assistance Staff in determining if a provider is licensed.

**ACCOUNTING STAFF/SUPPORT STAFF** – Those persons responsible for processing the claim forms and issuing checks, and other supportive services.

**STATE AGENCIES:**

THE DEPARTMENT OF HUMAN SERVICES (DHS)

Supervises the administration of the Child Care Assistance Programs, the Child Care Resource and Referral Agencies, Financial Assistance, Child Support, and Child Care Licensing.

DHS AND THE DEPARTMENT OF EMPLOYMENT AND ECONOMIC SECURITY (DEED)

Jointly supervises Employment Services.

FEDERAL STATUTES & STATE STATUTES AND RULES:

United States Code, title 42, sections 9858-9858Q

CFR, tile Parts 98 & 99 – Child Care & Development Fund Regulations

MINNESOTA STATUTES 119B.011 TO 119B.16 – Child Care Program Law – may be accessed at <http://www.leg.state.mn.us/leg/statutes.htm>

MINNESOTA RULES 3400.0010 to 3400.0235 – Child Care Rules – May be accessed at <http://www.revisor.leg.state.mn.us/arule/3400/>

**LOCAL POLICIES:**

County Policies/Administrative Systems

County Child Care Fund Plans

**OTHER REPORTS:**

Basic Sliding Fee Child Care Assistance Program Waiting List

[http://www.dhs.state.mn.us/main/groups/economic\\_support/documents/pub/dhs\\_id\\_057782.pdf](http://www.dhs.state.mn.us/main/groups/economic_support/documents/pub/dhs_id_057782.pdf)

MEC<sup>2</sup> Resources

(At-Home Infant Child Care Program (AHIC), Co-pay tables, FAQ's, Forms & Notices, Max Rates, CCAP Manual, MEC<sup>2</sup> User Manual).

<http://mec2home.dhs.state.mn.us/resources.html>

PolicyQuest

County and tribal agency security liaisons will have the ability to submit policy questions through PolicyQuest. <http://www.dhs.state.mn.us/policyquest>

**LEGAL AUTHORITY:**

Minnesota Statutes 119B

Minnesota Rules 3400

AUTHORIZED ACTIVITIES COMPARISON SHEET

Authorized Activity	Job Search	Employment	H.S./G.E.D./ Remedial	Post-Secondary Education	Financial & Employment Services Orientations, Assessments, Appeals, Hearings for Cash Assistance	Social Service Activities
<b>MFIP Employed Without EP (Employment Plan)</b>	240 hours in a calendar year.	Participant must be employed at least an average of 20 hours per week, or 10 hours if full-time student, and earn at least applicable minimum wage.	Not available without an EP.	Not available without an EP.	Available	Not available without an EP.
<b>MFIP or DWP with EP (Employment Plan)</b>	As defined in the Employment Plan. Job search not subject to 240 hours.	As defined in EP. Minimum wage and hour requirement does not apply with an approved EP.	As defined in EP.	As defined in EP.	Available	As defined in EP.
<b>Transition Year Child Care/ Transition Year Extension</b>	240 hours in a calendar year.	Must work at least an average of 20 hours per week, or 10 hours if full-time student, and earn at least applicable minimum wage.	Not available.	Not available.	Not available.	Not available.
<b>AHIC</b>	Refer to §13					
<b>Basic Sliding Fee Child Care (BSF)</b>	240 hours in a calendar year.	Must work at least an average of 20 hours per week, or 10 hours if full-time student, and earn at least applicable minimum wage.	1 <sup>st</sup> priority, must have county approved education plan and must meet satisfactory progress requirements.	Must have county approved education plan and meet satisfactory progress requirements. Limited to the time necessary to complete the credit requirements for an associate or baccalaureate degree as determined by the educational institution.	Not available.	Not Available.
<b>Portability Pool</b>	240 hours in a calendar year. Check with previous county.	Work at least an average of 20 hours per week, or 10 hours if full-time student, and earn at least applicable minimum wage.	1 <sup>st</sup> priority, county approved education plan and must meet satisfactory progress requirements.	Same as BSF. Will use original county's plan during portability pool time period.	Not available.	Not available.

**LEGAL AUTHORITY:**

Minnesota Statute 119B.03

Minnesota Statutes 119B.05

Minnesota Rules 3400.0060

Minnesota Rules 3400.0080

Minnesota Rules 3400.0090

You may use the Child Care Status Transmittal form ([DHS-4003](#)) to report changes.

	<b>Case Status</b>	<b>Transmittal Form</b> <a href="#">DHS-4003-ENG</a>	<b>Referral to Support &amp; Collections</b> <a href="#">DHS-3163B-ENG</a>	<b>Cooperation with Child Support Enforcement</b> <a href="#">DHS-2338-ENG</a>
1.	New or open MFIP/DWP Child Care Case	X	X	
2.	New BSF or TY Case	X	X	X
3.	Add child to CCAP Case: Child receives subsidy	X	X	X
	Child does not receive subsidy	X	X	X
4.	Delete a participant from CCAP case	X		
5.	Transfers between CCAP sub-programs	X		
6.	CCAP case closure	X		
7.	Temporarily ineligible/eligible, not using CCAP	X		
8.	Address changes	X		

**LEGAL AUTHORITY:**

Minnesota Rules 3400

Minnesota Statutes 119B

## PAYMENT POLICY CHART

16.21

Payment Type	Option or Required	Description	Limitations
Care for Sick Children	Option	Payment for child care services provided for children who, as a result of illness, are unable to attend the family's regular provider and in addition to making payments to the regular child care provider, the county makes payments to a second provider who is caring for the sick child.	<ol style="list-style-type: none"> <li>1. County must survey all providers who care for sick children.</li> <li>2. Rates must be comparable to like care arrangements in the county.</li> <li>3. Option must be identified in the County's Child Care Fund Plan.</li> <li>4. Total care authorized may not exceed 120 hours every 2 weeks.</li> </ol>
Parental Medical Leave	Required	Payment for child care when parent is on medical leave from employment or training.	<ol style="list-style-type: none"> <li>1. The parent is incapable of providing child care during the medical leave.</li> <li>2. Documentation by a physician or licensed psychologist of the necessity of the medical leave and the inability to provide child care.</li> <li>3. The parent is expected to return to employment or an approved education or training program within 90 days.</li> <li>4. The amount of child care cannot exceed the equivalent of 1 month of full-time care.</li> </ol>
Child Absences	Required	Payment for child care when a child is absent from care.	<ol style="list-style-type: none"> <li>1. Must be required by child's regular provider for all parents.</li> <li>2. County must pay that provider for child absent days according to the statewide absent day policy. See §9.39 (Care During Child Absences).</li> </ol>
Registration Fees	Required	Provider charges a fee to enroll children in program and fee is not included in the regular provider rate.	<ol style="list-style-type: none"> <li>1. Limit of 2 registrations per child in a 12 month period.</li> <li>2. Can pay up to the limit set in the rates bulletin.</li> <li>3. Registration fees cannot be paid for legal non-licensed providers.</li> <li>4. Must be required for ALL children.</li> </ol>
Activity Fees (Field trips, etc.)	Required	An additional fee charged to a family to cover the cost of activities provided to the children in child care.	<ol style="list-style-type: none"> <li>1. The family is responsible for any <u>optional</u> activity fee.</li> <li>2. A <u>required</u> fee must be incorporated into the provider's base rate.</li> <li>3. When the combined base rate and the activity exceed the county's maximum rate for like care arrangements, the <u>family</u> is responsible for the amount over the county's maximum rate..</li> </ol>
Support of Employment	Required	Child care for non-working hours.	<p>All conditions must be met:</p> <ol style="list-style-type: none"> <li>1. Combinations of care during employment and in support of employment cannot exceed the amount that would normally be granted for child care during employment;</li> <li>2. Family meets eligibility requirements and is participating in authorized employment activities; and</li> <li>3. The employee cannot reasonable modify his/her non-work schedule to provide child care.</li> </ol>

**LEGAL AUTHORITY:**

- Minnesota Rules 3400.0040, subp. 5
- Minnesota Rules 3400.0110, subp. 8-10
- Minnesota Rules 3400.0130, subp. 7-8
- Minnesota Statutes 119B.13, subd. 7

See §9.54 (Special Needs) for additional information on when to make special needs payments.

Center for Inclusive Child Care  
<http://www.inclusivechildcare.org>

National Information Center for Children and Youth with Disabilities  
(651) 603-6265  
P.O. Box 1492  
Washington, DC 20013-1492  
1-800-695-0285 (Voice/TTY)  
E-mail: [nichcy@aed.org](mailto:nichcy@aed.org)

U.S. Department of Justice, Civil Rights Division, Disability Rights Section  
Americans with Disabilities Act (ADA) Information  
1-800-514-0301 (Voice)  
1-800-514-0383 (TDD)

For examples of ADA Information Available see:  
<http://www.usdoj.gov/crt/ada/chcaflyr.htm>

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This is a question and answer appendix that deals with Transitional Year (TY) eligibility if an MFIP case with CCAP is closed and the family does not apply for Transitional Year (TY) child care until several months following MFIP closure. Generally, a TY participant has met the 47% State Median Income (SMI) eligibility criteria in the 1<sup>st</sup> program of participation (MFIP). The following are 2 scenarios:

1. MFIP closes 3/1 and family is eligible for continued child care assistance but has no child care needs at this time. MFIP child care is closed. Family applies for TY in July because they now have child care needs. All other eligibility factors remain the same – same employment, income, family size.

Does the family need to meet the 47% SMI entry requirement when they apply in July?

**Answer:**

No. At the time of MFIP closing this family was eligible but had no child care needs. This may have been a family with school age children and there were no child care needs until summer. The TY case could have remained open with suspended status. If the county child care worker closed the child care case rather than suspend it, the TY case should be opened and the family is not required to meet the 47% SMI. Although there actually were interrupted services, the family continued to be eligible and has met the 47% SMI entry requirement in the first program of service (MFIP).

2. MFIP participant is a student on 3/1 when MFIP closes and is not TY eligible. County has Basic Sliding Fee (BSF) waiting list. In July participant applies for TY because she is employed.

Does family need to meet the 47% SMI entry requirement when they apply in July?

**Answer:**

Yes. Because Transition Year may only be used to support employment and job search related expenses, this participant is not eligible for continued assistance through TY and could not be added to BSF because the county has a waiting list. The applicant would need to meet 47% SMI eligibility criteria when applying for TY in July because of interrupted services when he/she was not eligible.

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0090

Head Start & Child Care Assistance Payments – 12/12/08

Purpose: Explain how to apply Child Care Assistance Program payment policies to children eligible for CCAP who also attend Head Start during hours when the family is in an approved CCAP activity.

**CCAP Financial Principles apply to Head Start services as follows:**

- A. When Head Start pays for the costs associated with requirements to meet Head Start Performance Standards within a program that offers integrated full day services, the maximum CCAP payment is made based on the hours the child meets CCAP eligibility requirements. Rates reimbursed by CCAP cannot exceed those charged to private pay families or the CCAP maximum, whichever is less.
- B. When Head Start pays for a specific number of hours (whether integrated as part of a full day program or not), for a specific child, and the time the child attends Head Start coincides with time the child is eligible for CCAP, the Head Start-paid hours are deducted from hours that could be paid by CCAP.
- C. When CCAP pays for time outside of Head Start services, the CCAP blocks of time payment practices apply to the amount of child care provided as follows:

Service model	Description	Head Start \$ are used for:	Child Care Assistance Program will pay:
A.	<ul style="list-style-type: none"> <li>• Child attends a Head Start program where child care services are integrated with Head start to provide full day services.</li> </ul> <p>OR</p> <ul style="list-style-type: none"> <li>• Child attends a child care program in a licensed home/center that has a partnership agreement with a Head Start grantee to serve eligible HS full day</li> </ul>	Services or quality enhancements requires for full day, integrated program to meet Head Start Performance standards.	Amount of child care the family and child are eligible for under CCAP policies.
B.	<ul style="list-style-type: none"> <li>• Child attends Head Start in a location other than the child care program.</li> </ul> <p>OR</p> <ul style="list-style-type: none"> <li>• Child attends a licensed child care Head Start partnership where HS reimburses provider for a set number of hours of services per day.</li> </ul>	Services to a child provided at the Head Start location	Amount of child care the family and child are eligible for under CCAP policies, less the Head Start attendance hours.

- More than 5 hours per day =CCAP payment will be made not to exceed the county daily maximum
- More than 35 hours of care per week=CCAP payment will be made not to exceed the county weekly maximum

**Service Model A – HEAD START DOLLARS PAY FOR COSTS RELATED TO ENHANCED SERVICES**

Example 1 – Child attends a full day year round licensed child care center program operated by a Head Start grantee. Head Start Performance Standards are met in full day classrooms.

Child’s Attendance Schedule:	Child’s CCAP Eligibility:	Center charges:	*CCAP Payment:	HS funds used for:
8:30 a.m.- 4:30 p.m., M-F	40 hours per week or 80 hours per bi-weekly period.	\$180.00 per week	\$180.00 per week	Such things as salary for a lead teacher, equipment, child assessments, staff development time or related costs.

\*CCAP payment=\$180.00 per week (within the county maximum, including the accreditation/credential rate differential) based on weekly block of time of more than 35 hours authorized for a preschool age child.

Example 2 –Child attends a licensed child care center that operates a full day, year round program that integrates Head Start standards into the classrooms.

Child’s Attendance Schedule:	Child’s CCAP eligibility:	Center Charges:	*CCAP payment	HS funds used for:
9:00a.m. -2:00p.m., M-F	25 hours per week or 50 hours per bi-weekly period	\$160.00 per week	25 hours per week X \$5.00 per hour =%125.00 per week	Such as salary for a lead teacher, equipment, child assessments, staff

				development time or costs.
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\*CCAP payment = county maximum hourly rate of \$5.00 per hour applies; daily or weekly block of time payment policy does not apply. Hourly payments may be made up to the daily and weekly maximum CCAP payment caps.

Example 3 – Child attends a licensed family child care provider (With a Child Development Associate credential/CDA) who operates a full day, year round program that meets Head Start Standards. The provider has an agreement with a local Head Start grantee to be compensated for provision of services to Head Start eligible children.

Child's Attendance Schedule:	Child's CCAP Eligibility:	Family child care provider charges:	*CCAP payment:	HS funds used for:
7:30 a.m.-5:30 p.m., M-Th 4 days a week	40 hours per week or 80 hours per bi-weekly period	\$120.00 per week	\$120.00 per week	Enhanced services such as on-going professional development, performing child assessments, use of curriculum and making referrals to resources. Funds also pay for equipment and supplies.

\*CCAP payment = \$ 120.00 per week, (within the county maximum, including the accreditation/credential rate differential) based on weekly block of time of more than 35 hours authorized for a preschool age child.

**Service Model B – HEAD START DOLLARS PAY FOR A SET NUMBER OF HEAD START HOURS**

Example 1- Child’s potential eligibility for CCAP authorization is based on parent’s eligibility of 10 hours per day, 5 days per week. Child attends two separate programs during these hours: a family child care provider and a Head Start program.

Child’s Attendance Schedule:	Child’s CCAP Eligibility:	Family child care provider charges:	CCAP payment:	HS funds are used for:
Family child care; 7:00 a.m.-8:30 a.m. and 1:00 p.m.-5:00p.m., M-F (5.5 hours per day)  Head Start(when in session)  8:30 a.m.-1:00 p.m. (including bus travel time)	Child’s eligibility is based on parents authorized activity of 10 hours per day, 5 days per week, reduced by the amount of care provided by Head Start (4.5 hours per day) when child attends Head Start.	Family child cre provider charges= \$110.00 per week. (within CCAP county maximum)	CCAP payment =\$22.00 per day X 5 days per week = \$110.00 per week; the daily block of time applies since more than 5 hours of care is needed.  On non -Head Start days, full days should be authorized.	Attendance hours at the Head Start program.

Example 2– Child’s potential eligibility for CCAP authorization is based on parent’s eligibility of 7 hours per day X 5 days per week. Child attends two separate programs during these hours: a family child care provider and a Head Start program.

Child’s Attendance Schedule:	Child’s CCAP eligibility:	Family child care provider charges:	CCAP Payment:	Head Start funds used for:
Family child care: 1:00 p.m -3:00 p.m. M-F (2 hours/day) Head Start(when in session): 8:00 a.m. -	Child’s eligibility for CCAP is based on parent’s eligibility of 7 hours X 5 days per week, reduced by the amount of	Family child care provider charges=\$3.00 per hour.	CCAP payment=\$3.00 per hour X 2 hours/day on HS days. \$3.00/ hour X7 hours/ day on non-HS days(would be paid as a	Attendance hours at the Head Start program.

1:00p.m.(including bus travel time)	Head Start(5 hours /day when child attends Head Start.		daily rate up to the CCAP county maximum rate. Full day payments can be made on non-HS days.	
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Example 3 – Child’s potential eligibility for CCAP authorization is based on parent’s eligibility of 9 hours per day X 5 days per week. Child attends a licensed child care center program that incorporates Head Start Performance Standards.

Child’s Attendance Schedule:	Child’s CCAP Eligibility:	Center charges:	*CCAP payments	HS funds are used for:
8:00 a.m.-5:00, M-F  Head Start Agreement indicates that HS dollars are used to purchase a 5 hour slot for HS services; 9 months out of the year.	Child’s Eligibility for CCAP is based on parent’s eligibility of 9 hours X5 days a week, reduced by the amount of care provided by the Head Start (5 hours per day) when child attends Head Start.	\$175.00	CCAP payment = \$5.00 per day X 4 hours per day X 5 days a week= \$100.00/week (payable as an hourly rate up to the CCAP daily and weekly maximums. On non-Head Start days a full day payment can be made.	Five hours per day of integrated Head Start/child care services, 9 months per year.

Example 4 –Child’s potential eligibility for CCAP authorization is based on parent’s eligibility of 9 hours/ day X 4 days/week. Child attends a child care based center co-located in the same building as a Head Start program.

Child’s Attendance Schedule:	Child’s CCAP Eligibility:	Child care center charges:	*CCAP payment	HS funds used for:
Head Start(when in session) 8:00 a.m.-1:00 p.m The child begins the day at HS, then is brought to the child care center,	is based on parent’s eligibility of 9 hours/day , 4 days/week, reduced by the amount of H. S. (5 hours per day)when	Center charges=\$30.00 per day. Provider has no hourly rate.	CCAP payment =\$20.00 based on 4 hours X \$5.00 per hour (county maximum) on Head Start days. On non-Head Start	Attendance hours at the Head Start program.

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and is picked up by parent at 5:00p.m.	child attends H. S. CCAP eligibility is for 4 days of the week from 1-5 p.m. unless HS is not in session.		days, full day payments can be made.	
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**CHILD CARE ASSISTANCE PROGRAM POLICY MANUAL**

**ISSUED 08/2011**

**HEAD START & CHILD CARE ASSISTANCE PAYMENTS**

**16.38**

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