CHILD CARE ASSISTANCE PROGRAM (CCAP) POLICY MANUAL

Issued July 2015

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GLOSSARY

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)

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 (LEP) 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 Chapter 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, required training and has been approved for child care assistance payments. See Chapter 11 (Providers).

GLOSSARY

AUTHORIZED HOURS
The number of hours in a service period, not to exceed the maximum hour limit established in MN Statutes 119B.09, subd. 6, that may be paid for child care for a child. See definition for Scheduled Hours.
(Legal Authority: MN Rules 3400.0020 subp. 10(a))

BASIC SLIDING FEE PROGRAM
A sub-program of the Child Care Assistance Program for non-Minnesota Family Investment Plan/Diversionary Work Program (MFIP/DWP) families with entrance income below or equal to 47 % of the State Median Income (SMI). See Chapter 4.3.12 (Basic Sliding Fee (BSF)).

BSF
See BASIC SLIDING FEE PROGRAM.

CALENDAR MONTH
A period that begins with the 1st day of the month and ends with the last day of the month.

CCAP
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
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 See Chapter 9.54 (Special Needs).
(Legal Authority: Minnesota Rules 3400.0020, Subp. 17a)

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

Discovery Date
The date the agency receives all documentation necessary to calculate a claim. (See Chapter 14.6 Amount of Overpayment.)

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. The Education Plan 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 Chapter 5.3 (Determining the Child Care Assistance Program (CCAP) Family), Chapter 5.9 (CCAP Family Composition Examples).
(Legal Authority: Minnesota Statutes 256J.08; Minnesota Rules 3400.0020, Subp. 20)

EMPLOYMENT PLAN (applies to MFIP/DWP)
An Employment Plan (EP) 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, 256J.49, Subd. 5)

ESTABLISHED DATE
The date the agency computes an overpayment. See Chapter 14.6 (Amount of Overpayment).

EXCLUDED TIME FACILITY
A type of living arrangement which affects the determination of state residence and the county of financial responsibility. See Chapter 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 household 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 household in settings such as schools, military service, or rehabilitation programs. An adult family member who is not in an authorized activity under this chapter may be temporarily absent for up to 60 days. 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. An adult age 18 or older who meets this definition of family and is a full-time high school or postsecondary student may be considered a dependent member of the family unit if 50 percent or more of the adult's support is provided by the parents, stepparents, guardians, and their spouses or eligible relative caregivers and their spouses residing in the same household. The term “spouse” includes married same-sex spouses. For information on how to determine CCAP Family, see Chapter 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.

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 Chapter 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 Chapter 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; Minnesota Rules 9503.0040)

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)

LUMP SUM
Cash received on a non-recurring or irregular basis that cannot be reasonably anticipated. Examples of lump sums include child support arrears, an inheritance, an insurance payment, and gambling winnings. See Chapter 6.15.15 (Annualizing Lump Sum Income).

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

MEC^2
Minnesota Electronic Child Care System.

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

MFIP/DWP CHILD CARE
A sub-program of the Child Care Assistance Program for families receiving MFIP or DWP. See Chapter 4.3.3.3. (MFIP Overview).

MFIP/DWP CHILD CARE FOR STUDENT PARENTS
Child care assistance for student parents under age 21, pursuing a high school or general equivalency diploma, who are not MFIP participants, and who reside in a county with a Basic Sliding Fee waiting list. See Chapter 4.3.15 (MFIP/DWP Child Care for Student Parents).

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 biological, step, or adoptive mother or father.

PARENTALLY RESPONSIBLE INDIVIDUAL (PRI)
All parents, stepparents, legal guardians, or eligible relative caregivers and their spouses who are members of the FAMILY and reside in the household that applies for child care assistance. See APPLICANT and FAMILY.

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.*

Preschool/School age category changes; in August of each year, MEC² 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 MEC² User Manual for further information.
(Legal Authority: Minnesota Statutes 245A.02, Subd.19; Minnesota Rules 9503.0005)

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 Chapter 11 (Providers).
(Legal Authority: Minnesota Statutes 119B.011, Subd. 19)

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 Chapter 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 Chapter 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 and the amount of care to be authorized under the child care fund. See Chapter 10 (Redetermination of Eligibility).
(Legal Authority: Minnesota Rules 3400.0020, Subp. 37)

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
See TEMPORARY INELIGIBILITY.

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.

SCHEDULED HOURS
The specific days and hours during a service period that a child will attend child care as determined by the child care worker, the parent and the provider based on the parents verified eligible activity schedules, the child's school schedule, and any other factors relevant to the families child care needs.
(Legal Authority: MN Rules 3400.0020, Subp. 38b)

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 the child has a verified special need. For information on Special Needs, see Chapter 9.54 (Special Needs).

- **Legal Non-Licensed Family Child Care:** Follow the Licensed Family Child Care definition.**

- **Licensed Center 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 the child has a verified special need. For information on Special Needs, see Chapter 9.54 (Special Needs).**

- **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 1st following the child's 5th 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 1st of the following year. If a child starts school before the child's 5th birthday, the child is considered school age on the day the child starts school.
(Legal Authority: Minnesota Statues 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.
(Legal Authority: Minnesota Rules 3400.0020, Subp. 40)

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 Chapter 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 Chapter 5.6 (CCAP Family – Temporary Absence).
(Legal Authority: Minnesota Rules 3400.0020, Subp. 40a)

TEMPORARY INELIGIBILITY
When a family has been receiving child care assistance and a change makes them ineligible and the ineligibility is believed to be temporary, the family's position in CCAP should be reserved. The case remains active for a maximum of 90 days, one academic semester/quarter, or until deactivated from military service (if a family had been receiving child care assistance but increased income from active military service made them ineligible). Payments cannot be made while a family is temporarily ineligible. See Chapter 8.6 (Temporary Ineligibility).
(Legal Authority: Minnesota Statutes 119B.09, Subd. 4a; Minnesota Rules 3400.0040, Subp. 17)

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; Minnesota Rules 9503.0040)**

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 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. 20)

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.

APPLICATIONS 3

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.
- When a participant requires an application form in another language the county worker will need to print the form from eDoc's and mail it directly to the participant.

  DHS-3550-HMN Hmong
  DHS-3550-RUS Russian
  DHS-3550-SOM Somali
  DHS-3550-SPA Spanish
  DHS-3550-VIE Vietnamese
- 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 Chapter 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 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 Chapter 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 Chapter 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 Chapter 3.6 (Accepting and Processing Applications) for handling applications from residents of other counties. Also see Chapter 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 Chapter 3.3 (Assistance Requests).

Once an application is filed:
Request the necessary verification. See Chapter 7.3 (Verification – Initial Application).
Determine eligibility and the date it begins.
Notify the applicant of eligibility or ineligibility. See Chapter 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 Chapter 4.12 (Date of Eligibility). Complete the application process within designated time frames. See Chapter 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

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 Chapter 3.6 (Accepting and Processing Applications).
- Give or send the family the brochure "Do You Need Help Paying for Child Care" (PDF) DHS-3551

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 (PDF).
  OR
- The Combined Application –Child Care Addendum (PDF), if the family is also applying for or receiving other forms of assistance (cash and/or food support). See Chapter 3.9 (Combined Application Child Care Addendum).
  OR
- Information advising the family that they can apply online at ApplyMN
  AND
- A cover letter that includes your agency's address, office hours, and phone number.

LEGAL AUTHORITY

Minnesota Statutes 119B.011, Subd. 3
Minnesota Rules 3400.0035
Minnesota Rules 3400.0060

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.

The date of application is the date any Minnesota county agency receives a signed and dated application. See Chapter 3 (Applications). For paper applications, agencies must use one of the following methods to record the application received date:

- Date stamp the application; OR
- Sign and date the Agency Signature field on the application.

Counties may accept fax applications. Consider fax applications you get on weekends, holidays, or after hours to be received on the same day as the fax date stamp of the application. The client is responsible for verifying the county received the fax.

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.

An applicant's signature on the CCAP application allows counties to release the following information to the provider if the family is eligible:

- 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 changes to the Service Authorization, including changes in number of hours authorized, copayment changes or authorization ending.

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

ELECTRONIC APPLICATIONS WHEN CCAP MAY NOT BE NEEDED

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^2 via the Application Workflow, coding only the Member, Member II, and Address windows. See the MEC^2 User Manual

- If the applicant says that they would like to withdraw their application, the worker should:

  section "Enter a New Application."

  2 After coding the Application Workflow windows and sending the case to background, navigate to the Pending Case List window. Follow guidance in the MEC² User Manual section "Deny Application – Client Request." The case will deny and proper notice will be generated overnight.

  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.09, Subd. 7
Minnesota Rules 3400.0035
Minnesota Rules 3400.0060
Minnesota Rules 3400

COMBINED APPLICATION – CHILD CARE ADDENDUM 3.9

The Combined Application –Child Care Addendum (PDF) (DHS-5223D) form is a tool designed to simplify the child care assistance process for families who have applied for other programs.

Use the Child Care Addendum when:

- A family completes the CAF and requests child care assistance. OR
- The CAF has been completed and the family is not eligible for cash assistance, but requests child care assistance. OR
- The CAF has been completed and approved within the past 90 days and the family remains eligible for cash assistance and /or cash and is now requesting child care assistance.

Apply child care policy rules and verification requirements. Request copies of current verification, documentation and information reported on the CAF to determine eligibility for the Child Care Assistance Program.

Use of the Child Care Addendum is optional. You may choose to use the Minnesota Child Care Assistance Program Application (PDF) (DHS-3550).

LEGAL AUTHORITY

Minnesota Statutes 119B.011, Subd. 3

ELIGIBILITY REQUIREMENTS 4

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

LEGAL AUTHORITY

Minnesota Rules 3400.0040

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 . **Examples include job search and educational activities**. See Chapter 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
4.3.15 MFIP/DWP Child Care for Student Parents
4.3.15.3 MFIP/DWP Child Care for Student Parents – Authorized Activities
4.3.15.6 MFIP/DWP Child Care for Student Parents – Subprogram Changes

LEGAL AUTHORITY
Minnesota Statutes 119B.011 to 119B.26
Minnesota Rules 3400.0040 – 3400.0090

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

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 Chapter 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

OPTING OUT OF MFIP CASH 4.3.3.6

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 Chapter 4.3.3.3 (MFIP Overview).

LEGAL AUTHORITY
Minnesota Statutes 119B.05
Minnesota Statutes 256J
Minnesota Rules 3400.0080

Counties apply Minnesota Family Investment Program (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.

NON-COOPERATION WITH CHILD SUPPORT

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 careassistance. When a family is not cooperating with child support, the family's child care assistance case should be closed. If the family begins cooperating with child support prior to the Child Care Assistance Program (CCAP) case closing, child care assistance should remain open. If the family begins cooperating with child support after the CCAP case closes, require the family to reapply. The eligibility begin date cannot be prior to the date the family comes back into compliance with child support.

NON-COOPERATION WITH EMPLOYMENT SERVICES (ES)

Eligibility for MFIP Child Care continues as long as the caregiver remains eligible for MFIP. Authorization of care depends on a variety of factors.

In general, do not approve an adverse action until the participant has actually been sanctioned. This does not happen until after the Notice of Intent to Sanction Phase. Notification that the participant has been sanctioned should come from the Job Counselor, not the financial worker. The date the sanction is imposed for MFIP is not necessarily the same as the date that the sanction affects the family's CCAP benefits. See CCAP Policy Manual Chapter 16.1 (CCAP Authorizations for Clients with an EP).

For 1st through 6th occurrence sanctions, if the Job Counselor recommends taking an adverse action that may affect CCAP, determine whether care can be authorized:

- For activities in the Employment Plan for which the client is in compliance.
- For activities outside of the Employment Plan. See Chapter 4.3.3.21 (MFIP/DWP Authorized Activities).

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 continue to authorize child care assistance: for job search and/or employment, even in cases where the participant is sanctioned for not complying with these activities, when:

- 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. The educational activity does not need to be approved in the Employment Plan for the 10 hour requirement to apply.

Refer to Chapter 4.3.3.21 (MFIP/DWP Authorized Activities) for information about authorizing MFIP Child Care for activities outside of an Employment Plan.

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

If an MFIP case closes due to the 7th occurrence sanction, the family is no longer eligible for MFIP Child Care. When a family loses eligibility for MFIP Child Care due to a 7th occurrence Employment Services sanction, assess a family's eligibility for TY. If the family does not meet the eligibility requirements for TY, assess eligibility for BSF. Refer to Chapter 4.3.6 Transition Year (TY) and Chapter 4.3.12 Basic Sliding Fee (BSF).

LEGAL AUTHORITY
Minnesota Statutes 119B.011 to 119B.24
Minnesota Statutes 256J

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 Chapter 4.3.3.3 (MFIP Overview).

AND

- The non-MFIP parent meets the eligibility requirements in Chapter 4.3.12 (Basic Sliding Fee (BSF)).

LEGAL AUTHORITY

Minnesota Statutes 119B.011 to 119B.24
Minnesota Statutes 256J

DWP OVERVIEW 4.3.3.15

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 Chapter 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 Chapter 4.3.6 (Transition Year (TY)) and Chapter 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

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 Chapter 4.3.12 (Basic Sliding Fee (BSF)), Chapter 4.3.12.6 (BSF Authorized Activities & Hours) and Chapter 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

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 Chapter 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 Chapter 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.

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 in 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

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.
- The family's income must be at or below 67% of State Median Income (SMI) to be eligible for TY.

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 eligibility would end November 30th.

When there is a break in receipt of child care assistance, determine whether the family's income must be at or below 47% of SMI or 67% of SMI in order to meet TY eligibility requirements.

- If the family was eligible but did not need care during the break in receipt of child care assistance, the family's income must be at or below 67% of SMI.

- If the family was not eligible during the break in receipt of child care assistance, the family's income must be at or below 47% of SMI.

Consider the following examples:

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.

   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). The applicant would not need to meet 47% SMI entrance level income limit.

2. MFIP participant is a 22 year old college student on 3/1 when MFIP closes and is not TY eligible. The county has Basic Sliding Fee (BSF) waiting list. In July the participant applies for TY because she is employed.

   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 entrance level income limit when applying for TY in July because of interrupted services when the applicant was not eligible.

For payment purposes, retroactive eligibility cannot go back further than 6 months prior to the date the application was received by the county agency. Refer to the MEC² 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 DWP for 3 of those previous 6 months, the family qualifies for a new 12 months 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 a suspension of the Transition Year period.

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 2nd priority.

Transition Year families are placed on the waiting list and should be reported 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 family's effective date for 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 for a period of up to 1 year, the family retains their effective date for the waiting list and is added to the 2nd priority waiting list at the end of their transition year.

STUDENTS

If at least one parent in the family is under age 21 and pursuing a high school or general equivalency diploma and BSF funds are not available, the family will receive MFIP/DWP child care for student parents if eligibility requirements are met, rather than TY child care. See Chapter 4.3.15 (MFIP/DWP Child Care for Student Parents) and Chapter 4.3.15.6 (MFIP/DWP Child Care for Student Parents – Subprogram Changes).

If the family does not meet the eligibility requirements for MFIP/DWP child care for student parents, determine whether the family can be served under BSF, rather than TY child care:

- If a parent has an educational activity that meets the county requirements for an approved BSF education plan when their MFIP closes, that family could be served in the BSF program

as soon as BSF funds are available.

- The family cannot be served before 1st priority applicants (including those receiving MFIP/DWP child care for student parents) or 2nd priority applicants with earlier effective dates when there is a BSF waiting list.

If the family is not eligible for MFIP/DWP child care for student parents and is not served under BSF, the family should be approved for TY child care if eligibility requirements are met. Education is not an authorized activity for TY. Care may be authorized for TY authorized activities. See Chapter 4.3.6.3 (TY Authorized Activities).

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.06, subd. 1
Minnesota Statutes 119B.09
Minnesota Rules 3400.0060, subd. 7
Minnesota Rules 3400.0090

TY AUTHORIZED ACTIVITIES 4.3.6.3

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

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 2nd 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 1st priority applicants, move TYE families into the regular BSF program. First serve families who have been in TYE the longest. See Chapter 4.3.12 (Basic Sliding Fee) for more information.

LEGAL AUTHORITY

Minnesota Statutes 119B.011

TYE AUTHORIZED ACTIVITIES 4.3.9.3

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

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 Chapter 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 Chapter 4.3.12.9 (BSF Priorities), Chapter 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

Your county must approve a student's education or training program prior to authorizing child care assistance for education under Basic Sliding Fee (BSF). Documentation of the approval of the education or training program must be included in the case file. Documentation may include a county form showing approval, written communication such as an email indicating approval, or a case note stating that the education or training program has been approved. 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 1st priority. See Chapter 4.3.12.9 (BSF Priorities).

ASSOCIATE OR BACCALAUREATE EDUCATION

Do not establish more restrictive time limits for BSF students 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 2nd 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

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 Chapter 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

BSF PRIORITIES 4.3.12.9

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.

1st 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.

Families within this priority may be eligible for MFIP/DWP child care for student parents until funding becomes available, if the parent is under age 21, is pursuing a high school or general equivalency diploma, and is not an MFIP participant. Families that appear eligible for MFIP/DWP child care for student parents should be given a child care application. Families receiving MFIP/DWP child care for student parents must be reported on the waiting list as priority 1 while they receive MFIP/DWP child care for student parents. Refer to Chapter 4.3.15 (MFIP/DWP Child Care for Student Parents).

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

3rd Priority
Families who are eligible for portability pool BSF assistance. Families remain in this priority even if their portability pool assistance ends. See Chapter 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.

4th 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.

5th 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 Chapter 2 (Glossary).

LEGAL AUTHORITY
Minnesota Statutes 119B.03
Minnesota Statutes119B.011
Minnesota Rules 3400.0060

BSF WAITING LIST MANAGEMENT 4.3.12.12

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 chapter 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. Families receiving MFIP/DWP child care for student parents are included in the 1st priority and must be added to BSF before families in lower priorities.

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

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 the unitary residency period of 2 full calendar months. A family who moves on or after the 1st day of a month is considered a participant in the original county for that month. The 2 calendar month period would start on the 1st day of the next month. See chapter 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 3rd 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 3rd 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.

MFIP/DWP CHILD CARE FOR STUDENT PARENTS

When a family moves from one county where they were receiving BSF to another county that has a waiting list and at least one parent in the family is under age 21 and pursuing a high school or general equivalency diploma, the family must notify the new county within 60 days of the move. The family will receive MFIP/DWP child care for student parents after the unitary residency period

if eligibility requirements are met, rather than portability pool funding. See chapter 4.3.15 (MFIP/DWP Child Care for Student Parents) and chapter 4.3.15.6 (MFIP/DWP Child Care for Student Parents – Subprogram Changes).

LEGAL AUTHORITY
Minnesota Statutes 119B.03
Minnesota Statutes 119B.05
Minnesota Statutes 119B.09
Minnesota Rules 3400.0060

MFIP/DWP CHILD CARE FOR STUDENT PARENTS 4.3.15

To be eligible for MFIP/DWP child care for student parents, the parent must meet all of the following requirements:

- Be under 21 years of age
- Be pursuing a high school or general equivalence diploma (GED)
- Not be an MFIP participant
- Reside in a county that has a BSF waiting list for the 1st priority

In a two parent family, at least one parent must be under 21 years of age and be pursuing a high school or GED. The other parent must meet BSF authorized activity requirements. See Chapter 4.3.12.6 (BSF Authorized Activities & Hours).

Refer to Chapter 4.3.15.3 (MFIP/DWP Child Care for Student Parents – Authorized Activities) for information about authorized activities.

Refer to Chapter 4.3.15.6 (MFIP/DWP Child Care for Student Parents – Subprogram Changes) for information about subprogram changes.

AGE REQUIREMENTS

When the only parent in a single parent family, or the parent that qualified for MFIP/DWP Child Care for Student Parents in a two-parent family, turns 21, MFIP/DWP child care for student parents should end.

INCOME REQUIREMENTS

At application, the family's annual gross income after allowable deductions must be at or below 47% of State Median Income (SMI). Once determined eligible, the family's annual gross income after allowable deductions must be at or below 67% SMI.

WAITING LIST REQUIREMENTS

Families eligible for MFIP/DWP child care for student parents meet the age and activity requirements for priority 1 of the BSF waiting list. Families receiving MFIP/DWP child care for student parents must be reported on the waiting list as priority 1 while they receive MFIP/DWP child care for student parents. Refer to Chapter 4.3.12.9 (BSF Priorities).

As soon as BSF funds become available, the county must move the family into BSF. Moving the family into BSF supports continued child care assistance when the parent's education activity ends or the parent turns 21. Refer to Chapter 4.3.12.12 (BSF Waiting List Management).

LEGAL AUTHORITY

Minnesota Statutes 119B.011, subd. 19b
Minnesota Statutes 119B.06, subd. 1

MFIP/DWP CHILD CARE FOR STUDENT PARENTS–AUTHORIZED ACTIVITIES 4.3.15.3

In order to be eligible for MFIP/DWP child care for student parents the parent must be pursuing a high school or general equivalency diploma (GED). The parent must have a county-approved education plan for their high school or GED pursuit.

In a two parent family, at least one parent must be under 21 years of age and be pursuing a high school or GED. The other parent must meet BSF authorized activity requirements. See Chapter 4.3.12.6 (BSF Authorized Activities & Hours).

Parents pursuing remedial or basic skills courses are not eligible for MFIP/DWP child care for student parents, unless those courses are part of their high school or GED pursuit. Student parents on a school break, including summer breaks, retain their status as a student parent if they are expected to return to school following the break.

Care may be authorized for the pursuit of the high school or GED activity and other activities that meet BSF authorized activity requirements. Care should be authorized according to BSF policies. Refer to Chapter 4.3.12.16 (BSF Authorized Activities & Hours) and Chapter 9 for more information about authoring child care.

When a parent who was attending high school or pursuing a GED graduates or informs the county that they are no longer pursuing a diploma, MFIP/DWP child care for student parents should end and the family should be added to the BSF waiting list at the highest priority that applies to the family.

LEGAL AUTHORITY

Minnesota Statutes 119B.011 Subd.19b
Minnesota Statutes 119B.03 Subd.4

MFIP/DWP CHILD CARE FOR STUDENT PARENTS-SUBPROGRAM CHANGES 4.3.15.6

Subprogram changes related to MFIP/DWP child care for student parents are described below.

MFIP/DWP CHILD CARE FOR STUDENT PARENTS TO BSF

As soon as BSF funding becomes available, families receiving MFIP/DWP child care for student parents must be approved for BSF child care if eligibility requirements are met.

MFIP/DWP CHILD CARE FOR STUDENT PARENTS TO MFIP/DWP

When a family receiving MFIP/DWP child care for student parents begins receiving MFIP or DWP, the family should be approved for MFIP/DWP child care if eligibility requirements are met.

BSF CHILD CARE TO MFIP/DWP CHILD CARE FOR STUDENT PARENTS

When a family moves from one county where they were receiving BSF to another county that has a waiting list and at least one parent in the family is under age 21 and pursuing a high school or GED, the family must notify the new county within 60 days of the move. The family will receive MFIP/DWP child care for student parents after the unitary residency period if eligibility requirements are met, rather than portability pool funding.

MFIP/DWP CHILD CARE TO MFIP/DWP CHILD CARE FOR STUDENT PARENTS

When a family is receiving MFIP or DWP they may receive MFIP/DWP Child Care. When the family's MFIP/DWP case closes, MFIP/DWP Child Care also ends. Families may meet Transition Year eligibility requirements. However, if BSF funds are not available and at least one parent in the family is under age 21 and pursuing a high school or GED, the family will receive MFIP/DWP child care for student parents if eligibility requirements are met, rather than Transition Year funding.

LEGAL AUTHORITY

Minnesota Statutes 119B.011, subd. 19b

HEAD START FULL DAY INTEGRATED CHILD CARE PROGRAMS 4.3.16

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 the CCAP Integrated Full-Day Head Start Services Payment Application (PDF) (DHS-5776) 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 called programs that qualify (PDF) on the Child Care Assistance Program CountyLink page under the heading "Guidance available for CCAP Children enrolled in Head Start". 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 Chapter 9.9 (Determination of Payment Amounts)..

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 as an integrated full-day Head Start program:

   A. Check CountyLink child care assistance program resource page for a list of Head Start programs that are approved for full day CCAP payments and description of service models.
   B. If the program is on this list, CCAP payment is based on the hours that the child attends the program and meets CCAP eligibility requirements, including hours that the child attends Head Start.
   C. If the program is not on the list, CCAP payment is based on the hours that the child attends the program and meets CCAP eligibility requirements, minus the hours that the child attends Head Start.*

   *If a Head Start program is not on the list but provides at least 8 hours of care per day, contact your CCAP technical liaison for assistance in determining which payment principles to apply.

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

Require all new applicants and current recipients to cooperate with child support for all minor children in the home with an absent parent. See Chapter 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 the Minnesota Family Investment Plan Program (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-2338-ENG) is used. See Chapter 4.9.6 (Child Support Good Cause Claim).

If an applicant or participant claims Good Cause and has been issued an identification card by the Secretary of State showing that they are a participant in the Safe at Home program, the Good Cause Committee should automatically grant the Good Cause. The Department of Human Services (DHS) policy accepts participation in the Safe at Home program as clear evidence that there are significant safety concerns. If the Safe at Home participant does not claim Good Cause, the child support case must remain open to establish or enforce a court order, while the address continues to be protected.

See Combined Manual Chapter 12.21.06 (Child Support Good Cause Exemptions).

Consider applicants to NOT be cooperating when the family refuses to sign the Referral to Support and Collections (DHS-2338-ENG) form.

LEGAL AUTHORITY

Minnesota Rules 3400.0040

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^2 automatically sends some referrals to the Child Support agency through an interface with PRISM. However, because referrals are interfaced from MEC^2 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 MEC^2.

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 MEC^2 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 MEC^2 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

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 Child Care Assistance Program 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 an applicant or participant claims Good Cause and has been issued an identification card by the Secretary of State showing that they are a participant in the Safe at Home program, the Good Cause Committee should automatically grant the Good Cause. The Department of Human Services (DHS) policy accepts participation in the Safe at Home program as clear evidence that there are significant safety concerns. If the Safe at Home participant does not claim Good Cause, the child support case must remain open to establish or enforce a court order, while the address continues to be protected.

See Combined Manual Chapter 12.21.06 (Child Support Good Cause Exemptions).

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

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^2.

Case updates are only interfaced between MEC^2 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 MEC^2.

- 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

DATE OF ELIGIBILITY 4.12

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

MFIP/DWP

- Approve eligibility for employed persons not participating in employment services beginning the later date of:

  - The date of employment or approved job search.

  OR

  - 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:

  - The date of commencement of the services.

  OR
  - The date of MFIP or DWP eligibility

TRANSITION YEAR (TY)

- Approve eligibility the 1st 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 Chapter 2 (Glossary), Chapter 9.3 (Payments to Providers).

MFIP/DWP CHILD CARE FOR STUDENT PARENTS

Approve child care assistance beginning the later of:

- The date the application was received by the agency.
  OR

- he date the parent began pursuing an approved high school or general equivalency diploma education activity.

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

LEGAL AUTHORITY
Minnesota Rules 3400.0040
Minnesota Statutes 119B.09

CITIZENSHIP AND IMMIGRATION STATUS 4.15

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 United States Citizenship and Immigration Services (USCIS) classification. See Chapter 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.

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

CCAP FAMILY COMPOSITION 5

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

To determine who to include in a child care family, see Chapter 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 Chapter 5.6 (CCAP Family - Temporary Absence).

LEGAL AUTHORITY

Minnesota Statutes 119B.011

DETERMINING THE CCAP FAMILY 5.3

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

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 Chapter 5.9 (CCAP Family Composition Examples).

LEGAL AUTHORITY

Minnesota Statutes 119B.011, Subd. 13

CCAP FAMILY – TEMPORARY ABSENCE 5.6

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 ab sent 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[2] 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 Chapter 2 (Glossary), Chapter 5.3 (Determining the CCAP Family), Chapter 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.

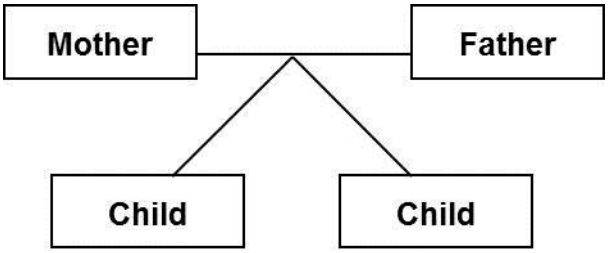
LEGAL AUTHORITY

Minnesota Statutes 119B.011
Minnesota Rules 3400.0040

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

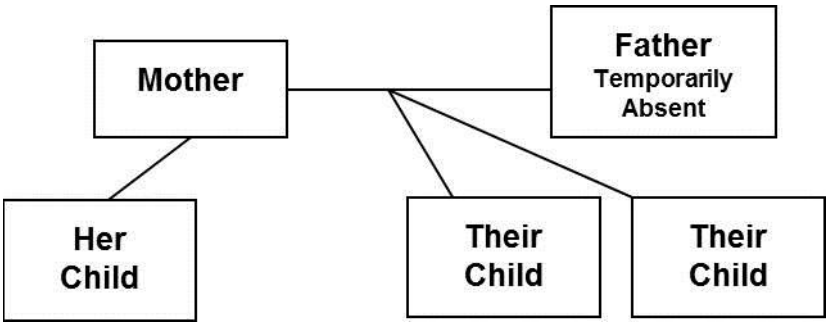


1st case scenario	**Mother**	Working 35 hours per week.
	Father	Going to school
	Family Size	4
2nd case scenario	**Mother**	Working 35 hours per week
	Father	Unable to care as determined by licensed physician.
	Family Size	4

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)



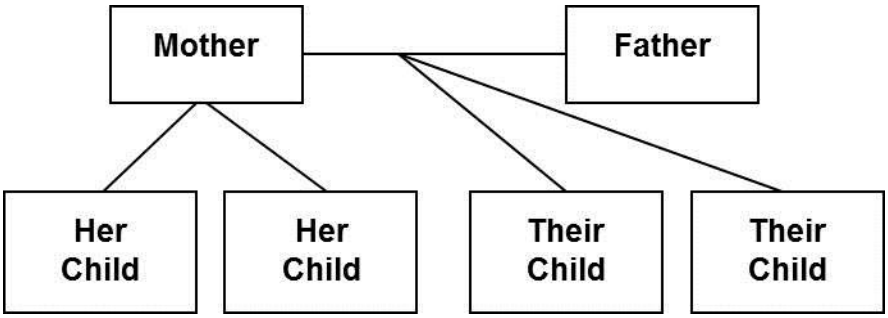
Mother	Working 40 hours per week.
Father	Temporarily absent from home and intends to return.
Family Size	5

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

BSF	Eligible. Temporary absent status is limited to 60 days if absent parent is not in an authorized activity.
MFIP	Eligible. Temporary absent status is limited to 60 days if absent parent is not in an authorized activity.
TY	Eligible. Temporary absent status is limited to 60 days if absent parent is not in an authorized activity.

CCAP FAMILY COMPOSITION EXAMPLES 5.9

2-PARENT MARRIED BLENDED FAMILY

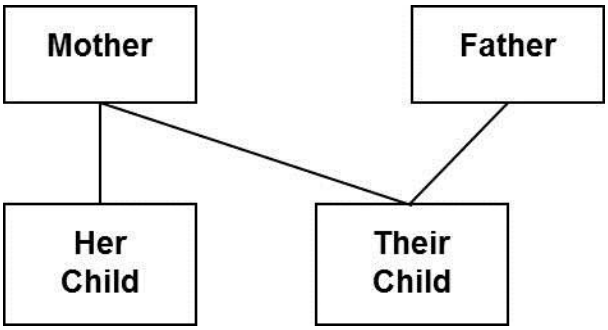


Mother	Attending School.
Father	Working 40 hours per week.
Family Size	6

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 for the mother.
TY	Not eligible. School is not an authorized activity for TY.

2-PARENT UNMARRIED BLENDED FAMILY



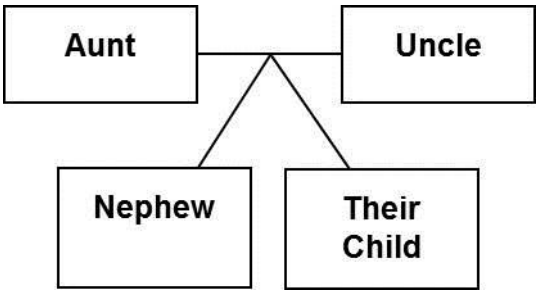
Mother	Working 35 hours per week.
Father	No authorized activity.
Family Size	4

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.

CCAP FAMILY COMPOSITION EXAMPLES 5.9

ELIGIBLE RELATIVE CAREGIVER OR LEGAL GUARDIAN FAMILY



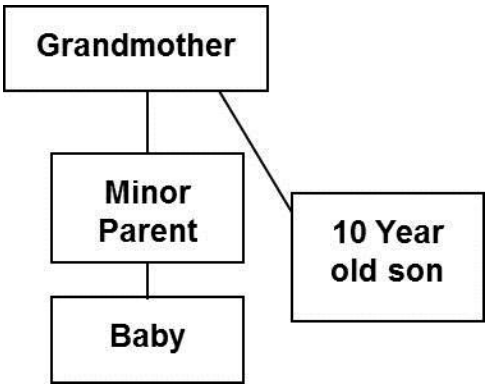
Mother	Working 35 hours per week.
Father	Working 40 hours per week.
Nephew	MFIP, child-only grant.
Family Size	4

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 out of the previous 6 months.

CCAP FAMILY COMPOSITION EXAMPLES 5.9

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.

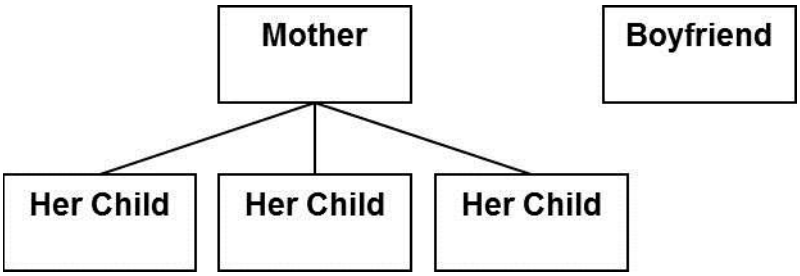
MFIP Family A/B Grandmother could apply for assistance for 10 year old while she works.

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 T. Year.

UNMARRIED PARENT LIVING WITH BOYFRIEND



Case Scenario 1

Mother	Working days, 30 hours per week
Father	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

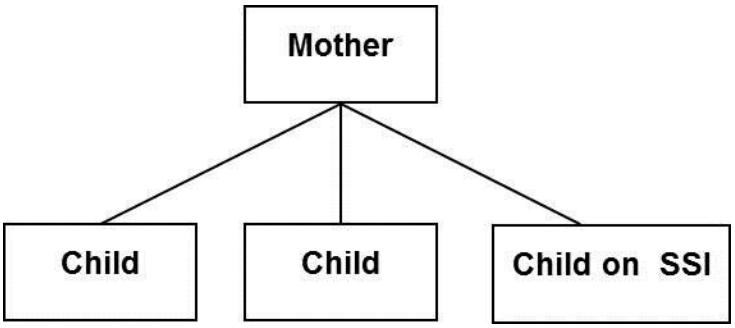
Mother and boyfriend get married.

Mother	30 hours per week.
Husband	Working some days and some nights, 30 hours per week.
Family Size	5.

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

BSF	Eligible for times when both mother and her husband are simultaneously in authorized activities.
MFIP	Eligible for times when both mother and her husband are simultaneously in authorized activities.
TY	Eligible only if the mother was previously MFIP.

UNMARRIED PARENT WITH A CHILD ON SSI

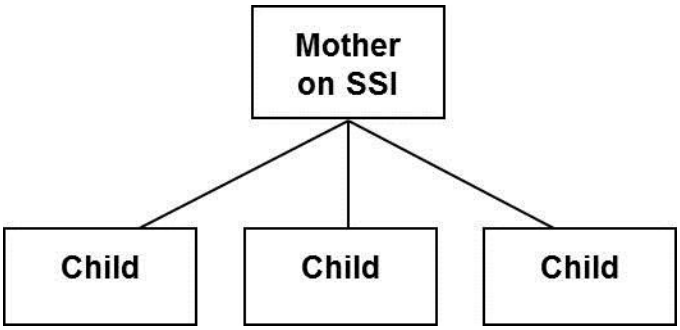


Mother	Receives MFIP for herself and 2 out of her 3 children. The other child receives SSI. Family.
Family Size	4 (The child that receives SSI meets the definition of family and is considered a member of the CCAP family).

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.

UNMARRIED MOTHER ON SSI

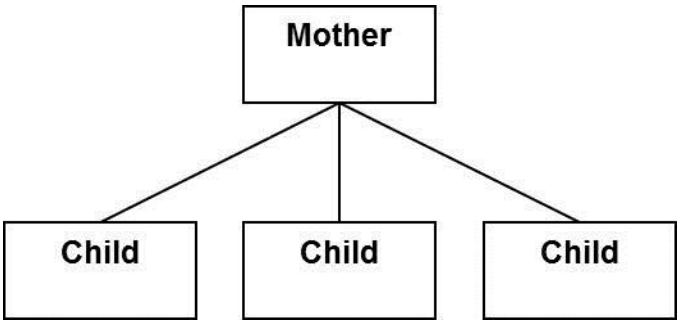


Mother	Receives SSI.
Family Size	4. The mother receives SSI and meets the definition of family. She is considered a member of the CCAP family.

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.

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

This chapter covers policies and procedures regarding income eligibility.

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

To determine income eligibility:

- Collect information regarding income received by all family members.
- Verify all income.
- Allow specific exclusions.
- Determine and enter into MEC[2] the following income components based on verification provided. See Chapter 6.15 (Annualizing Income).
  - Payment Frequency
  - Income Projection Amount
  - Income Projection Payment Frequency
  - Income Projection Hours Per Week
- Apply annualized income after deductions to the appropriate income limit. See Chapter 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.

If an application is being made for CCAP, health care coverage, cash assistance and/or emergency assistance, an online application may be submitted through ApplyMN.com. Apply MN also 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
6.9	Income Verification
6.12	Excluded Income
6.15	Annualizing Income
6.15.3	Annualizing MFIP & Earned Income
6.15.6	Annualizing Self-Employment Income
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

LEGAL AUTHORITY

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

INCOME LIMITS 6.3

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 Chapter 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 Chapter 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

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

- Wages/salaries (including overtime and bonuses if ongoing).
- 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 earned income includes such things as 401K contributions, all insurance premium payments on the pay stub and pre-tax medical/dental accounts. See Chapter 6.18 (Income Deductions) for allowable income deductions.

Unearned income is a payment a family member did not have to expend individual effort or labor to receive. Examples of unearned income are:

- Cash portion of MFIP.
- MFIP Housing Assistance Grant.
- DWP.
- Relative Custody Assistance (pre-Northstar Care for Children payments).
- Legacy Adoption Assistance basic maintenance and supplemental needs payments (pre-Northstar Care for Children payments).
- 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). RSDI may have gross and net amounts
- Severance payments.
- Lump sums such as insurance settlements, court settlements and child support arrears.
- The amount of scholarships, work study income and grants that exceeds the amount used to cover costs or reimburse for tuition, fees, books and education supplies. (See optional tools Student Income Calculation Form – Child Care Assistance Program Caseworker Tool (PDF) (DHS-6974) and Child Care Assistance Program Student Income and Expense Form (PDF) (DHS-6974A) for guidance.)
- The amount of student loans that exceeds the amount used for tuition, fees, books, supplies and living expenses. (See optional tools Student Income Calculation Form – Child Care Assistance Program Caseworker Tool (PDF) (DHS-6974) and Child Care Assistance Program Student Income and Expense Form (DHS-6974A) for guidance.)

Expenditures necessary to secure payment of unearned income are deducted from the unearned income. Sometimes, other deductions may be withheld from an unearned income source. These expenses must be verified and reviewed to determine if they are an allowable deduction from the unearned income. If the expense is not verified, do not allow the expense as a deduction and count the full amount of the unearned income. An example is RSDI. The RSDI verification will identify a gross amount, if any expenses were withheld and the net amount. Additionally, the worker should also be aware of any expenses the family had in obtaining the unearned income, such as legal fees. Usually, the gross amount of RSDI is the amount to be annualized. See Chapter 6.18 (Income Deductions).

LEGAL AUTHORITY

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

EXCLUDED INCOME 6.12

Exclude the following types of income. All excluded income must be verified. See Chapter 7.9 (Income Verification).

- Supplemental Security Income (SSI). SSI may have gross and net amounts.
- 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.(See optional tools Student Income Calculation Form – Child Care Assistance Program Caseworker Tool (DHS-6974) and Child Care Assistance Program Student Income and Expense Form (DHS-6974A) for guidance.)
- Student loans for tuition, fees, books and living expenses. (See optional tools Student Income Calculation Form – Child Care Assistance Program Caseworker Tool (DHS-6974) and Child Care Assistance Program Student Income and Expense Form (DHS-6974A) for guidance.)
- 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 Minnesota Family Investment Program), Energy Assistance, legacy foster care (pre-Northstar Care for Children payments), Medical Assistance, Child Care Assistance and housing subsidies.
- Grants from the Family Subsidy Program. For the definition of the FAMILY SUBSIDY PROGRAM, see Chapter 2 (Glossary).
- Northstar Care for Children payments for Foster Care, Adoption Assistance, and Kinship Assistance.
- Non-recurring 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 general high school equivalency diploma (GED). 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 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 Child Care Assistance Program 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

Annualize income to determine eligibility for child care assistance. There are several methods used by MEC^2 to annualize income. The worker should enter in the individual income components supported by the verification documents and MEC^2 will calculate the annualized income amounts. See case example below. The individual components needed within MEC^2 will vary depending upon the type of income.

The income components used in MEC^2 include:

- Payment Frequency: This field identifies how often the income is paid to the client
- Income Projection Amount: This field identifies the amount to be used by MEC^2 in the annualized income calculation.
- Income Projection Payment Frequency: This field identifies the payment frequency to be used by MEC^2 in the annualized income calculation.
- Income Projection Hours per Week: This field identifies the hours per week to be used by MEC^2 in the annualized income calculation if necessary. Not all annualized income calculations require the hours per week.

Most often the Payment Frequency and Income Projection Payment Frequency periods will be the same.

MEC^2 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^2 is not supported by the verification information, it is recommended that the worker 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^2 and the system will calculate the new annualized income.

Case Example

Worker receives four earned income pay stubs as verification from client. Each pay stub shows the following gross wages per week at an hourly wage of $12.00 per hour and hours worked per pay period.

	Gross Wages	Hours Worked
Pay Period 1	300	25
Pay Period 2	420	35
Pay Period 3	312	26
Pay Period 4	360	30

After discussions with the client, worker and client have determined the best indicator of future income should be the average of the data from pay periods 3 and 4. The worker would enter in the following information into MEC^2:

- Payment Frequency: Weekly (client receives payment weekly)
- Income Projection Amount: 336 (average of 312 and 360)
- Income Projection Payment Frequency: Weekly
- Income Projection Hours per Week: 28 (average of 30 and 26)

Alternatively, the worker could enter the following information into MEC^2:

- Payment Frequency: Weekly (client receives payment weekly)
- Income Projection Amount: 12
- Income Projection Payment Frequency: Hourly
- Income Projection Hours per Week: 28 (average of 30 and 26)

The worker and client determined that using all the pay stubs did not provide the best indicator of future income, therefore it is recommended that the worker include a case note in the file identifying why all the verifications provided were not used and how the individual income components entered into MEC^2 were calculated. An example of a case note follows.

Case Note

Based on discussions with the client, it was determined the best indicator of future income should be the average of the data from pay periods 3 and 4. Worker used this information to determine the income components entered into MEC^2. Income Projection Amount: 336 (average of 312 and 360 from pay periods 3 and 4), Income Projection Hours per Week: 28 (average of 30 and 26 from pay periods 3 and 4).

LEGAL AUTHORITY

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

ANNUALIZING MFIP & EARNED INCOME 6.15.3

The cash portion of the Minnesota Family Investment Program (MFIP) grant and the MFIP Housing Assistance Grant carry over from MAXIS and are included in the MEC² calculation of the annualization of unearned income for the family.

The financial worker determines MFIP eligibility and grant amount prospectively 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.

In situations where the parent begins working, MEC² annualizes the full MFIP grant for 12 months even though the MFIP grant would be reduced for a portion of that period due to earned income. When a parent on MFIP starts employment, it may be necessary to calculate the MFIP grant offline and enter the correct annualized MFIP income amount into MEC² using a system override. Consult with the MFIP worker to determine the offline MFIP grant calculation. It is recommended that the worker document in case notes how they arrived at the calculated amount. Refer to the MEC² User Manual for procedures on annualizing reduced MFIP income.

LEGAL AUTHORITY

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

ANNUALIZING SELF-EMPLOYMENT INCOME 6.15.6

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. Any negative self-employment income must be included in the determination of annual income, resulting in a reduction in total annual income.

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 Chapter 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 Internal Revenue Service for use of a personal car (See IRS Standard Mileage Rate website for current mileage rate).
- 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.
- 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 Chapter 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

For information on annualization of income, see Chapter 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^2 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

ANNUALIZING FARM INCOME 6.15.12

Farm income is gross receipts less operating expenses EXCEPT those listed in Chapter 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 Chapter 6.15 (Annualizing Income).

LEGAL AUTHORITY

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

ANNUALIZING LUMP SUM INCOME 6.15.15

See Chapter 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 Chapter 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 Chapter 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

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.

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 links provide the contact information for the MN Department of Labor and Industry.

If a worker receives an hourly wage from their employer and they are not self employed, contracted, or salaried, assume that the applicable minimum wage is being paid by the employer.

Some employers employ disabled persons and may qualify for disabled-worker permits. To pay a disabled person less than the state minimum-wage, an employer must apply for a subminimum-wage permit from the Minnesota Department of Labor and Industry. Under these circumstances, the wage paid should be regarded as the 'applicable minimum wage' and meet Child Care Assistance Program requirements. Refer to Minnesota Department of Labor and Industry link listed above.

LEGAL AUTHORITY

Minnesota Statutes 119B.10
Minnesota Rules 3400.0040

INCOME DEDUCTIONS 6.18

MEC[2] 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.

Request verification of the amount and type of expense and allow the required amount of time for the verification to be returned (see Chapter 7.1, Verification Due Dates). If the requested verification is not received, do not allow the expense as a deduction and process the case without the income deduction. 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

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 1st bi-weekly period of eligibility, MEC^2 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 13, 2014 (PDF DHS-6413C)

BI-WEEKLY COPAYMENT SCHEDULES effective October 14, 2013 (PDF DHS-6413B)

BI-WEEKLY COPAYMENT SCHEDULES effective October 1, 2012 (PDF DHS-6413A)

BI-WEEKLY COPAYMENT SCHEDULES effective October 3, 2011 (PDF DHS-6413)

Contact your agency's Technical Assistance Liaison at the Minnesota Department of Human Services for previous copayment schedules.

LEGAL AUTHORITY

Minnesota Statutes 119B.12
Minnesota Rules 3400.0100

VERIFICATION 7

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 Chapter 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 Chapter 7.24 (DHS System Verification).

With the exception of most income and income deduction verifications, 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. A client statement can be used to verify self-employment income, the date the last paycheck was received and certain child support income. For the purpose of obtaining verification, information reported on the application, redetermination, or change report form does not qualify as proof.

Allow families at least 15 days to provide requested verification. See Chapter 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 chapter 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

Allow families 15 days to provide verification. Use the MEC2 Special Letter: Verification Request to request verification.

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.

VERIFICATION DUE DATES AT REDETERMINATION

When additional verifications are requested at redetermination, use the MEC² Special Letter: Verification Request.

Allow families 15 days to provide verification or until the last day of the 30 day reinstatement period, whichever is earlier.

- If the case is open, give the family 15 days to return verifications
- If the case has closed and there are 15 or more days left of the 30 day reinstatement period, give the family 15 days to return verifications.
- If the case has closed and there are fewer than 15 days left of the 30 day reinstatement period, give the family until the last day of the 30 day reinstatement period to return verifications.

Note: If the redetermination form and all verifications are not received and processed by the last day of the redetermination period, the case should close.

See Chapters 10.6 (Redetermination Process) and 10.6.3 (Redetermination Processing Standards).

LEGAL AUTHORITY

Minnesota Statutes 119B.025

VERIFICATION – INITIAL APPLICATION 7.3

Verify the following eligibility requirements 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 these listed persons.
- Age of the child(ren) in the family.
- Age of the applicant if he or she is under 21.
- 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 (PDF) (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 and Income Deductions. See Chapter 7.9 (Income Verification).
  - For income deductions, send the family a verification request and allow until the end of the 30 day application period (or 45 days with the consent of the applicant) for the verification to be returned. If the requested verification is not received, do not allow the expense as a deduction and process the application without the income deduction.
- Spousal support and child support payments made to persons outside the household.
- Residence
  Acceptable verification showing current name and address includes, but is not limited to:
  - Any form of mail (except mail addressed to a P.O. Box) provided by the client. A forwarding address sticker received at the administrating agency from the US Postal Service cannot be considered verification of residence for CCAP. Mail sent to the participant from DHS or the county agency may be used as verification of residence.
  - A current lease with the same address.
- Inconsistent information, if related to eligibility.

The following are requirements to authorize care if the family is determined eligible to receive CCAP:

- Employment and/or education status of adult family members including employment schedule and/or class schedule must be verified. See Chapter 7.27 (Schedule Verification – Employment and Education).
- School schedule for every child who needs child care and attends school must be verified. See Chapter 7.30 (Schedule Verification – Child's School Schedule).
- 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 Chapter 7.12 (Verifying Citizenship and Immigration Status).

LEGAL AUTHORITY

Minnesota Rules 3400.0040
Minnesota Statutes 119B.025

VERIFICATION – ELIGIBILITY REDETERMINATION 7.6

Verify the following eligibility requirements at the time of eligibility redetermination:

- Income and Income Deductions.
  - For income deductions, send the family a verification request and allow the required amount of time for the verification to be returned (see Chapter 7.1, Verification Due Dates). If the requested verification is not received, do not allow the expense as a deduction and process the redetermination without the income deduction.
- Employment Ending, if not previously reported, including last date of the employment activity and date the last paycheck was received. Any changes in employment should be reported within 10 calendar days of the change.
- Residence.
  Acceptable verification showing current name and address includes, but is not limited to:
  - Any form of mail (except mail addressed to a P.O. Box) provided by the client. A forwarding address sticker received at the administrating agency from the US Postal Service cannot be considered verification of residence for CCAP.
  - Mail sent to the participant from DHS or the county agency may be used as verification of residence.
  - A current lease with the same address (if the client has not moved) is acceptable. The client does not need to submit the lease again.

  There is no time limit to how long a residency verification document can be used as verification. The verification on file can continue to be used as long as it reflects the client's current name and address.
- 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 Chapter 7.3 (Verification – Initial Application).

The following are requirements to authorize care if the family remains eligible:

- Employment and Education/Training Status including employment and/or class schedule must be verified. See Chapter 7.27 (Schedule Verification – Employment and Education).
- School schedule for every child who needs child care and attends school must be verified if there is a change in the schedule or the school attended. See Chapter 7.30 (Schedule Verification – Child's School Schedule).

LEGAL AUTHORITY

Minnesota Rules 3400.0040
Minnesota Statutes 119B.025

INCOME VERIFICATION 7.9

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. A Minnesota Family Investment Program/Diversionary Work Program (MFIP) Employment Plan (EP) cannot be used as verification of income.

All income must be verified using the documentation that is the best indicator of future income. The recommended standard is the most current 30 days of verification for income other than child support tracked through PRISM. For child support tracked through PRISM, the recommended standard is the last six months of information. If the worker uses something other than these standards, it is recommended that they case note why they deviated 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 the following circumstances:

- 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.
- 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.
  - In these situations the client 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.
- Verification of the date the last paycheck was received. Verification of the date the last paycheck was received is required to confirm the end of the earned income.

EARNED INCOME

- Paycheck Stubs
  - Ask if the applicant or recipient has paycheck stubs for the timeframe that is the best indicator of future income. The recommended standard is the most current 30 days of verification. The paycheck stubs should specifically identify the number of hours worked, gross income based on those hours, payroll period covered, client and employer name.
  - The worker may also use year-to-date totals as the best indicator of future income.
  - If something other than the recommended standard is used to calculate the income components, it is recommended that the worker case note what was used and how it was used to determine the income components.
- Employer Statement
  - 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 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.
- If business records and personal records are not separate, ask the parent to separate income records and resubmit according to Child Care Assistance Program 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 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 documentation from a timeframe that is the best indicator of future income. The recommended standard is 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 the recommended standard.
- For child support that is not tracked through PRISM, the recommended standard is the most current 30 days of verification.
- If the worker uses something other than these standards to calculate the income components, it is recommended that the worker 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.
- State Verification Exchange System (SVES) interface screen prints. See Chapter 7.24 (Verification – DHS Systems).
- Bank Statements indicating interest paid on a specific account.
- 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. (Unearned and excluded student income and expenses can be verified in many ways. See optional tools Student Income Calculation Form – Child Care Assistance Program Caseworker Tool (DHS-6974) and Child Care Assistance Program Student Income and Expense Form (DHS-6974A) for additional guidance and options.

INCOME DEDUCTIONS

Request verification of the amount and type of expense and allow the required amount of time for the verification to be returned (see Chapter 7.1, Verification Due Dates). If the requested verification is not received, do not allow the expense as a deduction and process the case without the income deduction. The following are examples of acceptable verification:

- Payroll deductions as indicated on the pay stubs. Request consecutive pay 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.025
Minnesota Rules 3400.0170 Subp. 1

VERIFYING CITIZENSHIP AND IMMIGRATION STATUS 7.12

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.

Only citizenship and immigration status of the children for whom child care assistance is being sought is relevant for authorizing care 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 education standards.

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 U.S. citizenship and current immigration status for the children for whom child care assistance is sought is mandatory and needed to authorize care when child care is not provided in a setting subject to public educational standards.

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 ANY of 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, SNAP and Child Care Assistance (PDF) (DHS-4864-ENG) for further guidance on identifying immigration documents and determining immigration status.

Approve an application when:

- The county can verify that any of the children for whom assistance is being sought or paid have an immigration status that meets requirements for child care assistance, the case should be opened and care authorized ONLY for the eligible children.

LEGAL AUTHORITY

Minnesota Rules 3400.0040
Minnesota Statutes 119B.025

VERIFICATION – SAFE AT HOME 7.21

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.

If an applicant or participant claims Good Cause and has been issued an identification card by the Secretary of State showing that they are a participant in the Safe at Home program, the Good Cause Committee should automatically grant the Good Cause. The Department of Human Services (DHS) policy accepts participation in the Safe at Home program as clear evidence that there are significant safety concerns. If the Safe at Home participant does not claim Good Cause, the child support case must remain open to establish or enforce a court order, while the address continues to be protected.
See Combined Manual Chapter 12.21.06 (Child Support Good Cause Exemptions).

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

VERIFICATION - DHS SYSTEMS 7.24

Child Care Assistance Program participants are required to verify certain information as a condition of eligibility and to authorize care. See Chapter 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 Department systems or interfaces. This happens in two ways:

- Information is verified directly through a third-party interface. Examples of information that can be verified directly through a third-party interface include, but are not limited to:

  - Social Security numbers (SSN). An interface between MEC² and the Social Security Administration (SSA) will verify all Social Security Numbers by entering a validation code on the MEC² Member window. If the client information does not match the Social Security Number, the worker will get an Alert. The message will list the discrepancy that needs to be clarified. To clarify the information, compare the information on the Member window to the case file or contact the client for more information.

  - Social Security income verified directly through the State Verification Exchange System (SVES) interface on MAXIS. The State Verification Exchange System interface is an exchange with the Social Security Administration (SSA), which allows workers with access to verify Retirement, Survivors, and Disability Insurance (RSDI) and Supplemental Security Income (SSI) benefit information. Information coded on the STAT/UNEA panel in MAXIS does not qualify as being verified directly from the Social Security Administration; verification must come from the SVES interface.

  - Disbursed Child Support income verified directly through PRISM. For child support tracked through PRISM, the last six months of information is recommended. See Chapter 7.9 (Income Verification). Income coded on the STAT/UNEA panel in MAXIS does not qualify as being verified directly from Child Support Enforcement; verification must come from PRISM.

  - Identity and/or citizenship information verified through an Social Security Administration interface on the STAT/MEMI panel in MAXIS. The “SSA/MA Citizenship Verification” field on the STAT/MEMI panel in MAXIS interfaces directly with the Social Security Administration. If this field is coded with an “A” (indicating that citizenship was verified through the Social Security Administration), the Child Care Assistance Program recognizes this as acceptable verification of identity for that member of the Child Care Assistance Program family and/or citizenship for that child.

- Verification information is shared through integrated fields in the MAXIS and MEC² systems. When verification information from an integrated MAXIS field carries over to MEC², but there is no documentation in the child care file, the worker 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 the Child Care Assistance Program.

  OR

  - Request a hard copy of the verification for the child care case file.

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

CASE FILE VERIFICATION

The Internal Revenue Service has special requirements for safeguarding federal tax information (FTI) generated by the Income and Eligibility Verification System (IEVS). For more information about what qualifies as federal tax information and how to prevent unauthorized use and disclosure of this information, see Combined Manual 0010.24.21 (IEVS Safeguarding Responsibilities).

Social Security information gathered from the State Verification Exchange System (SVES) interface is NOT considered federal tax information. Specific protocols for safeguarding federal tax information when gathering and documenting information do NOT apply to information gathered through the SVES interface.

Generally, child care workers workers must obtain hard copies of income verification for the child care file. See Chapter 7.9 (Income Verification). Exceptions occur when income is verified through a third-party interface. When information is verified using a third-party interface, record the source of the verification and make a screen print of the third-party interface for the case file.

- When income from Social Security is verified using the SVES interface:
  - Make a screen print of the SVES interface information for the child care case file.
  - Record a generic reference in Case Notes that includes the type of income, the date of the SVES interface response, and that a printed record of the interface information is available in the case file. As a precaution, do not include detailed information in Case Notes. For example, do NOT copy and paste any information gathered from the SVES interface and/or TPQY result messages into Case Notes.
- When income from Child Support is verified using PRISM, screen prints are not required.

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LEGAL AUTHORITY

Minnesota Statutes 119B.025
Minnesota Rules 3400.0040
Minnesota Rules 3400.0170

SCHEDULE VERIFICATION – EMPLOYMENT AND EDUCATION 7.27

Verification of employment schedule and/or class schedule is required at application, redetermination, when there is a change in activity, and when there is a change in schedule. The schedule must show the days and times worked or the days and times that classes meet. Schedule verification is not required for job search activities.

MINNESOTA FAMILY INVESTMENT PLAN/DIVERSIONARY WORK PROGRAM (MFIP/DWP) FAMILIES WITH AN APPROVED EMPLOYMENT PLAN

For MFIP or DWP families with an approved Employment Plan, verification of the activity schedule is not required for activities in the Employment Plan IF the job counselor has indicated the activity schedule (days and times of the activities) OR the days and times that child care is needed.

If the job counselor has indicated the days and times that child care is needed for activities in the Employment Plan on the MFIP/DWP Employment Services Child Care Request (PDF) (DHS-7054), verification of the activity schedule is not required. The job counselor may also use other methods to communicate the activity schedule or days and times that child care is needed.

Job counselors may indicate the number of hours of child care needed for activities other than employment and education.

FLEXIBLE EMPLOYMENT SCHEDULES

For a client with a flexible employment schedule, a statement with the typical days and times worked or the possible days and times worked is allowable. The statement could be written by the job counselor for MFIP/DWP families with an approved Employment Plan, the employer, or the client if proof is not available despite the best efforts of you and the client. Once verification of the flexible schedule has been provided, clients must report and verify schedule changes that do not fall within the range reported on the schedule verification of typical or possible days and times worked. Clients do not need to report or verify schedule changes that fall within the range reported on the schedule verification of typical or possible days and times worked.

VERIFICATION TYPES

Examples of acceptable verification of schedule include, but are not limited to a:

- Class schedule with days and times of class, printed from a website.
- Statement from the employer with the days and times that the client is scheduled to work. This could be an email from the employer using an employer email address.
- Paystub if the days and times worked are listed.
- Copy or picture of the schedule that the employer posts to show the days and times that the client is scheduled to work.

If proof is not available despite the efforts of you and the client, you may obtain a signed statement from the client with the days and times worked or the days and times that classes meet, attesting to the correctness of the information. For the purpose of obtaining schedule verification, information reported on the application, child care addendum, redetermination form, or change report form does not qualify as verification of schedule.

FAILURE TO PROVIDE SCHEDULE VERIFICATION

Verification of employment schedule and/or class schedule is needed to determine the appropriate number of hours of care to authorize. Verification of employment schedule and/or class schedule is NOT a condition of eligibility. If verification of the employment schedule and/or class schedule is not provided but all other eligibility requirements are met, the case should be suspended.

LEGAL AUTHORITY

MN Rules 3400.0020, Subp. 38b
MN Rules 3400.0040, Subp. 18
MN Rules 3400.0110, Subp. 3

SCHEDULE VERIFICATION – CHILD'S SCHOOL SCHEDULE 7.30

Verification of the school schedule is required for every child who needs child care and attends school. Verification is needed at application, redetermination if a change has occurred, at other times when there is a change in the child's school schedule, and when the child moves to a new school. If, at redetermination, there has not been a change in the child's school schedule, and verification has been obtained previously, verification is not required. A change includes a different school or different school schedule. The verification must show the start and end times of classes. If start and end times differ by day of the week, the verification must show the start and end times by day of the week. The verification does NOT need to include the child's name. Worker obtained verification of the school schedule is acceptable.

MFIP/DWP FAMILIES WITH AN APPROVED EMPLOYMENT PLAN

For MFIP or DWP families with an approved Employment Plan, verification of the child's school schedule is not required if the job counselor has indicated the child's school schedule (days and times of school) OR the days and times that child care is needed, taking into account the child's school schedule.

If the job counselor has indicated the days and times that child care is needed on the MFIP/DWP Employment Services Child Care Request (PDF) (DHS-7054), and has indicated that the child's school schedule was considered, verification of the child's school schedule is not required. The job counselor may also use other methods to communicate the child's school schedule or days and times that child care is needed.

The CCAP worker does not need to ensure that the job counselor obtained verification of the child's school schedule.

VERIFICATION TYPES

Examples of acceptable verification of the child's school schedule include, but are not limited to a:

- School calendar with days and times of class, paper copy or printed from a website (may be obtained by the client or worker).
- Statement from school with days and times of class.
- Case note with days and times of class and how the worker obtained the information.

If proof is not available despite the efforts of you and the client, you may obtain a signed statement from the client with the days and times that the child is in school, attesting to the correctness of the information. For purposes of obtaining schedule verification, information reported on the application, child care addendum, redetermination form, or change report form does not qualify as verification of schedule.

FAILURE TO PROVIDE SCHEDULE VERIFICATION

Verification of the child's school schedule is needed to determine the appropriate number of hours of care to authorize for children who attend school. Verification of the child's school schedule is NOT a condition of eligibility. If verification of the child's school schedule is not provided for a child who attends school, care should not be authorized for that child. If care is not authorized for any children, the case should be suspended.

LEGAL AUTHORITY

MN Rules 3400.0020, Subp. 38b
MN Rules 3400.0040, Subp. 18
MN Rules 3400.0110, Subp 3

CHANGES IN CIRCUMSTANCES 8

You may become aware of changes through various sources:

- Family reporting. See Chapter 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^2 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 Chapter 5 (CCAP Family Composition), Chapter 6 (Income Eligibility).
3 Determine if the change affects the family's copayment amount. See Chapter 6.21 (Family Copayment).
4 Determine if the change affects the payment amount. See Chapter 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 Chapter 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 Chapter 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 Chapter 7 (Verification), Chapter 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 Chapter 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 Chapter 7 (Verification) and Chapter 7.1 (Verification Due Dates).

LEGAL AUTHORITY

Minnesota Statutes 119B
Minnesota Rules 3400

REPORTING REQUIREMENTS 8.3

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 Chapter 8.12 (Moving Between Counties) for further information.
- Employment status, including the last date of the employment activity and the date the last paycheck was received.
- Employment schedule.
- Education or training status.
- Education schedule.
- Child school schedule if there is a change to a different school or new school schedule.
- 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 the reporting 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

AGENCY RESPONSIBILITIES FOR FAMILY REPORTING 8.3.3

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 Chapter 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

TEMPORARY INELIGIBILITY 8.6

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

SUSPENDING A CASE 8.9

When there are temporary breaks when child care assistance is not needed, a case can be suspended and a family can remain eligible for up to one year. See Chapter 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 but are not limited to:
- 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 Chapter 9.12 (Authorized Hours – Students) for more information about suspending care for students on break.
- A participant is on maternal/paternal leave from his/her job and provides documentation that they will be returning to their employment.
- 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 Statutes 119B
Minnesota Rules 3400.0035
Minnesota Rules 3400.0060

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 1st day of the month, the 2 full calendar month period begins the 1st 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 2nd 2-month unitary residency period. See the MEC² 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^2 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 Chapter 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.

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 Chapter 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

TERMINATION 8.15

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 Chapter 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

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:

Chapter	Title
9.0	9 Authorizing Care and Payments
9.1	9.1 Child Care Authorization
9.1.3	9.1.3 Authorizing Care - School Release Days
9.1.6	9.1.6 Authorizing Care - Flexible Schedules
9.1.9	9.1.9 Authorizing Care - Multiple Providers
9.1.12	9.1.12 Weekly Authorization to High Quality Providers
9.3	9.3 Payments to Providers
9.3.3	9.3.3 Federal Employer Identification Number (FEIN)
9.6	9.6 Payments to Families
9.9	9.9 Determination of Payment Amounts
9.9.3	9.9.3 Post-Secondary Child Care Grant
9.12	9.12 Authorized Hours - Students
9.15	9.15 Authorized Hours - Employment
9.15.1	9.15.1 Authorized Hours - Self-Employment
9.18	9.18 Authorized Hours - Job Search
9.21	9.21 Authorized Hours - Combinations of Activities
9.24	9.24 Provider Rates
9.24.3	9.24.3 Child Care Rates, Registration Fees, Copayments
9.24.6	9.24.6 Age Category Exceptions
9.27	9.27 Higher Rates for Quality - Accreditation/Credential
9.30	9.30 Higher Rates for Quality - Parent Aware Rated Providers
9.33	9.33 Care for Sick Children
9.36	9.36 Care During Medical Leaves of Absence
9.39	9.39 Care During Child Absences
9.42	9.42 Holidays
9.45	9.45 Registration Fees
9.54	9.54 Special Needs
9.57	9.57 Correcting Underpayments

LEGAL AUTHORITY

Minnesota Statutes 119B

CHILD CARE AUTHORIZATION 9.1

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

Authorized activity requirements differ depending on the family's sub-program:
● For MFIP/DWP child care see Chapter 4.3.3.21 (MFIP/DWP Authorized Activities).
● For Transition Year (TY) child care see Chapter 4.3.6.3 (TY Authorized Activities).
● For Transition Year Extension (TYE) child care see Chapter 4.3.9.3 (TYE Authorized Activities).
● For Basic Sliding Fee (BSF) child care see Chapter 4.3.12.6 (BSF Authorized Activities & Hours).

Rules for authorizing child care differ depending on the family's authorized activities:
● For clients with approved Employment Plans see Chapter 16.1 (Authorizations for Client with an Employment Plan).
● For students see Chapter 9.12 (Authorized Hours – Students).
● For employed clients see Chapter 9.15 (Authorized Hours – Employment).
● For self-employment clients see Chapter 9.15.1 (Authorized Hours – Self Employment).
● For clients who are job searching see Chapter 9.18 (Authorized Hours – Job Search).
● For clients who are participating in a combination of activities see Chapter 9.21 (Authorized Hours – Combinations of Activities).

There are special rules for authorizing care for children that are eligible for the Weekly Authorization to High Quality Providers policy. See Chapter 9.1.12 (Weekly Authorization to High Quality Providers).

DETERMINING THE NUMBER OF HOURS TO AUTHORIZE

Do NOT pay for more than 120 hours of child care assistance per child every 2 weeks.

The number of hours authorized for each child should be the number of hours that care is needed to support parental authorized activities, excluding the hours that the child does not need child care and the hours that the provider is not available. The child may not need child care due to the child being in school or the parent having another care arrangement. To determine the number of hours that care is needed for each child, the worker must examine the family's authorized activity schedule, the child's school schedule and the provider's availability. See Chapter 7.27 (Schedule Verification – Employment and Education) and Chapter 7.30 (Schedule Verification – Child's School Schedule).

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.

Care must be authorized in full hour increments. 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.

When authorizing care for school age children, if the amount of care needed is in increments of less than a full hour, 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 providers that are willing to care for their children.

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

AM	PM	Care Authorized
1.5 hours = 2 hours	1.5 hours = 2 hours	4 hours=40 hours biweek rather than 30 hours biweekly

15 minutes =1 hour 1.5 hours = 2 hours 3 hours=30 hours biweekly rather than 20 hours biweekly

WEEKLY AUTHORIZATION TO HIGH QUALITY PROVIDERS

Children that are eligible for the Weekly Authorization to High Quality Providers policy can be authorized for 50 hours per week (100 hours biweekly). See Chapter 9.1.12 (Weekly Authorization to High Quality Providers) for more information.

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. See Chapter 9.1.3 (Authorizing Care – School Release Days) for information about how to authorize child care for school release days.

FLEXIBLE SCHEDULES

Child care may be authorized for families who have flexible schedules. See Chapter 9.1.6 (Authorizing Care – Flexible Schedules) for information about how to authorize child care for families with flexible schedules.

MULTIPLE PROVIDERS

Child care may be authorized for more than one 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. See Chapter 9.1.9 (Authorizing Care – Multiple Providers) for information about authorizing care of families with more than one provider.

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, legal nonlicensed child care providers and their employees, and any provider providing care in a setting other than a child care center, 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 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 Chapter 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 Chapter 4.6 (Employment and Training Requirements) for specific requirements.

CHILD CARE IN SUPPORT OF EMPLOYMENT

There are limited circumstances where care can be authorized in support of employment. See Chapter 9.15 (Authorization Hours – Employment) for information on child care in support of employment.

LEGAL AUTHORITY

Minnesota Statutes 119B.09
Minnesota Rules 3400.0110

AUTHORIZING CARE – SCHOOL RELEASE DAYS 9.1.3

Child care may be authorized for families who need child care only on school release days and for families who need additional 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. When authorizing child care for school release days, it is important that there be communication between families, providers, case workers and billing workers. For example, the comment section on a service authorization, a special memo or conversations (with case notes to document) between parents, providers and staff are recommended methods to communicate how care is authorized in relationship to school release days.

There are three 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 hours of care. Authorizing 1 hours 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 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 with additional care needed on school release days, the highest number of hours of care needed will be authorized.

LEGAL AUTHORITY

Minnesota Statutes 119B.09, Subd. 6
Minnesota Rules 3400.0110, Subp 2a

AUTHORIZING CARE – FLEXIBLE SCHEDULES 9.1.6

Child care may be authorized for families who have flexible schedules. Do NOT authorize of 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. For example, the comment section on a service authorization, a special memo or conversations (with case notes to document) between parents, providers and staff are recommended methods to communicate how care is authorized in relationship to the expected schedule(s).

See Chapter 7.27 (Schedule Verification – Employment and Education) for information about obtaining schedule verification for clients with flexible employment schedules.

Depending on the method used to authorize child care, provider may be able to be paid for more or less child care than has been authorized in the Service Authorization.

There are three 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 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 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 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 needs more care than what has been authorized. 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 that 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 be bill for fewer hours when the family needs less care than what has been authorized. 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.

LEGAL AUTHORITY

Minnesota Statutes 119B.09, Subd. 6
Minnesota Rules 3400.0110, Subp. 2a
Minnesota Rules 3400.0040, Subp. 8

AUTHORIZING CARE – MULTIPLE PROVIDERS 9.1.9

Child care may be authorized for more than one 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.

Do NOT pay for more than a total of 120 hours of child care assistance per child every 2 weeks. See Chapter 9.1 (Child Care Authorization) for information about authorizing child care when a child switches to a new provider.

When authorizing care for multiple providers, workers should be aware of how daily and weekly payment policies for licensed providers interact with the 120 hours payment limitation. A payment at the daily rate counts as 10 hours. A payment at the weekly rate counts as 50 hours. See Chapter 9.9 (Determination of Payment Amounts) for more information.

Do NOT pay for more than one provider for the same period of time.

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

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 listed in the "Total Hours of Care Authorized" field on the Billing window or by creating a new Service Authorization with additional hours. 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. authorized.

WEEKLY AUTHORIZATION TO HIGH QUALITY PROVIDERS

See Chapter 9.1.12 (Weekly Authorization to High Quality Providers) for information about authorizing care for families with multiple providers when at least one of the providers qualifies for the Weekly Authorization to High Quality Providers policy.

LEGAL AUTHORITY

Minnesota Statutes 119B.09, Subd. 6
Minnesota Rules 3400.0110, Subp. 2a

Weekly Authorization To High Quality Providers 9.1.12

The Weekly Authorization to High Quality Providers policy is effective August 4, 2014. This policy is designed to support consistent care scheduled for young children attending high quality care and to allow for higher Child Care Assistance Program (CCAP) payments.

Under this policy, some children attending high quality care can be authorized for more hours than they would normally be eligible for. Their providers can be paid up to the applicable weekly maximum rate, not to exceed the provider's charge. See Chapter 9.24 (Provider Rates) and Chapter 9.24.3 (Child Care Rates, Registration Fees, Copayments) for more information about the applicable maximum rates. This policy allows the parent and provider to determine a schedule of care that it not tied to the specific days and times that the parent is in an authorized activity. The child may attend care according to the schedule of care, even if some of the care is not needed to support the parent's activities. Under this policy, the Child Care Assistance Program may routinely pay providers for some scheduled and authorized care that is not needed to support the parent's activities. When these payments occur in line with this policy they are not overpayments unless other policy guidelines are not being followed.

PROVIDER REQUIREMENTS

Providers must be eligible for a higher rate for quality in order to be eligible for this policy. Eligible providers are:

- Providers with a three or four-star Parent Aware rating. See Chapter 9.30 (Higher Rates for Quality – Parent Aware Rated Providers).
- Centers accredited by certain organizations. See Chapter 9.27 (Higher Rates for Quality – Accreditation/Credential).
- Licensed family child care providers that hold certain current early childhood development credentials or are accredited by the National Association for Family Child Care. See Chapter 9.27 (Higher Rates for Quality – Accreditation/Credential).

County identified/Department of Human Services (DHS) approved at-risk providers are eligible for this policy if they meet the provider requirements. See Chapter 9.54 (Special Needs) for more information on at-risk providers.

Legal nonlicensed providers are not eligible for this policy.

CHILD REQUIREMENTS

To be eligible for this policy, the child must:

- Be ages zero through five but not yet in kindergarten,
- Qualify for at least 30 hours of child care per week at the high quality provider, and
- Attend a high quality provider.

The child is no longer eligible for this policy when:

- The child turns six,
- The child starts kindergarten,
- The child qualifies for less than 30 hours of child care per week at the high quality provider, or
- The child stops attending a high quality provider.

When a child is no longer eligible for this policy and the number of hours authorized is reduced, a 15 day notice of adverse action is required.

Qualifying for 30 hours of child care per week

The child must qualify for at least 30 hours of child care per week at the high quality provider to be eligible for this policy:

Weekly Authorization To High Quality Providers 9.1.12

The Weekly Authorization to High Quality Providers policy is effective August 4, 2014. This policy is designed to support consistent care scheduled for young children attending high quality care and to allow for higher Child Care Assistance Program (CCAP) payments.

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PROVIDER REQUIREMENTS

Providers must be eligible for a higher rate for quality in order to be eligible for this policy. Eligible providers are:

- Providers with a three or four-star Parent Aware rating. See Chapter 9.30 (Higher Rates for Quality – Parent Aware Rated Providers).
- Centers accredited by certain organizations. See Chapter 9.27 (Higher Rates for Quality – Accreditation/Credential).
- Licensed family child care providers that hold certain current early childhood development credentials or are accredited by the National Association for Family Child Care. See Chapter 9.27 (Higher Rates for Quality – Accreditation/Credential).

County identified/Department of Human Services (DHS) approved at-risk providers are eligible for this policy if they meet the provider requirements. See Chapter 9.54 (Special Needs) for more information on at-risk providers.

Legal nonlicensed providers are not eligible for this policy.

CHILD REQUIREMENTS

To be eligible for this policy, the child must:

- Be ages zero through five but not yet in kindergarten,
- Qualify for at least 30 hours of child care per week at the high quality provider, and
- Attend a high quality provider.

The child is no longer eligible for this policy when:

- The child turns six,
- The child starts kindergarten,
- The child qualifies for less than 30 hours of child care per week at the high quality provider, or
- The child stops attending a high quality provider.

When a child is no longer eligible for this policy and the number of hours authorized is reduced, a 15 day notice of adverse action is required.

Qualifying for 30 hours of child care per week

The child must qualify for at least 30 hours of child care per week at the high quality provider to be eligible for this policy:

care left for the child's other provider(s). This may not meet the family's needs If a child has multiple providers, work with the family to determine whether 50 hours of care should be authorized with the high quality provider (100 hours biweekly). If the child has multiple providers, the family can choose to not have the high quality provider authorized for 50 hours of care per week (100 hours biweekly) .

INFORMATION FOR PARENTS AND PROVIDERS

The Child Care Assistance Program (CCAP) Weekly Authorization to High Quality Providers (DHS-6954-ENG) may be sent to providers eligible for this policy.

The Child Care Assistance Program (CCAP) Weekly Authorization to High Quality Providers (DHS-6954A-ENG) may be sent to families eligible for this policy.

LEGAL AUTHORITY

Minnesota Statutes 119B.13, Subd. 3c

PAYMENTS TO PROVIDERS 9.3

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 Chapter 9.6 (Payments to Families).

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 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 family became eligible. See Chapter 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 completed training required. See Chapter 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 County Child Care Plan, and it must include county error.

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

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 end a provider's authorization, 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.

OR

- The provider violates CCAP rules, until the violations have been corrected

OR

- The provider submits false attendance reports or refuses to provide attendance records upon request.

OR

- The provider gives false child care price information.

OR

- The provider is operating with a suspended or revoked license, or has been issued licensing orders that affect the health and safety of children in care due to the nature, chronicity, or severity of the licensing orders. Consult DHS staff if your county is considering use of this provision to stop paying a provider.

The county may withhold a provider's authorization or payment for a period of time not to exceed three months beyond the time that the condition above has been corrected. The circumstances in which a county applies this policy should be included as an approved amendment to your County Child Care Plan.

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 Chapter 2 (Glossary) for the definition of provisional authorization and provisional payments. Check your County Child Care 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

FEDERAL EMPLOYER IDENTIFICATION NUMBER 9.3.3

Effective July 1, 2014, a legislative change to Minnesota Statutes, section 119B.09, subdivision 9(a) prohibits Child Care Assistance Program (CCAP) payments to child care centers if more than 50% of the children cared for by the center are children of the center's employees or reside with the center employees. Implementing this change involves collection of Federal Identification Numbers (FEIN) by county agencies and monitoring of compliance by DHS.

OBTAINING FEDERAL EMPLOYER IDENTIFICATION NUMBERS (FEIN)
All employed adults who are part of a CCAP family are required to supply their employer's Federal Employer Identification Number (FEIN). Self-employed adults are not required to supply a FEIN.

A FEIN, also called an Employer Identification Number (EIN) or Tax Identification Number (TIN), is a nine digit unique number that the Internal Revenue Service (IRS) assigns to businesses that are required to file tax returns. Every company has its own FEIN, which is provided to employees for the purpose of filing their taxes each year.

Agencies must obtain the FEIN for all employers of employed adults who are part of a CCAP family and enter the FEIN in MEC^2. The FEIN must be obtained at application, redetermination, or at the time the family reports a change in employment. Verification of the FEIN is not required.

There is a space for the client to include the FEIN on the CCAP Application (DHS-3550) and Redetermination (DHS-5274) forms.

There is a field on the Earned Income window in MEC^2 for the agency worker to enter the FEIN. Do not deny CCAP eligibility while obtaining the FEIN. The agency worker may override eligibility results to allow additional time in which to obtain the FEIN.

There are several ways employed adults can find their employer's FEIN.

The FEIN may be found on:
- A W2
- A paystub
- The company's website
- Calling the company and requesting the number

The FEIN of a public company may be found on their:
- 10-K
- 20-F
- Other SEC filings.
- These documents can be located free of charge through the U.S. Securities and Exchange Commission's EDGAR database at http://www.sec.gov/edgar.shtml.

LEGAL AUTHORITY
Minnesota Statutes 119B.09, Subd. 9A

PAYMENTS TO FAMILIES 9.6

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 (or in a two parent household, one parent has been determined unable to care) 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 or when out-of-home care would result in the disruption of the child's nighttime sleep schedule. 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 OR
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 Chapter 11.27 (In-Home Child Care Requests and Provider Information) 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.

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.

Fact Sheets on minimum wage and overtime provisions of the Fair Labor Standards Act (FLSA) are available at www.dol.gov/whd. Give these fact sheets to all people who employ in-home child care providers.

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 3400.0035, Subp. 9
Minnesota Rules 3400.0040, subp. 6a

DETERMINATION OF PAYMENT AMOUNTS 9.9

The payment amount is the provider's rate, not to exceed the CCAP maximum rate, minus the family copayment. See Chapter 9.24.3 (Child Care Rates, Registration Fees, Copayments), Chapter 9.27 (Higher Rates for Quality - Accreditation/Credential), Chapter 9.30 (Higher Rates for Quality – Parent Aware Rated Providers), and Chapter 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 pay more than the CCAP maximum rate or the rate the provider charges to private pay families, whichever is lower. Do not place other limits on the payment amount.

The payment amount is based on:

- the county where care is provided,
- the age of the child,
- the type of the provider,
- provider's charge,
- number of hours of child care that are authorized,
- hours the child is scheduled to be in care.

When the provider charge is more than the amount CCAP can pay, the parent is responsible for the additional amount plus the family co-payment fee.

LEGAL NONLICENSED PROVIDERS (LNL)
Legal nonlicensed child care providers can only be paid by the hour. CCAP cannot pay for more than 10 hours of care in one day. CCAP cannot pay for more than 50 hours of care in one week.

LICENSED PROVIDERS AND LICENSE EXEMPT CENTERS
For children attending licensed family child care providers, licensed centers, and license -exempt centers, if the child is authorized and scheduled 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:
  - 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.
  - 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

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 CCAP maximum rate or the provider charge. See Chapter 9.1 (Child Care Authorization) for more 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

Rate	Actual Hours of Care	Count Toward Total Hours of Care
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 Chapter12.6.12 (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.

HIGHER RATES FOR QUALITY
Providers with certain current early childhood development credentials and providers with a three or four-star Parent Aware rating are eligible for higher rates for quality. See Chapter 9.27 (Higher Rates for Quality – Accreditation/Credential) and Chapter 9.30 (Higher Rates for Quality – Parent Aware Rated Providers).

SPECIAL NEEDS RATE
Payment rates for care of children with special needs may exceed your agency's maximum rates. See Chapter 9.54 (Special Needs)

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. The county 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 Chapter 9.24.3 (Copayment schedule).

CHILD CARE EXPENSES PAID BY OTHER SOURCES
If the family receives partial or full reimbursement for child care expenses 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. See Chapter 9.9.3 (Post-Secondary Child Care Grant) for more information on post-secondary child care grants and how to use the grant in combination with CCAP funds.

Families can receive both CCAP and an Early Learning Scholarship. If a child is receiving CCAP, CCAP funds should be used first. Do not reduce CCAP payments due to an Early Learning Scholarship. Do not count an Early Learning Scholarship as income. An Early Learning Scholarship could be used to cover family copayments, transportation or activity fees, private pay rates not covered by CCAP maximums, and breaks or reductions in CCAP authorization/eligibility.

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 the Child Care Assistance Program Financial Tracking Form (PDF) (DHS-5318-ENG) to record third party payments.

CHILD CARE SUPPORT ORDER

A CCAP applicant or participant may have a Child Care Support Order stating 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 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
Minnesota Statutes 119B.10, Subd. 11
Minnesota Rules 3400.0110, Subd. 4a
Minnesota Rules 3400.0130

Post-Secondary Child Care Grant 9.9.3

The Post-Secondary Child Care Grant is available to students not receiving MFIP who attend eligible postsecondary institutions and are enrolled at least half-time. If eligible, a student can be awarded a grant for each academic term per eligible child. More information on the grant can be found on the Minnesota Office of Higher Education's website.

Take the following steps when a student receives a Post-Secondary Child Care Grant.

1. **Verify the receipt and amount of the grant.**
   Students receive verification of the grant award amount, which should be provided to the CCAP worker. Depending on the academic institution, the student will receive either the Post-Secondary Child Care Grant Award Notice or the amount of the grant will be indicated on the student's financial aid award letter.

   Do not count the grant as income.

   If the CCAP worker has questions regarding the student's grant, the worker should contact the school's financial aid officer for additional information. When students apply for the grant, a release of information is signed, allowing for an exchange of information between the financial aid officer and the county social service agency.

2. **Determine what the grant will be used for.**
   The Post-Secondary Child Care Grant can be used to cover two types of expenses: same child care expenses that could be paid by CCAP and different child care expenses that are not paid by CCAP. If the grant is used for same child care expenses, the CCAP case must be suspended and the grant must be used before CCAP can make payments. If the grant is used for different child care expenses, CCAP does not need to be suspended. Students can also use the grant for a combination of same and different child care expenses (see Calculation Example below).

   The grant award letter that the parent receives from the school is not specific about how the dollars are to be used, so it is recommended that CCAP workers look at different child care expenses first. This will help maximize the award and lesson the financial burden on families.

   The parent can also provide a self-verified statement explaining how they plan to use the grant dollars.

3. **Calculate different child care expenses.**
   The CCAP worker should first determine if a student has any different CCAP expenses.

   Examples of different child care expenses include:
   - Copays
   - Difference between the actual child care costs and the CCAP maximum payment
   - Days and/or times that CCAP will not cover

   Project the different expenses over the course of the school term and allow the student to use the grant to cover these expenses.

4. **Calculate same child care expenses.**
   Once all different child care expenses have been accounted for, if there is any amount of the grant remaining, manually calculate how many weeks of child care costs the remaining grant will cover and suspend the case for that period of time. When calculating the amount of care the grant will cover, only use full week amounts and always round down.

CALCULATION EXAMPLE

In this example, the student is able to use their Post-Secondary Child Care Grant to cover the copay and the difference between the provider charge and the CCAP maximum rate for the entire semester. There

is also a small amount of money from the grant remaining to cover same child care expenses, which will result in the CCAP case being suspended for one week.

Calculate different child care expenses:

Biweekly actual child care costs (amount the provider charges the family):	$400.00 ($200 per week X 2)
CCAP Maximum biweekly amount:	- 325.98 ($162.99 weekly max X 2)
Biweekly difference between actual cost and CCAP maximum:	$ 74.02

Biweekly difference between actual cost and CCAP maximum:	$74.02
Student's biweekly copay:	+18.00
Student's biweekly out of pocket costs not covered by CCAP:	$92.02

Student's out of pocket costs not covered by CCAP for the semester:
$92.02 X 8 biweekly periods (based on a 16 week semester) = $736.16

Total grant amount for the semester:	$900.00 (as verified on grant award letter)
Costs not covered by CCAP for the semester:	- 736.16
Grant remaining for same CCAP expenses:	$163.84

Calculate same child care expenses:
Manually calculate how many weekly periods of child care costs the remaining Post-Secondary Child Care Grant will cover. The remaining amount of the grant should be applied to the child care costs before CCAP can make payments.

Amount of remaining grant divided by the actual weekly cost of child care:

Weekly maximum rate:	$162.99
Family's weekly copay:	- 9.00 ($18 biweekly copay ÷ 2)
Maximum weekly CCAP payment:	$153.99

$163.84 (remaining amount of grant for same CCAP expenses) ÷ $153.99 (maximum weekly CCAP payment after copay) = **1.06 weeks**

When calculating the amount of care the Post-Secondary Child Care Grant will cover, only use the full week amounts and always round down. In this example, the amount of the remaining grant covers one full week of same child care expenses. Care should be suspended for one week. CCAP should begin to make payments following the one week that the case is suspended.

LEGAL AUTHORITY

Minnesota Statutes 119B.09, Subd. 11
Minnesota Statutes 119B.12, Subd. 2
Minnesota Rules 3400.0110, Subp. 3 and Subp. 4a

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.

See Chapter 4.3.12.3 (Basic Sliding Fee Students) for information about approving education as an authorized activity for BSF.

GUIDELINES FOR AUTHORIZING CARE FOR EDUCATION

Authorize care as needed for:

- all hours of actual class time
- credit hours for independent study and internships
- up to two hours of travel time per day
- two hours per week per credit hour for post-secondary students for study time and academic appointments. When a student has more than 1 hour between classes on any 1-day, reduce the authorized study time by the number of hours between classes.

See Chapter 9.15 (Authorized Hours – Employment) for information about authorizing care for employment hours when a student is employed

OTHER CIRCUMSTANCES WHEN DETERMINING AUTHORIZED CARE

- Child Care Assistance for remedial classes is subject to the county approval of an acceptable course of study. Authorize child care assistance for remedial classes as needed for the student to attend class and complete class assignments.
- For Minnesota Family Investment Program (MFIP) or Diversionary Work Program (DWP) students with an approved education or training plan, authorize child care assistance according to the approved Employment Plan (EP).
- Authorize child care assistance for a Basic Sliding Fee student that already has a baccalaureate degree for continuing education units or certification or coursework necessary to update credentials to obtain or retain employment.
- Authorize child care assistance for a Minnesota Family Investment Program (MFIP) student that already has a baccalaureate degree as approved in the Employment Plan. This includes Masters programs and beyond.
- 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

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. 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 or the hours that the provider is unavailable. The child may not need child care due to the child being in school. See Chapter 9.12 (Authorized Hours –Students)

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 Chapter 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 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.

NOTE: Generally, students are considered full-time when they are enrolled in a minimum of 12 credits, their credits are equivalent to full-time students, and/or they are participating in 20 hours of classroom training per week. Because schools have differing definitions of full-time and part-time students, rely on the terminology of the specific school for determination. If you have questions about a student's status, contact the school or ask the student to do so for more information.

There is no minimum number of credits that a student must have to be considered part-time. A part-time student is considered anything less than full-time.

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 Statutes 119B.10

AUTHORIZED HOURS – SELF-EMPLOYMENT 9.15.1

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 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

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

For BSF, TY, TYE and MFIP/DWP participants without an approved Employment Plan, authorize child care for 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.

MFIP or DWP participants with an approved Employment Plan are exempt from the 240 hours per calendar year maximum. Authorize care according to the approved Employment Plan.

Employed BSF, TY, TYE and MFIP/DWP participants who do not have job search included in an approved Employment Plan can be authorized for up to 240 hours per calendar year, in addition to hours authorized for work. Check with the ES provider to determine if this activity could be added to the approved plan. If not, authorize job search hours according to the information stated above.

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 Employment Plan 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
- A standard number of hours of job search that are determined by the county

LEGAL AUTHORITY

Minnesota Statutes 119B.10 Subd.1
Minnesota Rules 3400.0040 Subp.15a

AUTHORIZED HOURS – COMBINATIONS OF ACTIVITIES 9.21

Authorize no more than 120 hours of care per child every 2 weeks.

Authorize hours necessary to support an approved MFIP or DWP Employment Plan (EP). The Child Care Program does have not a minimum wage or hours per week requirement for employment activities that are included in an approved MFIP or DWP Employment Plan. Job search is not limited to 240 hours per calendar year if included in an approved MFIP or DWP Employment Plan.

When BSF, TY, TYE or MFIP/DWP participants whose employment hours are not included in an approved Employment Plan are full time students and request child care for their employment activity, their employment requirement is reduced to an average of 10 hours per week, earning at least the applicable minimum wage for all hours worked. These participants do not need to be in a county approved Employment or Education Plan to receive child care for their employment hours. When a full time student has a school break, including summer breaks, they retain their full time student status, if the student is expected to return to full time school following the break.

Students are not required to work.

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.

Employed BSF, TY, TYE and MFIP/DWP participants who do not have job search included in an approved Employment Plan can be authorized for up to 240 hours per calendar year for job search activities in addition to hours authorized for work.

LEGAL AUTHORITY

Minnesota Statutes 119B.10
Minnesota Rules 3400.0040 Subp. 11

PROVIDER RATES 9.24

The Department of Human Services conducts a statewide child care provider rate survey. 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. The maximum rates in place are based on provider survey responses within a particular county or survey responses within a group of counties.

Maximum rates that can be paid vary according to the type of provider, the age of the child and the location where care is provided. See Chapter 9.24.3 (Child Care Rates) for a link to the hourly, full-day, and weekly child care maximum rates.

Authorize payment up to the county maximum rate, not to exceed the provider charge for all hours of child care authorized in the participant's case.

Apply the age categories for children in family child care (Licensed/Legal Non-Licensed) and child care centers (Licensed/License Exempt Centers). See Chapter 2 (Glossary) under infant, toddler, preschool and school age for these age categories. See Chapter 9.24.6 (Age Category Exceptions) for information about exceptions to the standard 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.

All changes to maximum provider rates will be implemented in MEC2 the Monday following the effective date of the new rate.

The family is responsible for any provider charges that exceed the maximum rates, in addition to the family copayment fee.

See Chapter 9.27 (Higher Rates for Quality – Accreditation/Differential).
See Chapter 9.30 (Higher Rates for Quality – Parent Aware Rated Providers).

LEGAL AUTHORITY

Minnesota Statutes 119B.13

CCAP MAXIMUM RATES

- Minnesota Child Care Assistance Program table listing the maximum rates that Family Child Care /Legal Non-Licensed and Child Care Center providers without a quality designation can be paid.
  Minnesota Child Care Assistance Program Standard Maximum Rates - No Quality Differential (Effective February 3, 2014) (PDF) (DHS-6441B-ENG)
- Minnesota Child Care Assistance Program table listing the maximum rates that accredited, credentialed and 3-star Parent Aware Rated Family Child Care/Legal Non-Licensed and Child Care Center providers can be paid.
  Minnesota Child Care Assistance Program 15 Percent Quality and 3 –star Parent Aware Differential Maximum Rates (Effective February 3, 2014) (PDF) (DHS-6442B-ENG)
- Minnesota Child Care Assistance Program table listing the maximum rates that 4-star Parent Aware Rated Family Child Care and Child Care Center providers can be paid.
  Minnesota Child Care Assistance Program 20 Percent and 4 –star Parent Aware Quality Differential Maximum Rates (Effective February 3, 2014). DHS-6824-ENG

REGISTRATION FEES

- Minnesota Child Care Assistance Program table listing the maximum registration fees that a provider can charge the Child Care Assistance Program.
  Minnesota CCAP Maximum Child Care Registration Fees (Effective November 28, 2011- current) (PDF) (DHS-6443-ENG)

COPAYMENT SCHEDULES

- Minnesota Child Care Assistance Program tables listing the copayment fees based on family size and income after allowable deductions.
  Minnesota Child Care Assistance Program Copayment Schedules (Effective October 13, 2014-present) (PDF) (DHS-6413C-ENG)

See Chapter 14.6 (Amount of Overpayment) for links to expired rates and expired copayment schedules.

LEGAL AUTHORITY

Minnesota Statutes 119B.13
Minnesota Rules 3400.0100
Minnesota Rules 3400.0130

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AGE CATEGORY EXCEPTIONS 9.24.6

Maximum rates vary by age category. The child care assistance age category of a child is typically determined by the standard age categories for children in family child care (Licensed/Legal Non-Licensed) and child care centers (Licensed/License Exempt Centers). See Chapter 2 (Glossary) under infant, toddler, preschool and school age for these age categories.

When the age category of the child is changed, refer to the “Service Authorizations” section of the MEC2 User Manual so that the appropriate maximum rate is paid.

CENTER LICENSING PROVISION FOR AGE FLEXIBILITY

The licensing provision for age flexibility allows children in child care centers to remain in a younger age-category classroom for a short period of time without a variance. When the child meets the age criteria to qualify for the licensing provision for age flexibility and the parent or provider notifies the county that the child remains in the younger age-category classroom, payment should be made at the rates associated with the age-rate category of the classroom that the child attends. When changing the age category, use the “Provision for Age Rate Flexibility” override reason and enter a case note explaining why the override was done.

Infant: 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.

Toddler: 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.

Preschooler: 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.

School Age: 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. The Child Care Assistance Program will pay for school age children through age 12 or age 14 if the child has a verified special need.

SPECIALIZED INFANT AND TODDLER FAMILY AND GROUP FAMILY CHILD CARE PROVIDERS

A child attending a specialized infant and toddler family and group family day care is considered a “toddler” if they are least 12 months old but less than 30 months old. If the child meets the age criteria and the provider is licensed as a specialized infant and toddler family and group family child care provider, payments should be made at the toddler age-rate category. When changing the age category, use the “Provision for Age Rate Flexibility” override reason and enter a case note explaining why the override was done.

LICENSING VARIANCE

Licensed family child care: Licensing may grant a variance to a licensed family child care provider allowing them to consider a child a different age-category for licensing purposes. If documentation of the licensing variance is provided, payment should be made at the age-rate category indicated on the licensing variance for the duration of the licensing variance. When changing the age category, use the “DHS Variance Granted” override reason and enter a case note explaining why the override was done.

Licensed child care centers: Licensing may grant a variance to a licensed child care center allowing the center to serve a child within a different age-category classroom. If documentation of the licensing variance is provided, payment should be made at the age-rate category of the classroom where care is provided for the duration of the licensing variance. When changing the age category, use the “DHS Variance Granted” override reason and enter a case note explaining why the override was done.

AGE CATEGORY EXCEPTIONS 9.24.6

AGE CATEGORY FLEXIBILITY RELATED TO KINDERGARTEN START DATES
The Child Care Assistance Program recommends that counties consider a child to be preschool age (for payment purposes) until September 1st following the child's 5th birthday. The Child Care Assistance Program allows for the following exceptions:

- **Children within four months of entering Kindergarten**
  In August of each year, MEC² 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.

  If the parent or provider requests that the child be moved to the school age category, the worker may change the age category. When changing the age category, use the "Provision for Age Rate Flexibility" override reason and enter a case note explaining why the override was done.

- **Child starts Kindergarten after 6th birthday**
  The Child Care Assistance Program recommends that counties consider a child to be school age (for payment purposes) on September 1st following the child's 5th 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 1st of the following year. MEC² will determine the child's age category based on information coded on the Member and School windows.

- **Child starts Kindergarten before 5th birthday**
  If a child starts school before the child's 5th birthday, the child is considered school age on the day the child starts school. When changing the age category, use the "Provision for Age Rate Flexibility" override reason and enter a case note explaining why the override was done.

LEGAL AUTHORITY
Minnesota Statutes 245A.02, Subd. 19
Minnesota Statutes 119B.011
Minnesota Rules 9503.0005

HIGHER RATES FOR QUALITY-ACCREDITATION/CREDENTIAL 9.27

Child care assistance can pay up to 15 percent above the standard maximum rate, not to exceed the provider charge, if a provider requests the higher rate and submits verification showing that they hold a certain current early childhood development credential or is accredited by certain organizations.

The Department of Human Services (DHS) recommends that agencies contact us to determine whether the verification submitted is an exact match which makes the provider eligible for the higher rate. DHS will review the actual documents and assist agencies to help prevent provider overpayments.

A licensed family child care provider or legal nonlicensed provider is eligible for the 15 percent higher rate for quality if they hold one of the following early childhood development credentials or accreditations:

- A Child Development Associate credential (CDA).
- A diploma in child development from a Minnesota state technical college.
- An associate's degree in child development.
- 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. (This certificate has not been offered in Minnesota since 1997. If you get a copy of this certificate, contact DHS staff).

Each adult on a licensed family child care license must have one of the credentials listed above to get the 15 percent higher rate for quality. Licensed family child care providers and legal nonlicensed providers that do not hold one of the above credentials are NOT eligible for the higher rate. Licensed family child care providers and legal nonlicensed providers that hold a credential other than the ones listed above are NOT eligible for the higher rate.

Early care and education child care centers with the following accreditations are eligible for the 15 percent higher rate for quality. Make sure the name of the accreditation and the listed organization match exactly as listed below for approving the higher rate:

- Accredited Professional Preschool Learning Environment (APPLE), offered by the Florida Association for Child Care Management (FACCM)
- AdvancED - Early Learning. The provider must submit a letter from AdvancED confirming that early learning protocols were used to achieve their accreditation.
- American Montessori Society (AMS) School Accreditation
- Association of Christian Schools International (ACSI) Accreditation
- Association of Montessori International – USA (AMI) – Montessori School Recognition
- Council on Accreditation (COA) – Early Childhood Education (ECE) Program Accreditation
- Green Apple Accreditation of Children's Services (GAACS) - Early Education Center (EEC) Accreditation
- National Accreditation Commission (NAC) for Early Care and Education Programs Accreditation
- National Association for the Education of Young Children (NAEYC) Accreditation
- National Early Childhood Program Accreditation Commission INC. (NECPA) Accreditation
- The NHSA Quality Initiative: Head Start Performance Excellence and Quality Recognition Program, offered by the National Head Start Association (NHSA)

School-age and after-school child care centers with the following accreditations are eligible for the 15 percent higher rate for quality:

- Council on Accreditation (COA) – Afterschool (ASP) & Youth Development (YDP) Program Accreditation
- Minnesota Afterschool Accreditation Program (MAAP), offered by the Minnesota School-Age Care Alliance (MNSACA)

Accrediting organizations may issue an extension of a current accreditation if time is needed to complete the validation. Require a letter from a qualifying accrediting organization from the listing above that states that the timeframe has been extended. This letter must include the extension end date.

Centers that are not accredited by one of the above organizations are NOT eligible for the higher rate. Centers that are accredited by an organization other than the ones listed above are NOT eligible for the

higher rate. The 15 percent higher rate for quality can be paid to both licensed and legal nonlicensed providers.

The 15 percent higher rate for quality is the maximum rate that can be paid to an accredited or credentialed provider unless the provider has a four-star Parent Aware rating. Pay the provider the 15 percent higher rate for quality or the provider rate, whichever is less. See Minnesota Child Care Assistance Program 15 Percent Quality Differential Maximum Rates (PDF) (DHS-6442B).

If a county discovers that a provider was incorrectly entered into MEC^2 as being eligible for the 15 percent higher rate for quality, the information must be corrected in MEC^2 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 overpayment policies. See Chapter 14 (Overpayments). The Department of Human Services (DHS) has developed a Quality Differential Rate Request Form (PDF) (DHS-4795) that providers may use when requesting the higher rate.

Providers are eligible for the higher rate the first Monday following the date you received the verification.

LEGAL AUTHORITY

Minnesota Statutes 119B.13, Subd. 3a

HIGHER RATES FOR QUALITY – PARENT AWARE RATED PROVIDERS 9.30

Highly-Rated child care and early education programs participating in Parent Aware Ratings are eligible for higher rates for quality:

- Providers with a Three-Star Parent Aware Rating are eligible for up to 15 percent above the standard maximum rate, not to exceed the provider charge.

- Providers with a Four-Star Parent Aware Rating are eligible for up to 20 percent above the standard maximum rate, not to exceed the provider charge.

Providers may be accredited by an approved organization or hold an approved credential and have a Three- or Four-Star Parent Aware Rating. See Chapter 9.27 (Higher Rates for Quality – Accreditation/ Credential).

- Three-Star Parent Aware Rated providers that hold a approved accreditation/credential are eligible for up to 15 percent above the standard maximum rate, not to exceed the provider charge.

- Four-Star Parent Aware Rated providers that hold an approved accreditation/credential are eligible for up to 20 percent above the standard maximum rate, not to exceed the provider charge.

Parent Aware Ratings is Minnesota's Child Care Quality Rating and Improvement System. For more information about Parent Aware, visit www.parentaware.org or call (888) 291-9811.
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EFFECTIVE DATE OF HIGHER RATES FOR QUALITY

Department of Human Services staff is responsible for entering and updating Parent Aware Ratings in MEC^2. County staff is not responsible for entering or updating Parent Aware Ratings. Counties do not need to obtain verification of a provider's Parent Aware Rating.

For providers with an active child care registration that obtain a Three- or Four-Star Parent Aware Rating, the effective date of the higher rate is the Monday of the week that the Parent Aware Rating is entered, not to exceed 30 days after the date the provider's Parent Aware certificate was issued. If the Parent Aware Rating is entered more than 30 days after the date the provider's Parent Aware certificate was issued, the effective date of the higher rate is the Monday of the week that the 30th day falls in.

For providers with a Three- or Four-star Parent Aware Rating without an active registration, the effective date of the higher rate is the Monday of the week that the Parent Aware Rating is entered, not to exceed 30 days after the date the provider is registered. If the Parent Aware Rating is entered more than 30 days after the date the provider is registered, the effective date of the higher rate is the Monday of week that the 30th day falls in.

LEGAL AUTHORITY

Minnesota Statutes 119B.13, Subd.3b

CARING FOR SICK CHILDREN 9.33

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 if identified in the County Child Care Plan. 120 hour limits apply. See Chapter 9.1 (Child Care Authorization).

Your agency has the option of assisting participants with sick child care. If your county makes payments for sick child care that exceed the county maximum rate, sick child care payments must be at a rate comparable to like care arrangements in your county. Your agency may complete a survey of all providers who care for sick children in the county to determine the appropriate rate.

Your agency's County Child Care Plan will indicate if this option is available in your county. The county's sick child care policy and rate shall be included in the County Child Care Plan.

LEGAL AUTHORITY

Minnesota Rules 3400.0110 Subp. 8

CARE DURING MEDICAL LEAVES OF ABSENCE 9.36

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

CARE DURING CHILD ABSENCES 9.39

An absent day is any day that the child is authorized and scheduled to be in care with licensed individuals or centers that are licensed or license exempt, and the child is absent from care. 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, excluding holidays. If a child attends more than one licensed or license exempt center provider, the combined total number of absent days paid must not exceed 25. If the child is absent from care with both providers on the same day and both providers charge and are paid for an absent day, count that day as 1 absent day. If child care absences exceed 25 days, the charges are the financial responsibility of the CCAP family.

LNL providers are not eligible for absent day payments.

EXEMPTION FOR DOCUMENTED MEDICAL CONDITIONS

For children with documented medical conditions that cause more frequent absences, payment may be made for more than 25 absent days per calendar year and for more than 10 consecutive absent days.

The CCAP Medical Condition Documentation Form (PDF) (DHS-4602-ENG) must be completed and returned to the county in order to be exempt from the absent day limits. The form must be completed by a physician, physician's assistant, nurse practitioner, psychiatrist, chiropractor, public health nurse, or school nurse. The form can also be completed by the child care center director or lead teacher if the child was sent home from child care due to the medical condition.

The documented medical condition may be a condition of the child, the child's parent, or the child's sibling living in the same home. The condition may be chronic or time-limited:

- Chronic conditions: Exemptions for chronic or ongoing conditions can be approved for up to 12 months. If the center director or lead teacher signed the form, the exemption is limited to up to two weeks. Exemptions begin on the start date of the illness, but not more than 30 days prior to the date the completed CCAP Medical Condition Documentation Form (DHS-4602) is received by the county. To extend the exemption another form must be completed and returned to the county.
- Time-limited conditions: Exemptions for time-limited conditions can be approved for the time-period of the condition as indicated on the CCAP Medical Condition Documentation Form (DHS-4602), not to exceed 12 months. If the center director or lead teacher signed the form, the exemption is limited to up to two weeks. Exemptions begin on the start date of the illness, but not more than 30 days prior to the date the completed form is received by the county. To extend the exemption or grant an exemption for another time-limited condition, another form must be completed and returned to the county.

If the form is signed by the child care center director or lead teacher, the exemption is limited to up to two weeks from the start date of the illness. In order for the medical exemption to extend beyond the two weeks, the CCAP Medical Condition Documentation Form (DHS-4602) would need to be completed by a physician, physician's assistant, nurse practitioner, psychiatrist, chiropractor, public health nurse, or school nurse.

If the CCAP Medical Condition Documentation Form (DHS-4602) has been completed by child care center staff for the same child on multiple occasions, and the county does not have documentation of the child's medical condition, the county may request that the form be completed by a medical professional before approving additional exemptions.

EXEMPTION FOR TEEN PARENTS ATTENDING CERTAIN PROGRAMS

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.

Payment may be made for more than 25 absent days per calendar year and for more than 10 consecutive absent days.

ABSENT DAY POLICY

Pay the CCAP maximum rate, not to exceed the licensed or licensed exempt center 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 one or more of the conditions above were not met OR:

- You made an error in the amount of care authorized.
- This absence exceeded the 10 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 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 MEC^2.

Only days in which a child is absent for the entire time authorized count against the child's 25 absent days per calendar year 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 and the payment will not count towards the 25 absent day limits.

If a child does not attend child care during a notice period when care is ending and it is the provider policy to charge for these days, the notice 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.

See Chapter 9.42 (Holidays) for information on payment for holidays, and the impact of holidays on absent days.

LEGAL AUTHORITY

Minnesota Statutes 119B.13, Subd. 7
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 (3rd Monday in January).
- Washington and Lincoln's Birthdays (3rd Monday in February).
- Memorial Day (last Monday in May).
- Independence Day (July 4).
- Labor Day (1st Monday in September).
- Christopher Columbus Day (2nd Monday in October).*
- Veterans Day (November 11).
- Thanksgiving (4th 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 or providers to substitute other cultural or religious holidays for the 10 recognized state and federal holidays when they notify the county of the substitution before the holiday or within ten business days after the holiday.

CCAP cannot pay for more than TEN total holidays (recognized and/or substituted) per calendar year, per child. If the provider or parent requests a holiday substitution and the total number of holidays charged by the provider or combination of providers could exceed TEN or conflict with other providers payments, the county should confirm with the parent which provider and which holidays are to be paid by CCAP.

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 Chapter 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 2nd 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

HOLIDAYS 9.42

Holiday
Holiday
Absent Day #4
Absent Day #5
Absent Day #6
Absent Day #7
Absent Day #8
Absent Day #9
Absent Day #10

LEGAL AUTHORITY

Minnesota Statutes 119B.13, subd. 7
Minnesota Statutes 645.44, subd. 5

REGISTRATION FEES 9.45

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's registration fee up to the county's maximum registration fee, whichever is less.

The maximum registration fee may be based on provider responses within a county or other geographic grouping including region-based and statewide-based groupings. See Maximum Child Care Registration Fees (PDF) DHS-6443-ENG for the maximum registration fees that CCAP can pay.

If the provider's registration fee exceeds the maximum amount, the family is responsible to pay for the amount CCAP cannot pay.

You may only pay for 2 registration fees per child to one or more providers in a 12 month period. The family is responsible to pay for any additional registration fees.

If a provider registration fee is a refundable deposit, maintain a record of this payment and deduct it from the final payment to the provider at the time the family ends care.

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)

SPECIAL NEEDS 9.54

CHILDREN OVER AGE 12

Children who are ages 13 through age 14 who have special needs may receive child care assistance. Documentation of the special needs 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 MEC² 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 special need through the child's 14th 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 (PDF) (DHS-4194) 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 (PDF) (DHS-4195) 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 at 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. See Chapter 9.33 (Care for Sick Children) for additional information.

RESOURCES
For additional information and resources for children with special needs contact:

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

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

LEGAL AUTHORITY
Minnesota Statutes 119B.13
Minnesota Rules 3400.0130
Minnesota Rules 3400.0020

CORRECTING UNDERPAYMENTS 9.57

For corrective payment on appeal decisions, see Chapter 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

Once a family has been determined eligible, you must redetermine eligibility on a regular basis. See Chapter 10.3 (When to Redetermine Eligibility).

The Child Care Assistance Program Redetermination Form (DHS-5274) is used to redetermine eligibility. You may also treat a CCAP application (DHS-3550) as a redetermination of eligibility form. Do NOT treat a redetermination of eligibility as a new application.

The redetermination process must be completed by the end of the redetermination period. See Chapter 10.6.3 (Redetermination Processing Standards).

All families must complete a redetermination form and provide required verifications to be eligible for continued benefits. See Chapter 7.6 (Verification – Eligibility Redetermination) for the required verifications at redetermination.

Terminate the family from the Child Care Assistance Program if a family fails to comply with eligibility redetermination requirements. Follow all notice requirements.

See the following sections for additional information on redeterminations:
10.3 When to Redetermine Eligibility
10.3.3 When to Adjust the Length of Redetermination
10.6 Redetermination Process
10.6.3 Redetermination Processing Standards

LEGAL AUTHORITY
Minnesota Statues 119B.025
Minnesota Rules 3400.0180

WHEN TO REDETERMINE ELIGIBILITY 10.3

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 or certification 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^2. Income must be recalculated when the family's income changes.

See Chapter 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 Chapter 8 (Changes in Circumstances).

LEGAL AUTHORITY

Minnesota Statutes 119B.09
Minnesota Rules 3400.0180
Minnesota Rules 3400.0040

WHEN TO ADJUST THE LENGTH OF REDETERMINATION 10.3.3

See Chapter 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. Continue to follow the Redetermination Process (see Chapter 10.6) and Redetermination Processing Standards (see Chapter10.6.3) when adjusting the length of redetermination.

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

See Chapter 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.

See Chapter 10.6.3 (Redetermination Processing Standards) for detailed information about processing the redetermination.

MEC^2 generates a cover letter and mails the following forms 45 days prior to the end of the redetermination period:

- DHS-5274-ENG Child Care Assistance Program Redetermination Form, English version
- DHS-4794-ENG CCAP Change Report Form

When a participant requires a redetermination form in another language the county worker will need to print the form from eDoc's and mail it directly to the participant.

- DHS-5274-HMN Hmong language version
- DHS-5274-RUS Russian language version
- DHS-5274-SOM Somali language version
- DHS-5274-SPA Spanish language version
- DHS-5274-VIE Vietnamese language version

To complete the redetermination process:

- Review the completed redetermination form,
- Obtain required verifications. Eligibility verifications are required to determine eligibility, while the family's schedule verifications are required to authorize care. See Chapter 7.6 (Verification – Eligibility Redetermination).
- Determine the family's eligibility for CCAP. See Chapter 4 (Eligibility Requirements).
- Notify the family of the eligibility determination. See Chapter 12.3 (Notices to Families).
- Notify the family and the provider(s) of the hours of care authorized if the number of hours changes. See Chapter 12.3 (Notices to Families) and Chapter 12.6 (Notices to Providers).

Refer to the MEC² User Manual Redetermination Process in the Case Management and Eligibility section for MEC² procedures.

NOTICE REQUIREMENTS

MEC² will send a 15-day notice before terminating benefits if the family fails to comply with the redetermination process. See Chapter 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.025
Minnesota Rules 3400.0180
Minnesota Rules 3400.0040

REDETERMINATION PROCESSING STANDARDS 10.6.3

See Chapter 10.6 (Redetermination Process) for general information about the redetermination process.

See Chapter 7.1 (Verification Due Dates) for information about due dates when additional verifications are requested at redetermination.

See Chapter 10.6.6 (Redetermination Processing – Reinstatement) for information about reinstating cases when the redetermination is received after the case closes. .

REDETERMINATION REQUIREMENTS
When additional verifications are requested at redetermination, use the MEC2 Special Letter: Verification Request. See Chapter 7.1 (Verification Due Dates) for information on determining the due date of the Special Letter.

If the redetermination form and all required eligibility verifications are received and processed by the last day of the redetermination period, determine whether the family is eligible for continued child care assistance:

- If the family is eligible, notify the family and provider of any changes to the number of hours of care authorized or changes to the copayment amount. See Chapter 12.3 (Notices to Families) and Chapter 12.6 (Notice to Providers)
- If the family is not eligible, send the family and provider a 15 calendar day notice before terminating benefits. See Chapter 12.3.12 (Termination Notices – Family) and Chapter 12.6.9 (Termination Notices – Provider)

If the redetermination form and all required eligibility verifications are not received and processed by the last day of the redetermination period, eligibility must end. MEC² will send a notice of termination to the family and provider 15 calendar days before the end of the family's redetermination period if the redetermination process is not completed. See Chapter 12.3.12 (Termination Notices – Family) and Chapter 12.6.9 (Termination Notices – Provider).

If a complete redetermination form and all required verifications are received within 30 days after the case closes, see Chapter 10.6.6 (Redetermination Processing – Reinstatement).
Notes:

- If schedule verifications are missing but all other required information has been returned prior to the end of the redetermination period and the family remains eligible, the redetermination should be processed but care should not be authorized. If the service authorization(s) has not already been closed, end the service authorization using the reason code "care no longer authorized". The date it should be ended is the last day of the redetermination period. The family's case should be suspended for a period up to one year. See Chapter 8.9 (Suspending a Case).
- Child care can be authorized when the schedule verifications have been submitted. Child care can be authorized retroactively back to the date care was ended or six months prior to the date the SA is issued, whichever is later (assuming that the schedule provided applies to the time period when care was ended). See Chapter 9.3 (Payments to Providers), which states, "If a provider provided care for a time period without receiving a Service Authorization and a billing form for an eligible family, payment may only be made retroactively for a maximum of six months from the date the provider is issued a Service Authorization and billing form."

LEGAL AUTHORITY
Minnesota Statutes 119B.025
Minnesota Rules 3400.0180
Minnesota Rules 3400

REDETERMINATION PROCESSING STANDARDS 10.6.6

Families have 30 calendar days after their case closes to submit the redetermination form and all required eligibility verifications. When the 30th calendar day falls on a Saturday, Sunday, or legal holiday, the 30-day time period is extended to the next day that is not a Saturday, Sunday, or legal holiday. If the family meets all eligibility requirements, child care assistance can be approved back to the date the case closed.

If any of the required eligibility verifications or the redetermination form itself is not received within 30 calendar days after the case closes, the case should remain closed. The family must submit a new application to re-apply for child care assistance. If the redetermination form (DHS-5274) is submitted after the 30 day reinstatement period, it cannot be used as a new application (DHS-3550). Follow policies for processing a new application. See Chapter 3.6 (Accepting and Processing Applications).

INCOME

If a complete redetermination form and all required verifications are received within 30 calendar days after the case closes the:

- Family's income must be below the exit level of 67% of State Median Income. See Chapter 6.3 (Income Limits).
- Family's income does not need to meet the 47% of State Median Income applicant income level. See Chapter 6.3 (Income Limits).

BASIC SLIDING FEE (BSF) WAITING LIST

If a complete redetermination form and all required verifications are received within 30 calendar days after the case closes, the family is not subject to the Basic Sliding Fee waiting list.

Some families receive child care assistance while on the Basic Sliding Fee waiting list. If a complete redetermination form and all required verifications are received within 30 calendar days after the case closes:

- Minnesota Family Investment Program/Diversionary Work Program (MFIP/DWP) Child Care for Student Parents child care can be approved back to the date the case closed. The family remains on the waiting list.
- Transition Year (TY) child care can be approved back to the date the case closed. The family remains on the waiting list.
- Transition Year Extension (TYE) child care can be approved back to the date the case closed. The family remains on the waiting list.
- Portability Pool (PP) child care can be approved back to the date the case closed, as long as the family has not exceeded the 6 month limit for Portability Pool child care. The family remains on the waiting list.

ELIGIBILITY

The family must meet all eligibility requirements to have their case reinstated. If the family does not meet all eligibility requirements the case should remain closed.

A family may meet all eligibility requirements for part, but not all, of the time between the case closing for no redetermination and when the worker processes the redetermination. If the family met all eligibility requirements for part of the time:

- If all eligibility requirements are met for a period of time directly after the case closed, but are not met at a later date, the case should be reinstated. After the case is reinstated, the case should close allowing for 15 days adverse action notice. The time period of continued eligibility would not be an overpayment unless the family failed to report a change timely.
- If all eligibility requirements are not met for the time period directly after the case closed, the case should remain closed.

Example: The case closed for no redetermination on September 10th. The family returned the redetermination form and all verifications on September 20th. The worker processed the redetermination on September 25th.

- If the redetermination showed that the family stopped being in an authorized activity on September 15th. The family met all eligibility requirements on September 10th when the case closed for no

redetermination. The case should be reinstated back to September 10th. The case should close for no authorized activity allowing for 15 day notice from September 25th. There would not be an overpayment because the family reported the change in activity timely.

- If the redetermination showed that the family stopped being in an authorized activity on September 1st. The family did not meet all eligibility requirements on September 10th when the case closed for no redetermination. The case should remain closed.

SUSPENDED AND TEMPORARY INELIGIBLE CASES

If a complete redetermination form and all required verifications are received within 30 calendar days after a suspended case closed for no redetermination, the case can be reinstated back to the date the case closed, as long as the family has not exceeded the one year time limit for suspension.

If a complete redetermination form and all required verifications are received within 30 calendar days after a temporary ineligible case closed for no redetermination, the case can be reinstated back to the date the case closed, as long as the family has not exceeded the time limit for temporary ineligibility.

COPAY CHANGES

Information reported on the redetermination may change the family's copay.

- A copay decrease is effective the biweekly period after the redetermination is processed.
- A copay increase requires a 15 day notice. Give 15 day notice from the day the redetermination is processed. The copay increase is effective the biweekly period after the 15 day notice. The time period with the lower copay is not an overpayment unless the family failed to report a change timely.

AUTHORIZED HOURS CHANGES

Information reported on the redetermination may change the number of hours authorized for a child.

- An increase in the number of hours authorized is effective the biweekly period after the redetermination is processed. Authorized hours may also be increased for biweekly periods prior to the date the redetermination was processed if the child qualifies for more hours.
- A decrease in the number of hours authorized requires a 15 day notice. Give 15 day notice from the day the redetermination is processed. The decrease in the number of hours authorized is effective the biweekly period after the 15 day notice. The time period with the higher authorized hours is not an overpayment unless the family failed to report a change timely.

SCHEDULE VERIFICATION

If schedule verifications are missing but all other required information has been returned within 30 calendar days after the case closes, the case should be reinstated but care should not be authorized. The family's case should be suspended for a period of up to one year. See Chapter 8.9 (Suspending a Case).

Child care can be authorized when the schedule verifications are submitted. Child care can be authorized retroactively back to the date care was ended or six months prior to the date the Service Authorization is issued, whichever is later (assuming that the schedule provided applies to the time period when care was ended). See Chapter 9.3 (Payments to Providers), which states, "If a provider provided care for a time period without receiving a Service Authorization and a billing form for an eligible family, payment may only be made retroactively for a maximum of six months from the date the provider is issued a Service Authorization and billing form."

INAPPROPRIATE REINSTATEMENT

Families whose eligibility and service authorization were reinstated when the completed redetermination form and/or required eligibility verifications were received after the last day of the 30 calendar day reinstatement period are considered inappropriate reinstatements. If it is discovered that a case was inappropriately reinstated, the worker must determine if an overpayment occurred. See Chapter 14 (Overpayments).

LEGAL AUTHORITY

Minnesota Statutes 119B.025
Minnesota Rules 3400.0180
Minnesota Rules 3400.0040

PROVIDERS 11

For the definition of a provider, see Chapter 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 Chapter 11.3
- Licensed centers. See Chapter 11.3
- License exempt centers. See Chapter 11.6
- Legal non-licensed providers. See Chapter 11.9

For additional specific information regarding child care assistance provider requirements, see the following chapters:

11.3	ChapterLicensed Child Care Providers
11.3.3	Licensed Child Care Providers – License closes
11.6	License Exempt Centers
11.9	Legal Non-Licensed (LNL) Providers
11.9.3	Complaints Against LNL Providers
11.9.6	LNL Providers Data Distribution
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.09
Minnesota Statutes 119B.011, subd. 19
Minnesota Statutes 119B.125
Minnesota Rules 3400.0035 Subp. 7 & 8

LICENSED CHILD CARE PROVIDERS 11.3

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 Chapter 11.12 (Provider Registration), Chapter 11.21 (Provider Authorization).

LEGAL AUTHORITY

Minnesota Statutes 119B.011, subd. 19, 119B.09
Minnesota Statutes 119B.125
Minnesota Rules 3400.0035 Subp. 7

LICENSED CHILD CARE PROVIDER – LICENSE CLOSES 11.3.3

A child care provider's license may close due to:
- Temporary immediate suspension
- License expiration

TEMPORARY IMMEDIATE SUSPENSION
When a provider's license ends due to temporary immediate suspension, CCAP payments must not be made for care provided after the date of the temporary immediate suspension. A 15 day notice of adverse action is not needed to end care. A notice should be sent ending care immediately.

CCAP payments should be made for care provided prior to the date of the temporary immediate suspension if care was authorized with the provider.

LICENSE EXPIRATION
A licensed provider's CCAP registration does not end on the date that their license expires.

If 30 days has passed without the license renewal completed, DHS licensing will close the license the day following 30 days. CCAP should continue to be authorized and CCAP payments should continue to be made at the licensed provider rate for care provided during the 30 days following the license expiration date.

A 15 day notice of adverse action to close the provider's CCAP registration is sent the next business day following the date that the license is closed. CCAP should continue to be authorized and CCAP payments should continue to be made at the licensed provider rate for care provided during the 15 day notice of adverse action.

Overpayments should not be assessed for the 30 day period following the license expiration date and the 15 day notice of adverse action period, unless there is an overpayment due to a reason unrelated to the provider's license status.

Example:
Provider's license has an expiration date of 4/1/12. If 30 days passes without the license renewal completed, DHS Licensing will close the license the day following 30 days. In this example, 30 days is 5/1/12. 5/2/12 is the first available working day to close the license. A 15 day notice of adverse action will be sent to end the provider's registration on 5/18/12. CCAP will continue to be authorized and paid at the licensed provider rate through 5/18/12. An overpayment will not be assessed for the time period of 4/1/12 to 5/18/12.

LEGAL AUTHORITY
Minnesota Rules 3400.0185 Subp. 2

LICENSE EXEMPT CENTERS 11.6

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, YMCA, YWCA or Jewish Community Center (JCC) whose primary purpose is to provide child care or services to school age children.
- Camps licensed by the Department of Health under Minnesota Rules, chapter 4630.
- Head Start and nonresidential programs that operate for less than 45 days in a calendar year.
- Programs for children such as scouting, boys and girls clubs, sports and art programs and nonresidential programs for children provided for a cumulative total of less than 30 days in any 12 month period.
- 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

LEGAL NONLICENSED (LNL) PROVIDERS 11.9

Require a new Legal Nonlicensed (LNL) provider to register with your county. See Chapter 11.12 (Provider Registration). LNL providers must complete the criminal background process and be authorized by your county. See Chapter 11.21 (Provider Authorization).

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
- Not living in the same home as the child whose family is 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.
  AND
- Has current certification in First Aid and CPR.

REQUIRED FORMS

When a parent chooses an LNL provider, send the parent and provider a copy of the Health and Safety Resource List for Parents and Legal Nonlicensed Providers (DHS-5192A-ENG) (PDF) form.

Require a signed Parent Acknowledgment When Choosing a Legal Nonlicensed Provider Form (DHS-5367) (PDF) when a family chooses a legal nonlicensed provider. Require a separate form for each Legal Nonlicensed Provider the family chooses. The Parent Acknowledgment When Choosing a Legal Nonlicensed Provider Form (DHS-5367) (PDF):

- Describes the registration process for LNL providers.
- Describes the participant's responsibilities and rights when choosing a LNL provider.
- Includes an acknowledgment that the participant and LNL provider will review the health and safety information provided by your county.
- Includes an 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.

Require the provider to complete and sign a CCAP Legal Nonlicensed Provider Registration and Acknowledgement (DHS-5192-ENG) (PDF) form. See Chapter 11.21 (Provider Authorization). The LNL Provider Registration and Acknowledgement form includes 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 LNL providers and that, upon request, information governing substantiated complaints must be released to the public as authorized under Minnesota Statutes 13.03.

TRAINING REQUIREMENTS

Upon initial authorization, LNL providers must provide documentation of First Aid and CPR training. Online components of First Aid and CPR training may qualify, except for the practical portion of CPR which is required in person. See Minnesota Statutes 245A.50 for further information. Counties should consult with county licensing staff about how to determine valid training for First Aid and CPR training requirements.

The training must have been provided by individuals approved to provide such training. Counties should align standards for acceptable training with standards used for approving licensed family child care provider First Aid and CPR training. The training must be effective as of the date the provider registration is approved. See Chapter 11.12 (Provider Registration).

Upon each reauthorization after the initial authorization requiring First Aid and CPR training, if a provider still serves children receiving CCAP, the provider must take and provide proof of an additional 8 hours of training in topics listed by the Minnesota Center for Professional Development Registry. First Aid and CPR courses may be counted in the additional 8 hours of required training but are not required. All courses offered by the Child Care Aware agencies, which are listed in the Registry by the Minnesota Center for Professional Development, qualify toward the 8 hours. Child Care Aware agencies coordinate and offer training that is listed in the Registry. Their staff can help providers find training that may be of most interest to them.

PROVISIONAL PAYMENTS

Your county may choose to make provisional payments to LNL providers when all the requested information/documentation has been submitted but the county has not completed the background check. 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 Chapter 9.03 (Payments to Providers).

BACKGROUND STUDY REQUIREMENTS

Background study requirements for legal nonlicensed providers are aligned with the background study requirements for a licensed family child care provider. Included in the registration packet for LNL providers is the Child Care Assistance Program Authorization for Release of Background Study (DHS-5193) (PDF). The LNL provider must return a signed DHS-5193 to the county for all individuals for whom a background study is required.

Background studies are required 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 as defined under MN Statutes 245C.02, subd 15.
- 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.

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.

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 MN Statutes 245A.10 subd. 2 (b) 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.

When the background study 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 that disqualifies them from being authorized as a legal nonlicensed provider. The disqualifying acts and

characteristics are listed under MN Statutes 245C.14, MN Statutes 245C.15, and MN Statutes 119B.125 subdivision 2 (b) through (e). If the provider or any household members subject to the background study is determined to have a disqualifying act or characteristic, the provider cannot be authorized.

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.

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 in-home care exception must be approved by DHS before care can be authorized. See Chapter 11.27 (In-Home Child Care Provider Information). The family must request that the care be provided in the child's home and this request must be approved by DHS 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, in-home care is not an option.

Counties identify in their County Child Care Plans whether they perform background studies on LNL providers already registered in another county prior to authorizing that provider. Counties that do not perform a background study on LNL providers already registered in another county prior to authorizing that provider are only required to perform a background study on an LNL provider registered in another county if 1 of the following exists:

- 2 years have passed since the most recent authorization.
- An individual has reached age10 but is not yet age 13 and is living in the household, when the county has reasonable cause as defined under MN Statutes 245C.02, subd. 15.
- 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.

PAYMENT INFORMATION

For information on the hourly rate to pay LNL providers, see Chapter 9.24.3 (Child Care Rates).
Do not pay registration fees to LNL providers.

LEGAL AUTHORITY

Minnesota Statutes 13, Subd.03
Minnesota Statutes 119B.011, Subd. 5
Minnesota Statutes 119B.011 Subd. 19
Minnesota Statutes 119B.125 Subd. 1 and 2, 3, 5
Minnesota Statutes 245A.10. Subd. 2 (b)
Minnesota Statutes 245C.03.08 and .15
Minnesota Statutes 245C.14
Minnesota Statutes 245C.15
Minnesota Rules 3400.0120
Minnesota Rules 3400.0110 Subp. 2a

LEGAL NONLICENSED (LNL) PROVIDERS 11.9

Minnesota Rules 3400.0140 Subp. 5
Minnesota Rules 3400.0035 Subp. 8 and 9

COMPLAINTS AGAINST LNL PROVIDERS 11.9.3

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

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

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 Chapter 11.9 (Legal Non-Licensed (LNL) Providers), Chapter 11.21 (Provider Authorization),and Chapter 11.24 (Provider Reauthorization). Counties and administering agencies should allow a provider to register when requested, using the appropriate Department of Human Services (DHS) registration forms and processes. It is not required that the provider have children from the Child Care Assistance Program (CCAP) enrolled in the program.

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 (PDF) (DHS-4079)
- Notice of Privacy Practices for Child Care Providers (PDF) (DHS-3985)
- Direct Deposit Form for the Minnesota Child Care Assistance Program (PDF) (DHS-3552)
- Child Care Assistance Program Financial Tracking Form (PDF) (DHS-5318)
- Request for Taxpayer Identification Number(TIN) and Certification (IRS W-9). The Internal Revenue Service (IRS) W-9 needs to be sent to providers when they are being authorized for the first time on MEC^2 or when being reactivated in the system. If the provider is currently authorized and active on MEC^2, an IRS W-9 form does not need to be included with the packet.

Send the appropriate Provider Registration and Acknowledgement form based on the provider type:
- CCAP Licensed Provider Registration and Acknowledgement (PDF) (DHS-5190)
- CCAP Licensed Exempt Provider Registration and Acknowledgement (PDF) (DHS-5191)
- CCAP Legal Non-licensed Provider Registration and Acknowledgement (PDF) (DHS 5192) and Health and Safety Information for Parents and Legal Non-licensed Providers (PDF) (DHS-5192A)
- CCAP Authorization for Release of Background Study (PDF) (DHS-5193) if a provider is a legal nonlicensed (LNL) provider.
- CCAP Training Requirements for Legal Nonlicensed Family Providers (PDF) (DHS-6419), if a provider is a legal nonlicensed provider (LNL).
- Any additional health and safety information your county would like to include.

DHS recommends making a copy of the Minnesota Child Care Assistance Program (CCAP) Child Care Provider Guide (PDF) (DHS-5260) available to providers.

LEGAL AUTHORITY

Minnesota Statutes 119B.125
Minnesota Statutes 119B.011, Subd. 19a

PROVIDER RECORD KEEPING 11.15

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.
   - An electronic sign in and out system may meet this requirement, but only if the person doing drop off and pick up is the person who actively participates in signing in or out, using a method such as a pin number or card that is assigned to the parent.
   - Providers that use this method must be able to provide print outs of each child's attendance records when requested by the county.
   - The county is not required to monitor that all providers are meeting this requirement but may request attendance records when in the normal process of administering CCAP or may make a decision to request attendance records when doing provider reviews. If the county knows that providers are not complying with this requirement, the county is required to take action. See Chapter 9.3 (Payment to Providers)
   - The county may stop payment, 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. See Chapter 9.3(Payment to Providers).
   - The daily attendance records must be kept for 6 years after the date the care was provided.

2. Documentation of 3rd 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. Examples of a third party payment would be a Post-Secondary Child Care Grant or Early Childhood Education Scholarship. 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.

LEGAL AUTHORITY

Minnesota Statutes 119B.125, Subd. 6
Minnesota Statutes 119B.12, Subd. 2

PROVIDER REPORTING 11.18

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 **Chapter** 11.24 (Provider Reauthorization).

LEGAL AUTHORITY

Minnesota Statutes 119B.125

PROVIDER AUTHORIZATION 11.21

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 Chapter 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, Chapter 626.556.
- 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 Chapter 11.12 (Provider Registration).

There are additional requirements for authorization of Legal Non-Licensed Providers. See Chapter 11.9 (Legal Non-Licensed Providers). Also, see Chapter 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 Chapter 11.24 (Provider Reauthorization).

LEGAL AUTHORITY

Minnesota Statutes 119B.125
Minnesota Rules 3400.0120

PROVIDER REAUTHORIZATION 11.24

Providers must report all family changes that require reauthorization. When a Legal Nonlicensed 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.

Counties must complete the authorization process described in Chapter 11.21 (Provider Authorization) at each reauthorization.

Reauthorize all providers at least every 2 years.

LEGAL NON-LICENSED (LNL) PROVIDERS
Upon each reauthorization after initial authorization, a provider must provide proof of 8 hours of additional training. First Aid and CPR courses taken after the initial authorization period may be counted toward the additional 8 hours of required training, but are not required. Only training listed in the Minnesota Center for Professional Development Registry (including those offered by the Child Care Aware agencies) meets the requirements for approvable training. Child Care Aware agency staff can assist an LNL provider with choosing training, but all training offered and listed in the Registry qualifies.

Perform a background study at each reauthorization on:
- The provider and every member of the provider's household who is 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 as defined under MN Statutes 245C.02, subd. 15.
- An individual who, without providing direct contact services in the LNL program may have unsupervised access to children receiving services from the provider, when the commissioner has reasonable cause.

In addition to performing background studies at each reauthorization, there are additional times when background studies are required. In the situations listed below, a background study only needs to be performed for the individual(s) who have not had a background study within the last two years. Background studies must be performed when:
- An individual has reached age 10 but is not yet 13 and is living in the household where the Legal Nonlicensed childcare will be provided, when the county has reasonable cause as defined under MN Statutes 245C.02, subd. 15.
- A current household member becomes 13 years of age since the last authorization.
- A person age 13 or older joins the household since the last authorization.
- You believe a household member has a factor that prevents the provider from being authorized.

LEGAL AUTHORITY
Minnesota Statutes 119B.125, subd. 1 & 2

IN-HOME CHILD CARE REQUESTS AND PROVIDER INFORMATION 11.27

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 (or in a two parent household, one parent has been determined unable to care) and if one or more of the following circumstances are met:

1. The parents' authorized activity is during times when out-of–home care is not available or when out-of-home care would result in disruption of the child's nighttime sleep schedule. If 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 OR
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 create a hardship for the child and the family to take the child out of the home to a child care home or center.

IN-HOME CHILD CARE REQUESTS

When requesting in-home child care, the parent must complete the Parent Request for In-Home Child Care (PDF) (DHS-6475) and submit the form with the appropriate documentation to their Child Care Assistance Worker.

- If the request is based on out-of-home care not being available, the parent must contact Child Care Aware to obtain either a listing of licensed programs in their area or a written statement if there are no licensed programs available to meet the family's needs. If there are licensed programs available, families must contact all providers on the listing and document the reason(s) why those programs do not work for them. Additionally, if no licensed programs are available to meet the family's needs, parents must also provide a reason(s) as to why care cannot be provided in the legal nonlicensed (LNL) provider's home and why care must be provided in the child's home.
- If the request is based on the child's illness or disability, the parent must provide documentation of the child's illness or disability. A statement from a doctor or qualified professional needs to be submitted, verifying and describing the child's condition, and identifying that care should be provided in the child's home. Although not required, the parent may also add an explanation about why in-home care is requested. This explanation may describe how the child is at-risk to self or others or the illness or disability creates hardship for the family and/or child.

The county should submit completed requests, including all required documentation, to DHS for consideration. The county will receive a letter indicating whether the request was approved or denied. Only cases approved by DHS for an exception can be authorized. Dates of approval are limited to 12 months and in-home care can be authorized retroactive to the effective date of approval on the official letter from DHS, contingent on the parent(s) being in an authorized activity and the provider being approved as a CCAP provider. For approved cases, follow the MEC2 User Guide instructions for entering the information on the "Child's Provider" window.

Once the exemption ends at the end of the 12 month period, if in-home care is still needed, parents must complete a new in-home care request and submit new documentation.

See Chapter 9.6 (Payment to Families) for further information on when a provider cares for children in the children's own home.

EMPLOYING IN-HOME CHILD CARE PROVIDERS

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.

IN-HOME CHILD CARE REQUESTS AND PROVIDER INFORMATION 11.27

To ensure that all persons employed as in-home child 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 help 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 on minimum wage and overtime provisions of the FLSA are available at www.dol.gov/whd. 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

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.

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 Notice 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, and 6

15 day notice requirements 12.1

Child Care Assistance Program requires a 15 day notice for adverse actions. MEC^2 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^2 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. 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^2 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
Labor Day
Columbus Day
Veteran's Day
Thanksgiving Day
Christmas Day

State Holidays:
New Year's Day
Martin Luther King Jr Day
President's Day
Memorial Day
Independence 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

Notify applicants of approval or denial of eligibility for child care assistance. See Chapter 12.3.3 (Approval Notices), Chapter 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 Chapter 12.3.9 (Adverse Action Notices - Family), Chapter 12.3.12 (Termination Notices - Family). See Chapter 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

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

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

Provide at least 15 calendar days notice to families before taking an adverse action on their case. See Chapter 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.

OVERLAPPING ADVERSE ACTION PERIODS

If a 15-day adverse action closing notice is already in effect for one reason and prior to that original closing date a worker approves a second adverse action for case closure, the worker must give 15-day notice for each action. MEC^2 cannot process overlapping adverse action periods when a case is closing. In cases where a second adverse action is given during the first 15-day notice period of case closure, workers need to send a manual adverse action notice and should add a worker comment to the second adverse action notice with the following information:

- Explain that the case is still scheduled to close as of the date on the first notice.
- Note that if the reason for the first closure is resolved prior to the effective date, the case will remain open until the closure date on the manual notice.

See also MEC² User Manual Overlapping Adverse Action Periods Workaround.

WHEN A NOTICE PERIOD IS NOT REQUIRED

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

Provide at least 15 calendar days notice to families before terminating child care assistance.
See Chapter 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

- Providers receive notification of the amount of care authorized. See Chapter 12.6.3 (Approval Notices - Provider).
- Notices that affect the amount of care authorized. See Chapter 12 (Notices).
- Adverse Action Notices. See Chapter 12.6.6 (Adverse Action Notices – Provider). See Chapter 12.1 (15-Day Notice Requirements).
- Termination Notices. See Chapter 12.6.9 (Termination Notices – Provider).
- Provider Overpayment Notices. See Chapter 12.3.15 (Notice of Overpayment).
- Deductions Required By Law Notices. See Chapter 12.6.12 (Payment Deduction Required By Law Notices).

LEGAL AUTHORITY

Minnesota Rules 3400.0185
Minnesota Rules 3400.0187, Subp 2

APPROVAL NOTICES - PROVIDERS 12.6.3

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 - PROVIDERS 12.6.6

Give the affected provider at least 15 calendar days advance notice. See Chapter 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 - PROVIDERS 12.6.9

Providers must be given a 15-Day Notice when terminating a family's benefits. See Chapter 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

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-ENG PDF).
- 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-ENG PDF).
- If payments are being reduced due to a Child Support obligation, send Child Care Assistance Notice of Deduction for Child Support Obligation (DHS-5165-ENG PDF).
- 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-ENG PDF).

LEGAL AUTHORITY

Minnesota Statutes 270C.68
Minnesota Statutes 518A.53
Minnesota Statutes 290.92, Subd. 26

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Reserved for future content

OVERPAYMENTS 14

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 chapters 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 270C.68
Minnesota Statutes 518A.53
Minnesota Statutes 290.92, Subd. 26 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

Step One: Decide who benefited from the overpayment.

How is this decided?
If the family paid less for child care than what they were eligible to receive, the family benefited. Assign the overpayment to the family.

Examples of this are:
- More hours of care were authorized and paid by CCAP than what the family was eligible for,
- Changes in income or activity were not reported and the amount paid by CCAP should have been less.

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.

An example of when a provider benefitted from an overpayment is when the rates paid by CCAP are higher than what CCAP policy allows. This could happen if a quality differential rate (15 or 20%) was approved incorrectly or the provider's eligibility for that rate changed and was not reported, or if special needs rates are approved incorrectly or expired.

If both the family and the provider benefited, assign an overpayment to both parties.

This happens if both the family and the provider acted together to intentionally cause the overpayment. Both parties are jointly liable for the overpayment, regardless of who benefited from it. Recover the overpayment as outlined in Chapter 14.9 (Recovery Methods).

As long as 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 is noncompliant with repayment arrangements.

Step Two: Recoup or recover from the party who benefited.

See Chapter 14.9.6 (Recoupment – Families), Chapter 14.9.9 (Recoupment – Providers) 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

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

Child Care Assistance Program policies change over time. Consider the policies in place at the time an action occurred when determining whether an overpayment occurred and the amount of an overpayment.

If care took place prior to the effective date of the current standard maximum rates you should apply the expired maximum rates in effect at the time care was provided. Use expired rates only for overpayment calculation and case review correction plans.

MAXIMUM RATES

Maximum rates in place February 3, 2014 – current

- Standard Maximum Rates – No Quality Differential (PDF) (DHS-6441B)
- 15 Percent Quality Differential Maximum Rates (PDF) (DHS-6442B)
- 20 Percent Quality Differential Maximum Rates (PDF) (DHS-6824)

Expired Maximum rates in place November 28, 2011 – February 2, 2014

- Standard Maximum rates – Non-accredited (PDF) (DHS-6441A)
- Maximum Rates with Accredited/Credential Differential (15 percent differential) (PDF) (DHS-6442A)

Expired Maximum rates in place July 1, 2006 – November 27, 2011

- Standard Maximum Rates – Non-accredited (PDF) (DHS-6441)
- Maximum Rates with Accreditation/Credential Differential (15 percent differential) (PDF) (DHS-6442)

If care took place prior to the current copayment schedule effective October 14, 2014 - current, consult previous copayment schedules.

COPAYMENT SCHEDULES

- Copayment Schedules in effect October 13, 2014 – current (PDF) (DHS-6413C)
- Expired Copayment Schedules in effect October 14, 2013 – current (PDF) (DHS-6413B)
- Expired Copayment Schedules in effect October 1, 2012 – October 13, 2013 (PDF) (DHS-6413A)
- Expired Copayment Schedules in effect October 3, 2011 – September 30, 2012 (PDF) (DHS-6413)

Contact your agency's Technical Assistance Liaison at the Department of Human Services for previous copayment schedules.

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. The worker must include all amounts that were overpaid when determining the amount of the overpayment, regardless of how long ago the payments occurred.

Workers must determine the Discovery and Established Dates as part of the process of calculating a claim. See DISCOVERY DATE and ESTABLISHED DATE in Chapter 2 (Glossary). Examples of documents needed to calculate a claim could be paystubs, W-2s, or employer statements.

AMOUNT OF OVERPAYMENT 14.6

When a family reports changes in their circumstance within 10 calendar days of the change, there will be no overpayment. An exception would be when the county does not respond to a reported 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 Chapter 8.3.3 (Agency Responsibilities for Family Reporting).

If an employment plan is modified, the job counselor should notify the Child Care Assistance Program 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.

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 may be calculated differently depending on the following circumstances:

- If an overpayment was due to increased income that occurred during a period of ongoing eligibility, the overpayment would be calculated starting with the first biweekly period after the date the increased income was first received.
- If an overpayment was due to increased income that occurred at the same time as a new application:
  - If the applicant was working and receiving income prior to the application date, but they failed to report it on the application – calculate the overpayment back to the application date.
  - If the applicant was working prior to the application date, but they did not receive their first paycheck until after the application date, and they failed to list the job on the application – calculate the overpayment starting with the first biweekly period after the applicant received their first check.

The county agency may not charge interest on overpayments of child care assistance benefits. See Chapter 14.9.12 (Civil Recovery -– Families).

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.

Sometimes it is discovered that a family continuously receiving child care assistance was ineligible for a period of time when Child Care Assistance Program (CCAP) family met the eligibility requirements for a subsequent period of time. The subsequent period of time begins with the next time the family supplied information that established their eligibility.

The following are examples of ineligibility and the begin date of the subsequent period of time:

- The family is ineligible because requested verifications were returned after the due date. The subsequent period of time begins on the date the agency received the requested verifications.
- The family is ineligible because they submitted a redetermination and all required verifications, showing eligibility requirements were met after the due date. If the last day of the redetermination period is before 8/4/14, the due date is the date the case closed. If the last day of the

redetermination period is on or after 8/4/14, the 30 day reinstatement policy applies. See Chapter 10.6.6 (Redetermination Processing – Reinstatement). The subsequent period of time begins on the date the agency received the complete redetermination form with all required verifications.

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 Minnesota Family Investment Program (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 Chapter 8.6 (Temporary Ineligibility)

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.

- 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.
- 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:
  - 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
  - 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 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:
  - 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.
  - 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.
  - 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 Statutes 16D.13
Minnesota Statutes 549.09
Minnesota Rules 3400.0187

RECOVERY METHODS 14.9

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 Chapter 14.9.6 (Recoupment - Families), Chapter 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 Chapter 14.9.3 (Voluntary Repayment Agreement).
- Civil recovery. See Chapter 14.9.12 (Civil Recovery - Families), Chapter 14.9.15 (Civil Recovery - Providers).
- Criminal restitution. See Chapter 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

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

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 ¼ of the family's copayment or $10.
- If the overpayment is due to the family's 1st failure to report changes, recoup the greater of ½ 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 2nd or subsequent failure to report changes, recoup the greater of ½ 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

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 Chapter 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

CIVIL RECOVERY - FAMILIES 14.9.12

For information related to provider overpayment recovery, see Chapter 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.

Interest can only be charged on Child Care Assistance Program claims that have been reduced/converted to a judgment.

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 Statutes 16D.13
Minnesota Statutes 549.09
Minnesota Rules 3400.0140, Subp.19
Minnesota Rules 3400.0187

CIVIL RECOVERY - PROVIDERS 14.9.15

For information related to family overpayment recovery, see Chapter 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

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^2.

The text of all MEC^2 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^2 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^2. DHS bills the county for 75% of the amount collected. The county can retain 25% of the compromise payment amount.

LEGAL AUTHORITY

Statutes 16D.15

CLAIM TERMINATION AND UNCOLLECTIBLE DEBTS 14.9.21

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 MEC^2 (the claims are not adjusted to zero and the balance due remains).

LEGAL AUTHORITY

Minnesota Statutes 16D.09

FRAUDULENTLY OBTAINING CHILD CARE ASSISTANCE 14.12

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.

CLIENT ELIGIBILITY FRAUD REFERRALS

Refer clients you suspect of fraud for investigation.

For counties participating in the Fraud Prevention Investigation (FPI) program, use the Fraud Prevention Referral form (DHS-3335A) (PDF) to make a referral for an FPI.

For counties not participating in the FPI program, follow your county process to make a referral for possible client fraud investigation and use the Fraud Prevention Referral form (DHS-3335A) (PDF) to notify the DHS Office of Inspector General (OIG) of the investigation. County processes for making referrals may include contacting your county's fraud investigator or investigative unit, your county attorney, and/or your local sheriff's department.

Client eligibility fraud referrals should be made whenever case file information exhibits characteristics of possible misinterpretation or omission of relevant facts or resolve current eligibility issue, including possible fraud.

These situations may occur at the time of application, redetermination, a change report, when case file information is updated or reviewed for accuracy, or when your agency receives a report of potential fraud.

PROVIDER FRAUD REFERRALS

Refer or notify the DHS Office of Inspector General (OIG) Child Care Provider Fraud Investigations Unit of providers you suspect of fraud. Some counties may have the resources to investigate provider fraud locally. However, all counties should use the Child Care Provider Investigations Communications Form (DHS-6811) (PDF) to inform the OIG of all child care provider investigations.

Send referrals or notifications whenever it appears a provider is withholding, concealing, or misrepresenting information in order to:

- Become a registered provider;
- Receive payments for which the provider is not entitled; and/or
- Resolve current registration or payment issues, including possible fraud.

These situations could occur at registration, renewal, billing, when information is updated or reviewed for accuracy, or when the county receives a report of potential fraud.

CONTINUATION OF BENEFITS

During a fraud investigation, 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.

Disqualify parentally responsible individuals (PRI) and child care providers who have committed an Intentional Program Violation (IPV). See Chapter 14.12.3 (Disqualification for Fraud - Families), Chapter 14.12.6 (Disqualification for Fraud - Providers) for information on disqualification procedures, Chapter 14.12.9 (Administrative Disqualification Hearing).

NOTIFICATION OF OVERPAYMENTS

If the fraud investigator or county attorney believes that claims activity may hinder an investigation, county workers must delay notifying the client or provider of an initial overpayment until fraud has been determined or the case has been closed. Counties are required to start recovery or recoupment by the last day of the calendar quarter that includes the discovery date of the claim. See DISCOVERY DATE in Chapter 2 (Glossary). Because subsequent criminal investigation may identify additional information about overpayments, the discovery date will not occur until fraud has been determined or the case is closed.

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

Disqualify families who have committed an Intentional Program Violation (IPV). An Intentional Program Violation (IPV) disqualification can be established by any of the following:

- Court conviction.
- Signed Disqualification Consent Agreement (DCA) (PDF) (DHS-3429)
- Pre-trial diversion.
- Administrative Disqualification Hearing (ADH) finding.
- Signed Waiver of an Administrative Disqualification Hearing (ADH) (PDF) (DHS-3131).
- Court-ordered stay which carries with it any other probationary terms or conditions.

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 Intentional Program Violation:

- 1 year for the 1st offense.
- 2 years for the 2nd offense.
- Permanently for any subsequent violation.

When you receive notification of the IPV determination, send the Notice of Program Disqualification (PDF) (DHS-3134) to disqualify the family, and a Child Care Assistance Program 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 Chapter 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 Intentional Program Violation determination (if signed Disqualification Consent Agreement or Adminstrative Disqualification Hearing Waiver, court/Adminstration Disqualification Hearing decision) or the effective date of the Child Care Assistance Program termination notice, whichever is later.

An Intentional Program Violation 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 Intentional Program Violation. 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 Chapter 8.12 (Moving Between Counties).

Families disqualified from the Minnesota Family Investment Program (MFIP) due to an Intentional Program Violation 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.

DISQUALIFICATION FOR FRAUD - FAMILIES 14.12.3

LEGAL AUTHORITY

Minnesota Rules 3400.0183
Minnesota Statutes 256.98

DISQUALIFICATION FOR FRAUD - PROVIDERS 14.12.6

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.
- Signed Disqualification Consent Agreement (DCA) (PDF) (DHS-3429A)
- Pre-trial diversion.
- Administrative Disqualification Hearing (ADH) finding.
- Signed Waiver of an Administrative Disqualification Hearing (ADH) (PDF) (DHS-3131A).
- Court-ordered stay which carries with it any other probationary terms or conditions.

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:

- 1 year for the 1st offense.
- 2 years for the 2nd offense.
- Permanently for any subsequent violation

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 Adminstrative Disqualification Hearing. The Child Care Provider Responsibilities and Rights DHS-4079-ENG (PDF) includes the Penalty Warning required for the Adminstrative Disqualification Hearing 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 (PDF). 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 Adminstrative Disqualification Hearing process that your county brings against child care providers accused of intentional program violation in your county.

When you receive notification of an Intentional Program Violation determination, send the participant a 15-day notice of provider deactivation and send the provider the Child Care Assistance Program (CCAP) Notice of Program Disqualification for CCAP Providers DHS-3134A-ENG (PDF) to disqualify the provider and end child care assistance payments. See Chapter 12 (Notices).

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 Intentional Program Violation determination (a signed Disqualification Consent Agreement or Adminstrative Disqualification Hearing Waiver or court/Adminstrative Disqualification Hearing decision) or the effective date of the Child Care Assistance Program 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

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 or 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 Chapter 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 (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 Wavier 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 wavier. 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 Chapter 14.12.3 (Disqualification for Fraud - Families), Chapter 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 (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 Chapter 14.12.6 (Disqualification for Fraud - Providers), Chapter 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 Statutes 119B
Minnesota Statutes 256.046
Minnesota Statutes 256.98
Minnesota Rules 3400.0183
Minnesota Rules 3400.0230

APPEALS 15

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

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 Statues 119B.16
Minnesota Statutes 256.045
Minnesota Rules 3400.0230

FAMILY AND PROVIDER APPEAL RIGHTS 15.6

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

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 ENG (PDF) 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 Chapter 15.15 (Continuation of Benefits).

LEGAL AUTHORITY

Minnesota Statutes 119B.16
Minnesota Statutes 256.045
Minnesota Rules 3400.0230

APPEAL HEARING PROCESS 15.12

Send the written request for an appeal, using Appeal to State Agency (DHS-0033-ENG PDF), to the appeals office within 5 working days of receiving the appeal request.

Send the appeal summary, using State Agency Appeals Summary (DHS-0035-ENG PDF), 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-ENG PDF). 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

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 DECISIONS 15.18

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 Chapter 14.3 (Responsibility for Overpayment).

LEGAL AUTHORITY

Minnesota Statutes 119B.16
Minnesota Rules 3400.0230

APPENDIX 16

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
16.15 Authorized Activities Comparison Sheet
16.18 Case Reviews
16.21 Recording Document Received Dates

LEGAL AUTHORITY

Minnesota Statutes 119B
Minnesota Rules 3400

AUTHORIZATIONS FOR CLIENTS WITH AN EMPLOYMENT PLAN 16.1

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, the amount of child care authorized must be based on the parents' schedule of participation in the activities identified in the Employment Plan, 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.

The agency should develop a method of communication between the job counselor and the CCAP worker that supports sharing information as efficiently and as timely as possible so care can be authorized. The job counselor and CCAP worker can communicate through a variety of methods (including, but not limited to fax and email).

Your agency may determine whether the job counselor or CCAP worker is responsible for determining how many hours of child care are needed, provided that the worker is considering:

- The activity schedule (days and times) of the parent(s).
- The school schedule (days and times) of the children.
- The provider's availability.

JOB COUNSELORS ROLES AND RESPONSIBILITIES

The job counselor is responsible for:

- Determining the activities included in the Employment Plan.
- Providing the CCAP worker with the activities included in the Employment Plan, including activity type and activity begin dates.
- Monitoring participation in Employment Plan activities on an ongoing basis.
- Adjusting the Employment Plan as needed.
- Determining if a client is out of compliance with his/her Employment Plan.
- Notifying the CCAP worker within 10 days of changes in Employment Plan activities, changes in the parent's schedule if known, and sanctions.

The job counselor is encouraged to:

- Provide the CCAP worker with either the activity schedules of the parent(s) and children OR the days and times that child care is needed.
- Cluster or group Employment Plan activities to create periods of time that work with child care provider schedules and practices, when possible.

The job counselor may indicate the number of hours of child care needed for activities other than employment and education.

The job counselor is not required to send the Employment Plan to the CCAP worker.

The job counselor can use the MFIP/DWP Employment Services Child Care Request (PDF) (DHS-7054) or a county-created form to send information to the CCAP worker.

CCAP WORKER ROLES AND RESPONSIBILITIES

The CCAP worker is responsible for:

- Determining how many hours of care are needed.
- Authorizing the care the family is eligible for.
- Acting on information received from the job counselor within 10 days.
- Ensuring that families and providers are given 15 day notice of adverse actions.

- Communicating concerns about actual participation in the activities in the Employment Plan to the job counselor. The CCAP worker should not take action to reduce or end the authorization for non-participation in Employment Plan activities unless the job counselor changes the Employment Plan.
- Obtaining schedule verification of the activities in the Employment Plan only if the job counselor has not provided the activity schedule (days and times) or the days and times that child care is needed.
- Obtaining income verification for employment. An Employment Plan cannot be used as verification of income for CCAP.

CCAP workers should not re-verify activity information that is monitored by the job counselor.

CCAP workers are not responsible for monitoring participation in the activities in the Employment Plan.

MONITORING AND AUTHORIZATIONS

The job counselor regularly determines if the participant is participating in the activities in the Employment Plan. They must take appropriate action when and if changes occur or an Employment Plan ends.

Specific details about the status of employment plans and their active dates:

- If an MFIP/DWP participant has an Employment Plan, consider that person to be participating in the activities in the Employment Plan until the job counselor ends or changes the Employment Plan.
- All signed Employment Plans are considered to be “approved”.
- The job counselor does not need to indicate a date that the Employment Plan or the Employment Plan activities will end if the job counselor believes that the family will continue to participate in the activities.
- The review dates listed on the Employment Plan should not be interpreted as “end dates”. Child care assistance should not automatically end if an Employment Plan review date has passed and a new Employment Plan has not been completed.
- Workforce One (WF1) assigns a “Plan Start Date” on the front page of the Employment Plan and does not allow that date to be adjusted. Individual activities within the Employment Plan can have earlier dates than the “Plan Start Date”. CCAP can be authorized and paid back to the earlier individual activities dates as long as the family was MFIP eligible and meets all CCAP eligibility requirements.
- When a participant is out of compliance with their Employment Plan and the non-compliance results in a sanction, the job counselor should:
  - Consider whether the participant is working towards curing the sanction, if so CCAP should remain in place. (During the Notice of Intent to Sanction phase, CCAP should not be cancelled. Assume childcare is needed to prevent the sanction.)
  - If the participant is not working towards curing the sanction, send a Status Update to the CCAP worker. The CCAP worker will determine if the child care authorization needs to be reduced or ended and send a 15 day notice of adverse action to the participant and the child care provider and close the CCAP case. See Chapter 4.3.3.9 (MFIP Sanctions) for more information about how sanctions impact Child Care Assistance Program authorizations.

EMPLOYMENT PLANS AND CCAP OVERPAYMENTS

Participants may be charged with CCAP overpayments if:

- The job counselor fails to notify the CCAP worker within 10 days that an employment plan has changed or ended or that the participant is sanctioned;
- The participant does not provide timely reports of changes in income, family composition or other factors related to the family’s eligibility for child care assistance;
- The participant fails to cooperate with child support.

AUTHORIZATIONS FOR CLIENTS WITH AN EMPLOYMENT PLAN 16.1

A job counselor may determine that a participant has not been in compliance for a prior period of time with some or all of the activities identified in the Employment Plan. There should not be a CCAP overpayment due to lack of or reduced participation in the Employment Plan activities, except in cases of fraud.

The county should implement safeguards to ensure that the appropriate amount of care is being provided to CCAP clients. Safeguards might include Employment Plan/CCAP audits.

LEGAL AUTHORITY

Minnesota Statutes 119B.05
Minnesota Statutes 119B.07
Minnesota Rules 3400.0080

AUTHORIZED ACTIVITIES COMPARISON SHEET 16.15

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
MFIP Employed Without EP (Employment Plan)	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.
MFIP or DWP with EP (Employment Plan)	As defined in the Employ-ment 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.
Transition Year Child Care/ Transition Year Extension	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.
Basic Sliding Fee Child Care (BSF)	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.	1st 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.
Portability Pool	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.	1st 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 Statutes 119B.03
Minnesota Statutes 119B.05
Minnesota Rules 3400.0060
Minnesota Rules 3400.0080
Minnesota Rules 3400.0090

DHS CASE REVIEWS

To comply with the federal Improper Payments Information Act of 2002, as amended by the Improper Payments Elimination and Recovery Act of 2010 and the federal Single Audit Act of 1984 (P.L. 98-502) with amendments in 1996 (P.L. 104-156) and the Office of Management and Budget (OMB) Circular A-133, DHS randomly selects CCAP cases to be reviewed each month. Agencies are required to submit selected case files to DHS for review. The DHS case review examines the following areas:

- Presence, date, and completeness of required eligibility forms including applications, redetermination forms, change report forms, and child support enforcement forms.
- Subprogram received by the family.
- Determine if applicant meets parent definition including documentation of the applicant's relationship to the selected child and the applicant's identity.
- Determine if applicant meets residency requirements including documentation of residency.
- Determine if child's parent or parents are in an authorized activity that is appropriate to the CCAP subprogram including documentation of the participation.
- Determine if the selected child is eligible for CCAP including whether the child is of the appropriate age to receive CCAP and documentation of their age, and whether the child meets citizenship & immigration requirements and supporting documentation.
- Determine number of hours needing authorization based on the parent's participation in an authorized activity and the child's needs, including documentation of parent and child schedules. Determine if there is a difference between the worker's authorized hours and the reviewer's authorized hours.
- Determine the type of child care provider, that the provider met registration requirements including complete provider registration and acknowledgment forms, and complete parent acknowledgement form for each legal non licensed provider.
- Determine if the income and expenses, family size, copayment fee, maximum rate were accurate including documentation of all income and expenses, identity and relationships of all family members and provider accreditations.

Agency actions that do not comply with CCAP policy may be determined to be errors with or without a dollar value. The responsible agency may be subject to corrective action plan requirements for specific cases. Errors with a dollar value are subject to overpayment / underpayment policies.

COUNTY CASE MANAGEMENT REVIEWS

One of the most successful tools in attaining and maintaining high payment accuracy is a good case management review system. Case management reviews can help to determine root cause(s) of errors and therefore identify specific areas needing corrective action, such as policy clarification, refresher training, changes in office procedures, improved case record documentation, etc.

There are a number of different approaches to case management reviews. For example a full case review would encompass all aspects of a family's CCAP case information and/or a child care provider's information. A targeted review is focused on specific elements within a case, a specific policy or error prone areas.

DHS strongly encourages counties to conduct their own case management reviews. Often, this practice can reduce errors that DHS might identify at the time of the DHS case review.

DHS created a case management review process and forms for counties to utilize. These forms may be accessed through eDocs. Counties may choose to create their own process and forms that have been customized to reflect their administrative practices and county optional policies.

Most Common Errors Found in CCAP Case Reviews:

Listed below are the most common errors found in case reviews conducted in April – June 2014. Minnesota continues to have a significant error rate, which is tracked by state auditors and every three years, in federal reports. Errors may result in overpayments and have negative impacts on families.

- **Acting on Reported Changes**
  Changes are reported by families and not acted on, or are processed incorrectly by agency workers. For instance, a family reports a change in their income but the agency worker doesn't obtain the verification. Or, sometimes the family reports a change and the agency worker obtains verification but doesn't make the change, even if the change resulted in a new copayment.

  In some cases, changes are reported or new information is received, but not acted on by the agency worker. Not processing the family changes often lead to another error because notices are not generated to inform families and providers of changes. Counties must act on changes within 10 days, and proper documentation and processing of changes need to occur. When applicable, a worker must allow families 15 days to return verifications and give the family information about the types of verification required.

  See Chapter 8 (Changes in Circumstances) and Chapter 12 (Notices) of the Child Care Asssistance Program Policy Manual.
- **No Verification/Insufficient Verification of Income**
  - A number of cases do not include recent income verification, or what is included is incomplete. Agency worker case notes that need to explain the method for annualizing income are often missing in MEC2. Note that the requirement for the last 30 days of income was changed to a recommendation (in Chapter 7.9 of the CCAP policy manual) but if another method is used, it is recommended that it be case noted.
  - Another common error associated with income verification occurs when agency workers do not reconcile initial income verification with actual pay stubs once received. Agency workers must reconcile initial income with actual paystubs when they are received by the agency.

    See Chapters 6.15 (Annualizing Income) and 7.9 (Income Verification) of the Child Care Assistance Program Policy Manual.
- **No Child's School Schedule and/or Adult's Work or School Schedule**
  - Case files must include documentation of each child's pre-school, Head Start or school schedule. The schedule must be recorded by day of week and times of day. If websites are used to verify school hours, the case worker can case note where they found the required information and include the days of the week and time of day.

    See chapter 7.30 (Schedule Verification-Child's School Schedule) of the Child Care Assistance Program Policy Manual.
  - Adult's schedules must also be documented by day of week and time of day. For MFIP cases, if an Employment Plan or information from a job counselor does not include the specific schedule, the CCAP case worker must obtain proper documentation and include it in an MEC2 case note.

    See chapters 7.27(Schedule Verification-Employment and Education) and 16.1 (CCAP Authorizations for Clients with an Employment Plan) of the Child Care Assistance Program Policy Manual.

LEGAL AUTHORITY

Minnesota Statutes 256.017 Subd. 1
42 CFR Part 98 Subpart K
P.L. 98-502
P.L. 104-156
OMB Circular A-133

RECORDING DOCUMENT RECEIVED DATES 16.21

Counties must record the date that an application is received. Refer to Chapter 3.6 (Accepting and Processing Applications) for information on accepting and processing applications.

Counties are strongly encouraged to record the date that ALL documents are received at the county agency. This business practice enables county and state workers to clearly identify dates that impact eligibility at application processing, redetermination processing, change processing, overpayment start and end dates, timely processing, etc. This business practice also improves the accuracy of county and DHS case review processes and may prevent case review errors.

Examples of methods to record received dates include but are not limited to:

- Sign and date the Agency Signature field on the application,
- Agency date stamp,
- Fax date stamp,
- Email date if the email includes the documentation,
- EDMS scan date that shows when the document is viewed or printed,
- ApplyMN application form pre-populated date received.