Child Care Assistance Program Policy Manual What’s New - Issued October 2017

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Adds new chapters: Chapter 4.3.6.6, TY students; Chapter 4.3.9.6, TYE students; Chapter 7.4, Verification - 12 month eligibility period; Chapter 8, 12 month eligibility period; Chapter 8.1, Changes in circumstances; Chapter 8.1.3, Changes in household composition; Chapter 8.1.6, Changes in family status; Chapter 8.1.9, Changes in activity; Chapter 8.1.12, Changes in income or expenses; Chapter 8.1.15, Changes in residence; Chapter 8.1.18, Other changes; Chapter 12.6.15, Redetermination provider notice.

2 (Glossary)

Adds new definition of “12 month eligibility period:”

After an application or redetermination has been approved, a family enters a 12 month eligibility period. During this period, limited factors can negatively impact a family’s case. The purpose of the eligibility period is to provide for stable, consistent child care arrangements for children in the family. See Chapter 8 (12 month eligibility period).

Revises the definition and adds to the heading of “Education program (applies to Basic Sliding Fee, Transition Year and Transition Year Extension):”

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, and meet state and county requirements for education plans.

Adds language to the definition of “Infant:”

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. See Chapter 9.24.6 (Age category exceptions).

Removes the word “periodically” from the definition of “Redetermination.”

Adds the word “education” to the definition of “Transition Year child care.”

Adds the word “education” to the definition of “Transition Year Extension child care.”
3.6 (Accepting and processing applications)

Adds “notification when the family’s redetermination is due” to the list of information an agency is able to release to a provider when a family is eligible.

Simplifies and makes plain language changes throughout the chapter.

4.3 (CCAP Sub-programs)

Simplifies language and two new chapter references: Chapter 4.3.6.6, Transition Year students and Chapter 4.3.9.6, Transition Year Extension students.

4.3.3.9 (MFIP Sanctions)

Rewrites language under “Non-cooperation with child support:”

During the 12 month eligibility period, if an MFIP sanction is imposed for failure to cooperate with child support, the family can continue receiving child care. If the MFIP case closes due to repeated sanctions, the family can continue receiving child care through Transition Year (TY) or Basic Sliding Fee (BSF) child care until their redetermination if they meet sub-program requirements.

The family must be cooperating with child support at redetermination to continue receiving child care assistance.

4.3.3.18 (DWP sanctions)

Adds the following language:

If a family’s DWP case closes, assess a family’s eligibility for Transition Year (TY). If the family does not meet the eligibility requirements for TY, assess eligibility for BSF. The parent(s) must be in an authorized activity and all other eligibility requirements must be met. See Chapter 4.3.6 (Transition Year (TY)), Chapter 4.3.12 (Basic Sliding Fee (BSF)) and Chapter 4.3.12.9 (BSF priorities).

Adds a new section: “Non-cooperation with child support.” Please review it its entirety.

4.3.6 (Transition Year)

Reorganizes and adds language. Read section in its entirety.

4.3.6.3 (TY authorized activities)

Adds and removes content. Please read section in its entirety.
4.3.6.6 (Transition Year students) - New Chapter

Please read section in its entirety.

4.3.9.3 (TYE authorized activities)

Adds and removes content. Please read section in its entirety.

4.3.9.6 (Transition Year Extensions students) - New Chapter

Please read section in its entirety.

4.3.12 (Basic Sliding Fee)

Simplifies and makes plain language changes throughout the chapter.

Removes language regarding closure of Basic Sliding Fee cases.

Adds Minnesota Statute 119B.025 to the “Legal authority.”

4.3.12.3 (BSF students)

Reorganizes and simplifies language throughout the chapter.

Adds new section and language under “High school diploma and GED high school equivalency diploma:”

Do not apply specific time limits if the students is maintaining satisfactory progress as determined by the institution.

If your county or tribe has a waiting list, a student who does not have a GED or high school diploma must be participating in an education program to be included in Priority 1 of the waiting list. See Chapter 4.3.12.9 (BSF priorities).

Adds and removes language under “Basic or remedial education” section:

Remedial or basic skills courses include Adult Basic Education and English as a Second Language.

Do not apply specific time limits if the students is maintaining satisfactory progress as determined by the institution.

If your county or tribe has a waiting list, a students who needs remedial or basic skill courses, must be participating in an education program to be included in a Priority 1 of the waiting list. See Chapter 4.3.12.9 (BSF priorities).

Replaces subheading “Associate or baccalaureate education” to “Post-secondary programs.”

Adds language under “Post–secondary programs” section:

Post-secondary programs can indulge many different types of education programs. Examples include associates degrees, bachelor degrees, certificate programs, and technical degrees.
Adds language under “Post baccalaureate education” section:

Post baccalaureate education includes education programs beyond a bachelor’s degree, such as a Master’s program.

Revises reference to Minnesota Statutes 119B. 10, subd.3 in the “Legal authority” section.

4.3.15 (MFIP/DWP child care for student parents)

Adds language under “Income requirements” section:

Once determined eligible, the family’s annual gross income after allowable deductions must be at or below 85% of SMI during the family’s 12 month eligibility period.

At redetermination, the family’s annual gross income after allowable deductions must be at or below 67% of SMI.

Adds Minnesota Statutes 119B.025 and Minnesota Statutes 119B.09 to the “Legal Authority” section.

4.9 (Cooperation with Child Support)

Adds language to the first paragraph:

Require all new applicants to cooperate with Child Support for all minor children in the home with an absent parent. At redetermination, require all participants 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).

Revises content in “Child Care support” section and adds the following language:

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

4.9.3 (Child Support enforcement referral process)

Adds language to the first paragraph:

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 at application and redetermination they are not eligible for CCAP unless the parent has claimed good cause.

Reorganizes content, removes “Child Support cooperation” section and adds “Child Support forms” as a new section.

Adds and reorganizes content under four new subheadings: “Recognition of parentage”; “Applicants families receiving other public assistance benefits”; “Changes in family composition”; and “Child Support cooperation.” Please review in their entirety.
Removes Minnesota Rules 3400.0040 and adds Minnesota Statutes 119.09, subd. 1 to the “Legal Authority” section.

4.9.6 (Child Support good cause claim)

Adds and removes language under “Child Support good cause claim” section:

If a family completes the Cooperation with Child Support Enforcement DHS-2338 (PDF) and claims good cause, the family does not need to complete the Referral to Support and Collections DHS-3163B (PDF) and the Child Care Assistance Program (CCAP) worker does not need to wait to open child care until good cause is approved. The county’s Good Cause committee will approve or deny the family’s good cause claim. If the family’s good cause claim is denied, the CCAP worker should send the family Referral to Support and Collections (DHS-3163B). If the family does not return the forms and CCAP eligibility has already been approved, CCAP should remain open until the family’s next redetermination.

Organizes content and adds two new headings: “Families receiving other public assistance benefits” and “Good cause review.”

Removes Minnesota Rules 3400.0040 and adds Minnesota Statutes 119.09, subd. 1 to the “Legal Authority” section.

4.9.9 (Communication between CCAP & CSE workers)

Revises language in first paragraph under “CCAP worker to Child Support Enforcement (CSE) worker:”

For children with open Service Authorizations, entering the appropriate data on MEC² will alert the Child Support agency of case openings, closings, and/or changes.

Revises language in last paragraph:

An open CCAP case should not be closed for Child Support noncooperation during the 12 month eligibility period.

Removes Minnesota Rules 3400.0040 from “Legal Authority” section.

5.9 (CCAP family composition examples)

Revisions were made to the CCAP family composition examples. Please read section in its entirety.

6.3 (Income limits)

Revises language in first and second sentence under “Income limits:”

Use annual gross income after allowable deductions to determine eligibility. Use the same income to determine copayment amount. See Chapter 6.21 (Family copayment) for current income limits and copayment amounts.

Adds language in second sentence under, “Applicants:”
If income exceeds 67% of the **State Median Income (SMI)** for their household size, the family is not eligible for child care assistance.

Adds language in first paragraph under “Transition Year child care assistance” section:

If there is no break in eligibility between receiving MFIP child care assistance and transition Year (TY) child care assistance, compare aTY family’s income to 67% of SMI.

Renames the section and revises language under “Participant - During the 12 month eligibility period:”

Once determined eligible, when annual income exceeds **85% of SMI during the family's 12 month eligibility period**, the family is ineligible.

Adds new section “Participant - At redetermination:”

**At redetermination, a family’s annual income cannot exceed 67% of SMI.**

Adds Minnesota Statutes 119B.025 and Minnesota Statutes 119B.09 to the “Legal Authority” section.

### 6.15 (Annualizing income)

Adds and removes language from first paragraph under “Annualizing income:”

**Annualize income to determine eligibility. There are several methods used by MEC² to annualize income. The worker should enter the verified individual income component and MEC² will calculate the annualized income.**

Adds new section “Changes in income during the eligibility period.”

**Do not reannualize income during the eligibility period unless the reported change would result in the family exceeding 85% of the State Median Income (SMI) for their household size or the family verifies a reduction in income.**

Workers must request verification if a family reports an income change that exceeds 85% of SMI before taking adverse action. After allowing for a 15-day verification request, if verification is not received, the change can be entered and processed as reported.

If families report income changes that do not result in an annualized income exceeding 85% of SMI, workers should inform clients that verification may be required at redetermination. Income decreases should not be entered into MEC² without verification. See Chapter 7.6 (Verification- Eligibility redetermination).

Adds new section “Annualizing income at redetermination:”

**At redetermination, annualize the family’s current income. Do not reconcile the family’s income annualization for the previous year unless there is evidence the family’s income exceed 85% of SMI during their 12 month eligibility period. Verify the income that is annualized for the next 12 month eligibility period. See Chapter 7.6 (Verification- Eligibility redetermination).**

Under the “Case example” section, removes the words “pay period” and replaces with the word “week:”:
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 week.

### 6.21 (Family copayment)

Adds and removes language. Please read section in its entirety.

### 7 (Verification)

Removes language from the second paragraph under “Verification:”

> Any form of verification is acceptable if it confirms the client’s statement. Do not demand a specific document or form of verification.

Adds third bullet under “Verification:”

> Written client statement, in some situations.

Adds new language in last paragraph under “Verification:”

> Allow families at least 15 days to provide requested verification. See Chapter 7.1 (Verification due dates) for exceptions.

Adds new heading “Helping families get verification” and revise language:

> You must help families who have trouble getting proof. Families must either provide necessary proof or give their consent for you to get the information. Certain information may be verified using various DHS systems or third-party interfaces. See Chapter 7.24 (Verification- DHS systems).

Adds new heading “Client statement” and replaces the word “client” with “family” in the first sentence:

> With the exception of most income and income deduction verifications, when proof is not available despite the efforts of you and the family, get a signed statement from the family attesting to the correctness of the information.

Adds new heading “Refusing to provide verification.”

Adds new bullet under “Refusing to provide verification:”

> 7.4 (Verification-12 month eligibility period)

Adds Minnesota Statutes 119B.09 to the “Legal authority” section.

### 7.1 (Verification due dates)

Adds language in first sentence under “Verification due dates:”

> In general, allow families 15 days to provide verification.

Adds new subheading and language under “Verification due dates during application:”
Allow families 15 days to provide verification. Use the MEC\textsuperscript{2} Special Letter: Verification Request to request verification. If families submit verification after the 15 day window but the application has not been processed yet, the information can be used to process the application.

Adds new subheading and language under “Verification due dates during the 12 month eligibility period:”

For changes that require verification during the eligibility period to continue authorizing child care or determine on-going eligibility, allow families 15 days to provide verification. Use the MEC\textsuperscript{2} Special Letter: Verification Request to request verification. For more on what changes must be verified during the 12 month eligibility period, see Chapter 7.4 (Verification – 12 Month Eligibility Period).

If a family fails to provide a required 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.

Removes second bullet under “Verification due dates at redetermination” and edits language in the last bullet

- If the case is open, give the family 15 days to return verifications.
- If the case has closed, give the family until the last day of the 30 day reinstatement period to return verifications. When the 30\textsuperscript{th} 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.

Revises language in third paragraph under “Verification due dates at redetermination:”

Note: If the redetermination form and all required eligibility verifications are not received and processed by the last day of the redetermination period, close the case with a 15-day notice of adverse action.

7.4 (Verification- 12 month eligibility period) - New Chapter

Please read section in its entirety.

7.6 (Verification- Eligibility redetermination)

Add language to the first bullet under “Verify the following at the time of eligibility redetermination:”

- Current income, if counted, and income deductions. See Chapter 7.9 (Income verification) and Chapter 6.6 (Earned/uneearned income) to determine what income sources are counted. See Chapter 6.15 (Annualing income) for how to annualize income at redetermination.

Add language to the third bullet under “Verify the following at time of eligibility redetermination:”

- Employment ending, if not previously reported, including last date of employment activity and date the last paycheck was received. Any changes in employment should be reported within 10 calendar days of the change. A signed client statement can be used to verify the date that employment ended and the date the last paycheck was received.

Revises language in the last subheading:

The following are requirements to authorize care:
7.9 (Income verification)

Adds new subheading of “When to verify income” and adds language:

Verify all included sources of income **when:**

- Processing an application,
- Processing a redetermination,
- Reducing a family’s copayment, or
- A family reports their income is over 85% of SMI during the 12 month eligibility period. See Chapter 7.4 (Verification – 12 month eligibility period).

**Do not** request verification of income changes during a family’s 12 month eligibility period unless the family reports that their income is over 85% of the SMI. See Chapter 8.1.12 (Changes in income or expenses).

Adds new subheading of “What to request as verification” and edits first sentence:

**Request verification** that proves when, what type and the amount of income a family member receives.

Edits third bullet under “What to request as verification:

- **Earned Income Ending:** A signed client statement can be used to verify the date that employment ended and the date the last paycheck was received.

Removes fifth and sixth bullet under “Self-employment income” subheading.

7.21 (Safe at Home)

Adds the following language:

CCAP applicants and participants are considered participants in the Safe At Home (SAH) program when they:

- provide the CCAP agency with a Safe At Home Identification Card, OR
- provide the CCAP agency with their unique lot number with PO Box 17370 assigned to them by the Secretary of State’s office, OR
- declare they are Safe At Home participants, either verbally or in writing. If a CCAP agency receives verbal declaration, document the statement in Case Notes.

Adds language that “SAH participants are not required to provide the CCAP agency with a Safe at Home Identification card.”

Adds language that “Case information for SAH participants must be protected as PRIVILEGED in MEC². See “**Safe at Home (SAH) Address**” in the MEC² User Manual.”

8 (12 month eligibility period) - New Chapter

Please read section in its entirety.
8.1 (Changes in circumstances) - New Chapter

Please read section in its entirety. Note this content was previously in Chapter 8 and edits have been made to the previous content.

8.1.3 (Changes in household composition) - New Chapter

Please read section in its entirety.

8.1.6 (Changes in family status) - New Chapter

Please read section in its entirety.

8.1.9 (Changes in activity) - New Chapter

Please read section in its entirety.

8.1.12 (Changes in income expenses) - New Chapter

Please read section in its entirety.

8.1.15 (Changes in residence) - New Chapter

Please read section in its entirety.

8.1.18 (Other Changes) - New Chapter

Please read section in its entirety.

8.12 (Moving between counties)

Adds language in third paragraph under “Moving to your county:”

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 85% State Median Income (SMI) exit criteria for families in their 12 month eligibility period or 67% State Median Income (SMI) extra criteria for families at their redetermination. 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.

Adds Minnesota Statute 119B.025 to the “Legal authority” section.

8.15 (Termination)

Adds new bullet and details under “Termination:”

- The family asks you to close their case.
- The family is no longer eligible. There are different requirements at redetermination than during a family’s 12 month eligibility period.
At redetermination, families must meet eligibility requirements in Chapter 4 (Eligibility requirements) and Chapter 6 (Income eligibility).

There are limited reasons for termination during the 12 month eligibility period. Do not apply redetermination eligibility requirements during the 12 month eligibility period.

- A member of the family has been disqualified.

Adds new subheading and details under “Reasons for termination during 12 month eligibility period.” Please read in its entirety.

Adds Minnesota Statutes 119B.025 and Minnesota Statues 119B.09 to the “Legal authority” section.

9.24.3 (Child care rates, registration fees, copayments)

Updates hyperlink to Minnesota Child Care Assistance Program Copayment Schedules (Effective October 9, 2017 – current) DHS-6413F under “Copayment schedules.”

9.24.6 (Age category exceptions)

Simplifies language, organizes content and adds detail. Please read section in its entirety.

10 (Redetermination of eligibility)

Adds and removes language:

Once a family has been determined eligible, you must determine eligibility no more often than every 12 months. See Chapter 10.3 (When to redetermine eligibility).

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

All families must complete a redetermination form and provide required verifications 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 redetermination requirements. Follow all notice requirements.

10.3 (When to redetermine eligibility)

Revises and removes language. Please read section in its entirety.

10.3.3 (When to adjust the redetermination due date)

Revises first two paragraphs:

See Chapter 10.3 (When to redetermine eligibility) for setting the redetermination due date and the maximum length of time between reviews.
CCAP agencies may increase the redetermination due date to coincide with expected changes or another program's review date. The adjusted date must not be less than the minimum 12 month time requirement between reviews. Continue to follow guidance in Chapter 10.6 (Redetermination process and Chapter 10.6.3 (Redetermination processing standards) when adjusting the length of redetermination.

Adds new subheading “Adjusting the redetermination due date for Teen Parents attending certain programs.” Please read this section in its entirety.

Adds Minnesota Statutes 119B.025, subd. 3 to the “Legal Authority” section.

10.6 (Redetermination process)

Revises language in first paragraph under “Redetermination process”:

See Chapter 10.3 (When to redetermine eligibility) for information on redetermination timelines.

Adds new third and fourth paragraph:

See Chapter 10.6.6 (Redetermination processing – Reinstatement) for information about processing redeterminations that are completed within 30 calendar days after the case closed for not completing the redetermination.

The redetermination period begins 45 days before the redetermination due date and ends on the redetermination due date identified in MEC².

Revises language in fifth paragraph:

MEC² generates a cover letter and mails the following forms 45 days prior to the end of the 12 month eligibility period:

Adds new language in seventh paragraph:

MEC² generates a provider notice identifying the family’s redetermination due date. It is mailed to all providers with active Service Authorizations for a child in the family. This notice is mailed at the same time the redetermination cover letter and forms are mailed to the family.

Adds language to the fifth bullet under “To complete the redetermination process:”

- Notify the family and the provider(s) of the hours of care authorized if the number of hours changes and the copay if the copay changes. See Chapter 12.3 (Notices to Families) and Chapter 12.6 (Notices to Providers).

Edits language in the last sentence under “Notice requirements” section:

If the change decreased the family’s benefit level and the change was not reported timely, there may be an overpayment.

10.6.3 (Redetermination processing standards)

Adds language in second bullet under “Redetermination requirements:”
• If the family is not eligible, send the family and provider a 15 calendar day notice before terminating benefits. The adverse action notice may need to be sent more than 15 calendar days before terminating benefits to ensure the family receives at least 12 months of CCAP. See Chapter 12.3.12 (Termination notices – Family) and Chapter 12.6.9 (Termination notices – Provider).

Edits language in third paragraph under “Redetermination requirements:”

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 15 calendar day notice of termination to the family and provider at 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).

Adds new subheading and details under “Example - Redetermination period processing cycle.”

**10.6.6 (Redetermination processing- reinstatement)**

Removes content under “Eligibility” subheading. Please read this section in its entirety. Revises language in the second bullet under “Copay changes:”

- A copay increase requires a 15 day notice. **You must ensure the family’s copay does not increase during the 12 month eligibility period.** 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.

Adds a new subheading “Child Support cooperation:”

Families who are not cooperating with Child Support enforcement at the time of their redetermination will have their case closed. If a family begins cooperating with Child Support enforcement within the 30 day reinstatement period, reinstate the case back to the date the case closed if all other redetermination eligibility factors are met.

Adds Minnesota Statutes 119B.09 and Minnesota Statutes 119B.12 to the “Legal Authority” section.

**12.3 (Notice to families)**

Revises the list of reasons when to send a notice of adverse action:

- Authorized hours are reduced,
- Copayment increases at redetermination,
- An education plan is denied,
- The family’s provider loses eligibility,
- An overpayment will be recouped, and;
- Eligibility is terminated.

Revises the last paragraph:

*Send a notice of non-adverse actions, such as an increase in authorized hours or a reduction in copayment. Make the change as soon as possible.*
12.6 (Notice to providers)

Adds a second bullet to the list of when providers must receive a notice:

- Notification when a family’s redetermination is due. See Chapter 12.6.15 (Redetermination due – Provider notice).

12.6.15 (Redetermination due - Provider notice) - New Chapter

Please read section in its entirety.

14.6 (Amount of overpayment)

Adds link to Minnesota Copayment Schedules (effective October 9, 2017 – current) DHS-6413F under “Maximum rates.” Removes the first two bullets of examples of ineligibility and the begin date of subsequent period of time under “Ineligibility.”

16.15 (Authorized activities comparison sheet)

Adds detail and makes plain language changes throughout.

Adds language to “Transition Year Child Care/Transition Year Extension” under “High School/GED/Remedial” and “Post-Secondary Education:”

Must have agency approved education plan.

16.18 (Case reviews)

Adds language in first paragraph under “DHS case reviews” section:

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), the Office of Management and Budget (OMB) Circular A-133 and the Minnesota Office of Legislative Auditor, DHS randomly selects CCAP cases to be reviewed each month. Agencies are required to submit selected case files to DHS for review.

Adds language in fourth paragraph under “Agency case management reviews” section:

DHS created a case management review process and forms for counties and tribes to utilize. These forms may be accessed through eDocs. Counties and tribes may choose to create their own process and forms that have been customized to reflect their administrative practices and optional policies. County and tribal developed forms must be submitted and approved by DHS as part of or as an amendment to their County or Tribal Child Care Fund Plan.
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12 month eligibility period

After an application or redetermination has been approved, a family enters a 12 month eligibility period. During this period, limited factors can negatively impact a family’s case. The purpose of the eligibility period is to provide for stable, consistent child care arrangements for children in the family. See Chapter 8 (12 month eligibility period).

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.
- 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
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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).

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. 10a)

Basic Sliding Fee program

A sub-program of the Child Care Assistance Program for non-Minnesota Family Investment Program/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.
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Calendar month

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

Cash benefits

Public assistance including income from the Minnesota Family Investment Program (MFIP), Diversionary Work Program (DWP), Minnesota Supplemental Aid (MSA), General Assistance (GA), Refugee Cash Assistance (RCA).
(Legal Authority: Minnesota Statutes 119B.011, Subd.15)

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)

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 and tribal child care fund plan**

A county, tribe, and the 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, and allows agencies to establish some local policies and procedures.

**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

Cash or in-kind income earned through the receipt of wages, salary, commissions, bonuses, tips, gratuities, profit from employment activities, net profit from self-employment activities, payments made by an employer for regularly accrued vacation or sick leave, severance pay based on accrued leave time, payments from training programs at a rate at or greater than the state’s minimum wage, royalties, honoraria, or other profit from activity that results from the client’s work, service, effort, or labor.

See also INCOME.
(Legal Authority: Minnesota Statute 256P.01, Subd. 3)

eDocs

eDocs is 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, Transition Year and Transition Year Extension)

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, and meet state and county requirements for education plans.
(Legal Authority: Minnesota Statutes 119B.011, Subd. 11)

Eligible relative caregiver

A person who is the caregiver of a child receiving an MFIP child only grant OR the caregiver is a person receiving an MFIP or DWP grant that includes the child. 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. Examples include, but are not limited to, halfway house, foster home, battered women’s shelter, or rehabilitation facility. See Chapter 8.12.1 (Excluded Time Facilities).

(Legal Authority: Minnesota Statutes 256G.02; Minnesota Statutes 256G.03)

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:
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- Contact their local county social services agency.

OR

- See the DHS Family Support Grant program website.

FICA


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

Counted earned or unearned income, including public assistance cash benefits, received by the family. See Chapter 6 (Income Eligibility).

(Legal Authority: Minnesota Statutes 119B.011, Subd.15)

Infant

- **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. See Chapter 9.24.6 (Age category exceptions).
- **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
- **License Exempt Centers**: Follow the Licensed Center Child Care definition.
Glossary

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)

Legal non-licensed related provider

A legal nonlicensed provider who cares for children related to the provider and does not care for any children receiving child care assistance who are not related to the provider. Related mean the provider is the sibling, grandparent, aunt, or uncle of the child, based on a blood relationship, marriage, or court decree.

Legal non-licensed unrelated provider

A legal nonlicensed provider who provides care for at least one child receiving child care assistance who is not related to the provider. Related mean the provider is the sibling, grandparent, aunt, or uncle of the child, based on a blood relationship, marriage, or court decree.

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).
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MAXIS

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

MEC²

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 child

A child who is living in the same home of a parent or other caregiver, is not the parent of a child in the home, and who is one of the following:

- Less than 18 years of age.

OR

- Under the age of 19 and a full-time student in a secondary school or pursing a full-time secondary level course of vocational or technical training, designed to fit students for gainful employment.

See Chapter 6.6.1 (Individuals Exempt from Earned Income).
**Minor parent**

A parent who is less than 18 years of age.

- Less than 18 years of age.

OR

- Under the age of 19 and a full-time student in a secondary school or pursuing a full-time secondary level course of vocational or technical training, designed to fit students for gainful employment.

See Chapter 6.6.1 (Individuals Exempt from Earned Income).

**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 Chapter 9.24.6 (Age category exceptions).

(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)

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 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
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

See EDUCATION PROGRAM.

Note: Education programs do not need to be part of an approved Education Plan or MFIP Employment Plan to be considered “school” for the purposes of determining student status for exempt individuals.

See Chapter 6.6.1 (Individuals Exempt from Earned Income).

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. See Chapter 9.24.6 (Age category exceptions).**

*(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. See EDUCATION PROGRAM and EMPLOYMENT PLAN.
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).

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).

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. See Chapter 9.24.6 (Age category exceptions).
- 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, education 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, education 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)

Unearned income

Income includes:

- interest and dividends from investment and savings;
- capital gains as defined by the Internal Revenue Service from any sale of real property;
- proceeds from rent and contract for deed payments in excess of the principal and interest portion owed on property;
- income from trusts, excluding special needs and supplemental needs trusts;
- interest income from loans made by the participant or household;
- cash prizes and winnings;
- unemployment insurance income;
- retirement, survivors, and disability insurance payments;
- cash assistance benefits;
- tribal per capita payments unless excluded by federal and state law;
- income and payments from service and rehabilitation programs that meet or exceed the state’s minimum wage rate;
- income from members of the United States armed forces unless excluded from income taxes according to federal or state law;
- all child support payments;
- spousal support.
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See also INCOME.

(Legal Authority: Minnesota Statutes 256P.01, Subd. 8)

**Unitary residence**

The two full calendar month period when a county remains financially responsible for child care assistance benefits after a participant moves from that one county to another county.
Accepting and processing applications

Encourage applicants who live in another county to apply in the county where they live. However, you must accept an application from an applicant who does not live in your county and immediately forward the application to the county where the applicant lives.

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.

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. You may extend the response time by 15 calendar days if the applicant is informed of the extension.

If it appears the family may be eligible 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. See Chapter 4.3.12.12 (BSF waiting list management).

An applicant’s signature on the CCAP application allows counties to give 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.
- Notification when the family’s redetermination is due.

All applications for CCAP, whether they are paper or electronic, must be reviewed, entered into MEC² and processed.

Electronic applications when CCAP may not be needed

When the information on an ApplyMN electronic application indicates that the person may not need child care assistance, the worker should contact the applicant and ask if they want to withdraw their application.
Accepting and processing applications

• If the applicant says they want to withdraw their application, the worker should:
  1. Enter basic information into MEC² via the Application Workflow, coding only the Member, Member II, and Address windows. See the MEC² User Manual 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 says they want 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 Notice of Denial for Public Assistance Applicants or Recipients (DHS-4532) and document the actions taken in Case Notes.

Legal authority

Minnesota Statutes 119B.025, subd. 3
Minnesota Statutes 119B.09, subd. 7
Minnesota Rules 3400.0035
Minnesota Rules 3400.0060
Minnesota Rules 3400
The Child Care Assistance Program (CCAP) has several sub-programs with different eligibility criteria and allowed activities.

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 has a capped allocation. This means that a specific amount of money is allocated each CCAP agency every calendar year. If funds are not available, applicants may be put on a waiting list.

See the following chapters for information about each sub-program:

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MFIP Sanctions 4.3.3.9

Agencies 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 but the amount of the MFIP grant is reduced.

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

During the 12 month eligibility period, if an MFIP sanction is imposed for failure to cooperate with child support, the family can continue receiving child care. If the MFIP case closes due to repeated sanctions, the family can continue receiving child care through Transition Year (TY) or Basic Sliding Fee (BSF) child care until their redetermination if they meet sub-program requirements.

The family must be cooperating with child support at redetermination to continue receiving child care assistance.

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. Child care should not be authorized for the non-compliant activities while the participant is in sanction unless the job counselor specifies that the client is working towards curing the sanction and care can continue. 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 Chapter 16.1 (CCAP authorizations for clients with an EP).

For the first through sixth sanction occurrence, if the job counselor recommends taking an adverse action that may affect CCAP, determine if care can be authorized.

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.
See 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 seventh sanction occurrence, the family is no longer eligible for MFIP Child Care. When a family loses eligibility for MFIP Child Care due to a seventh sanction occurrence, assess a family’s eligibility for TY. If the family does not meet the eligibility requirements for TY, assess eligibility for BSF. See 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
DWP sanctions

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 four months of DWP eligibility continues to run while a sanction is in place.

If a family’s DWP case closes, assess a family’s eligibility for Transition Year (TY). If the family does not meet the eligibility requirements for TY, assess eligibility for BSF. The parent(s) must be in an authorized activity and all other eligibility requirements must be met. See Chapter 4.3.6 (Transition Year (TY)), Chapter 4.3.12 (Basic Sliding Fee (BSF)) and Chapter 4.3.12.9 (BSF priorities).

Non-cooperation with child support

During the 12 month eligibility period, if a DWP case closes for failure to cooperate with child support, the family can continue receiving child care until their redetermination if they meet the requirements for TY or BSF.

The family must be cooperating with child support at redetermination to continue receiving child care assistance.

Legal authority

Minnesota Statutes 256J.95
Minnesota Statutes 119B.011 to 119B.24
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 eligibility:

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

- Look at the previous six months. If the family received MFIP or DWP for three of those previous six months, the family qualifies for a new 12 month Transition Year period.
- Look at the previous six months. If the family received MFIP or DWP for only one or two of those previous six 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/tribe has BSF funds available.

Income limits

If the family received MFIP child care and moves to TY with no break in eligibility, the family’s income must be at or below the applicable income exit level. During their 12 month eligibility period, the family’s income must be at or below 85% of SMI. At redetermination, the family’s income must be at or below 67% of SMI.

If the family did not receive MFIP child care assistance and applies for TY during their Transition Year, the family’s income must be at or below 47% of SMI.

If the family received MFIP child care and their case closed, determine which income limits apply:
Transition Year (TY)  4.3.6

- If the family was eligible but did not need care while their case was closed, the family’s income must be at or below 67% of SMI.
- If the family was not eligible during the break in eligibility, the family’s income must be at or below 47% of SMI.

Consider the following examples:

**Example 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 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 entrance level in the first program of service (MFIP). The applicant would not need to meet 47% SMI entrance level.

**Example 2:**

MFIP participant has no authorized activity 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.

The applicant would need to meet 47% SMI entrance level 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 six months prior to the date the application was received by the agency.

**Transition Year and waiting list requirements**

If your agency 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 Priority Two.

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 first 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 Priority Two of the 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).

For information about TY child care for other students, see Chapter 4.3.6.6 (Transition Year students).

Legal authority

Minnesota Statutes 119B.011, subd. 20
Minnesota Statutes 119B.05, subd. 1
Minnesota Statutes 119B.09
Minnesota Rules 3400.0060, subd. 7
Minnesota Rules 3400.0090
TY authorized activities 4.3.6.3

Transition Year (TY) child care 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 4.3.6.6 (Transition Year students) for policies regarding authorizing TY for education.

To authorize TY 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.

If a student is not working or does not want child care assistance for the hours they are working, there is no minimum work requirement.

Legal authority

Minnesota Statutes 119B.011, subd. 20
Transition Year students

Your agency must approve a student’s education or training program prior to authorizing child care assistance for education under Transition Year (TY). The criteria for approving education or training programs is included in each agency’s County and Tribal Child Care Fund Plan, using the same process for education plans under the Basic Sliding Fee (BSF) program. In general:

- Education or training programs must reasonably lead to full-time employment opportunities as determined by the agency.
- Students must maintain satisfactory progress in the education or training program.
- Your agency must approve any changes in education and training programs prior to the change being made.

Documentation of the approval of the education or training program must be included in the case file. Documentation may include an agency 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.

High school diploma and GED high school equivalency diploma

Do not apply specific time limits if the student is maintaining satisfactory progress as determined by the institution.

Basic or remedial education

Remedial or basic skills courses include Adult Basic Education and English as a Second Language.

Do not apply specific time limits if the student is maintaining satisfactory progress as determined by the institution.

Post-secondary programs

Post-secondary programs can include many different types of education programs. Examples include associate degrees, bachelor degrees, certificate programs, and technical degrees.

Do not apply more restrictive time limits for the student than those established by the educational institution. Do not authorize child care for more than the time necessary for a part-time or full-time student to complete the requirements the institution determines necessary for the degree. Require the student to provide documentation from the institution regarding credits and hours needed to complete the program.

Post baccalaureate education

Post baccalaureate education includes education programs beyond a bachelor’s degree, such as a Master’s program. Do not approve a training plan for a second bachelor’s degree or for education beyond a bachelor’s degree except for continuing education units, certification or coursework needed to update credentials to obtain or retain employment.
Transition Year students

Legal authority

Minnesota Statutes 119B.10, subd. 3
Minnesota Rules 3400.0040
TYE authorized activities

Transition Year Extension (TYE) child care 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 4.3.9.6 (Transition Year Extension students) for policies regarding authorizing TYE for education.

To authorize TYE 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.

If a student is not working or does not want child care assistance for the hours they are working, there is no minimum work requirement.

Legal authority

Minnesota Statutes 119B.011, subd. 20a
Transition Year Extension students

Your agency must approve a student’s education or training program prior to authorizing child care assistance for education under Transition Year Extension (TYE). The criteria for approving education or training programs is included in each agency’s County and Tribal Child Care Fund Plan, using the same process for education plans under the Basic Sliding Fee (BSF) program. In general:

- Education or training programs must reasonably lead to full-time employment opportunities as determined by the agency.
- Students must maintain satisfactory progress in the education or training program.
- Your agency must approve any changes in education and training programs prior to the change being made.

Documentation of the approval of the education or training program must be included in the case file. Documentation may include an agency 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.

High school diploma and GED high school equivalency diploma

Do not apply specific time limits if the student is maintaining satisfactory progress as determined by the institution.

Basic or remedial education

Remedial or basic skills courses include Adult Basic Education and English as a Second Language.

Do not apply specific time limits if the student is maintaining satisfactory progress as determined by the institution.

Post-secondary programs

Post-secondary programs can include many different types of education programs. Examples include associate degrees, bachelor degrees, certificate programs, and technical degrees.

Do not apply more restrictive time limits for the student than those established by the educational institution. Do not authorize child care for more than the time necessary for a part-time or full-time student to complete the requirements the institution determines necessary for the degree. Require the student to provide documentation from the institution regarding credits and hours needed to complete the program.

Post baccalaureate education

Post baccalaureate education includes education programs beyond a bachelor’s degree, such as a Master’s program. Do not approve a training plan for a second bachelor’s degree or for education beyond a bachelor’s degree except for continuing education units, certification or coursework needed to update credentials to obtain or retain employment.
Legal authority

Minnesota Statutes 119B.10, subd. 3
Minnesota Rules 3400.0040
Basic Sliding Fee (BSF) 4.3.12

Your agency receives a yearly allocation for the Basic Sliding Fee (BSF) sub-program. When funding is available, approve BSF for non-MFIP/DWP families who meet all eligibility requirements. See Chapter 6.3 (Income limits) and Chapter 4.3.12.6 (BSF authorized activities & hours).

When BSF funds are not available, establish a waiting list. See Chapter 4.3.12.9 (BSF priorities), Chapter 4.3.12.12 (BSF waiting list management) and Chapter 4.3.12.15 (BSF Portability Pool).

Legal authority

Minnesota Statute 119B.025
Minnesota Statute 119B.03
Minnesota Statute 119B.09
Minnesota Statute 119B.10
Minnesota Rules 3400.0060
BSF students 4.3.12.3

Your agency must approve a student’s education or training program prior to authorizing child care assistance for education under Basic Sliding Fee (BSF). The criteria for approving education or training programs is included in each agency’s County and Tribal Child Care Fund Plan. In general:

- Education or training programs must reasonably lead to full-time employment opportunities as determined by the agency.
- Students must maintain satisfactory progress in the education or training program.
- Your agency must approve any changes in education and training programs prior to the change being made.

Documentation of the approval of the education or training program must be included in the case file. Documentation may include an agency 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.

High school diploma and GED high school equivalency diploma

Do not apply specific time limits if the student is maintaining satisfactory progress as determined by the institution.

If your county or tribe has a waiting list, a student who does not have a GED or high school diploma must be participating in an education program to be included in Priority 1 of the waiting list. See Chapter 4.3.12.9 (BSF priorities).

Basic or remedial education

Remedial or basic skills courses include Adult Basic Education and English as a Second Language.

Do not apply specific time limits if the student is maintaining satisfactory progress as determined by the institution.

If your county or tribe has a waiting list, a student who needs remedial or basic skill courses must be participating in an education program to be included in Priority 1 of the waiting list. See Chapter 4.3.12.9 (BSF priorities).

Post-secondary programs

Post-secondary programs can include many different types of education programs. Examples include associate degrees, bachelor degrees, certificate programs, and technical degrees.

Do not apply more restrictive time limits for the student than those established by the educational institution. Do not authorize child care for more than the time necessary for a part-time or full-time student to complete the requirements the institution determines necessary for the degree. Require the student to provide documentation from the institution regarding credits and hours needed to complete the program.

Post baccalaureate education

Post baccalaureate education includes education programs beyond a bachelor’s degree, such as a Master’s program. Do not approve a training plan for a second bachelor’s degree or for education beyond a bachelor’s degree except for continuing education units, certification or coursework needed to update credentials to obtain or retain employment.
Legal authority

Minnesota Statutes 119B.10, subd. 3
Minnesota Rules 3400.0040
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 Priority One waiting list

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).

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

See 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, the family no longer qualifies for MFIP/DWP Child Care for Student Parents funding.

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 85% of SMI during the family’s 12 month eligibility period.

At redetermination, the family’s annual gross income after allowable deductions must be at or below 67% of SMI.

Waiting list requirements

Families eligible for MFIP/DWP Child Care for Student Parents meet the age and activity requirements for Priority One of the BSF waiting list. Families receiving MFIP/DWP Child Care for Student Parents must be reported on the waiting list as Priority One while they receive MFIP/DWP Child Care for Student Parents funding. 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.025
Minnesota Statutes 119B.06, subd. 1
Minnesota Statutes 119B.09
Cooperation with child support

Require all new applicants to cooperate with Child Support for all minor children in the home with an absent parent. At redetermination, require all participants 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 (PDF) and Cooperation with Child Support Enforcement form DHS-2338 (PDF) are 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.

Child care support

If a court order establishes Child Care Support for a child receiving child care assistance, the parent must assign the Child Care Support to the State.

Assignment of Child Care Support is a condition of eligibility for child care assistance. A caregiver assigns all rights of the family to Child Care Support by completing the Minnesota Child Care Assistance Program Application DHS-3550 (PDF) or the Combined Application - Child Care Addendum DHS-5223D (PDF) in addition to the Combined Application Form DHS-5223 (PDF).

Legal authority

Minnesota Statutes 119B.09, subd. 1
Minnesota Statutes 256.741
Child Support enforcement referral process 4.9.3

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 at application and redetermination they are not eligible for CCAP unless the parent has claimed good cause.

MEC² automatically sends some referrals to the Child Support agency through an interface with PRISM. Referrals are interfaced from MEC² to PRISM only for children who have open Service Authorizations.

Child Support forms

The family must complete the Cooperation with Child Support Enforcement DHS-2338 (PDF) and, if the family is not claiming good cause, the Referral to Support and Collections DHS-3163B (PDF) for all children in the family with an absent parent. 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 at application, deny the application.

The Child Support filing fee charged to a NPA (non-public assistance) custodial parent is waived as Child Support cooperation is a CCAP requirement.

Recognition of parentage

If an intact family applies for CCAP but paternity is not established, refer the family to the county/tribal Child Support office. The Child Support agency will work with the family to establish paternity. The family may sign and file a Recognition of Parentage (ROP) to establish paternity. After an ROP is filed, the family will receive a birth certificate with the father’s name. The birth certificate can be used as the father’s verification of relationship.

If the family does not provide verification of parentage, send the family the Cooperation with Child Support Enforcement (DHS-2338) and the Referral to Support and Collections (DHS-3163B).

Applicant families receiving other public assistance benefits

If a family applies for CCAP and already has an open MFIP or health care case on MAXIS or Minnesota Eligibility Technology System (METS) the CCAP worker should not require new Child Support forms be completed at application if all the children in the family are on the existing MFIP or health care case.

If additional children were added to the household since the forms were completed for the other public assistance program, Child Support forms must be completed for the new children to meet cooperation requirements at application.

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

If a child with an absent parent is added to the CCAP family or a parent is removed from the CCAP family, send the family the Cooperation with Child Support Enforcement (DHS-2338) and, the Referral to Support and Collections (DHS-3163B). If the forms are not completed and returned by the time the redetermination is processed, close the CCAP case with a 15 day notice.

Child Support cooperation

The local Child Support agency is responsible for determining if the family is cooperating with Child Support. Do not close an open CCAP case for Child Support noncooperation unless the CCAP worker is notified by Child Support that the client has failed to cooperate, and the family has not begun to cooperate with Child Support by their redetermination. If the family is not cooperating with Child Support at the time their redetermination is processed, deny their redetermination for non-cooperation with Child Support and close their CCAP case.

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

If the CCAP worker is informed that the parent is not cooperating with Child Support, it is recommended the worker include some form of documentation of the non-cooperation in the CCAP case file. It is also recommended the CCAP worker include some form of documentation in the CCAP case file if they are later informed the parent is cooperating. 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 Statutes 119B.09, subd. 1
Minnesota Statutes 256.741
Child Support good cause claim 4.9.6

If a family completes the Cooperation with Child Support Enforcement DHS-2338 (PDF) and claims good cause, the family does not need to complete the Referral to Support and Collections DHS-3163B (PDF) and the Child Care Assistance Program (CCAP) worker does not need to wait to open child care until good cause is approved. The county’s Good Cause committee will approve or deny the family’s good cause claim. If the family’s good cause claim is denied, the CCAP worker should send the family the Referral to Support and Collections (DHS-3163B). If the family does not return the forms and CCAP eligibility has already been approved, CCAP should remain open until the family’s next redetermination.

Families receiving other public assistance benefits

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 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.

Good cause review

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 worker must send the Notice of Child Support Good Cause Redetermination DHS-3630 (PDF) to the family.

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 (PDF). The Notice of Child Support Good Cause Approval must be sent manually by the worker.

Legal authority

Minnesota Statutes 119B.09, ubd. 1
Minnesota Statutes 256.741
Communication between CCAP & CSE workers

CCAP worker to Child Support Enforcement (CSE) worker

For children with open Service Authorizations, entering the appropriate data on MEC\(^2\) will alert the Child Support agency of case openings, closings, and/or changes.

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 during the 12 month eligibility period.

Legal authority

Minnesota Statutes 119B.09
Minnesota Statutes 256.741
CCAP family composition examples

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-parent married families

Case scenario 1

Mother  Working 35 hours per week
Father  Going to school
Family size  4

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

BSF  Eligible with an agency-approved education plan for father’s education.
MFIP  Eligible with an approved Employment Plan for the father.
TY  Eligible with an agency-approved education plan for father’s education.

Case scenario 2

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  Eligible for mom’s work activity
MFIP  Eligible for mom’s work activity.
TY  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 for mom’s work activity. Temporary absent status is limited to 60 days if absent parent is not in an authorized activity.
MFIP    Eligible for mom’s work activity. Temporary absent status is limited to 60 days if absent parent is not in an authorized activity.
TY    Eligible for mom’s work activity. Temporary absent status is limited to 60 days if absent parent is not in an authorized activity.
2-parent married blended family

Mother
  Going to 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 agency-approved education plan for mother’s education.
- **MFIP**: Eligible with an approved Employment Plan for the mother.
- **TY**: Eligible with an agency-approved education plan for mother’s education.
2-parent unmarried blended family

Case Scenario 1

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.

Case Scenario 2

Mother  Temporarily absent from the household, no authorized activity
Father  Working 40 hours per week
Family Size  4 (after 60 days of no authorized activity for mom, the family size will change to 2)

If the family meets general eligibility for CCAP and the temporarily absent parent intends to return to the household, the following CCAP programs may be available to them.

BSF  Eligible for both children up to 60 days*, after 60 days only eligible for mutual child.
MFIP  Eligible for both children up to 60 days*, after 60 days only eligible for mutual child.
TY  Eligible for both children up to 60 days*, after 60 days only eligible for mutual child.

*If the temporarily absent parent is in an authorized activity, there is no limit on the length of time that the parent may be absent as long as they intend to return.

See Chapter 5.6 (CCAP Family – Temporary Absence).
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 for both children.
MFIP         Not eligible for either child. Would be eligible only if aunt and/or uncle are on the MFIP grant*.
TY           Not eligible for either child. Would be eligible only if aunt and/or uncle had been on MFIP for three out of the previous six months.

* To receive MFIP child care, the applicant must receive MFIP.
**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 two OR one family of three 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.
- **Family B** = Grandmother and 10 Year old.
- **Family C** = Minor Parent and Baby.

**BSF**
- Family A and B: Eligible for 10 year old for grandmother’s work activity.
- Family C: Eligible for baby with agency-approved education plan for Minor Parent.

**MFIP**
- Family A and B: Eligible for 10 year old for grandmother’s work activity.
- Family C: Eligible for baby with an approved Employment Plan for Minor parent.

**TY**
- Family A and B: Eligible for 10 year old for grandmother’s work activity.
- Family C: Eligible for baby with agency-approved education plan for Minor Parent.
Unmarried parent living with boyfriend

Case Scenario 1

Mother: Working 30 hours per week.
Boyfriend: Working 30 hours per week.
Family Size: 4 (boyfriend does NOT meet the definition of family and is not part of the CCAP family)

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

- BSF: Eligible for mother’s work activity.
- MFIP: Eligible for mother’s work activity.
- TY: Eligible for mother’s work activity.

Case Scenario 2
(Mother and boyfriend get married.)

Mother: Working 30 hours per week.
Husband: Working 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 mother’s and husband’s work activities*.
- MFIP: Eligible for mother’s and husband’s work activities*.
- TY: Eligible for mother’s and husband’s work activities*.

*Care can only be authorized when both the mother and her husband are in authorized activities and their activity schedules overlap.
Unmarried parent with a child on SSI

Mother

- Receives MFIP for herself and two out of her three children. The other child receives SSI.

Family Size 4

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

- **BSF**: Not eligible because mother receives MFIP.
- **MFIP**: Eligible for all children because mother receives MFIP*.
- **TY**: Not eligible because mother receives MFIP.

*To receive MFIP child care, the applicant must receive MFIP.
Unmarried mother on SSI

Mother on SSI

Child

Child

Child

Mother
Receives SSI.

Family Size
4.

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

BSF
Eligible if mother has an authorized activity. SSI is excluded income.

MFIP
Not eligible because mother is not receiving MFIP*.

TY
Not eligible because mother was not receiving MFIP for three of the last six months.

*To receive MFIP child care, the applicant must receive MFIP.
Mother disqualified due to fraud

Mother

Child

Child

Child

Mother Not on MFIP because of MFIP fraud disqualification (NOT 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 if mother has an authorized activity. If MFIP closes for children, family would continue to be eligible for BSF.

MFIP Not eligible because mother was disqualified from MFIP due to fraud*.

TY Not eligible because mother was disqualified from MFIP due to fraud.

* To receive MFIP child care, the applicant must receive MFIP.

Legal authority

Minnesota Statutes 119B.011
Minnesota Rules 3400.0040
Income limits

Use annual gross income after allowable deductions to determine eligibility. Use the same income to determine copayment amount. 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 State Median Income (SMI) for their household size, the family is not eligible for child care assistance.

For all other applicant families, compare income to 47% of SMI. See Chapter 6.21 (Family copayment).

Transition Year child care assistance

If there is no break in eligibility 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 – During the 12 month eligibility period

Once determined eligible, when annual income exceeds 85% of SMI during the family’s 12 month eligibility period, the family is ineligible.

Participant – At redetermination

At redetermination, a family’s annual income cannot exceed 67% of SMI.

Legal authority

Minnesota Statutes 119B.025
Minnesota Statutes 119B.09
Minnesota Statutes 119B.011
Minnesota Rules 3400.0170
Annualizing income

Annualize income to determine eligibility. There are several methods used by MEC² to annualize income. The worker should enter the verified individual income components and MEC² will calculate the annualized income. See case example below. The individual components needed within MEC² will vary depending upon the type of income.

The income components used in MEC² include:
- Payment Frequency: Identifies how often the income is paid to the client
- Income Projection Amount: Identifies the amount to be used by MEC² in the annualized income calculation.
- Income Projection Payment Frequency: Identifies the payment frequency to be used by MEC² in the annualized income calculation.
- Income Projection Hours per Week: Identifies the hours per week to be used by MEC² 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.

MEC² 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 MEC² 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.

Changes in income during the eligibility period

Do not reannualize income during the eligibility period unless the reported change would result in the family exceeding 85% of the State Median Income (SMI) for their household size or the family verifies a reduction in income.

Workers must request verification if a family reports an income change that exceeds 85% of SMI before taking an adverse action. After allowing for a 15-day verification request, if verification is not received, the change can be entered and processed as reported.

If families report income changes that do not result in an annualized income exceeding 85% of SMI, workers should inform clients that verification may be required at redetermination. Income decreases should not be entered into MEC² without verification. See Chapter 7.6 (Verification – Eligibility redetermination).

Annualizing income at redetermination

At redetermination, annualize the family’s current income. Do not reconcile the family’s income annualization for the previous year unless there is evidence the family’s income exceeded 85% of SMI during their 12 month
eligibility period. Verify the income that is annualized for the next 12 month eligibility period. See Chapter 7.6 (Verification – Eligibility redetermination).

### 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 week.

<table>
<thead>
<tr>
<th>Pay Period</th>
<th>Gross Wages</th>
<th>Hours Worked</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay Period 1</td>
<td>300</td>
<td>25</td>
</tr>
<tr>
<td>Pay Period 2</td>
<td>420</td>
<td>35</td>
</tr>
<tr>
<td>Pay Period 3</td>
<td>312</td>
<td>26</td>
</tr>
<tr>
<td>Pay Period 4</td>
<td>360</td>
<td>30</td>
</tr>
</tbody>
</table>

After discussions with the client, the worker has 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 MEC²:

- 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 MEC²:

- 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 identifying why all the verifications provided were not used and how the individual income components entered into MEC² were calculated. An example of a case note follows:

- 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 MEC². 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
**Family copayment**

Child care assistance families are responsible for a copayment. The copayment is paid to the family’s child care provider biweekly.

The copayment amount is based on family size and annual income after allowable deductions. Copayments are graduated to provide movement of families to full payment of child care costs as their income increases.

During the biweekly period when the family first receives service, MEC2 will prorate the copayment based on the number of calendar days left in the biweekly period. Changes in income or family size.

During the 12 month eligibility period, the amount of the copayment can be reduced. When family income decreases or the family size increases, the copayment is reduced in the next biweekly period. If verification of the change is not provided, the family remains eligible, but the copayment should not be reduced.

MEC² will not check if entered income changes are verified. Do not enter an unverified income decrease. If an unverified income decrease is entered into MEC² the system may reduce the copayment for the family. If verification later shows that the copay should not have decreased, the family may be subject to an overpayment.

During the 12 month eligibility period, the amount of the copayment cannot be increased. When family income increases or the family size decreases, the copayment will stay the same until the family’s next redetermination. At redetermination, the copayment will increase after a 15 day notice.

NOTE: A copayment can increase during the 12 month eligibility period due to recoupment of an overpayment. See Chapter 14.9.6 (Recoupment – Families).

**Copayment not paid**

In some situations, the family is not required to pay the copayment. This includes when:

- The child care provider has chosen to waive the copayment for the family.
- Someone outside the family pays the copayment on behalf of the family. Examples include payment by scholarships or a friend of the family. The provider must keep a record of these transactions. Do not count this as income for the family.

In all other situations, when a family does not pay the required copayment, the family is ineligible for child care assistance until:

- The copayment is paid.
- The family reaches an agreement for payment with the provider and the county.
- The family continues to comply with the payment agreement.
Family copayment

Note: 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 paid the copayment if the family or provider is able to document that an amount has been paid that is equal to or greater than their copayment.

Copayment schedules

For the copayment schedules, select the applicable time period:

- BIWEEKLY COPAYMENT SCHEDULES effective October 9, 2017 DHS-6413F (PDF)
- BIWEEKLY COPAYMENT SCHEDULES effective October 10, 2016 – October 8, 2017 DHS-6413E (PDF)
- BIWEEKLY COPAYMENT SCHEDULES effective October 12, 2015 – October 9, 2016 DHS-6413D (PDF)
- BIWEEKLY COPAYMENT SCHEDULES effective October 13, 2014 – October 11, 2015 DHS-6413C (PDF)

Contact your agency’s CCAP Policy Specialist at the Minnesota Department of Human Services for previous copayment schedules.

Legal authority

Minnesota Statutes 119B.125, subd. 4
Minnesota Statutes 119B.12
Minnesota Rules 3400.0100
Verification

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.

Sources of verification include:

- Written records or documents.
- Written or oral statements from people outside the family.
- Written client statement, in some situations.

Allow families at least 15 days to provide requested verification. See Chapter 7.1 (Verification due dates) for exceptions.

Helping families get verification

You must help families who have trouble getting proof. Families 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 (Verification - DHS systems).

Client statement

With the exception of most income and income deduction verifications, when proof is not available despite the efforts of you and the family, get a signed statement from the family 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.

Refusing to provide verification

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).
- 7.4 (Verification – 12 month eligibility period).
- 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 Statutes 119B.09
Minnesota Rules 8290
Minnesota Statutes 5B
Verification due dates

In general, allow families 15 days to provide verification. 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 during application

Allow families 15 days to provide verification. Use the MEC² Special Letter: Verification Request to request verification. If families submit verification after the 15 day window but the application has not been processed yet, the information can be used to process the application.

Verification due dates during the 12 month eligibility period

For changes that require verification during the eligibility period to continue authorizing child care or determine on-going eligibility, allow families 15 days to provide verification. Use the MEC² Special Letter: Verification Request to request verification. For more on what changes must be verified during the 12 month eligibility period, see Chapter 7.4 (Verification – 12 Month Eligibility Period).

If a family fails to provide a required 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.

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, give the family until the last day of the 30 day reinstatement period to return 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.

Note: If the redetermination form and all required eligibility verifications are not received and processed by the last day of the redetermination period, close the case with a 15-day notice of adverse action. 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).

See Chapters 10.6 (Redetermination process) and 10.6.3 (Redetermination processing standards).

Legal authority

Minnesota Statutes 119B.025
Verification – 12 month eligibility period 7.4

Request verification if any of these eligibility changes are reported:

- Income change that puts the family over 85% of the State Median Income (SMI) for their household size.
- Move out-of-state
- Activity changes that would make the family ineligible, including, but not limited to:
  - Permanent end to activity and no other activity
  - Work participation below minimum activity requirements
  - Beginning an education activity that has not been approved, if education is the only activity.

If a family reports a change that would result in case closure, workers must request verification and allow 15 days for the family to return verification prior to initiating case closure. See Chapter 7.1 (Verification due dates).

- If verification confirms the family is not eligible, close the case with a 15-day notice of adverse action.
- If verification is not provided within 15 days, close the case with a 15-day notice of adverse action.
- If verification shows the family is still eligible, follow instructions in Chapter 8.1 (Changes in circumstances).

Request verification if any of these authorization changes are reported:

- Activity changes that would not result in ineligibility but would change the family’s Service Authorization. Changes include, but are not limited to:
  - Schedule changes
  - New employment

If a family reports a change that would result in a Service Authorization change, workers must request verification and allow 15 days for the family to return verification. If after 15 days verification has not been provided, consider the impact of the reported change before taking action.

For changes that would result in a reduction in authorized hours:

- If verification is not received, close the Service Authorization and suspend the family’s case until verification is received.
- If verification is received and shows the Service Authorization must be reduced, update the Child’s Provider window to reflect the new authorized schedule. Families must receive a 15-day adverse action notice when authorized hours are reduced. Follow MEC² User Manual instructions when there is a Reduction of Hours to a Provider Requiring 15 Day Notice Workaround.

For changes that would result in an increase in authorized hours:

- If verification is not received, do not increase authorized hours until verification is received.
- Do not take an adverse case action against the family unless verification is not received by their next redetermination.
Other changes

In most cases during the 12 month eligibility period, eligibility should continue when changes are reported even if the change is not verified. Cases must not close during the 12 month eligibility period due to no verification. Household and authorization impacts for changes during the 12 month eligibility period are described in more detail in Chapter 8 (12 month eligibility period).

Changes that would benefit the family

Workers must inform families that if they want their benefits to increase, they must submit verification before the change can be processed.

Changes that would benefit the family include changes that would:

- Increase authorized hours
- Reduce copayment
- Authorize care for additional children

Workers must not close the case if verification is not received but must not increase the family’s benefits until the change is verified.

Changes that would not benefit the family

No actions are needed if families report changes that would not benefit the family during the 12 month eligibility period. The system will not apply adverse actions until the family’s next redetermination.

Best practice
- Workers may inform parents that verification will be required at redetermination.

Changes that impact case management

Enter changes necessary to manage the family’s case in MEC² even if they are not verified. Changes include, but are not limited to:

- Address changes
- Provider changes
- Household composition changes
- Family status changes

Legal authority

Minnesota Statutes 119B.025
Verification – Eligibility redetermination

Verify the following at the time of eligibility redetermination:

- Current income, if counted, and income deductions. See Chapter 7.9 (Income Verification) and Chapter 6.6 (Earned/Unearned Income) to determine what income sources are counted. See Chapter 6.15 (Annualizing income) for how to annualize income at redetermination.
  - 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.

- School status of students of any age with earned income. If school status of the student is not verified, the earned income must be counted. See Chapter 6.6.1 (Individuals with exempt earned income) and Chapter 7.9 (Income verification). Acceptable verification of school status includes, but is not limited to:
  - DHS Request for Verification of School Attendance/Progress DHS-2883 (PDF).
  - Case noted conversation with the school.
  - Student-specific class schedule.
  - Client statement.

- 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. A signed client statement can be used to verify the date that employment ended and the date the last paycheck was received.

- Residence. Acceptable verification showing current name and address includes, but is not limited to:
  - Any form of mail (except mail addressed to a PO Box) provided by the client. A forwarding address sticker received at the administrating agency from the US Postal Service cannot be used as verification of residence.
  - 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.
  - Families in some excluded time facilities may have their physical addresses kept private for safety reasons. Verify the county that the family is physically residing in and verify the family’s mailing address. See Chapter 8.12 (Moving between counties).
  - Families that are homeless or without a fixed address are not required to provide a physical address. Verify the county that the family is physically residing in and have the family provide an address where they can receive mail. Acceptable verification includes, but is not limited to: a letter from a shelter, a letter from a friend, or a client statement.
  - See Chapter 7.21 (Verification – Safe At Home program) for information about address verification for families in the Safe At Home Program.

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:

- 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

When to verify income

Verify all included sources of income when:

- Processing an application,
- Processing a redetermination,
- Reducing a family’s copayment, or
- A family reports their income is over 85% of SMI during the 12 month eligibility period. See Chapter 7.4 (Verification – 12 month eligibility period).

Do not request verification of income changes during a family’s 12 month eligibility period unless the family reports that their income is over 85% of the SMI. See Chapter 8.1.12 (Changes in income or expenses).

Income that is not counted and does not affect the eligibility or amount of assistance the family will receive does not need to be verified.

What to request as verification

Request verification 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. If the most current 30 days of income verification is not reflective of expected future income, a different timeframe can be used. 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.
- 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.
- Earned Income Ending: A signed client statement can be used to verify the date that employment ended and the date the last paycheck was received.
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. If the most current 30 days is not reflective of expected future income, such as for seasonal or temporary income, a different timeframe can be used. 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.
  - For seasonal or temporary income, paycheck stubs may not be reflective of expected future income. An employer statement can be used in combination with paycheck stubs to determine expected future income. The worker is not required to use the information on the paycheck stubs when calculating income if the paychecks are not reflective of expected future income.

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 a self-employed person believes that they should not be subject to the higher 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 higher 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 counted 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.
- 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.
- A screen print of the TPCO screen in MMIS or a copy of We Have Determined Your Health Insurance is Cost Effective (DHS-7207A) as verification of cost effective insurance reimbursement.

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.
Income verification

Legal authority

Minnesota Statutes 119B.011
Minnesota Statutes 119B.025
Minnesota Statutes 256P.06
Minnesota Rules 3400.0170, subp. 1
**Verification – Safe at Home**  7.21

Safe at Home (SAH) is designed to help people who fear for their safety maintain a confidential address. When someone enrolls in Safe at Home, they are assigned a PO Box address they can use as their legal address. The participant’s real address remains under security with the Safe at Home office and the program provides a mail forwarding service.

CCAP applicants and participants are considered participants in the Safe At Home (SAH) program when they:

- provide the CCAP agency with a Safe At Home Identification Card, OR
- provide the CCAP agency with their unique lot number with PO Box 17370 assigned to them by the Secretary of State’s office, OR
- declare they are Safe At Home participants, either verbally or in writing. If a CCAP agency receives verbal declaration, document the statement in Case Notes.

SAH participants are not required to provide the CCAP agency with a Safe at Home Identification card.

SAH participants only need to tell the CCAP agency the county where they actually live.

Case information for SAH participants must be protected as PRIVILEGED in MEC². See “Safe at Home (SAH) Address” in the MEC² User Manual.

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. CCAP workers will need to make exceptions in these situations.

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

**Legal authority**

Minnesota Rules 8290
12 month eligibility period

After an application or redetermination has been approved, a family enters a 12 month eligibility period. During this period, limited factors can negatively impact a family’s case. The purpose of the eligibility period is to provide for stable, consistent child care arrangements for children in the family.

Most changes will not impact the family’s eligibility until their next redetermination. See Chapter 8.1 (Changes in circumstances).

Policies support continuous eligibility for families and children during the 12 month period by:

- Aligning approved activities across CCAP sub-programs. See Chapter 16.15 (Authorized activities comparison sheet).
- Reducing verification requirements. See Chapter 7.4 (Verification – 12 month eligibility period).
- Providing a graduated phaseout for families when income exceeds the 67% exit limit. See 6.3 (Exit limits).
- Applying some eligibility requirements only at application and redetermination. See Chapter 4.9 (Cooperation with Child Support).
- Allowing copayment fee reductions when a family verifies an income change. Copayment increases are not allowed. See Chapter 6.21 (Family copayment).
- Allowing copayment fee reductions when a family’s household size increases. Copayment increases are not allowed. See Chapter 6.21 (Family copayment).

Legal authority

Minnesota Statutes 119B.025
Minnesota Statutes 119B.05
Minnesota Statutes 119B.09
Minnesota Statutes 119B.12
Changes in circumstances

Changes during a family’s 12 month eligibility period may not impact a family’s eligibility or authorization until their next redetermination.

You may become aware of changes through:

- 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 MEC2 or other tracking methods.

Case actions when a change occurs

When you become aware a change has occurred or will occur, determine what kind of change it is and follow instructions based on the type of change:

- For a change in household composition, see Chapter 8.1.3 (Changes in household composition)
- For a change in family status, see Chapter 8.1.6 (Changes in family status)
- For a change in activity, see Chapter 8.1.9 (Changes in activity)
- For a change in family income or expenses, see Chapter 8.1.12 (Changes in income or expenses)
- For a change in residence, see Chapter 8.1.15 (Changes in residence)
- For other changes, see Chapter 8.1.18 (Other changes)

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 results in families moving from one 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 if required. See Chapter 7.4 (Verification – 12 month eligibility period).

Notify families of the effect of changes. See Chapter 7 (Verification) and 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. See Chapter 7.4 (Verification – 12 month eligibility period) for more information.

Legal authority

Minnesota Statutes 119B.025
Minnesota Statutes 119B.05
Minnesota Statutes 119B.09
Minnesota Statutes 119B.12
Changes in household composition

New Parentally Responsible Individual (PRI)

Household impacts

If a new PRI is reported, add them to the household in MEC². MEC² will count PRIs added to the household even if identity and relationship information is not verified. This is appropriate.

If the new PRI does not have income, the increased family size may decrease the family’s copay. This is appropriate and the new copay can be approved even if identity and relationship information is not verified.

Enter information about the PRI’s reported activity into MEC² even if it is not verified. Verification is not required until redetermination. If the new PRI does not have an authorized activity, end care for any mutual children in the household. Terminate the Service Authorization with a 15-day adverse action notice. If all children in the household are mutual children with the new PRI and the new PRI does not have an authorized activity, terminate the family’s case.

Authorization impacts

Do not authorize care for new children or increase child care authorizations for mutual children until all eligibility factors for the PRI have been verified.

New child

Household impacts

If a new child is reported, add them to the case in MEC² even if identity, birthdate and citizenship/immigration status are not verified. MEC² will not count them in the household until their identity and birthdate have been verified. They will be added to the family size even if their citizenship or immigration status is not verified but not eligible for CCAP. This is appropriate.

Authorization impacts

Do not authorize care for children until their identity, birthdate, citizenship/immigration status and relationship to their PRI(s) are verified. MEC² will not prevent you from authorizing care before relationship to PRI is verified. Workers must confirm that all eligibility factors are verified before increasing the family’s benefits.

New non-household member

No verification is required for people that enter the home that are not part of the CCAP family. See Chapter 2 (Glossary) for the definition of family.
CCAP family member leaves

Household impacts

When a member leaves, process the change. Verification is not required unless inconsistent information was received. Evaluate income changes that occur as a result of household size changes according to Chapter 8.1.12 (Changes in income or expenses). Workers can send Child Support Enforcement forms to the family but cooperation is not required until the family's next redetermination. See Chapter 4.9 (Cooperation with Child Support).

Authorization impacts

Evaluate whether the member leaving impacts Service Authorizations for children in the household and process changes if necessary. For example, if the member was a PRI, authorized hours may need to increase due to there not being an overlap in PRI schedules. If the member was a child, the Service Authorization may need to end.

Legal Authority

Minnesota Statutes 119B.025
Changes in family status 8.1.6

Marriage

Household impacts

When a marriage occurs, it may change the household size and the family’s income. See Chapter 5.3 (Determining the CCAP family). Evaluate changes in household composition according to Chapter 8.1.3 (Changes in household composition) and family income changes according to Chapter 8.1.12 (Changes in income or expenses). Determine if there is a change in copayment according to Chapter 6.21 (Family copayment).

Authorization impacts

Evaluate whether there are any changes to a child’s Service Authorization as a result of the marriage.

For example, if a child of Parent A would now have Parent B as a PRI, consider the activity schedule of both parents to determine the number of hours of child care the child is eligible for.

Divorce

Household impacts

When a divorce occurs, it may change the household size and the family's income.

- If the parents remain living together, both parents' income and activities should be used in determining eligibility and authorized hours.

- If one parent moves out of the household, remove that household member and do not require Child Support cooperation until the family’s next redetermination. See Chapter 4.9 (Cooperation with Child Support) and 8.1.3 (Changes in household composition).

Authorization impacts

Evaluate whether there are any changes to a child’s Service Authorization as a result of the divorce/separation.

Death

Household impacts

When a member dies, process the change. Verification is not required unless inconsistent information was received. Evaluate income changes that occur as a result of household size changes according Chapter 8.1.12 (Changes in income or expenses). Determine if there is a change in copayment according to Chapter 6.21 (Family copayment).

Authorization impacts

Evaluate whether there are any changes to a child’s Service Authorizations as a result of the death.
Legal authority

Minnesota Statutes 119B.025
Changes in activity

Continue to process changes to eligibility and authorizations based on changes in PRI activities. See Chapter 4 (Eligibility requirements) and Chapter 9 (Authorized care and payments).

Changes include, but are not limited to:

- Schedule changes (including temporary changes)
- New employment or education activity
- Permanent end to activity

See Chapter 7.4 (Verification – 12 month eligibility period) for verification requirements.

Legal authority

Minnesota Statutes 119B.025
Changes in income or expenses

Income increase

Household impacts

If a family’s income increases but does not exceed 85% of SMI, there will not be an impact until their next redetermination. Do not increase the family’s copayment during the 12 month eligibility period. See Chapter 6.21 (Family copayment). Do not request verification during the 12 month eligibility period. See Chapter 7.4 (Verification – 12 month eligibility period).

If the family’s income increases and exceeds 85% of SMI, the family is ineligible. Follow instructions in Chapter 7.4 (Verification – 12 month eligibility period) to request verification and terminate the family’s care if verification is not received or verification confirms that the family is over income.

Authorization impacts

Reported but unverified income changes should not impact a family’s authorization unless the change would make the family ineligible. See Chapter 7.4 (Verification – 12 month eligibility period) for instructions when verification is not provided.

Income decrease

If a family’s income decreases during the 12 month eligibility period, there should be no eligibility impacts. If the family reports a decrease in income and wants their copay to decrease they must verify the income change. Do not enter unverified income decreases in MEC². See Chapter 7.4 (Verification – 12 month eligibility period).

Change in expenses

Families do not need to report changes in expenses during the 12 month eligibility period. If a family reports and verifies a change in expenses, enter the change in MEC².

Legal authority

Minnesota Statutes 119B.025
Changes in residence

Moving within your county

Household impacts

Update the family’s address in MEC². Verification of the move is not required until the family’s next redetermination.

Authorization impacts

Most within county moves will not impact an authorization unless other factors have changed, such as a change in activity or provider.

Moving to a different county

Household impacts

Update the family’s address in MEC². For additional policy guidance, see Chapter 8.12 (Moving between counties).

Authorization impacts

Verification of the move is required by the new county before they can issue a Service Authorization.

Moving out of Minnesota

Household impacts

- If verified, update the family’s address in MEC² and approve the ineligible results generated.
- If not verified, request verification following guidance in Chapter 7.4 (Verification – 12 month eligibility period). If the family does not return requested verification, update the family’s address in MEC² and approve the ineligible results generated.

Authorization impacts

If the family is still using the child care provider, do not end the Service Authorization until the case closes. If the family reports that they are no longer using the child care provider, end the Service Authorization with a 15-day adverse action notice.

Legal authority

Minnesota Statutes 119B.025
Other Changes

8.1.18

Changes in citizenship or immigration status

See Chapter 4.15 (Citizenship and immigration status) for eligibility requirements for legal immigration status related to children in the CCAP family.

- If a child in the CCAP family’s legal immigration status ends prior to the end of the 12-month eligibility period, contact your CCAP policy specialist.
- If a child in a CCAP family has not verified their citizenship or legal immigration status and requests a child care authorization in a setting not subject to public educational standards, the Service Authorization cannot be issued until citizenship or legal immigration status is verified.

Change in custody schedule

If there is a change in a family’s custody schedule:

- If the children now spend more time in the household and additional care is needed, authorize additional child care hours.
- If the children now spend less time in the household, adjust the family’s Service Authorization based on when the child is in the household. Give a 15-day adverse action notice before reducing authorized hours. Follow instructions in the MEC2 User Manual for Reduction of Hours to a Provider Requiring a 15-day Adverse Action Notice Workaround.
- If the child is no longer in the CCAP household:
  - If the absence is expected to be temporary, you may suspend the case or make the family temporarily ineligible. See Chapter 8.9 (Suspension) and Chapter 8.6 (Temporary ineligibility).
  - If the absence is permanent, remove the member from the household. If there are no other eligible children in the CCAP household, you may terminate the family’s eligibility. See Chapter 8.15 (Termination).

Other changes

If there are other changes in the CCAP family during the family’s 12 month eligibility period that are not covered in Chapter 8 of this manual, contact your CCAP policy specialist.

Legal authority

Minnesota Statutes 119B.025
Moving between counties

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 two full calendar months after the move. If the family moves on or after the first day of the month, the two full calendar month period begins the first of the following month.

If after an initial reported move, the family moves again to a new county during the two-month Unitary Residency period, the first county is also responsible for the second two-month Unitary Residency period.

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 (PDF) for a sample status transfer form. For transferring county information, see MEC\textsuperscript{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 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 on Basic Sliding Fee (BSF) 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. The original county remains financially responsible for the family’s BSF child care for the Unitary Residency period of two full calendar months. See Chapter 4.3.12.15 (BSF Portability Pool).

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 85% State Median Income (SMI) exit criteria for families in their 12 month eligibility period or 67% State Median Income (SMI) exit criteria for families at their redetermination. 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.

If the family is eligible for Portability Pool, your county must accept administrative responsibility and continue serving the family under Portability Pool for six months, or until your county is able to serve the family under BSF, whichever happens first.

If a case has closed and the family reapply 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.
Moving between counties

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

Legal authority

Minnesota Statute 119B.025
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

Terminate child care assistance when:

- The family asks you to close their case.
- The family is no longer eligible. There are different eligibility requirements at redetermination than during a family’s 12 month eligibility period.
  - At redetermination, families must meet eligibility requirements in Chapter 4 (Eligibility requirements) and Chapter 6 (Income eligibility).
  - There are limited reasons for termination during the 12 month eligibility period. Do not apply redetermination eligibility requirements during the 12 month eligibility period.
- 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).

Reasons for termination during the 12 month eligibility period

During the 12 month eligibility period, you must terminate a family’s eligibility when:

- The family’s income exceeds 85% of SMI
- A parent in the household is not engaged in an authorized activity meeting minimum activity requirements.
- The family has not paid their copayment.
- The family moves out of state.
- The family moves to a new county and did not contact the new county within 60 days.
- The family’s time on portability pool ends and there is not funding for BSF.
- There are no eligible children in the household.
- The only parent in the household has been temporarily absent for more than 60 days and is not in an authorized activity. See Chapter 5.6 (CCAP family – Temporary absence).
- The family’s MFIP eligibility ends, they are not eligible for TY and there is not funding for BSF.

Legal authority

Minnesota Statutes 119B.025
Minnesota Statutes 119B.09
Minnesota Rules 3400.0183, subp. 2 and 5
Minnesota Rules 3400.0040, subp. 6a
Minnesota Rules 3400.0185
Child care rates, registration fees, copayments 9.24.3

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 - current) DHS-6441B-ENG (PDF)]

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 - current) DHS-6442B-ENG (PDF)]

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 Quality and 4 –star Parent Aware Differential Maximum Rates (Effective February 3, 2014 - current) DHS-6824-ENG (PDF)]

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) DHS-6443-ENG (PDF)]

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 9, 2017 – current) DHS-6413F-ENG (PDF)]

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
Age category exceptions

Maximum rates that can be paid vary by age of the child and type of provider. The age category of a child receiving CCAP is typically determined by the standard age categories for children in family child care (includes licensed and legal nonlicensed providers) and child care centers (includes licensed and license exempt centers). See Chapter 2 (Glossary) under infant, toddler, preschool and school age for definitions of each age category.

Center licensing provision for age flexibility

Age categories for licensed child care centers fall into the following categories:

- “Infant” is a child who is at least six weeks old but less than 16 months old.
- “Toddler” is a child who is at least 16 months old but less than 33 months old.
- “Preschooler” is a child who is at least 33 months old but has not yet attended the first day of kindergarten.
- “School-age” is a child who is at least old enough to attend their first day of kindergarten within the next four months but is less than age 12 (or age 14 if the child has a documented disability).

Licensing does allow for exceptions to these age categories. The licensing provision for age flexibility allows children attending licensed child care centers to receive care in a different age-category classroom for a short period of time without a licensing variance. A child may be in a different age-category classroom for the purposes of staff ratios, group size and programming when the decision is in the best interest of the child and with the agreement of parent, teacher and center director.

The following exemptions are allowed without a licensing variance:

- A child may be designated as an “infant” up to the age of 18 months.
- A child may be designated as a “toddler” up to the age of 35 months.
- A child may be designated as a “preschooler” at the age of 31 months.

When the county or tribe is notified by the parent or the provider that the child meets the age criteria to qualify for the licensing provision for age flexibility, payment should be made at the rate associated with the age-rate category of the classroom that the child attends.

When changing the age category in MEC², override the Service Authorization using the “Provision for Age Rate Flexibility” override reason, select the appropriate Age Rate Category and enter a case note explaining why the override was done. See “Edit Service Authorization” in the MEC² User Manual. When the age category of the child is changed, review the Service Authorization to ensure the appropriate maximum rate is paid.

Age category flexibility related to kindergarten start dates

CCAP recommends that agencies consider a child to be preschool age for payment purposes until September 1st following the child’s 5th birthday. CCAP allows for the following exceptions:

- **Child 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, override the Service Authorization using the “Provision for Age Rate Flexibility” override reason, select the appropriate Age Rate Category and enter a case note explaining why the override was done. See “Edit Service Authorization” in the MEC² User Manual. When the age category of the child is changed, review the Service Authorization to ensure the appropriate maximum rate is paid.

- **Child starts kindergarten after 6th birthday**
  - CCAP recommends that agencies consider a child to be school age for payment purposes on September 1st following the child’s 5th birthday unless the parent informs the agency 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, override the Service Authorization using the “Provision for Age Rate Flexibility” override reason, select the appropriate Age Rate Category and enter a case note explaining why the override was done. See “Edit Service Authorization” in the MEC² User Manual. When the age category of the child is changed, review the Service Authorization to ensure the appropriate maximum rate is paid.

### 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 at 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 in MEC², override the Service Authorization using the “Provision for Age Rate Flexibility” override reason, select the appropriate Age Rate Category and enter a case note explaining why the override was done. See “Edit Service Authorization” in the MEC² User Manual. When the age category of the child is changed, review the Service Authorization to ensure the appropriate maximum rate is paid.

### Licensing variance

A licensing variance can be granted for children attending licensed child care. The variance allows a child to receive care in an age-based setting that does not correspond with the child’s birthday for a specified period of time. Note that licensing variances are required when children receive care in different age-categories for longer periods of time and outside of the definitions listed above.

### Licensed family child care
Age category exceptions

Licensing may grant a variance to a licensed family child care provider allowing them to consider a child a different age-category. When documentation of the DHS Licensing Variance is provided, payment should be made at the age-rate category indicated on the licensing variance for the duration of the variance.

When changing the age category in MEC², override the Service Authorization using the “DHS Variance Granted” override reason, select the appropriate Age Rate Category and enter a case note explaining why the override was done. See “Edit Service Authorization” in the MEC² User Manual. When the age category of the child is changed, review the Service Authorization to ensure the appropriate maximum rate is paid.

Licensed child care centers

Licensing may grant a variance to a licensed child care center allowing the center to care for a child within a different age-category classroom. When documentation of the DHS 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 variance.

When changing the age category in MEC², override the Service Authorization using the “DHS Variance Granted” override reason, select the appropriate Age Rate Category and enter a case note explaining why the override was done. See “Edit Service Authorization” in the MEC² User Manual. When the age category of the child is changed, review the Service Authorization to ensure the appropriate maximum rate is paid.

Legal authority

Minnesota Statutes 245A.02, subd. 19
Minnesota Statutes 119B.011
Minnesota Rules 9503.0005
## Redetermination of eligibility

Once a family has been determined eligible, you must redetermine eligibility no more often than every 12 months. See Chapter 10.3 (When to redetermine eligibility).

The [Minnesota Child Care Assistance Program Redetermination Form DHS-5274 (PDF)](https://example.com) is used to redetermine eligibility. You may also treat a [Minnesota Child Care Assistance Program application DHS-3550 (PDF)](https://example.com) as a redetermination form. Do NOT treat a redetermination form as a new application.

All families must complete a redetermination form and provide required verifications 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 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 redetermination date
- 10.6 Redetermination process
- 10.6.3 Redetermination processing standards

### Legal authority

Minnesota Statutes 119B.025
Minnesota Rules 3400.0180
When to re-determine eligibility

Re-determine eligibility for families who are eligible for ongoing assistance no more often than every 12 months. The time between initial eligibility and the date an agency must review the case, or the time between required reviews, is the 12 month eligibility period.

Re-determinations may be deferred beyond 12 months for a family that has a caregiver 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, parenting, social services, career and employment supports and academic support to achieve high school graduation. See Chapter 10.3.3 (When to adjust the redetermination due date)

Legal authority

Minnesota Statutes 119B.025
Minnesota Statutes 119B.09
Minnesota Statutes 256P.07
Minnesota Rules 3400.0180
Minnesota Rules 3400.0040
When to adjust the redetermination due date 10.3.3

See Chapter 10.3 (When to redetermine eligibility) for setting the redetermination due date and the maximum length of time between reviews.

CCAP agencies may increase the redetermination due date to coincide with expected changes or another program's review date. The adjusted date must not be less than the minimum 12 month time requirement between reviews. Continue to follow guidance in Chapter 10.6 (Redetermination process and Chapter 10.6.3 (Redetermination processing standards) when adjusting the length of redetermination.

Adjusting the redetermination due date for Teen Parents attending certain programs

To qualify for this policy:

- At least one parent is under the age of 21 and does not have a high school degree or GED 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.

For families with these teen parents, workers may extend the redetermination due date beyond 12 months to the end of the parent’s school year.

Workers must either:

- Keep the family’s redetermination at 12 months.
  OR
- Extend beyond 12 months to the end of the school year. CCAP defines the end of the school year as August 31. Workers should not use the last day of classes that parents are scheduled to attend, graduation day, or another date as a placeholder for the end of the school year.

Legal authority

Minnesota Statutes 119B.025, subd. 3
Minnesota Statutes 119B.09, subd. 4
Minnesota Rules 3400.0180
Minnesota Rules 3400.0040, subp. 4
Redetermination process 10.6

See Chapter 10.3 (When to redetermine eligibility) for information on redetermination timelines.

See Chapter 10.6.3 (Redetermination processing standards) for information about processing the redetermination.

See Chapter 10.6.6 (Redetermination processing – Reinstatement) for information about processing redeterminations that are completed within 30 calendar days after the case closed for not completing the redetermination.

The redetermination period begins 45 days before the redetermination due date and ends on the redetermination due date identified in MEC².

MEC² generates a cover letter and mails the following forms 45 days prior to the end of the 12 month eligibility period:

- Minnesota Child Care Assistance Program Redetermination Form DHS-5274-ENG (PDF)
- CCAP Change Report Form DHS-4794-ENG (PDF)

When a participant requires a redetermination form in another language the CCAP worker will need to print the form from eDocs 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

MEC² generates a provider notice identifying the family’s redetermination due date. It is mailed to all providers with active Service Authorizations for a child in the family. This notice is mailed at the same time the redetermination cover letter and forms are mailed to the family.

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 and the copay if the copay changes. See Chapter 12.3 (Notices to Families) and Chapter 12.6 (Notices to Providers).
Redetermination process

Refer to the MEC² User Manual Redetermination Process in the Case Management and Eligibility section for MEC² procedures. A redetermination processing workflow and flowchart are available to workers on SIR > MEC² > Worker Resources.

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 decreased the family’s benefit level and the change 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. The adverse action notice may need to be sent more than 15 calendar days before terminating benefits to ensure the family receives at least 12 months of CCAP. 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 15 calendar day notice of termination to the family and provider at 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).

Example – Redetermination period processing cycle:

February 28: MEC² nightly batch job identifies families whose redetermination due date on the Redetermination Window is in 45 days, on April 15. MEC² sends the Redetermination Cover Letter and Redetermination Packet. MEC² sends a notice to the provider that the family’s redetermination is due.

March 31: Due date listed on the redetermination cover letter for the family to return their completed redetermination form and required verifications.
Redetermination processing standards 10.6.3

April 15: MEC² identifies cases whose Redetermination Window is not in Approved Status or “Updates Required” status. For identified cases, MEC² sends the 15 calendar day notices to terminate benefits to the family and their providers.

April 30: The family’s case is terminated.

May 30: Last day the family can turn in a complete redetermination form and all required verifications to have their case reinstated.

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 3400.0040
Redetermination processing - Reinstatement

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.
- If all eligibility requirements are not met for the time period directly after the case closed, 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. You must ensure the family’s copay does not increase during the 12 month eligibility period. 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. Caseworkers should reference the MEC² User Manual > Service Authorizations > Reduction of Hrs to a Provider Requiring a 15 Day Notice Workaround to correctly reduce authorized hours with a 15 day notice.
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.”

Child Support cooperation

Families who are not cooperating with Child Support enforcement at the time of their redetermination will have their case closed. If a family begins cooperating with Child Support enforcement within the 30 day reinstatement period, reinstate the case back to the date the case closed if all other redetermination eligibility factors are met.

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 Statutes 119B.09
Minnesota Statutes 119B.12
Minnesota Rules 3400.0180
Minnesota Rules 3400.0040
Notices to families

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).

Send a notice of adverse action when:

- Authorized hours are reduced,
- Copayment increases at redetermination,
- An education plan is denied,
- The family’s provider loses eligibility,
- An overpayment will be recouped, and;
- Eligibility is terminated.

Provide the required 15-Day Adverse Action Notice for all negative actions except when adverse action notice requirements are waived. See Chapter 12.1 (15-day notice requirements) for the two exceptions. See Chapter 12.3.9 (Adverse action notices - Family), Chapter 12.3.12 (Termination notices - Family).

Send a notice of non-adverse actions, such as an increase in authorized hours or a reduction in copayment. Make the change as soon as possible.

Legal authority

Minnesota Statutes 119B.12
Minnesota Rules 3400.0185
Minnesota Rules 3400.0187, subp. 2
Minnesota Rules 3400.0035, subp. 2, 4, & 5
Minnesota Rules 3400.0040, subp. 4
Notices to Providers

Providers must receive:

- Notification of the amount of authorized hours. See Chapter 12 (Notices) and 12.6.3 (Approval notices - Provider).
- Notification when a family's redetermination is due. See Chapter 12.6.15 (Redetermination due – Provider notice).
- 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 Statutes 119B.025
Minnesota Rules 3400.0185
Minnesota Rules 3400.0187, subp. 2
Redetermination due – Provider notice

MEC2 generates a provider notice identifying the family's redetermination due date. It is mailed to all providers with active Service Authorizations for a child in the family. This notice is mailed at the same time the redetermination cover letter and forms are mailed to the family.

Legal authority

Minnesota Statutes 119B.025, subd. 3
Amount of overpayment

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.

If care took place prior to the current copayment schedules, consult previous copayment schedules.

Maximum rates

Maximum rates in place February 3, 2014 – current

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

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

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

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

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

Copayment schedules

- [Copayment Schedules in effect October 9, 2017 – current DHS-6413F (PDF)]
- Expired [Copayment Schedules in effect October 10, 2016 – October 8, 2017 DHS-6413E (PDF)]
- Expired [Copayment Schedules in effect October 12, 2015 – October 9, 2016 DHS-6413D (PDF)]
- Expired [Copayment Schedules in effect October 13, 2014 – October 11, 2015 DHS-6413C (PDF)]

Contact your agency’s CCAP Policy Specialist at the Department of Human Services for previous copayment schedules.
**Determining the overpayment**

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.

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. Agencies 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 CCAP worker of the change within 10 calendar days of the date of the modified plan. If the CCAP worker is NOT notified of the modified plan timely, an agency error overpayment would be calculated allowing for a notice period.

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 exceeding 85% SMI 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 CCAP 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, the amount of the overpayment is the total amount of child care assistance paid during the time period of ineligibility. If a
Amount of overpayment

14.6

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 and meet entrance income limits.

Sometimes it is discovered that a family who continuously received child care assistance was ineligible for a period of that time. The time when the family was again eligible begins with the next time the family supplied information that established their eligibility (subsequent period of time).

Assess an overpayment for the period of ineligibility and determine if an overpayment exists for the subsequent period of time.

If the family was receiving 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 subprograms 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
## Authorized activities comparison sheet

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<tr>
<th>Authorized Activity</th>
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<th>Employment</th>
<th>High School / GED/ Remedial</th>
<th>Post-Secondary Education</th>
<th>Financial &amp; Employment Services Orientations, Assessment, Appeals, Hearings for Cash Assistance</th>
<th>Social Service Activities</th>
</tr>
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<tbody>
<tr>
<td>MFIP or DWP Without EP (Employment Plan)</td>
<td>240 hours in a calendar year.</td>
<td>Must work at least an average of 20 hours per week, or 10 hours if full-time student, and earn at least minimum wage.</td>
<td>Not available without an EP.</td>
<td>Not available without an EP.</td>
<td>Available</td>
<td>Not available without an EP.</td>
</tr>
<tr>
<td>MFIP or DWP with EP (Employment Plan)</td>
<td>As defined in EP. 240 hour limit does not apply..</td>
<td>As defined in EP. Minimum wage and hour requirement does not apply with an approved EP.</td>
<td>As defined in EP.</td>
<td>As defined in EP.</td>
<td>Available</td>
<td>As defined in EP.</td>
</tr>
<tr>
<td>Transition Year Child Care/ Transition Year Extension</td>
<td>240 hours in a calendar year.</td>
<td>Must work at least an average of 20 hours per week, or 10 hours if full-time student, and earn at least minimum wage.</td>
<td>Must have agency approved education plan.</td>
<td>Must have agency approved education plan.</td>
<td>Not available</td>
<td>Not available</td>
</tr>
<tr>
<td>Basic Sliding Fee Child Care (BSF)</td>
<td>240 hours in a calendar year.</td>
<td>Must work at least an average of 20 hours per week, or 10 hours if full-time student, and earn at least minimum wage.</td>
<td>1st priority for waiting list Must have agency approved education plan.</td>
<td>Must have agency approved education plan.</td>
<td>Not available</td>
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<td>Portability Pool</td>
<td>240 hours in a calendar year. Check with previous county.</td>
<td>Must work at least an average of 20 hours per week, or 10 hours if full-time student, and earn at least minimum wage.</td>
<td>1st priority for waiting list. Must have agency approved education plan.</td>
<td>Must have agency approved education plan. Can use original county’s education plan during portability pool.</td>
<td>Not available</td>
<td>Not available</td>
</tr>
</tbody>
</table>

### Legal authority

Minnesota Statutes, 119B.011, subd. 20 and 20a
Minnesota Statutes 119B.03
Minnesota Statutes 119B.05
Minnesota Rules 3400.0080
Case reviews

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), the Office of Management and Budget (OMB) Circular A-133 and the Minnesota Office of Legislative Auditor, 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 counted 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 potential financial impact. The responsible agency may be subject to corrective action plan requirements for specific cases. Errors with a potential financial impact are subject to overpayment / underpayment policies.

Agency 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 and tribes to conduct their own case management reviews. 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 and tribes to utilize. These forms may be accessed through eDocs. Counties and tribes may choose to create their own process and forms that have been customized to reflect their administrative practices and optional policies. County and tribal developed forms must be submitted and approved by DHS as part of or as an amendment to their County or Tribal Child Care Fund Plan.

Common errors found in DHS CCAP case reviews:

Listed below are common errors found in DHS CCAP case reviews. 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. CCAP agencies 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 Chapters 8.1 (Changes in circumstances) and 12 (Notices).

- **Copayment Calculated Incorrectly**
  - Copayment errors occur when incorrect income and deduction information is entered in MEC². Examples include: incorrect income and deduction amounts and incorrect payment frequency such as semi-monthly instead of biweekly. Carefully code all income and deduction sources identified on the application so MEC² can accurately calculate the copayment. Explain in case notes how the income and deduction amounts were determined.
  - Another common error associated with incorrect copayments is incorrect self-employment amounts due to inappropriately applying allowable deductions. Carefully consider which self-employment expenses meet the allowable deductions policy. Explain in case notes how self-employment income was determined.
  - Copayment errors also occur when the CCAP family is determined incorrectly. Carefully code the family members so MEC² can accurately calculate the copayment.
  - See Chapters 5.3 (Determining the CCAP family), 6.15 (Annualizing income), 6.15.6 (Annualizing self employment income), 6.18 (Income deductions) and 6.21 (Family copayment).

- **Incorrect Authorized Hours**
- Errors with authorized hours occur when the incorrect number of hours for the participant’s authorized activity and child’s participation in pre-school, Head Start or school are determined. Authorizing care for participants with employment plans, flexible schedules and for school-aged children have been particularly error-prone. Carefully evaluate these factors based on authorizing care policies when determining authorized hours for each eligible child. Explain in case notes how authorized hours were determined.

- See Chapters 9.1 (Child care authorization), 9.1.3 (Authorizing care – School release days), 9.1.6 (Authorizing care – Flexible schedules), 9.1.9 (Authorizing care – Multiple providers), 9.1.12 (Weekly authorization to high quality providers), 9.12 (Authorized hours – Students), 9.15 (Authorized hours – Employment), 9.15.1 (Authorized hours – Self employment), 9.18 (Authorized hours – Job search), 9.21 (Authorized hours – Combinations of activities), and 16.1 (CCAP authorizations for clients with an EP).

Legal authority

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