



Iowa Department of Human Services

Terry E. Branstad
Governor

Kim Reynolds
Lt. Governor

Charles M. Palmer
Director

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GENERAL LETTER NO. 13-G-44

ISSUED BY: Bureau of Child Care
Division of Adult, Children and Family Services

SUBJECT: Employees' Manual, Title 13, Chapter G, **CHILD CARE ASSISTANCE**, Contents (pages 1 through 4), revised; and pages 1, 37 through 44, 45, 51, 57, 62 through 74, 77, 78, 82, 84, 91 through 94, 108, 109, 113, 114, 115, 130 through 134, revised; and pages 44a, 44b, and 112a, new.

Summary

Chapter 13-G is revised to:

- ◆ Update the term "mental retardation" to "intellectual disability."
- ◆ Revise family eligibility and reporting policies based upon the new federal Child Care and Development Block Grant (CCDBG) program reauthorization requirements.
- ◆ Add new policy to allow families to use an out-of-state provider without requiring them to request an exception to policy.

Effective Date

July 1, 2016

Material Superseded

This material replaces the following pages from Employees' Manual, Title 13, Chapter G:

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Contents (page 1)	August 29, 2014
Contents (page 2)	January 1, 2016
Contents (page 3)	June 8, 2012
Contents (page 4)	June 26, 2015
1	January 1, 2016
37-41	September 23, 2011
42	August 29, 2014
43	September 23, 2011
44	June 26, 2015
45	August 29, 2014

51, 57	September 23, 2011
62, 63	January 4, 2013
64-67	January 1, 2016
68	January 4, 2013
69-72	July 19, 2013
73, 74, 77	January 1, 2016
78	July 19, 2013
82, 84, 91, 92	September 23, 2011
93	June 26, 2015
94	July 19, 2013
108	June 8, 2012
109, 113-115, 130-132	September 23, 2011
133, 134	June 26, 2015

Additional Information

Refer questions about this general letter to your service area manager, income maintenance administrator, or Iowa Workforce Development coordinator.

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Overview

Child Care Assistance (CCA) is funded with state child care and protective funds and the federal Child Care and Development Fund. All requirements, policies, and procedures found in this manual apply, regardless of the funding source.

CCA is provided to people participating in activities approved under the PROMISE JOBS program and people who are recipients of the Family Investment Program (FIP) without regard to CCA financial eligibility requirements if there is a need for child care services. PROMISE JOBS staff administer CCA for child care needed to participate in PROMISE JOBS activities.

CCA may be provided to the children of income-eligible parents who are absent for a portion of the day due to employment or participation in academic or vocational training or PROMISE JOBS activities. Assistance may also be available for a limited period of time when:

- ◆ A parent is looking for employment, or
- ◆ The parent who normally cares for the child is absent from the home due to hospitalization or outpatient treatment for physical or mental illness, or
- ◆ The parent who normally cares for the child is present in the home but unable to care for children, as verified by a physician.

Child care services for a child with protective needs are provided without regard to income. To receive protective child care services, the family must meet specific requirements, and child care must be identified in the child's case plan as a necessary service.

Child care may be provided in a licensed child care center, a registered child development home, a nonregistered child care home, or the child's own home.

Legal Basis

Iowa Code Chapter 217 governs the establishment, purpose, and general duties of the Department of Human Services. The authority of the Department to regulate child care providers is found in Iowa Code Chapter 237A.

Departmental rules concerning Child Care Assistance are found in 441 Iowa Administrative Code Chapter 170, "Child Care Services."

Medical Absence or Incapacity

Legal reference: 441 IAC 170.2(2)"b"

Policy:

Families may continue to be eligible for CCA for a limited period when a parent who is normally employed or pursuing education is unable to do so because the parent is:

- ◆ Absent due to inpatient hospitalization,
- ◆ Absent due to outpatient treatment for a physical or mental illness, or
- ◆ Present in the home but unable to care for the child due to medical incapacity.

NOTE: Drug and alcohol treatment, either inpatient or outpatient, can be court ordered or voluntary. In most situations, the IM worker will determine eligibility for child care.

If the Department is working with the family and the client has been court-ordered to attend drug or alcohol treatment, talk to the service worker to determine if protective CCA is part of the case plan for the family.

If protective child care is not part of the case plan, the IM worker determines eligibility. Supervisory approval is required when more than two units of care are approved per 24-hour period, up to a maximum of four units per day. CCA cannot pay for 24-hour care.

Participation in support groups, such as Alcoholic Anonymous or Narcotics Anonymous, is not considered treatment and does not meet the need for service for medical absence or incapacity.

Procedure:

Families do not need to verify medical incapacity if it is a temporary situation that will last for less than three months. See [Temporary Lapse in Need](#).

If the medical incapacity is expected to last more than three months, approve a family under the medical incapacity need **only** if they were already receiving CCA for their children because the parents were employed or attending training before the onset of the medical incapacity.

Verify that the incapacitated parent is unable to work, attend training or care for their children by obtaining detailed documentation from the parent's medical provider. You may request a *Report on Incapacity*, form 470-0447, a letter from the physician, or any other reasonable documentation that verifies the need for care. Place this verification in the file.

The intent of this policy is to provide CCA to families in the following situations:

- ◆ To allow one parent in a two-parent household to continue to work or pursue training while the other parent is temporarily unable to work or attend training.
- ◆ To provide child care for a single parent who is temporarily unable to work or attend training because they are medically unable to do so.

NOTE: In the two situations above, the incapacitated parent must be unable to care for the children and must be expected to return to employment or training once the medical issue is resolved.

NOTE: The number of units that can be approved for medical incapacity is limited. See [Authorizing Services](#) to determine the units of service.

Care should be limited to a maximum of three months (90 days), unless the physician indicates a specific period of time that child care will be needed.

After the authorized period of care expires, additional child care may be approved if the family provides new documentation from their physician to verify continued need.

1. Mr. and Mrs. C apply for CCA for their two children. Mr. C works Monday through Friday, eight hours per day, while Mrs. C normally stays home and provides care for their two children, ages one and three.

Mrs. C will be admitted to the hospital for outpatient surgery on June 2, and will require six weeks of recovery time afterward.

This family is not eligible for CCA because Mrs. C was not receiving CCA for the purpose of employment or attending training before the onset of her medical incapacity.

2. Mr. and Mrs. D apply for CCA for their grandchild. Mr. D works full time, Monday through Friday, eight hours per day, but Mrs. D has multiple medical problems that prevent her from working or from caring for their grandchild for more than an hour at a time.

This family is not eligible for CCA because Mrs. D was not receiving CCA for the purpose of employment or attending training before the onset of her medical incapacity.

3. Mr. and Mrs. E are receiving CCA for their two children. Both parents work Monday through Friday, eight hours per day and the children are eligible for 2 units per day or 10 units per week.

Mr. E reports he was injured at work last week. He is now unable to work and unable to provide child care for their two children while he recovers from surgery. Mr. E's physician indicates he will be unable to work or to provide child care for at least 12 weeks.

As long as the family meets all of the other eligibility requirements, child care can continue to be approved for two units per day, Monday through Friday, for the next 12 weeks while Mr. E recovers from surgery.

4. Mr. F is receiving CCA for his child while he works. He works full time until he is injured in a car accident. His physician indicates that Mr. F will be unable to work or care for his children for the next six weeks.

As long as Mr. F meets all of the other eligibility requirements, child care can continue for the same number of units approved before the incapacity for the six-week recovery period.

5. Mr. and Mrs. G receive CCA for their two children. Both Mr. G and Mrs. G worked full time, but Mrs. G reports she was recently injured and states she is now unable to work or provide care for her children while Mr. G is working. Mrs. G's physician states that she must avoid repetitive motion and heavy lifting.

CCA benefits can continue for this family as long as Mrs. G returns to work within three months.

6. Ms. B receives CCA for her three children. She was working full time but has been court-ordered to attend a 60-day outpatient alcohol treatment program beginning August 2. Ms. B intends to return to work after treatment.

The worker receives verification from Ms. B's physician that Ms. B cannot care for her children while she attends outpatient treatment. As long as Ms. B meets all of the other eligibility requirements, child care can continue for the same number of units approved before the incapacity for the period she attends treatment.

Seeking Employment

Legal reference: 441 IAC 170.2(2)“b”

Policy:

Families are eligible for Child Care Assistance (CCA) when the parent or parents are looking for employment.

CCA for job search is limited to only those hours the parent is actually looking for employment and travel time. PROMISE JOBS participants are limited to the number of hours approved by the PROMISE JOBS worker.

For applicants, CCA for job search is allowable only for one 30-consecutive-day period in any 12-month period. For recipients, CCA for job search can be approved for up to 90 consecutive days.

Procedure:

Approve CCA in two-parent families only during the hours when both parents are looking for employment at the same time or during the hours when one parent is looking for employment and the other parent is meeting another need for service.

Approve a job search after consultation with the parent to determine the start date of the job search period. The plan shall last no longer than 30 consecutive days for applicants or 90 consecutive days for ongoing cases.

Complete the notice of decision with the days and units chosen by the parent to conduct the job search. Allow a maximum of one unit of child care each day, unless you have documentation in the case record to justify a second daily unit.

1. Mr. M is unemployed and applies for CCA because he needs child care while he looks for work. He decides that he will begin a job search on December 13, and will seek work Monday through Friday for approximately 4 to 5 hours each day.

Therefore, Mr. M will be approved for one unit of child care per day through January 12. The notice of decision reflects this certification period and that Mr. M is authorized to use child care only Monday through Friday for one unit each day.

2. Ms. N receives CCA because she is employed 30 hours per week. She would like to conduct a part-time job search for the next month to find better employment. She can do a job search only on Mondays and Tuesdays, because she works the other days of the week. Ms. N would like to begin her search on May 20. Therefore, Ms. N is approved for one unit of child care on Mondays and Tuesdays for 30 days beginning May 20 and ending June 19.
3. Ms. P was receiving CCA while she worked. However, she recently lost her job and is now unemployed and needs CCA in order to look for work. She lost her job on March 1, and indicates she will search Monday through Saturday. Ms. P will remain eligible for child care through May 31.

NOTE: Applicant parents can use as many days of child care as they wish during the 30-day period of job search. However, once the 30-day period of job search ends, the parent will not be eligible for child care to conduct a job search again until the 12-month period expires.

Multiple Needs for Service

Legal reference: 441 IAC 170.2(237A,239B)

Policy:

In a two-parent household, **both** parents must fully meet at least one of the needs for service to be eligible for Child Care Assistance (CCA). When parents have multiple needs for service, they must fully meet each need for service to be eligible for CCA for each need.

Comment:

1. Mr. A is employed 35 hours per week, from 9 a.m. until 5 p.m., Monday through Friday. Mrs. A attends school full time, from 10 a.m. until 3:30 p.m., Monday through Thursday. They have two children who need child care between 9:30 a.m. and 4 p.m.

Approve two units of care per day (Monday through Thursday) for each child. Do not pay for child care services on Friday, since both parents do not meet the need for service.

2. Mrs. B is employed 40 hours per week, from 2:30 p.m. until 11 p.m., Monday through Friday. Mr. B works 30 hours per week, from 8 a.m. until 1 p.m., Tuesday through Sunday. Even though both parents individually meet the need for service, there is no overlap in work schedules. Therefore, the B family is not eligible for CCA.
3. Mr. and Mrs. C attend school full time, Monday through Friday, from 9 a.m. until 3 p.m. They are getting two units per day of child care for their daughter while they attend class. Mrs. C begins a part-time job. She works Friday through Sunday evenings, from 5 until 9 p.m.

Mrs. C does not meet the additional need for service for CCA payment for her work hours because there is no overlap in schedules for the time she is working.

AmeriCorps and AmeriCorps*VISTA Volunteers

Legal reference: Section 404(f)(2) of the Domestic Volunteer Service Act of 1973

Policy:

An AmeriCorps*VISTA member who was a recipient of Child Care Assistance (CCA) immediately before becoming a VISTA volunteer will continue to meet the need for service requirements of CCA. The family must also meet all other eligibility requirements for CCA.

Procedure:

AmeriCorps members and AmeriCorps*VISTA members who were not CCA recipients immediately before becoming a VISTA volunteer must apply for the child care benefit provided for AmeriCorps members and enroll in the program if eligible.

If an AmeriCorps or AmeriCorps*VISTA member who was not a CCA recipient immediately before becoming a member applies for CCA ask whether the member has applied for the child care program available to members.

If the household has not applied for the child care program available to members, send a letter to the household requiring them to apply for the benefit and accept it if eligible. Allow the household ten days to provide verification of the status of their application.

If the family is eligible for child care benefits available to AmeriCorps members, the family is not eligible for CCA. (See [Availability of Another Child Care Resource](#).)

If the household fails to provide verification showing they have applied for the child care program available to members deny the application or cancel the case. NOTE: With a signed release, you may contact the agency responsible for handling child care benefits for AmeriCorps members.

Temporary Lapse in Need

Legal reference: 441 IAC 170.2(2)“b”

Once the family is determined eligible for CCA, eligibility shall continue until the end of the certification period even if a temporary lapse in need for services occurs.

A temporary lapse is defined as a period of not more than three consecutive months, and the lapse is due to one or more of the following reasons:

- ◆ Maternity leave,
- ◆ Family Medical Leave Act (FMLA) situations for household members,
- ◆ Participation in a treatment or rehabilitation program,
- ◆ Employment or education/training hours fall below the minimum number required in this section,
- ◆ Normal breaks between school terms.

Continue the family's eligibility at the same level that existed before the temporary change unless the change results in an increase in the units the family needs, or the family co-pay would be reduced.

Family eligibility shall only be canceled if the temporary lapse continues for more than three consecutive months.

1. Mr. A has two children (household size of three). He is employed at ABC Corp 35 hours per week making \$10 per hour. On September 7, Mr. A reports that he quit his job at ABC Corp on August 15. Mr. A started a new job at XYZ Inc on September 1 working 40 hours per week for \$12 per hour. The family continues to be CCA eligible with no change in units or co-pay during this two week lapse in employment need.

The family also continues to be eligible for the remaining months of the existing certification period with no change in units or co-pay.

2. Mrs. B is attending school full time. The current semester will end on December 16. She is enrolled full time for the next semester which begins on January 12. The family will continue to be eligible with no change in units or co-pay during the semester break in classes.
3. Mrs. C works 40 hours per week. She reports that she is pregnant and her baby is due on July 20. On August 2, she reports that she has been on maternity leave since July 22 and plans to return to work on September 1.

The family will continue to be eligible with no change in units or co-pay during the time Mrs. C is on maternity leave.

4. Mrs. D is working 35 hours per week. On August 16 she reports that her hours have been cut as of August 8 and she is now only working 25 hours per week. She is trying to get more hours at her current job, and also looking for another job with more hours. The certification period shall continue and the family will continue to be eligible with no change in units and a reduced co-pay for up to three months.

If she reports an increase in hours or a new full time job before the end of this three-month period, the family's certification period will continue without interruption.

If she fails to report a change, the family will no longer be eligible and a timely notice to cancel the family's certification period must be sent.

Financial Eligibility

Legal reference: 441 IAC 170.2(1)

Policy:

Families are financially eligible for Child Care Assistance (CCA) when their monthly gross income, according to family size, is no more than the following amounts:

<u>MONTHLY GROSS INCOME</u>			
<u>Family Size</u>	<u>Column A</u> (Basic care)	<u>Column B</u> (Special needs care)	<u>Column C</u> (CCA Plus)
1 member	\$1,436	\$1,980	\$2,921
2 members	\$1,936	\$2,670	\$3,820
3 members	\$2,436	\$3,360	\$4,718
4 members	\$2,937	\$4,050	\$5,617
5 members	\$3,437	\$4,740	\$6,516
6 members	\$3,937	\$5,430	\$7,415
7 members	\$4,439	\$6,122	\$7,583
8 members	\$4,941	\$6,815	\$7,752
9 members	\$5,444	\$7,509	\$7,920
10 members	\$5,947	\$8,089	\$8,089
11 members	\$6,449	\$8,258	\$8,258
12 members	\$6,952	\$8,427	\$8,427
13 members	\$7,455	\$8,596	\$8,596
14 members	\$7,957	\$8,765	\$8,765
15 members	\$8,460	\$8,934	\$8,934
16 members	\$8,963	\$9,103	\$9,103
17 members	\$9,272	\$9,272	\$9,272
18 members	\$9,441	\$9,441	\$9,441
19 members	\$9,610	\$9,610	\$9,610
20 members	\$9,779	\$9,779	\$9,779
Add \$169 for each additional person over 20 members.			

An applicant family must have income below the amount listed in Column A unless the family includes a child with special needs, then income must be below the amount listed in Column B.

For ongoing eligibility, family income must remain below the amounts listed in Column A or B.

EXCEPTION: If, at the end of an established certification period, the family's monthly gross income, according to family size, exceeds the amount in Column A, or Column B if the family includes a child with special needs, but does not exceed the amount in Column C, the family will continue to be financially eligible for child care (under the CCA Plus program) for one additional 12-month certification period.

CCA is provided without regard to income for:

- ◆ Families with a child with protective needs.
- ◆ Participants in PROMISE JOBS-approved activities.
- ◆ Recipients of FIP, or people whose income was considered in determining the needs of a FIP recipient.

Procedure:

Use all income to determine eligibility and copayment. To verify income, request documentation from the source of the payment, such as pay stubs, employer statements, and payor statements on child support payments that are not issued through the Child Support Recovery Unit. Document the income and how it was verified in the case file. (See [Verification](#).)

If a family has some children that meet the criteria for special needs while others do not, establish eligibility using both columns in the table.

1. Mrs. D applies for CCA and has two children. One meets the criteria for special needs, while the other child does not. Mrs. D works full-time and her monthly gross income is \$3,000. Since this is a household of three, only the special needs child is eligible for CCA.
2. Mr. E applies for CCA and has two children. Neither child meets the criteria for special needs. Mr. E works full-time and his monthly gross income is \$3,000. Since this is a household of three, the family is not eligible for CCA.
3. Mr. F submits a CCA review form at annual review for his two children. Neither child meets the criteria for special needs. Mr. F works full-time and his monthly gross income has risen to \$3,000. Since this is a household of three, the family is no longer eligible for CCA.

However, the family is eligible for a new 12-month certification period under the new CCA Plus program.

Comment:

See [Fee Schedule](#) for the assessment of fees.

Documenting Special Needs

Legal reference: 441 IAC 170.1(237A)

Before assessing the family's income against Column B, request documentation from the family to substantiate the child needing services meets the definition for special needs. A child with "special needs" meets one or more of the following conditions:

- ◆ A physician or a school psychologist endorsed by the Iowa Department of Education has diagnosed the child to have a developmental disability that:
 - Substantially limits one or more major life activities, and
 - Requires professional treatment, assistance in self-care, or the purchase of special adaptive equipment.
- ◆ A qualified intellectual disability professional has determined the child to have a condition that impairs the child's intellectual and social functioning.
- ◆ A mental health professional has diagnosed the child to have a behavioral or emotional disorder characterized by situationally inappropriate behavior that:
 - Deviates substantially from behavior appropriate to the child's age, or
 - Significantly interferes with the child's intellectual, social, or personal adjustment.

Documentation to substantiate that a child meets the definition of "child with special needs" may include:

- ◆ A copy of the child's Individual Education Plan.
- ◆ A psychological evaluation.
- ◆ A statement from a physician, intellectual disability professional, mental health professional, or school psychologist.
- ◆ Documentation to verify that the child is receiving SSI benefits.

6. Ms. F has one child, so this is a household of two. She works 30 hours per week and earns \$240 per week. She receives child support for her child of \$50 per week. The family applies for CCA on July 3. Ms. F received the following child support:

6/7/16	\$ 50	6/28/16	\$ 50
6/14/16	\$ 200	7/5/16	\$ 50
6/21/16	\$ 50	7/12/16	\$ 50

Calculate her gross monthly income prospectively as follows:

Earnings	Child support
\$ 240.00	\$ 50.00
x <u>4</u>	x <u>4</u>
\$ 960.00	\$ 200.00

The extra \$150 of the \$200 child support payment is not included in the income calculation because the client does not expect to receive this weekly amount again. The household has a gross income of \$1,160 (\$960 + \$200) and a fee of \$0.00.

7. Mr. G has three children, so this is a household of four. He works 40 hours per week and earns \$800 bi-weekly. The family applies for CCA in June. Mr. G worked 40 hours of overtime in the month of May to cover for co-workers who were on vacation. The employer verifies that the overtime will not continue. The last 30-days of income is not indicative of future income.

Calculate his gross monthly income prospectively as follows:

Earnings	\$ 800.00
	x <u>2</u>
	\$1,600.00

The overtime is not included in the income calculation because it is not indicative of future income. The household has a gross income of \$1,600 and a fee of \$0.00.

8. Same as Example 7, except that Mr. G worked 10 hours of overtime in the first week of June. The worker verifies with the employer that the overtime will not continue. The overtime is not included in the income calculation because it is not indicative of future income. The household has a gross income of \$1,600 and a fee of \$0.00.

- ◆ Certain public assistance income, including:
 - The value of the benefit allotment in the Food Assistance program.
 - The value of United States Department of Agriculture donated foods.
 - The value of supplemental food assistance under the Child Nutrition Act of 1966 and the special food program for children under the National School Lunch Act, as amended.
 - The value of payments to vendors or vouchers under the FIP Diversion program and the statewide Family Self-Sufficiency Grant program.
 - Adoption subsidy payment received from the Department.
- ◆ Stipends received by persons for participating in the Foster Grandparent program under Public Law 93-113, Section 418, Part B.
- ◆ Public housing subsidies.
- ◆ Monies received under the federal Social Security Persons Achieving Self-Sufficiency program or the Income-Related Work Expenses program.
- ◆ Monies from federal or state earned income tax credit, whether received with regular paychecks or as a lump sum included with the tax refund.
- ◆ Reimbursements from an employer for job-related expense.
- ◆ Stipends from the preparation for adult living (PAL) program.
- ◆ Payments from the subsidized guardianship waiver program.
- ◆ The living allowance payments made to participants in the AmeriCorps*VISTA program, as long as the director of ACTION determines the value of all such payments is less than minimum wage.
- ◆ Census earnings received by temporary workers from the Bureau of Census.

Self-Employment Income

Determine the hours of work for self-employed parents by accepting their statement of hours worked, unless you have reason to question the hours. Verify monthly income using whatever method is the simplest.

Resource and Asset Limit

The family must attest on the *Child Care Assistance Application*, form 470-3624, or the *Child Care Assistance Review*, form 470-4377(M), that they do not have assets exceeding one million dollars. Do not request verification unless the information appears questionable.

Once the information is returned, the effective date will be the date the information is provided or the new application date, whichever is earlier.

Comment:

1. Ms. A, a CCA applicant, fails to provide an employer's statement of earnings that was requested by the Department. The IM worker issues a notice to deny the application. The date of the denial notice is December 2.

Ms. A provides the employer's statement on December 10 and there have been no other changes in the family's circumstances. The IM worker reprocesses the application and determines the family meets all eligibility criteria. The household is approved for CCA effective December 10.

2. Mr. G, a CCA applicant, fails to provide an employer's statement of earnings and school schedule that were requested by the Department. The IM worker issues a notice to deny the application. The date on the denial notice is June 10. Mr. G provides both items on June 21 and reports that he is no longer working at that first employer and has started a new job.

The IM worker explains that Mr. G has until June 24 to provide verification of the ending job and verification of the start of the new job. Mr. G fails to provide either employer's statement. The IM worker issues a notice stating that Mr. G's application remains denied for failing to provide requested information.

Establishing the Certification Period

Legal reference: 441 IAC 170.3(1)"c"

Policy:

Certification periods shall be established for a 12-month period except for the following situations:

- ◆ A family applies for CCA and their only need for service is to conduct a job search.
- ◆ A family includes a child who will turn 13 years old within 6 months from the end of a 12-month certification period.
- ◆ A family needs CCA to attend post-secondary education and they will exhaust their 24-month funding limit within 6 months from the end of a 12-month certification period.

Procedure:

The certification period for a family shall be established for a 12-month period. Do not establish a shorter or longer certification period **except** when one or more of the situations described in this section applies to the family. In that case, base the length of the certification on the household's circumstances. Use the following chart to assign the certification period:

Situation	Certification length
Job search (applicants only)	30 consecutive days
Child will turn 13	If the child will turn 13 within 6 months after the end of a 12-month certification period, establish a longer certification period for this family (up to a maximum of 18 months).
24-month funding limit will be reached	If the 24-month funding limit will be reached within 6 months after the end of a 12-month certification period, establish a longer certification period for this family (up to a maximum of 18 months).

Comment:

1. Ms. A applies for CCA for her children on July 15. The application is approved effective July 15, 2016. Her need for service is ongoing full-time employment. The certification period will be established from July 15, 2016, to July 14, 2017 (12 months).
2. Ms. B applies for CCA for her children on July 15, 2016. Her need for service is ongoing full-time employment. One of her children will turn 13 on September 10, 2017. The certification period will be established from July 15, 2016, through September 9, 2017 (14 months).
3. Mr. C applies for CCA for his children on July 15, 2016. His need for service is full-time post-secondary education. His 24-month funding limit will be reached on December 20, 2017. The certification period will be established from July 15, 2016, through December 20, 2017 (17 months).
4. Ms. D applies for CCA for her children on July 15, 2016. Her need for service is ongoing full-time employment. One of her children will turn 13 on February 10, 2018. The certification period will be established from July 15, 2016, through July 14, 2017 (12 months).
5. Ms. E applies for CCA for her children on July 15, 2016. Her need for service is ongoing full-time employment. One of her children will turn 13 on March 10, 2017. The certification period will be established from July 15, 2016, through July 14, 2017 (12 months).

Availability of Another Child Care Resource

Legal reference: 441 IAC 170.5

Policy:

When another resource (person, agency, program, or funding source) that allows the parent to select from the full range of eligible child care providers is available free of charge to provide the same or similar service that will meet the family's needs, the family is not eligible for the Child Care Assistance program.

Procedure:

Determine whether the resource allows for a full range of child care providers similar to the Child Care Assistance program before denying an application or terminating assistance for this reason.

FIP recipients, PROMISE JOBS participants, those receiving Child Protective Services and those who were receiving CCA when they became a member of AmeriCorps *Vista are eligible for Child Care Assistance regardless of this issue.

Comment:

AmeriCorps and AmeriCorps *Vista members have access to child care benefits that allows participants to select from a full range of state-approved child care providers.

A program that does not allow participants to select from a full range of state-approved child care providers, such as a free child care service for students at the school the parent attends, does not meet the criteria of this policy.

Identifying the Provider

In many situations, parents will have already selected the child care provider by the time they apply for child care services. If the parent needs assistance in choosing a provider, refer the parent to the Child Care Resource and Referral agency serving the county, direct them to the child care website provider search link, or provide the parent with a list of providers in their local area.

The policies and procedures for identifying eligible providers and the requirements that must be met by a provider are organized into the following sections:

- ◆ [Eligible providers](#)
- ◆ [Provider requirements](#)

Eligible Providers

Legal reference: 441 IAC 170.4(3)

A parent can choose care from:

- ◆ A licensed child care center.
- ◆ A registered child development home.
- ◆ A nonregistered child-care home.
- ◆ A provider who provides care in the child's own home.
- ◆ A provider located in another state.

The parent indicates the choice of provider on form 470-3624 or 470-3624(S), *Child Care Assistance Application*, or 470-0462 or 470-0462(S), *Financial Support Application*. There are limits to parental choice of provider:

- ◆ Children who are receiving **protective** child care services must be served in a licensed center or registered child development home, unless the service worker determines that a nonregistered provider is the most appropriate choice for the specific case. Consider the child's needs when child care is part of a protective services plan to prevent or alleviate child abuse or neglect.

The worker determines that a child is in need of social skills and language development and that the child would benefit more from placement in a child care center where the peer group experience is optimal. The parent chooses a registered child development home, where the child is the only child receiving care besides the provider's own child.

The child care arrangement chosen by the parent is not approved, because it is determined not to be in the best interest of the child.

- ◆ Approve **in-home** care only when the family has three or more children who require care. If the parent has chosen in-home care, but does not have at least three children requiring care, the parent must select another type of care.

EXCEPTION: If the provider lives in the same household as the children requiring care, treat the provider as either a registered child development home or a nonregistered home as long as the home is a single-family residence that the provider owns, rents, or leases. If the provider does not own, rent or lease the location, and the family does not have at least three children needing care, inform the family that they will need to select a different provider.

Ms. A and her two preschool children live with her mother, Ms. B, who owns the home. Ms. B agrees to provide child care for her two grandchildren while Ms. A works. Ms. B is treated like a nonregistered child care provider and will be paid the nonregistered home rate instead of the in-home rate.

All of the children in the family requiring child care must receive their care from the in-home provider. However, the children need not all receive the same number of units of service in a 24-hour period. For example, the care may include both before- and after-school care to the school-aged children in the family and full-day care to the preschool children in the family.

- ◆ A family may chose to use a provider who is located **outside of Iowa**. Staff must request verification from the provider to verify the provider is legally operating, and meets all of the regulatory requirements of the state in which they are located.
- ◆ Do not approve providers who have been sanctioned by the CCA program. See [Overpayment Recovery: Sanctions for Provider Fraud](#) for more information.

Provider Requirements

Legal reference: 441 IAC 170.4(3)

Policy:

Providers must meet specific requirements in order to be eligible for payment from the Child Care Assistance (CCA) program. The requirements vary according to the type of provider. Refer to the following sections:

- ◆ [Provider cooperation with investigations](#)
- ◆ [Required forms](#)
- ◆ [Licensed or registered providers](#)
- ◆ [Nonregistered providers](#)
- ◆ [Out-of-state providers](#)

Provider Cooperation with Investigations

Legal reference: 441 IAC 170.5(1)"c"

Policy:

To be eligible for payment from CCA, all providers must cooperate with the Economic Fraud Control Unit of the Department of Inspections and Appeals (DIA) when the provider is referred for investigation.

DIA conducts front-end and fraud investigations of providers upon referral from DHS.

Procedure:

When the Economic Fraud Control Unit notifies you that a provider has failed to cooperate in an investigation, deny or cancel the provider agreement. Issue a timely *Notice of Decision* to cancel the provider agreement.

Procedures for what to do when a provider reapplies after the provider agreement has been revoked for failure to cooperate are explained in the [Child Care Assistance Provider Agreement](#) section.

Required Forms

Legal reference: 441 IAC 170.4(3)

Policy:

Child care providers must meet the requirements specified by the following documents, depending on the classification of the provider.

Procedure:

Verify the status of the provider before you approve payment.

PROVIDER TYPE	REQUIREMENTS
Child care center	<ul style="list-style-type: none">◆ <i>Certificate of License, 470-0618</i>◆ <i>Child Care Assistance Provider Agreement, 470-3871</i>
Registered child development home	<ul style="list-style-type: none">◆ <i>Certificate of Registration, 470-3498</i>◆ <i>Child Care Assistance Provider Agreement, 470-3871</i>
Nonregistered child care home	<ul style="list-style-type: none">◆ <i>Minimum Health and Safety Requirements for Nonregistered Child Care Home Providers, Comm. 95 or Comm. 95(S)</i>◆ <i>Payment Application for Nonregistered Providers, 470-2890 or 470-2890(S)</i>◆ <i>Child Care Assistance Provider Agreement, 470-3871 or 470-3871(S)</i>◆ <i>Record Check Authorization, 470-5143</i>◆ <i>Completed Federal Fingerprint Card, form FD-258</i>◆ <i>Waiver Agreement and Statement, form DCI-45</i>

PROVIDER TYPE	REQUIREMENTS
In-home care	<ul style="list-style-type: none">◆ <i>Minimum Health and Safety Requirements for Nonregistered Child Care Home Providers</i>, Comm. 95 or Comm. 95(S)◆ <i>Payment Application for Nonregistered Providers</i>, 470-2890 or 470-2890(S)◆ <i>Child Care Assistance Provider Agreement</i>, 470-3871 or 470-3871(S)◆ <i>Record Check Authorization</i>, 470-5143◆ <i>Completed Federal Fingerprint Card</i>, form FD-258◆ <i>Waiver Agreement and Statement</i>, form DCI-45
Out-of-state	<ul style="list-style-type: none">◆ Written verification of license or registration issued by the other state◆ <i>Child Care Assistance Provider Agreement</i>, 470-3871 or 470-3871(S)

NOTE: A relative who is a registered provider must follow the requirements set forth for child development homes. A relative who is not registered must follow the requirements set forth for nonregistered child care providers.

Licensed or Registered Providers

The Department (DHS) staff or PROMISE JOBS staff follow three steps to obtain approval to make payment to licensed or registered providers.

1. Check to see if the family's chosen provider is a registered or licensed child care provider by accessing the KinderTrack (KT) screens. The KT screens provide information about what type of provider the family has chosen and whether the provider has signed a *Child Care Assistance Provider Agreement*. See 14-H, [KINDERTRACK SYSTEM](#).
2. If the provider **is** registered or licensed, but has **not** signed a *Child Care Assistance Provider Agreement*, issue the following to the provider, with instructions to return the form to your office:
 - ◆ Form 470-3871, *Child Care Assistance Provider Agreement*.
 - ◆ A self-addressed-stamped-envelope.
3. Once this form is returned, DHS staff finish the provider approval process by approving or denying the *Child Care Assistance Provider Agreement* and by making the appropriate entries into KinderTrack.

Nonregistered Providers

Legal reference: 441 IAC 170.4(3)“f” and “h”

People who do business as a nonregistered child care home must meet the definition of a child care home, pass the required background checks, meet all minimum health and safety requirements, and complete the appropriate paperwork.

To meet the definition of a child care home the provider must provide care in a single-family residence that the provider owns, rents, or leases. EXCEPTION: A provider that goes into the family's home to care for children (in-home care) does not have to meet the residence requirement.

If the setting meets the definition of a child care home, determine if the provider meets all other eligibility criteria. If the setting **does not** meet the definition of a child care home, the provider is not eligible to care for children at that location.

People who have a founded child abuse record or criminal conviction cannot legally provide child care or get Child Care Assistance (CCA) payments, unless the Department finds through an evaluation of the records that the person is eligible to provide child care. This requirement also applies to people age 14 or over who live in the home of the provider or have access to a child when the child is alone.

The Department checks these records before licensing or certifying registration of a child care provider. However, providers who provide care for five children or less are not required to register with the state.

Any person who provides child care services to a CCA recipient, and anyone age 14 or over who lives in that home or has access to a child when the child is alone, must have successfully completed criminal, sex offender, and child abuse record checks.

Any person who provides child care services to a CCA recipient, and anyone age 18 or over who lives in that home or has access to a child when the child is alone, must have successfully completed national criminal history checks based on fingerprints.

DHS staff follow three steps to obtain approval to pay nonregistered providers. (PROMISE JOBS staff complete only steps one and two.)

1. Check to see if the family's chosen provider is already an approved nonregistered provider by accessing KinderTrack (KT) screens. See 14-H, [KINDERTRACK SYSTEM](#).

The KT screens will show whether the provider is currently active and has signed a *Child Care Assistance Provider Agreement*.

2. If the provider has not yet been approved as a nonregistered provider for the CCA program, DHS staff must issue the following to the provider, with instructions to return the forms to the centralized CCA unit:

- ◆ Pamphlet Comm. 95 or Comm. 95(S), *Minimum Health and Safety Requirements for Nonregistered Child Care Home Providers*.
- ◆ Form 470-2890, *Payment Application for Nonregistered Providers*.
- ◆ Form 470-5143, *Record Check Authorization* (one form for each person over age 13 who lives in the household or who has access to the children in care).
- ◆ Form 470-3871, *Child Care Assistance Provider Agreement*.
- ◆ Form DCI-45, *Waiver Agreement and Statement* (one form for each person over age 17 who lives in the household or who has access to the children in care).
- ◆ A request for the provider to submit completed *Federal Fingerprint Cards*, form FD-258, for each person over age 17 who lives in the household or who has access to the children in care.
- ◆ A return envelope.

NOTE: Providers may also apply on-line from the KinderTrack website: <https://ccmis.dhs.state.ia.us/ProviderPortal/>.

3. DHS staff finish the provider approval process by:
 - ◆ Obtaining the results of the background, sex offender, and abuse checks.
 - ◆ Approving or denying the *Child Care Assistance Provider Agreement*.

NOTE: If the KT system indicates that the provider is active and already has a current *Child Care Assistance Provider Agreement* on file, it is not necessary to fill out new forms or to complete new background and abuse checks.

Nonregistered providers, in-home providers, and child care home providers must sign and return forms 470-2890, 470-3871, 595-1489 or 595-1489(S), DCI-45, and FD-258 to the child care unit and pass the criminal, sex offender, and child abuse record checks before payment will be made.

Signature on form 470-2890, *Payment Application for Nonregistered Providers*, certifies the provider's understanding of and compliance with the conditions and requirements for nonregistered providers. These include:

- ◆ Minimum health and safety requirements.
- ◆ Limits on the number of children for whom care may be provided.
- ◆ Unlimited parental access to the child during hours when care is provided.
- ◆ Conditions that warrant nonpayment.
- ◆ Prohibitions on persons who have been convicted of a crime or have a founded and registered child abuse providing child care.

The provider shall complete form 470-2890:

- ◆ When applying for payment for the first time (new),
- ◆ Every 24 months for renewal, and
- ◆ When there is a change in the information provided on the form (name, address, household composition).

Nonregistered providers must renew their CCA authorization every 24 months. The entire provider approval process described above must be completed again. This means nonregistered providers must complete a new *Child Care Assistance Provider Agreement, Payment Application for Nonregistered Providers*, and have new background and abuse checks done.

Make sure the provider and the client understand that CCA payment will be issued only after the record checks are returned as all clear, or until DHS completes the evaluation and gives permission for the person to provide child care.

If the client chooses to place the children with the provider before all record checks are complete, and the provider is not approved for payment, it is the client's responsibility to pay the provider for child care.

NOTE: The effective date of provider eligibility for payment will be based upon the client's application date. This means that once a provider is determined eligible for payment by DHS, they may be paid for child care provided retroactively to the effective date of the clients' eligibility.

1. Mr. and Mrs. A apply for Child Care Assistance (CCA) on July 23, 2007. They indicate they will be using a registered provider, ABC Child Care. CCCAU sends ABC Child Care a *Child Care Assistance Provider Agreement* to complete. The *Child Care Assistance Provider Agreement* is returned to DHS on July 30, 2007.

ABC Child Care is approved to be a CCA provider on August 13, 2007. The effective date of the *Provider Agreement* will be July 23, 2007, the day Mr. and Mrs. A applied for CCA.

2. Same scenario as Example 1, except that Mr. and Mrs. B indicate they have been using a registered provider, ABC Child Care, since May 19, 2007.

ABC Child Care is approved to be a CCA provider on August 13, 2007. The effective date of the *Provider Agreement* will be July 23, 2007, the day Mr. and Mrs. A applied for CCA. Any care provided between May 19 and July 23, 2007, must be paid by Mr. and Mrs. B.

3. Mr. and Mrs. C apply for CCA on July 23, 2007. They indicate they will be using a nonregistered provider, XYZ Child Care. CCCAU sends XYZ Child Care a *Payment Application for Nonregistered Providers, Record Check Request, Federal Fingerprint Card, form FD-258, Waiver Agreement and Statement, form DCI-45, Comm. 95, and Provider Agreement* to complete. These forms are returned to DHS on July 30, 2007.

Once background and abuse checks are completed, XYZ Child Care is approved to be a CCA provider on August 22, 2007. The effective date of the *Child Care Assistance Provider Agreement* will be July 23, 2007, the day Mr. and Mrs. C applied for CCA.

Out-of-State Providers

The Department (DHS) staff will follow three steps to obtain approval to make payment to out-of-state providers.

1. Check to see if the family's chosen provider is already an approved child care provider by accessing the KinderTrack (KT) screens. The KT screens provide information about what type of provider the family has chosen and whether the provider has signed a *Child Care Assistance Provider Agreement*.

2. If the provider **is not** present, or is not active, in KinderTrack, issue the following to the provider, with instructions to return the form to your office:
 - ◆ Form 470-3871, *Child Care Assistance Provider Agreement*.
 - ◆ Request to provide license or registration verification.
3. Once this information is returned, DHS staff will finish the provider approval process by approving or denying the *Child Care Assistance Provider Agreement* and by making the appropriate entries into KinderTrack. See [Establishing Payment Rate](#).

Criminal and Child Abuse Record Checks

Within two working days after receiving the forms from the prospective provider, process criminal and child abuse record checks as follows:

- ◆ **DHS:** Send all forms to the DHS worker who is responsible for checking the ACAN and STAR systems and checking the SING system owned by the Division of Criminal Investigation (DCI).
- ◆ **PROMISE JOBS:** Send all forms to the Centralized Child Care Unit in the DHS central office. DHS will forward the forms to the appropriate person responsible for performing the record checks.

Complete a separate form 595-1489 or 595-1489(S), *Non-Law Enforcement Record Check Request Form A*, for **each last name** which needs to be checked, including maiden names and previous married names. This includes the provider, each person in the provider's household who is aged 14 or over, and anyone who has access to a child when the child is alone.

NOTE: If the provider goes into the child's own home (an in-home provider), do the background checks on the provider, but not on the provider's family, unless the provider's family members will have contact with the children.

When the criminal records check is completed, DCI will return the information to the DHS worker who initiated the SING check.

Once the abuse check is completed, the designated DHS worker enters this information into the KinderTrack system.

NOTE: If the provider is an out-of-state provider, background checks will be completed by the other state.

Check the Sex Offender Registry for all individuals listed on the *Non-Law Enforcement Record Check Request Form A*, form 595-1489 or 595-1489(S), as follows:

- ◆ Access the Sex Offender Registry at: www.iowasexoffender.com.
- ◆ Enter the person's last name:
 - Select ALL under "county." Do not choose a specific county.
 - Select SEARCH.
- ◆ If the search shows a conviction that occurred in Iowa, check the DCI form to make sure this conviction also appears there.
- ◆ If the search shows a conviction that occurred outside Iowa, add this conviction to the letter that is sent with form 470-2310, *Record Check Evaluation*.

When all of the record checks have been returned and all are clear, proceed with approving the *Child Care Assistance Provider Agreement*.

If any record check is returned showing a criminal conviction, a founded and registered child abuse, or placement on the Sex Offender Registry, send that information to the team that does the evaluations for registered child care homes and licensed child care centers.

The evaluation team will notify the DHS worker of the results of the evaluation. If the evaluation is returned stating the person is not permitted to provide child care, or is not permitted to reside in a child care home, the provider **is not eligible** for payment by the CCA program.

The DHS worker sends form 470-4558, *Notice of Decision: Child Care*, informing the person that the person is not eligible for payment of child care services using public funds or is not permitted to reside in a home providing such child care.

Also, notify the client that although the client is eligible for CCA, the provider selected is not approved due to not meeting health and safety requirements, so the client must choose another provider.

The flowchart on the following page outlines the CCA eligibility determination process and form flow described above.

- ◆ If the provider does not have a half-day, full-day or hourly rate, calculate the half-day rate by dividing the provider's weekly rate by 5 to get a daily rate and then dividing this daily amount by 2 to get the half-day rate.

Use this method for establishing the half-day rate for basic and special needs care. However, refer to [Special Needs Rate](#) for the conditions that must be met before the special needs rate can be paid.

Approve the half-day rate providing the following policies are met:

- ◆ No rate can be approved that is above the maximum rate applicable to the type of care, the provider, and the age group.
- ◆ No rate can be approved that exceeds the rate the provider charges a private pay individual.
- ◆ Each rate type the provider has should be calculated and approved on the *Child Care Assistance Provider Agreement* and entered separately into KinderTrack (i.e., standard, before and after school, 2nd child discount, employee discount, etc.).

EXCEPTION: In-home care is paid at the minimum wage amount. The half-day unit rate for all in-home care providers must be \$36.25 (the current hourly minimum wage rate of \$7.25 times five hours). The only KinderTrack rate type applicable to in-home providers is the in-home rate type. Other rate types should not be entered for this type of provider.

Maximum Payment Rates

The following definitions apply in the use of the rate tables:

“**Child care center**” means a child care center licensed in Iowa. This is also the maximum rate used for an out-of-state center provider.

“**Registered child development home**” means a person or program that has received a certificate of registration from the state to provide child care to six or more children at any one time.

“**Nonregistered child care home**” means a family child care home caring for five or fewer children (including relative care) that is not registered with the state. This is also the rate used for out-of-state family home-based providers.

“**Infant and toddler**” means a child aged two weeks to two years.

“**Preschool**” means a child aged two years to kindergarten (“school aged”).
 Approve preschool rates for summer hours before kindergarten classes begin.

“**School aged**” means a child in attendance in full-day or half-day classes, including kindergarten.

Basic Care Rate

Legal reference: 441 IAC 170.4(7)“a”

The maximum rate of payment by age of child and type of provider for a half-day of basic care is shown in Table I that follows:

Table I. Half-Day Rate Ceilings for Basic Care							
Age Group	Child Care Center		Child Development Home Category A or B		Child Development Home Category C		Nonregistered Family Home
	Basic	QRS 5	Basic	QRS 5	Basic	QRS 5	
Infant and Toddler	\$16.78	\$20.50	\$12.98	\$13.75	\$12.44	\$15.00	\$8.19
Preschool	\$13.53	\$17.50	\$12.18	\$13.50	\$12.18	\$13.75	\$7.19
School Age	\$12.18	\$14.75	\$10.82	\$12.50	\$10.82	\$13.00	\$7.36

Special Needs Rate

Legal reference: 441 IAC 170.4(7)“a”

The maximum rate of payment by age of child and type of provider for a half-day of special needs care is shown in Table II below:

Table II. Half-Day Rate Ceilings for Special Needs Care				
Age Group	Child Care Center	Child Development Home A or B	Child Development Home C	Nonregistered Family Home
Infant and Toddler	\$51.94	\$17.05	\$13.40	\$10.24
Preschool	\$30.43	\$15.83	\$13.40	\$8.99
School Aged	\$30.34	\$14.61	\$12.18	\$9.20

Limits on Payment

Legal reference: 441 IAC 170.4(7)"e"

Do **not** approve payment for nonregistered providers until the *Non-Law Enforcement Record Check Request*, 595-1489 or 595-1489(S), and the *Request for Child Abuse Information*, 470-0643, are returned as all clear, or until the evaluation is completed and gives permission for the person to provide child care.

Do **not** count the hours that a student spends studying when determining the units needed to attend school.

Do **not** approve a separate payment for transportation. Child Care Assistance (CCA) can be paid for travel time only between the child care provider's location and the parent's place of employment or school. There is no limit on travel time. Count the actual daily travel time of the parent. Accept the parent's statement unless there is reasonable doubt as to the validity of the travel time claimed.

Do **not** approve special needs payment for therapeutic services that are provided in the child care setting. These include (but are not limited to) services such as:

- ◆ Speech, hearing, physical, and other therapies.
- ◆ Individual or group counseling.
- ◆ Therapeutic recreation.
- ◆ Crisis intervention.

Do **not** approve payment to two providers for the same clock time **except** when the primary provider is closed for a holiday and charges private pay families for the day. In this situation, the primary provider can be paid for a day of absence and the backup provider can be paid for providing care.

Unit of Service

Legal reference: 441 IAC 170.1(237A), 170.4(2)

Policy:

The unit of service is a half day, which is defined as up to five hours of service during a 24-hour period. The number of units of service approved each day is based on the hours the parent performs an activity that meets the definition of a need for service including travel time.

“Actual travel time” includes the time spent between the child care facility and the place of employment or training. For in-home care, actual travel time includes the time spent between home and the place of employment or training.

Procedure:

Gather information from the parent and the employer or educational institution to determine the time needed for the parent to work, attend training, or look for work, or for sleep time during daytime hours. Use the training or employment schedule of the parent and the actual travel time to determine the number of half-day units needed per day.

When a parent meets more than one need for service, combine the daily school and work schedules of the parent and actual travel time to determine the number of half-day units needed. See [Multiple Needs for Service](#) for further information.

When CCA is approved based on medical incapacity, determine the number of units as follows:

- ◆ For a single parent family or for a two-parent family where both parents are incapacitated, the number of units authorized for the period of incapacity shall not exceed the number of units authorized for the family before the onset of incapacity.
- ◆ For a two-parent family where only one parent is incapacitated the units of service authorized shall be based on the need of the parent who is not incapacitated.

When determining total units needed for a parent who requests sleep time during daytime hours, consider if the parent is requesting that child care be paid during the time the parent is working. If the parent is requesting units for both work time and sleep time, one unit of care may be approved for sleep time. If the parent is requesting units for sleep time only, two units of care may be approved.

3. Mr. B is employed and works 11:00 p.m. to 7:00 a.m. Monday through Friday and Mrs. B is employed 8:00 a.m. to 4:30 p.m. Monday through Friday. They have one child, age 2. There is no need for child care while Mr. B works because Mrs. B is home with the child.

The family is approved for two half-day units Tuesday through Friday to allow Mr. B to sleep after he works a night shift and to allow Mrs. B to work. There is not a need for units on Saturday because Mrs. B is home with the child.

4. Mr. C is employed and works 11:00 p.m. to 7:00 a.m. Monday through Friday. Mr. C has three children, ages 1, 3, and 4. Mr. C needs child care for both work time and sleep time.

Mr. C is approved for two half-day units for the time he is employed and one half-day unit to allow him to sleep after returning home from work.

When before- and after-school care is required for a school-aged child, count the total number of hours needed in the 24-hour period and then convert the total hours to the number of half-day units needed.

1. Ms. M is a working single parent with a two-year-old who requires a full day of child care and two school-age children who require before- and after- school care. Her work hours are 8:00 a.m. to 4:30 p.m. She drops her children off at the provider's home on her way to work.

The school-age children are in care in the morning from 7:40 a.m. until almost 9:00 a.m., when the provider takes them to school. The two-year-old remains in the provider's care for the entire day. The provider picks the school-age children up after school and provides care from 3:15 p.m. until almost 5 p.m.

The M family is approved for the following half-day units:

- ◆ Two half-day units per workday for the two-year-old;
- ◆ One half-day unit per workday for each school-age child.

The *Notice of Decision: Child Care* is completed to show that the M family is approved for 2 half-day units per workday for the two-year-old and one half-day unit per workday on school days and two half-day units per workday for nonschool days for each school-age child.

2. Ms. A is a single parent with three school-age children who require care before and after school. She works Monday through Friday 8:00 a.m. to 4:30 p.m. She drops her children off with the provider on her way to work.

The children are in care from 7:30 a.m. until 8:30 a.m., when the provider drops them off at school. The provider picks the children up from school and provides care from 3:15 p.m. until 5:00 p.m.

The *Notice of Decision: Child Care* is completed to show that the A family is approved for one half-day unit per workday on school days and two half-day units per workday for nonschool days for each child.

When a family is using multiple providers in the same day, additional units may need to be approved in order to correctly pay both providers.

Ms. B is a full time student with a 2-year-old daughter. She attends classes five days per week. Her class schedule looks like this:

M-W-F:	11-2 p.m.	T-Th	9-10 a.m. 7:30-9:00 p.m.
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Including actual travel time, she is approved for one half-day unit per day Monday through Friday.

Ms. B uses a child care center for care during the daytime class hours Monday through Friday and a nonregistered provider for the evening class hours on Tuesday and Thursday. She uses two providers on Tuesday and Thursday. Do not split a unit of care between providers. Schedules will be approved for each provider for one unit for the child care services provided.

When a temporary change or lapse in need for service occurs, do not decrease or cancel the number of authorized units or increase the amount of the family's co-pay. If the change being reported indicates the family needs more units, or their co-pay should be reduced, then staff should act on that change.

Fee Schedule

Legal reference: 441 IAC 170.4(2)

Policy:

Assess a fee for each half-day unit of service based on the following table.

EXCEPTION: Do not assess a fee to:

- ◆ Families at or below 100% of the federal poverty guidelines (income level A).
- ◆ Recipients of FIP and participants in approved PROMISE JOBS activities.
- ◆ Families where services are provided without regard to income due to protective needs.

Level	Monthly Income According to Family Size													Unit Fee Based on Number of Children in Care		
	1	2	3	4	5	6	7	8	9	10	11	12	13+	1	2	3 & up
A	941	1,268	1,596	1,924	2,252	2,579	2,908	3,238	3,567	3,896	4,226	4,555	4,884	0.00	0.00	0.00
B	990	1,335	1,680	2,025	2,370	2,715	3,061	3,408	3,755	4,101	4,448	4,795	5,141	0.20	0.45	0.70
C	1,018	1,372	1,727	2,082	2,436	2,791	3,147	3,503	3,860	4,216	4,573	4,929	5,285	0.45	0.70	0.95
D	1,045	1,410	1,774	2,138	2,503	2,867	3,232	3,599	3,965	4,331	4,697	5,064	5,429	0.70	0.95	1.20
E	1,075	1,449	1,824	2,198	2,573	2,947	3,323	3,700	4,076	4,452	4,829	5,205	5,581	0.95	1.20	1.45
F	1,104	1,489	1,873	2,258	2,643	3,028	3,413	3,800	4,187	4,573	4,960	5,347	5,733	1.20	1.45	1.70
G	1,135	1,530	1,926	2,321	2,717	3,112	3,509	3,907	4,305	4,701	5,099	5,497	5,893	1.45	1.70	1.95
H	1,166	1,572	1,978	2,385	2,791	3,197	3,605	4,013	4,422	4,829	5,238	5,647	6,054	1.70	1.95	2.20
I	1,198	1,616	2,034	2,451	2,869	3,287	3,706	4,126	4,546	4,964	5,385	5,805	6,223	1.95	2.20	2.45
J	1,231	1,660	2,089	2,518	2,947	3,376	3,806	4,238	4,669	5,100	5,531	5,963	6,393	2.20	2.45	2.70
K	1,266	1,707	2,148	2,589	3,030	3,471	3,913	4,357	4,800	5,243	5,686	6,130	6,572	2.45	2.70	2.95
L	1,300	1,753	2,206	2,659	3,112	3,565	4,020	4,475	4,931	5,385	5,841	6,297	6,751	2.70	2.95	3.20
M	1,336	1,802	2,268	2,734	3,199	3,665	4,132	4,601	5,069	5,536	6,005	6,473	6,940	2.95	3.20	3.45
N	1,373	1,851	2,330	2,808	3,286	3,765	4,245	4,726	5,207	5,687	6,168	6,649	7,129	3.20	3.45	3.70
O	1,411	1,903	2,395	2,887	3,379	3,870	4,364	4,858	5,353	5,846	6,341	6,835	7,329	3.45	3.70	3.95
P	1,450	1,955	2,460	2,965	3,471	3,976	4,482	4,991	5,499	6,005	6,513	7,022	7,528	3.70	3.95	4.20
Q	1,490	2,010	2,529	3,048	3,568	4,087	4,608	5,130	5,653	6,173	6,696	7,218	7,739	3.95	4.20	4.45
R	1,531	2,064	2,598	3,131	3,665	4,198	4,733	5,270	5,807	6,342	6,878	7,415	7,950	4.20	4.45	4.70
S	1,574	2,122	2,671	3,219	3,767	4,316	4,866	5,418	5,969	6,519	7,071	7,622	8,172	4.45	4.70	4.95
T	1,617	2,180	2,743	3,307	3,870	4,433	4,998	5,565	6,132	6,697	7,263	7,830	8,395	4.70	4.95	5.20
U	1,662	2,241	2,820	3,399	3,978	4,558	5,138	5,721	6,303	6,884	7,467	8,049	8,630	4.95	5.20	5.45
V	1,707	2,302	2,897	3,492	4,087	4,682	5,278	5,877	6,475	7,072	7,670	8,269	8,865	5.20	5.45	5.70
W	1,755	2,367	2,978	3,590	4,201	4,813	5,426	6,041	6,656	7,270	7,885	8,500	9,113	5.45	5.70	5.95
X	1,803	2,431	3,059	3,687	4,316	4,944	5,574	6,206	6,838	7,468	8,100	8,732	9,362	5.70	5.95	6.20
Y	1,853	2,499	3,145	3,791	4,437	5,082	5,730	6,380	7,029	7,677	8,326	8,976	9,624	5.95	6.20	6.45
Z	1,904	2,567	3,231	3,894	4,557	5,221	5,886	6,553	7,221	7,886	8,553	9,221	9,886	6.20	6.45	6.70
AA	1,957	2,639	3,321	4,003	4,685	5,367	6,051	6,737	7,423	8,107	8,793	9,479	10,163	6.45	6.70	6.95
BB	3,000	4,000	5,000	6,000	7,000	8,000	8,000	8,000	8,000	8,500	9,000	10,000	11,000	6.70	6.95	7.20

Procedure:

Assess the amount of the fee by determining the gross monthly income according to family size. Use the same dollar amount that was calculated when determining eligibility. Use the sliding fee schedule as follows:

1. Move across the monthly income table to the column headed by the number of people in the family that was used in determining eligibility.
2. Move down that column for family size to the first row with an amount greater than the monthly family income. Use the row above that row to determine the fee amount.
3. Move across that row and choose the fee that corresponds to the number of children that need care.

When more than one child in a family receives services, assess the fee on the child who receives the most units of service. Do not assess an additional fee for each child.

Include documentation in the case file to support the fee.

Comment:

1. Family D has two members, monthly income of \$1,300, and **one** child in care. Family D's income is above the Level A amount but less than the Level B amount. Family D pays \$0.00 fee for each unit of child care.
2. Family F has three members, monthly income of \$1,700, and **two** children in care. Family F's income is above the Level B amount but less than the Level C amount. Family F pays \$0.45 fee for each unit of child care that the child who receives the most units uses.
3. Family G has three members, monthly income of \$1,700, and **one** child in care. Family G's income is above the Level B amount but less than the Level C amount. Family G pays \$0.20 for each unit of child care.

Mr. A reports on June 2 that his employment hours increased from 30 per week to 40 per week as of May 26, and he needs an increase in the number of units he is authorized to use. A notice of decision is sent with an effective date of May 26 to authorize the additional units.

When a positive change is **not** reported timely, the effective date on the notice of decision is the date the change was reported.

NOTE: No recoupment of Child Care Assistance benefits is necessary when positive changes are reported. However, when positive changes are not reported in a timely manner, the parent is responsible to pay the provider for the extra units not covered until a new notice of decision is issued.

Mrs. B reports on June 12 that her employment hours increased from 30 per week to 40 per week as of May 26, and she needs an increase in the number of units she is authorized to use. A notice of decision is sent to authorize the additional units with an effective date of June 12.

Mrs. B is responsible to pay out of her own pocket for any units she used between May 26 and June 12 beyond the units originally authorized.

Negative Changes Reported

Changes are considered "negative" when benefits are reduced or canceled. When a negative change is reported, a timely notice is required. Examples of negative changes are:

- ◆ Employment termination and no new job reported within three months,
- ◆ Increase in income beyond 85 percent SMI.

When a negative change is reported, the effective date on the notice of decision must be ten calendar days after the date the notice was sent. The timely notice period begins the day after the notice of decision is mailed.

The provider can bill the Department for services provided during the timely notice period (from the date the notice is issued through the effective date of cancellation) when:

- ◆ The client continues to take the child to the provider, or
- ◆ The client does not withdraw the child. The provider may bill for up to four days of absence.

The provider cannot bill the Department for services provided during the timely notice period when the client withdraws the child.

When determining if there is a CCA overpayment, consider the following:

- ◆ When a negative change is reported timely, there is no recoupment of CCA benefits used through the effective date of cancellation.
- ◆ When a negative change is **not** reported timely, CCA benefits used through the effective date of cancellation are subject to recoupment.

1. Mr. C contacts the CCA worker on June 2 to report that he quit his job on May 26. Since this change was reported in a timely manner, no recoupment of CCA benefits is necessary.
2. Mrs. D contacts the CCA worker on September 1 to report that she lost her job on May 20. A notice of decision is sent on September 2 canceling her CCA eligibility effective September 12.

Since this change was **not** reported timely, the Department will recoup from Mrs. D any child care units she uses from August 21, the date the three month temporary lapse period expired, until September 12, the effective date of cancellation.

See [How to Determine When an Overpayment Occurred](#) for more information about how to calculate overpayments.

Changing Providers

Legal reference: 441 IAC 170.2(4), 441 IAC 170.4(7)

When parents wish to change their provider, it is important for them to inform both their old and new providers of the change **before** making the change, and to report this to their CCA or PROMISE JOBS worker in a timely manner.

This is necessary so that the proper *Notice of Decision: Child Care* can be sent to the family, the new provider can be sent a *Certificate of Enrollment*, and the old provider can get a *Provider Cancellation Letter*.

Household's Mail Returned With a Forwarding Address

Policy:

When the post office provides a forwarding address on returned mail, consider this a report that the household has moved.

Procedure:

If the forwarding address is one that is:

- ◆ Within Iowa, update KinderTrack with the new address. Re-mail the returned item to the household at the new address.
 - If the returned mail is a request for information forward the request to the new address.
 - If, due to the move, the case belongs in a different office, transfer the case. No further action is necessary.
- ◆ Out-of-state, send the household a written request to clarify the household's circumstances to determine if the household has changed its residency or if temporary absence policy applies. (See [Family Size](#).)
 - If the household does not respond to the request or informs you they have permanently moved out of state, cancel the case with timely notice, for not meeting residency requirements.
 - Reinstate the case if the household contacts you with an Iowa address, before the effective date of cancellation or within the 14-day grace period.

Reviewing Eligibility

Legal reference: 441 IAC 170.3(5), 170.3(1)"d," 170.4(2)

Policy:

Review CCA eligibility, the number of units the family is eligible for, and the parent's fee at least every 12 months.

At review time, the client is required to submit form 470-4377(M) or 470-4377(S), *Child Care Assistance Review*. This form will automatically be mailed out from the KinderTrack system 45 days before the family's review date.

This form must be complete. A review form is considered complete if:

- ◆ All items are answered including the client's work schedule, and
- ◆ The form is signed and dated by the applicant, and
- ◆ The form is accompanied by all verification needed to determine continued eligibility, such as actual income, hours worked, student status, and school schedule.

EXCEPTION: Families who have children with protective needs or who are receiving child care assistance because the parent is participating PROMISE JOBS activities are not required to return form 470-4377(M) as part of the review process.

PROMISE JOBS families must verify eligibility criteria, such as need for service, hours worked, work schedule, student status and school schedule.

For families who are receiving CCA for children with protective needs, the social worker must submit form 470-4895, *Protective Child Care Documentation*, when the family's certification period is ending.

NOTE: Review requirements apply to all families receiving CCA except for families who are receiving CCA only because a parent is seeking employment. These families are not subject to review requirements because eligibility is limited to 30 consecutive calendar days. (Waiver of the review applies only when the parent who is seeking employment does not also meet another need for service.)

Do not redetermine eligibility during a certification period when the participant reports a change in circumstances or you become aware of a change unless:

- ◆ Income will exceed 85 percent of the State Median Income.
- ◆ The family needs more units of child care.
- ◆ The family co-pay amount will decrease.

Issue a *Notice of Decision: Child Care* giving a ten-day notice for a loss of CCA eligibility. See [Reporting Changes](#).

Families who were required to meet specific requirements of a priority group at the time of application because of waiting lists (see [Application for Placement on a Waiting List](#)) are **not** required to meet the priority group requirements at review or redetermination. Eligibility continues as long as:

- ◆ The family meets the need for service and financial guidelines, and
- ◆ The child needing services is under age 13 or under age 19 with special needs. (See [Determining Eligibility](#).)

Procedure:

KinderTrack will issue form 470-4377(M), *Child Care Assistance Review*, to the client 45 days before the end of the certification period.

NOTE: If the family needs a Spanish version of the review, form 470-4377(S), this form must be mailed to the family by the worker.

KinderTrack will not issue a review form when the certification period is approved for less than 40 days before the review date. For these families, the review form must be mailed to the family by the worker.

If the client fails to return the review form, it is **not** necessary to send a *Notice of Decision: Child Care* to cancel CCA because the original approval notice provided the beginning and ending dates of eligibility. If the client returns the review form after the effective date of cancellation of CCA, treat the review form as a new application.

If the client returns a complete review form along with all required verification and:

- ◆ The family remains eligible for CCA, issue form 470-4558, *Notice of Decision: Child Care*, to inform the family and the child care provider of the new certification period and any changes in eligibility. The effective date of changes in eligibility is the first day of the new certification period.
- ◆ The family is no longer eligible for CCA, because their income exceeds 85 percent of State Median Income, issue form 470-4558, *Notice of Decision: Child Care*, to cancel the CCA with timely notice if there is enough time before the end of the certification period to do this. (See [Financial Eligibility](#).) If there is not enough time, deny CCA effective the day after the end of the certification period.
- ◆ The family is no longer eligible for CCA, but is eligible for CCA Plus, issue form 470-4558, *Notice of Decision: Child Care*, to inform the family and the child care provider of the new certification period and any changes in eligibility. The effective date of changes in eligibility is the first day of the new certification period.

If the client returns an incomplete review form, send a request for the needed information and allow ten days for information to be returned.

If the information is returned, follow the procedures above for processing a complete review form.

If the family does not return the requested information by the due date, cancel the case. Issue a *Notice of Decision: Child Care* canceling the case with timely notice or at the end of the certification period, whichever is sooner.

If the family returns the requested information after a notice of decision canceling the case is issued, follow the policies and procedures outlined under [Reinstatement](#) to determine whether the case can be reinstated. If the case can be reinstated, follow the procedure above for processing a complete review form.

Comment:

1. Mr. S applies for CCA on March 10 and is approved. On April 20, Mr. S begins working 20 hours per week. He does not report the change, and his CCA continues. Upon discovering this change on August 20, the worker finds that Mr. S is ineligible for CCA because he has been working less than 28 hours per week for more than 3 months.

The calculation to determine the amount of overpayment to Mr. S starts on the date the change was no longer considered temporary or 3 months from the date he began working only 20 hours per week, July 20.

2. Ms. T applies for CCA on March 10 and is approved. Between April 20 and June 2, Ms. T only works 20 hours per week. She does not report the temporary change, and CCA continues. Upon discovering this change on August 20, the worker finds that Ms. T remained eligible for CCA because she worked less than 28 hours per week for less than 3 months.

Overpayment Due to Erroneous Provider Reporting

Legal reference: 441 IAC 170.9(2)

Policy:

When a provider submits a claim containing false or erroneous information about care that causes an overpayment, start calculating the overpayment when the false or erroneous information first impacts the payment.

Comment:

Ms. D applies for CCA for her two children on May 1 and is approved. She chooses the ABC Child Care Center as her provider. On July 15, Ms. D changes her provider to the XYZ Child Care Center.

The ABC Child Care Center continues to claim the Department for Ms. D's two children after July 15. Upon Department review on October 20, it is found that the ABC Child Care Center has been paid for child care that was not provided to Ms. D's children.

The calculation to determine the amount of overpayment to ABC Child Care Center starts on the date the overpayment began, July 15.

How to Calculate Overpayments

Legal reference: 441 IAC 170.9(2)

Policy:

An overpayment is calculated as if the information had been reported and acted on timely.

Procedure:

Calculate the amount of overpayment for each month. Add the monthly amounts together to calculate the total amount of overpayment.

When a debtor causes an overpayment on multiple cases for the same period, and these cases are for the same program code and cause code, combine them into one overpayment amount.

Document all calculations in the case record. Give a copy of the documentation to the client or provider, upon request. Documentation must be in sufficient detail to fully support the determination of the amount of the overpayment.

Failure to Cooperate

Legal reference: 441 IAC 170.9(4)

Policy:

Clients or providers fail to cooperate if they do not supply information necessary to determine eligibility and the correct amount of assistance.

Client Failure to Cooperate

Legal reference: 441 IAC 170.9(4)

Policy:

If a client does not cooperate in the investigation of alleged overpayments, it will result in ineligibility for the months in question. The overpayment will be the total amount of assistance received during those months.

Procedure:

Issue a letter to the client requesting the verification or documentation you require. Be sure to state that failure to provide the requested information within ten days of the date the letter was mailed will result in cancellation of Child Care Assistance, and that an overpayment recovery referral will be made to the Department of Inspections and Appeals (DIA).

Place a copy of the letter in the case file. If you do not receive a response to your inquiry after ten days from the date you mailed the letter, send form 470-4558, *Notice of Decision: Child Care*, canceling the client's benefits.

Refer the case to DIA for investigation, if necessary.

Comment:

Ms. L is approved for CCA effective March 25. Her need for service is employment outside the home. The worker receives information from an anonymous phone caller on August 1 that Ms. L is working 15 hours per week. The pay stub documentation in the case file contains verification of work hours before May 16, with an average work week of 30 hours.

The worker follows up on the anonymous call by mailing Ms. L a request that she submit copies of July's pay stubs within ten days. Ms. L fails to send the documentation. The worker issues a notice of decision canceling Ms. L's assistance, and refers the case to DIA.

The calculation of the amount of overpayment begins on May 16 (the first day of undocumented work hours) and continues through the effective date of the cancellation notice of decision.

Provider Failure to Cooperate

Legal reference: 441 IAC 170.9(4)

Policy:

If a provider does not cooperate in the investigation of alleged overpayments, payments for all the months in question are considered overpayments.

Procedure:

When you discover that an overpayment may have occurred, issue a letter to the provider requesting the information or verification necessary to make your determination. Inform the provider that failure to provide the requested information will result in an overpayment recovery referral to the Department of Inspections and Appeals (DIA). Place a copy of the letter in the case file.

Refer the case to DIA for investigation if:

- ◆ The provider fails to submit the requested information or verification after ten days from the first date of contact, or
- ◆ The information submitted appears questionable.

If the suspected overpayment involves benefits to children currently in the care of the provider, do not cancel or suspend payment to the provider for those children due solely to the provider's failure to cooperate.

If the overpayment is a result of miscalculation of benefits, issue a *Notice of Decision: Child Care* to the client and send a copy to the provider specifying the corrected rates or payments.

If the overpayment involves suspected collusion between the provider and client to create a fraudulent payment, follow the procedures for recoupment for both the client and provider. When completing your summary on the Fraud Referral screen in the OPR system, be sure to supply information on the suspected collusion and the relevant client information.

Comment:

The ABC Center begins caring for Mr. K's daughter on July 15. The center bills the Department for two units per day, five days per week. On September 10, Mr. K's daughter starts kindergarten. The center continues to report attendance to the Department showing the need for two units per day per week, although the child attends the center only after school.

During a case review on November 15, the worker finds the error and contacts Mr. K to verify that his daughter is attending school. Mr. K affirms that his daughter is at school during the day. The worker issues a timely notice of decision to the client and the provider with the corrected authorization of units.

The worker informs the center that she is investigating a possible overpayment and needs the records for verification. After ten days, the worker hasn't received the information from the center. The worker refers the case to DIA. The amount of the overpayment is calculated as follows: 1 unit per day x 45 days (September 10-November 15).

Notifying DIA of the Overpayment

Legal reference: 441 IAC 170.9(1)

Policy:

Refer all Child Care Assistance (CCA) overpayments to the Department of Inspections and Appeals (DIA)

Procedure:

When you have determined a CCA overpayment occurred, documented it in the case record and make entries into the Overpayment Recovery System (OPR).

The OPR system automatically determines whether the worker needs to complete a fraud referral to be submitted along with the overpayment claim.

NOTE: When a provider returns the original CCA warrant, you do not need to refer the overpayment to DIA if the warrant covers the total amount of the overpayment and the period of overpayment is only one month. (This does not apply to refunds by money order, personal check, or cash.)

Who Is Responsible for Client Error Repayment

Legal reference: 441 IAC 170.9(6)"d"

Policy:

Recoupment may be made from the parent, or the person who serves in the capacity of the parent, who received Child Care Assistance (CCA) at the time the overpayment occurred. When both parents were in the home when the overpayment occurred, both parents are equally responsible for repayment.

Comment:

A parent or caretaker who received CCA benefits at the time of overpayment remains responsible for refunding the overpayment even if the person moves to another household. If the children move into the home of another relative, the new payee has no liability for the overpayment.

Who Is Responsible for Client and Provider Error Repayment

Legal reference: 441 IAC 170.9(6)"d," "e," and "f"

Policy:

When overpayments are caused by both the parent and the provider, both the parent and the provider are equally responsible for repayment.

Procedure

Recoup overpayments equally, 50 percent from the parent and 50 percent from the provider.

Who Is Responsible for Agency Error Repayment

Legal reference: 441 IAC 170.9(6)"d" and "e"

Policy:

Recoupment for agency errors may be made from the parent or the provider.