

Revised September 23, 2011

Employees' Manual
Title 13
Chapter G

CHILD CARE ASSISTANCE



	<u>Page</u>
Overview	1
Legal Basis	1
Chapter Organization	2
Determining Eligibility	2
Application.....	3
Date of Application.....	4
Effective Date of Assistance.....	5
Voter Registration Procedures.....	6
Priority for Service	7
Application for Placement on a Waiting List.....	8
Administration of Waiting Lists.....	10
Residency.....	10
Alien Status	10
Application Processing	11
Declaration of Citizenship or Alienage	12
Evidence of United States Citizenship	12
Alien Statuses	13
Aliens Exempt From Five-Year Bar	14
Aliens Subject to Five-Year Bar.....	15
Battered Aliens.....	16
Ineligible Aliens	17
Alien Status Verification Requirements.....	18
Alien Documentation Chart.....	18
Using SAVE (Systematic Alien Verification for Entitlements)	24
Reporting Illegal Aliens.....	24
Victims of Trafficking.....	25
Need for Service.....	26
Training.....	28
Limit on Assistance	29
Months of CCA Used Before March 1, 2009	30
Nonapprovable Training	32
Employment	34
Part-Time School and Part-Time Employment	34b
Child Protection	36
Medical Absence or Incapacity	37
Seeking Employment.....	40
Multiple Needs for Service.....	41
AmeriCorps and AmeriCorps*VISTA Volunteers	42
Temporary Lapse in Need	43

	<u>Page</u>
Financial Eligibility	44a
Documenting Special Needs	45
Family Size	46
Projecting Income.....	48
Countable Income.....	52
Excluded Income	55
Self-Employment Income.....	57
Resource and Asset Limit.....	57
Age	58
Verification	59
Acceptance or Denial of Application	60
Grace Period Following the Denial of an Application.....	61
Establishing the Certification Period.....	62
Availability of Another Child Care Resource.....	64
Identifying the Provider.....	64
Eligible Providers	65
Provider Requirements	66
Provider Cooperation with Investigations.....	66
Required Forms	67
Licensed or Registered Providers.....	68
Nonregistered Providers.....	69
Out-of-State Providers.....	72
Criminal and Child Abuse Record Checks	73
Establishing Payment Rate.....	76
Method for Calculating a Half-Day Rate.....	76
Maximum Payment Rates.....	77
Basic Care Rate	78
Special Needs Rate	78
In-Home Rate	79
Days of Absence	80
Limits on Payment	82
Appeal of Rate Calculation.....	83

	<u>Page</u>
Authorizing Services	83
Unit of Service	84
Fee Schedule	92
Nonpayment of Fees	95
Inability to Pay Fees.....	95
Child Care Assistance Provider Agreement.....	96
Provider Agreement Sanction	97
Completing the Agreement.....	97
Provider Tax ID	98
Notice of Decision: Child Care.....	99
KinderTrack Entry	102
Processing Claims	102
Provider Billing Instructions.....	102
Returning Attendance Forms	103
Reviewing Attendance and Processing Payments	104
Paying Providers Who are State Employees	105
Case Maintenance	106
Reporting Changes.....	107
Acting on Changes	107
Positive Changes Reported	107
Negative Changes Reported	108
Changing Providers	109
Household’s Mail Returned with No Forwarding Address.....	112
Household’s Mail Returned With a Forwarding Address	112a
Reviewing Eligibility	113
Adverse Service Actions.....	116
Reduction of Services	117
Termination of Services	117
Notification of Action	118
Appeals.....	118
Reinstatement.....	119
Reinstatement Before the Effective Date of Cancellation	119
Reinstatement After the Effective Date of Cancellation (Grace Period)	119
Cooperation With Investigations	123
Front-End Investigation Procedures.....	123
Referring a Household to the Investigation Unit.....	124
Investigation Process	124
Acting on Investigation Findings.....	125
Application After Failure to Cooperate.....	125

	<u>Page</u>
Overpayment Recovery	126
Overpayments Subject to Recovery	127
Provider Error.....	127
Client Error	128
Agency Error	128
Assistance Paid Pending an Appeal Decision.....	128
How to Determine When an Overpayment Occurred.....	129
Overpayment During the Application Process	129
Overpayment Due to a Change in Eligibility or Need for Service.....	129
Overpayment Due to Erroneous Provider Reporting.....	130
How to Calculate Overpayments	131
Failure to Cooperate.....	131
Client Failure to Cooperate	131
Provider Failure to Cooperate	132
Notifying DIA of the Overpayment.....	133
Who Is Responsible for Client Error Repayment.....	134
Who Is Responsible for Client and Provider Error Repayment.....	134
Who Is Responsible for Agency Error Repayment.....	134
DIA Overpayment Recovery Process	135
Issuing a Demand for Repayment	135
When Recovery Is Suspended or Waived	136
Overpayment Refunds and Payments.....	136
Client Refunds.....	136
Provider Refunds	137
Appeal Filed After Client or Provider Refund.....	138
Client or Provider Payments	138
Sanctions for Provider Fraud.....	139
Appeals Process.....	142

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."

Chapter Organization

This chapter provides direction to workers about:

- ◆ Determining eligibility, including:
 - Taking applications, and
 - When funds are determined insufficient, assessing applications for placement on waiting lists
- ◆ Identifying the eligible child care provider
- ◆ Establishing payment rates
- ◆ Authorizing services, including:
 - Completing the *Child Care Assistance Provider Agreement*, form 470-3871,
 - Issuing a *Notice of Decision: Child Care*, form 470-4558, and
 - Opening the KinderTrack case
- ◆ Completing and approving provider claims for payment
- ◆ Reviewing eligibility
- ◆ Taking adverse service actions
- ◆ Overpayment recovery

Information on child care center licensing is found in [12-E](#) and [12-E-Appendix](#).
Information on child development home registration is found in [12-F](#) and [12-F-Appendix](#).

Determining Eligibility

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

Eligibility policies and procedures are organized into the following sections:

- ◆ [Application, including application to be placed on a waiting list](#)
- ◆ [Residency](#)
- ◆ [Need for service](#)
- ◆ [Financial eligibility](#)
- ◆ [Age](#)
- ◆ [Verification](#)
- ◆ [Acceptance or denial of the application](#)

Application

Legal reference: 441 IAC 170.3(237A,239B)

Policy:

Families may apply for Child Care Assistance (CCA) by:

- ◆ Mailing an application to the Department's Centralized Child Care Assistance Unit;
- ◆ Completing an electronic application; or
- ◆ Sending or bringing an application to the local DHS office for the county where the family resides.

Procedure:

There are three forms a person may use to apply for CCA:

- ◆ *Child Care Assistance Application*, 470-3624 or 470-3624(S), or
- ◆ *Financial Support Application*, 470-0462 or 470-0462(S), or
- ◆ *Child Care Assistance Review*, 470-4377(M), or 470-4377(S) when returned after the end of the certification period.

To be considered valid, the application must contain a legible name and address and must be signed.

Accept applications made by:

- ◆ The applicant,
- ◆ The applicant's authorized representative, or
- ◆ Someone acting responsibly for the applicant, when the applicant is incompetent or incapacitated.

EXCEPTIONS: The following do not have to complete a child care application:

- ◆ Parents receiving court-ordered services.
- ◆ Families receiving protective child care services.
- ◆ Participants in PROMISE JOBS-approved activities.
- ◆ Families receiving FIP.

If a family was receiving CCA before losing FIP or PROMISE JOBS eligibility, redetermine eligibility for the family using form 470-4377(M) or 470-4377(S), *Child Care Assistance Review*.

NOTE: Eligibility for CCA continues for a FIP family who does not get a grant because the grant amount is under \$10.

When a family applies for CCA, provide the applicant with the brochure Comm. 62 or Comm. 62(S), *Child Care Assistance*.

The following sections give more information on:

- ◆ [Date of application](#)
- ◆ [Effective date of assistance](#)
- ◆ [Voter registration procedures](#)
- ◆ [Priority for child care services](#)
- ◆ [Placement on a waiting list when Child Care Assistance is not available](#)
- ◆ [Administration of Child Care Assistance waiting lists](#)

Date of Application

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

Policy:

The date of application is:

- ◆ The date a valid paper application is received and date-stamped in a local office, or
- ◆ The date a valid electronic application is received.

When an application is delivered to a closed local office or received electronically outside of work hours, consider it received on the first day that is not a weekend or state holiday following the day that the local office was last open.

NOTE: The date of application for families receiving FIP is the date the family requests Child Care Assistance.

Procedure:

If a household did not check CCA on the *Financial Support Application*, but the applicant asks to apply for CCA during the interview or before you take action on the application, allow the applicant to check the CCA box. The application date is the same for CCA as for the programs that were initially checked on the application form.

Effective Date of Assistance

Legal reference: 441 IAC 170.3(3)

Policy:

Approve the application when you have established that the applicant meets all eligibility requirements. The effective date of assistance shall be the date of application or the date the need for service began, whichever is later.

Procedure:

When an application is not required, the effective date will be as follows:

- ◆ For a family receiving FIP benefits the effective date of Child Care Assistance (CCA) will be the latest of:
 - The effective date of FIP assistance,
 - 30 days before the date of application for CCA, or
 - The date the need for service began.
- ◆ When CCA is needed to participate in PROMISE JOBS activities, the effective date of CCA is the date the person becomes a PROMISE JOBS participant or the date there is a need for CCA to participate in an approved PROMISE JOBS activity, whichever is later.
- ◆ For families needing protective child care service, the effective date of assistance is the date the family signs form 470-0615, or 470-0615(S), *Application for All Social Services*.
- ◆ When child care services are provided under a court order, the effective date of assistance shall be the date specified in the court order or the date of the court order if no date is specified.

When a family provides information and verification within 14 days after a notice denying the application for not returning requested information was issued, the effective date of assistance is the date the **final** piece of information required to establish eligibility is provided. (See [Grace Period Following the Denial of an Application](#) and [Reinstatement After the Effective Date of Cancellation \(Grace Period\)](#).)

Voter Registration Procedures

Legal reference: 721 IAC Chapter 23

The Department is responsible for helping clients complete voter registration forms, and for mailing the forms to the county election office. (The actual voter registration occurs at the election office.) Issue voter registration forms with all applications. See [6-Appendix](#) for a copy of the voter registration form.

NOTE: For Child Care Assistance (CCA) administered through the PROMISE JOBS office, this step is not necessary, as voter registration has already been offered as part of the FIP application process.

At each interview, ask if the client wants to register to vote. If the client has not filled out the voter registration form before the interview, have the client complete the form at the interview.

If the client wants to register, offer to help the client complete the form. Be careful when helping the client that you do not influence the client's voter registration options in any way. Review the client's rights as listed on the form.

If the client chooses not to check yes or no, leave the section blank and consider the client has chosen not to register to vote.

If the client chooses not to sign the form, print the client's name and the date where indicated, and initial the form.

Tear off the voter registration information section and give it to the client. Keep the declination part of the form. Follow your office procedures for handling the form after completion.

For a phone interview, ask the questions and send the form to the client for signature. No follow-up is necessary after the form has been mailed to the client. If the form is returned, follow your office procedures for handling it.

If you are mailing an application packet to a client, include a voter registration form in the packet. No follow-up is necessary after the form has been mailed to the client. If the form is returned, follow your local procedures for handling the form.

Priority for Service

Legal reference: 441 IAC 170.2(3)

The Department has the authority to implement waiting lists for Child Care Assistance (CCA) when funds are insufficient to serve additional families beyond those already receiving services and those requiring protective child care. Exceptions to placement on the waiting list are as follows:

- ◆ Families who are eligible for protective child care services.
- ◆ Recipients of FIP or people whose earned income was taken into account in determining the needs of FIP recipients.
- ◆ Participants in approved PROMISE JOBS activities.
- ◆ Families receiving CCA that have a change in circumstances that result in the need for care for another child. This includes a newborn child. The new child is approved for assistance when the family reports the change.

People covered by these exceptions are always eligible for CCA, notwithstanding the lack of funding.

When there is a waiting list, the priority groups as established in state law define which families receive services first. The amount of funds available determines the number of priority groups from whom applications will be taken. As funds become available, families are approved for services in the following order of prioritization:

1. a. Families who are at or below 100 percent of the federal poverty level whose members, for at least 28 hours per week in the aggregate, are employed or are participating at a satisfactory level in an approved training program or educational program, and
 - b. Parents with a family income at or below 100 percent of the federal poverty level who are under the age of 21 and are participating in an educational program leading to a high school diploma or equivalent.
2. Parents with a family income at or below 100 percent of the federal poverty level who are under the age of 21 and are participating at a satisfactory level in an approved training program or in an education program.

3. Families with an income of more than 100 percent but not more than 145 percent of the federal poverty level whose members for at least 28 hours per week in the aggregate, are employed or are participating at a satisfactory level in an approved training program or educational program.
4. Families with an income at or below 200 percent of the federal poverty level whose members are employed at least 28 hours per week or are participating in an approved training or education program and who have a special needs child as a member of the family. (See [Financial Eligibility](#) for the definition of a child with special needs.)

NOTE: When the Department determines that sufficient funds are available to serve all families that are eligible, neither the waiting list nor the priority group requirements apply.

Application for Placement on a Waiting List

Legal reference: 441 IAC 170.3(4)

When funds are insufficient to serve all families needing services, the Department's central office will direct local offices to post a notice in a highly visible location in the waiting area that:

- ◆ Informs families that funds are not available for Child Care Assistance (CCA).
- ◆ Describes the requirements that a family must meet to apply to go on a waiting list.

Accept applications from families who meet the specific requirements of the priority group for which applications are being taken. Also accept applications from families that do not appear to meet the priority group requirements.

NOTE: Participants in approved PROMISE JOBS activities and recipients of FIP, people whose earned income was taken into account in determining the needs of FIP recipients, and families that receive a state adoption subsidy for a child are not subject to the posting of lack of funding or waiting lists.

Assess eligibility based on the requirements of the priority group at the time of application to be placed on a waiting list.

Use form 470-4558, *Notice of Decision: Child Care*, to notify the applicant that assistance is denied because funding is not available. Under explanation of action, inform the applicant whether the family meets the criteria in the priority group and whether the family will be placed on a waiting list.

If the family meets the criteria, inform the family on the *Notice of Decision: Child Care* that they will be notified when funding is available.

When funds are available to serve families on the waiting list, notify families to reapply. Assess the new application to determine that the family still meets the priority group requirements. If so, approve the family for services.

The Department's central office determines that child care funds are insufficient to serve new applicants. The local office posts a notice that applications to be placed on a waiting list are being taken from families who meet the requirements in Priority Group 1.

The J family is a five-member, two-parent household whose combined income is less than 100 percent of the federal poverty guidelines. Mrs. J works an average of 30 hours per week during the month at minimum wage. Mr. J works 32 hours a week at minimum wage. The Js apply for Child Care Assistance for their three children and are placed on the waiting list.

Four months later, funds are determined available to serve families who meet the requirements in the first priority group. The CCCAU notifies families on the waiting list to reapply if they still need services. The J family reapplies. Although Mrs. J's work schedule has become more stable, her work hours have been reduced. She is now working only 20 hours a week.

The Js no longer meet the requirement of Priority Group 1 that both parents in a two-parent household be employed at least 28 hours per week. The application cannot be approved at this time.

Once approved, the family is not required to meet the priority group requirements at the next scheduled review or redetermination. Eligibility continues as long as the requirements for need for service, financial eligibility, and age of the child are met. (See [Determining Eligibility](#).)

Administration of Waiting Lists

Legal reference: 441 IAC 170.3(4)

The Child Care Assistance (CCA) worker or the worker's designee must enter the family on the waiting list by the end of the third workday after the application is received. Enter each family on the waiting list according to the eligibility priority and in the sequence of when the application was date-stamped in a Department office.

If more than one application is received at one time in the same priority group, enter the family on the list on the basis of the day of the month of the birthday of the oldest eligible child, with the lowest number being first on the list. Any subsequent tie is decided by the month of birth, January being month one and the lowest number.

Residency

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

A person must live in the state of Iowa to be eligible for Child Care Assistance. People "living in the state" include people in Iowa for a temporary period, other than for the purpose of vacation.

Alien Status

Legal reference: Public Law 104-193, 441 IAC 170.2(2)"d"

This section contains policies unique to aliens that differ from standard Child Care Assistance (CCA) policies. Use this section in conjunction with the rest of the chapter to determine CCA eligibility for alien children. Special treatment is required to determine CCA eligibility for an alien's circumstances:

- ◆ Applicants must provide documentation of the alien status of each child for whom they are requesting CCA. Only alien children with an eligible status can receive CCA. Eligible alien statuses are listed under [Alien Statuses](#).
- ◆ You must verify the immigration status of alien children who appear to be eligible.

The following sections address:

- ◆ [Application processing](#)
- ◆ [Declaration of citizenship or alienage](#)
- ◆ [Alien statuses](#)
- ◆ [Alien status verification requirements](#)
- ◆ [Reporting illegal aliens](#)
- ◆ [Victims of trafficking](#)

Application Processing

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

Parents must provide documentation of the alien status of each child for whom CCA is being requested. If a parent does not have any documentation for a child, refer the person to the U.S. Citizenship and Immigration Services (USCIS) Bureau of the Department of Homeland Security (formerly INS, the Immigration and Naturalization Service) to obtain proof of status.

Instruct the person in writing to provide the necessary documentation within ten days. Extend the ten-day period as appropriate. Pend the application as is reasonable under the circumstances. Depending on how much time is needed to obtain the documentation, make monthly contacts with the applicant to check on the status of the documentation and to determine that the applicant is making continued efforts to obtain the documentation.

For example, you could ask for a copy of the form the applicant may have filed with the USCIS, or a copy of any correspondence that would indicate the applicant has contacted that agency and is working on obtaining the documentation.

Upon receipt of the documentation, approve CCA retroactive to the date of the application, provided the child is otherwise eligible. Include or exclude the alien child's needs as indicated by the alien status documentation that you received.

If the parent does not provide necessary documentation of a child's alien status as requested, deny the ineligible alien child and process the application for any remaining children. If no other children exist, deny the application.

Declaration of Citizenship or Alienage

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

As a condition for eligibility, all applicants and participants must declare their citizenship or alien status in writing.

People born in Puerto Rico, Guam, the U.S. Virgin Islands, and the Northern Mariana Islands are United States citizens. People born abroad with United States citizen parents are generally, but not always, United States Citizens.

For CCA purposes, also consider a child who is a noncitizen United States national the same as a citizen. A "noncitizen United States national" is a child who is born in American Samoa or Swain's Island.

People who are not citizens or nationals can become citizens through a process called "naturalization."

NOTE: Persons from the Federated States of Micronesia or the Marshall Islands are not United States citizens or nationals.

Evidence of United States Citizenship

The following are examples of acceptable documentation of United States citizenship:

- ◆ Birth certificate.
- ◆ Religious record of birth recorded in the United States or its territories within three months of birth that indicates a United States place of birth. The document must show either the date of birth or the person's age when the record was established.
- ◆ United States passport (excludes limited passports that are issued for periods of less than five years).
- ◆ *Report of Birth Abroad of a Citizen of the U.S.* (USCIS Form FS-240).
- ◆ *Certification of Birth* (USCIS Form FS-545).
- ◆ *U.S. Citizen ID Card* (USCIS Form I-197).
- ◆ *Naturalization Certificate* (USCIS Forms N-550 or N-570).
- ◆ *Certificate of Citizenship* (USCIS Forms N-560 or N-561).

- ◆ *Northern Mariana Identification Card* (issued by the USCIS to a collectively naturalized citizen of the United States who was born in the Northern Mariana Islands before November 3, 1986).
- ◆ Contemporaneous hospital record of birth in the United States, Puerto Rico, Guam, the Virgin Islands, American Samoa, Swain's Island, or the Northern Mariana Islands (unless the person was born to foreign diplomats residing in such a jurisdiction).

Alien Statuses

Legal reference: Section 121 of the Immigration Reform and Control Act of 1986 (Public Law 99-603); Public Law 104-193; 441 IAC 170.2(2)"d"

Legal alien children **may** be eligible or ineligible for CCA depending on their immigration status. Illegal or undocumented alien children are **never** eligible for CCA.

The federal Personal Responsibility and Work Opportunity Reconciliation Act of 1997 divides aliens into two categories, "qualified" and "nonqualified." Not all qualified alien children are eligible for CCA. "Qualified" aliens are those who are:

- ◆ Lawfully admitted for permanent residence
- ◆ Refugees
- ◆ Asylees
- ◆ Amerasian immigrants
- ◆ Cuban/Haitian entrants
- ◆ Paroled into the U.S. for at least one year
- ◆ Aliens whose deportation is withheld
- ◆ Granted conditional entry into the U.S.
- ◆ Battered aliens
- ◆ Victims of trafficking

The qualified aliens described under [Aliens Exempt From Five-Year Bar](#) are eligible for CCA from the date they obtained that alien status.

The qualified aliens described under [Aliens Subject to Five-Year Bar](#) are not eligible for CCA for five years after their date of entry into the United States. The five-year period of ineligibility begins on the date of the child's entry with one of the listed statuses. If the child entered with a status that is not listed, the five-year period begins with the date a child obtains a listed status.

Nonqualified aliens are all of those whose classification is not specifically listed under either [Aliens Exempt From Five-Year Bar](#) or [Aliens Subject to Five-Year Bar](#). Nonqualified alien children are not eligible for CCA at any time, regardless of the date they entered the United States. See [Ineligible Aliens](#) for more information.

Aliens Exempt From Five-Year Bar

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

Alien children with one of the following statuses are eligible for CCA from the date they obtained the status:

- ◆ Refugees admitted under section 207 of the Immigration and Nationality Act (INA).
- ◆ Aliens granted asylum under section 208 of the INA.
- ◆ Aliens whose deportation or removal is withheld under section 243(h) or section 241(b)(3) of the INA.
- ◆ Cuban or Haitian entrants under section 501(e) of the Refugee Education Assistance Act of 1980.
- ◆ Amerasian immigrants.
- ◆ Victims of trafficking, for the period for which they are certified by the Office of Refugee Resettlement. See [Victims of Trafficking](#) for specific instructions.
- ◆ Aliens lawfully admitted for permanent residence who are:
 - Unmarried dependent children of active-duty personnel of the United States armed forces.
"Active duty" excludes temporary full-time duty for training purposes performed by members of the National Guard or reserves. "Child" is defined at [Age](#).
 - Unmarried dependent children of veterans honorably discharged for reasons other than alienage.
- ◆ Aliens in the following statuses who entered the United States before August 22, 1996.
 - Aliens lawfully admitted for permanent residency.
 - Aliens paroled into the United States under section 212(d)(5) of the INA for a period of at least one year.

Aliens Subject to Five-Year Bar

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

Alien children listed in this section who enter the United States on or after August 22, 1996, are barred from Child Care Assistance (CCA) eligibility for five years.

The five-year period begins on the date the child enters the United States with one of the following statuses. If the child originally entered the United States with a status that is not listed, the five years begins with the date the child first obtains a qualified alien status.

- ◆ Aliens lawfully admitted for permanent residency.
- ◆ Aliens paroled into the United States under section 212(d)(5) of the Immigration and Nationality Act (INA) for a period of at least one year.
- ◆ Battered aliens.

EXCEPTIONS: See [Aliens Exempt From Five-Year Bar](#). The five-year bar does not apply to aliens with one of the statuses listed in this section that are lawfully residing in the United States and are:

- ◆ Aliens who entered the United States before August 22, 1996.
- ◆ Unmarried dependent children of active-duty personnel of the United States armed forces.
- ◆ Unmarried dependent children of veterans honorably discharged for reasons other than alienage.

Since the ending date of the five-year period is known to you, the family is not required to report the date or request that the excluded alien child be added to the ongoing case.

You will need to track the expiration of the five-year bar. When the five-year period expires, contact the family to determine if care is needed for that child. If the family requests care for the child, you will need to determine if the child is eligible for CCA.

Battered Aliens

Generally, when an alien is the spouse or child of a United States citizen or a lawful permanent resident, the citizen or resident must file USCIS form I-130, *Petition for Alien Relative*, to allow these family members to remain in the United States. If the petition is not filed (or is withdrawn), the alien has no lawful immigrant status and may face being deported.

In abusive situations, control over the alien's immigration status strengthens the batterer's hold on the victim. For example, the batterer may threaten to stop the visa process if the abused spouse or child attempts to leave the common home or reports the abuse to authorities.

Since the 1994 enactment of the Violence Against Women Act, a battered alien may self-petition for lawful permanent residency with USCIS form I-360, *Petition for Amerasian, Widow(er) or Special Immigrant*. The battered person may be the alien or the child or parent of the alien. The petition can be filed without the cooperation or knowledge of the abuser.

See [Alien Documentation Chart](#) later in this chapter for more information on verification of battered alien status.

NOTE: Because of the abusive relationship, these aliens may not have copies of documents they filed themselves or that were filed on their behalf. Refer applicants who do not have any documentation or who are not certain that a petition for lawful permanent residency has been filed on their behalf to the USCIS forms request line (1-800-870-3676).

These families may already be working with a domestic violence service provider. If not, refer them to the National Domestic Violence Hotline (1-800-799-7233) or to the local domestic violence service provider. The domestic violence service provider may be able to assist the applicant in obtaining necessary documentation of alien status without jeopardizing the alien's safety or immigration efforts.

A battered child may be CCA-eligible if the child entered the U.S. **before** August 22, 1996. If the date of entry is **on or after** August 22, 1996, the battered child is subject to the five-year bar for CCA purposes.

NOTE: Battered alien children who are receiving state-funded FIP must still meet alien requirements for CCA.

Ineligible Aliens

Alien children whose alien status is not specifically listed under [Aliens Subject to Five-Year Bar](#) or [Aliens Exempt From Five-Year Bar](#) are not eligible for CCA **regardless** of the date they entered the United States.

Examples of immigration statuses held by alien children who are ineligible for CCA include:

- ◆ Illegal or undocumented aliens. These aliens either were never legally admitted to the United States for any period, or they were admitted for a limited period and did not leave the United States when the period expired.
- ◆ Aliens paroled into the United States under section 212(d)(5) of the INA **for less than one year**.
- ◆ Aliens with protected status (such as Permanently Residing Under Color of Law (PRUCOLs)).
- ◆ Temporary residents (see "[legal nonimmigrants](#)").
- ◆ Aliens in deferred status.
- ◆ Legal nonimmigrants. These include:
 - Visitors for business or pleasure, including exchange visitors
 - Aliens in travel status while traveling through the United States
 - Foreign students
 - Children of treaty traders and investors
 - Children of foreign diplomats on official business
 - Children of international organization personnel
 - Children of members of foreign press, radio, film or other information media

NOTE: Some of these aliens may possess valid employment authorization documents, but that does not alter their ineligibility for CCA.

Alien Status Verification Requirements

Legal reference: Section 121 of the Immigration Reform and Control Act of 1986 (Public Law 99-603); Public Law 104-193; 441 IAC 9.10(4)"d"; 441 IAC 170.2(2)"d"

The family must provide documentation of alien status for the alien children for whom CCA is being requested for before you approve a CCA application or add an alien child to an existing CCA case.

The family must also provide verification of the entry or admission date from which their status started for alien children listed under [Aliens Subject to Five-Year Bar](#) or under [Aliens Exempt From Five-Year Bar](#).

Do not verify an alien child’s documentation with USCIS if the documentation, or lack of documentation, clearly shows the alien child has an ineligible status. In this situation, deny CCA for the child (if CCA is being requested for that child) and determine eligibility for the remaining children.

Refer to [Alien Documentation Chart](#) to determine if the child is eligible for CCA. The chart lists:

- ◆ The types of documentation that can be used to verify alien status.
- ◆ Additional verification that certain aliens must provide to prove they are eligible for CCA (e.g., the date they were admitted to the United States, or the date a particular alien status was granted or adjusted).

Alien Documentation Chart

Alien Status	Acceptable Documentation of Alien Status	CCA Status
Lawfully admitted for permanent residency	<ul style="list-style-type: none"> ◆ Form I-551, <i>Permanent Resident Card</i>. * ◆ Unexpired "Temporary I-551" stamp in a foreign passport. ◆ Form I-94, <i>Arrival/Departure Record</i>, with a temporary I-551 stamp. 	Barred for five years if entered U.S. on or after 8/22/96 Eligible if entered U.S. before 8/22/96

Alien Status	Acceptable Documentation of Alien Status	CCA Status
Refugees	<ul style="list-style-type: none"> ◆ Form I-94, <i>Arrival/Departure Record</i>, showing entry under section 207 of the INA. ◆ Form I-688B, <i>Employment Authorization Card</i>, annotated "274a.12(a)(3)." ◆ Form I-766, <i>Employment Authorization Document</i>, annotated "A3." ◆ Form I-571, <i>Refugee Travel Document</i>. <p>NOTE: Refugees who have adjusted to lawful permanent resident status are still considered refugees for CCA eligibility. If a refugee has a form I-551, <i>Permanent Resident Card</i>, * it will be annotated RE-6, RE-7, RE-8, RE-9, or R8-6.</p>	Eligible regardless of U.S. entry date
Asylees	<ul style="list-style-type: none"> ◆ Form I-94, <i>Arrival/Departure Record</i>, noting admittance under section 208 of the INA. ◆ Form I-94, <i>Arrival/Departure Record</i>, annotated AS-1, AS-2, or AS-3. ◆ Form I-94, <i>Arrival/Departure Record</i>, with Visa 92 (or V-92). ◆ Order of an immigration judge granting asylum. ◆ Written decision letter from the Board of Immigration Appeals. ◆ Form I-688B, <i>Employment Authorization Card</i>, annotated "274a.12(a)(5)." ◆ Form I-730, <i>Approval Letter</i>. ◆ Form I-766, <i>Employment Authorization Document</i>, annotated "A5." 	Eligible as of date asylum is granted

Alien Status	Acceptable Documentation of Alien Status	CCA Status
Amerasian immigrants	<ul style="list-style-type: none"> ◆ Form I-551, <i>Permanent Resident Card</i>,* annotated AM6, AM7, or AM8. ◆ Unexpired temporary I-551 stamp in a foreign passport annotated AM1, AM2, or AM3. ◆ Form I-94, <i>Arrival/Departure Record</i>, annotated AM1, AM2, or AM3. 	Eligible regardless of U.S. entry date
Cuban and Haitian entrants	<ul style="list-style-type: none"> ◆ Form I-551, <i>Permanent Resident Card</i>,* annotated CU6, CU7, CH6, or CNP. ◆ Unexpired temporary I-551 stamp in a foreign passport annotated CU6, CU7, CH6, or CNP. ◆ Form I-94, <i>Arrival/Departure Record</i>, annotated CU6 or CU7, or with a stamp showing parole as "Cuban/Haitian Entrant" under section 212(d)(5) of the INA. 	Eligible regardless of U.S. entry date
Paroled into U.S. for at least one year	<p>Proof of admission or entry date and Form I-94, <i>Arrival/Departure Record</i>, showing admission for at least one year under section 212(d)(5) of the INA.</p> <p>NOTE: The applicant cannot use admission periods for less than one year to meet the one-year requirement.</p>	<p>Barred for five years if entered U.S. on or after 8/22/96</p> <p>Eligible if entered U.S. before 8/22/96</p>

Alien Status	Acceptable Documentation of Alien Status	CCA Status
Deportation or removal withheld	<ul style="list-style-type: none"> ◆ Form I-688B, <i>Employment Authorization Card</i>, annotated "274a.12(a)(10)." ◆ Form I-766, <i>Employment Authorization Document</i>, annotated "A10." ◆ Order of an immigration judge showing deportation withheld under section 243(h) or removal withheld under section 241(b)(3) of the INA and date of grant. 	Eligible regardless of U.S. entry date
Conditional entrants	<p>Proof of admission or entry date and one of the following documents:</p> <ul style="list-style-type: none"> ◆ Form I-94, <i>Arrival/Departure Record</i>, with stamp showing admission under section 203(a)(7) of the INA. ◆ Form I-688B, <i>Employment Authorization Card</i>, annotated "274a.12(a)(3)." ◆ Form I-766, <i>Employment Authorization Document</i>, annotated "A3." 	<p>Barred for five years if entered U.S. on or after 8/22/96</p> <p>Eligible if entered U.S. before 8/22/96</p>
Battered aliens	<p>Proof of admission of entry date and one of the following documents:</p> <ul style="list-style-type: none"> ◆ An I-360 or I-130 petition with proof of filing (a file-stamped copy of the petition, an I-797 or I-797C, or another document demonstrating filing, such as a signed certified return receipt or cash register or computer-generated receipt). ◆ Form I-797 or battered aliens I-797C indicating approval or prima facie validity of an I-360 petition. ◆ Form I-797 or I-797C indicating filing or approval of an I-130 petition. 	<p>Barred for five years if entered U.S. on or after 8/22/96</p> <p>Eligible if entered U.S. before 8/22/96</p>

Alien Status	Acceptable Documentation of Alien Status	CCA Status
Battered aliens (Cont.)	<ul style="list-style-type: none"> ◆ Order or document from the Immigration Court or Board of Immigration Appeals granting suspension of deportation under INA section 244(a)(3), or cancellation of removal under INA section 204A(b)(2). ◆ Application for cancellation of removal (form EOIR 42B) or suspension of deportation (form EOIR 40) with proof of filing (a file-stamped copy of the application or another document demonstrating filing, such as a signed certified return receipt or cash register or computer-generated receipt). ◆ A document from the Immigration Court or Board of Immigration Appeals indicating that the applicant has established a prima facie case for: <ul style="list-style-type: none"> • Suspension of deportation under INA section 244(a)(3) or • Cancellation of removal under INA section 204A(b)(2). 	<p>Barred for five years if entered U.S. on or after 8/22/96</p> <p>Eligible if entered U.S. before 8/22/96</p>
Veterans or active duty military personnel, spouse, or dependent (lawfully residing in the U.S. under any status above)	<ul style="list-style-type: none"> ◆ Active duty: Original or notarized copy of the current orders showing the person is on full-time duty in the U.S. Army, Navy, Air Force, Marine Corps, or Coast Guard, or a DD form 2 military ID card (active duty papers). ◆ Honorably discharged veteran: Original or notarized copy of form DD214 (discharge papers). <p>NOTE: This verification is sufficient when the veteran is a U.S. citizen, and the spouse or unmarried dependent children are aliens. It is also sufficient for the surviving spouse and unmarried dependent children of a deceased veteran.</p>	Eligible regardless of U.S. entry date

Alien Status	Acceptable Documentation of Alien Status	CCA Status
Victim of trafficking	HHS Office of Refugee Resettlement certification letter	Eligible for the period certified
All other aliens (legal or illegal)	Documents that indicate the person's alien status is one other than those specifically listed above.	Ineligible regardless of U.S. entry date

* In December 1997, the name of form I-551 changed from "Alien Registration Receipt Card" to "Permanent Resident Card."

Contact the U.S. Citizenship and Immigration Services (USCIS) through Systematic Alien Verification for Entitlements (SAVE) if any of the following situations occur:

- ◆ An alien presents form I-688B, I-766 (*Employment Authorization Documents*), or I-571 (*Refugee Travel Document*) but does not have form I-94 (*Arrival-Departure Record*).
- ◆ An alien has a grant letter or court order, but the information presented does not include the date the status was granted.
- ◆ You cannot identify the annotation codes on the document.
- ◆ An alien has a receipt card saying the alien has applied for a replacement document.

Do not delay, deny, or cancel the alien child's eligibility for benefits while waiting for the USCIS to provide secondary verification.

For applications, assume the child is eligible and, if otherwise eligible include the child until the immigration verification is received.

If the verification received from USCIS indicates that the child is not an eligible alien, remove the child from CCA, subject to timely notice. Recoup excess CCA payments issued for that child during the interim.

Using SAVE (Systematic Alien Verification for Entitlements)

Legal reference: Immigration Reform and Control Act of 1986 (IRCA), Section 121, as amended by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), and by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (IIRIRA) and the Balanced Budget Act of 1997 (BBA)

Policy:

Alien children must be qualified aliens to be eligible for child care.

Procedure:

Obtain verification of the alien's status through SAVE when:

- ◆ An alien's documentation does not have the necessary coding to show the alien's status, or
- ◆ The entry or admission date is missing, or
- ◆ The documentation is questionable.

The SAVE web site is: <https://save.uscis.gov/Web/>

Do not use SAVE when the parent claims a child is undocumented or provides acceptable documentation of an eligible or ineligible status.

Instructions on how to use the SAVE system can be found at:

<https://save.uscis.gov/web/media/resourcesContents/SAVEUserGuide.pdf>

Reporting Illegal Aliens

At the time of interview, explain alien eligibility criteria and verification procedures to households that include non-citizen members. Check the status only of household members who are applying for assistance and claim to have an eligible status for the program.

Based on federal guidance, the Department is to report to the USCIS that an alien is not lawfully present in the U.S. only if we "know" that the alien is not lawfully present. The Department "knows" this only if:

- ◆ The alien applies to receive benefits, **and**
- ◆ The alien claims to have an eligible status for the program, **and**
- ◆ In making a formal determination of eligibility, we receive from USCIS verification of illegal status, such as a *Final Order of Deportation*.

NOTE: A SAVE response that shows no service record on a person or shows an immigration status making the person ineligible for a benefit is not a finding of fact or conclusion of law that the person is not lawfully present.

Situations in which the criteria for reporting an illegal alien are met are extremely rare. For this reason, contact the SPIRS Help Desk for assistance if you believe it may be appropriate to report an illegal alien.

Victims of Trafficking

Legal reference: Public Law 106-386

Alien children who are certified as “victims of trafficking” by the Department of Health and Human Services’ Office of Refugee Resettlement (HHS ORR) are “eligible aliens” for CCA benefits. Alien children who are victims of trafficking have an eligible status for CCA benefits for the period for which ORR certifies them.

The HHS ORR certifies a victim of trafficking for eight-month periods. The child’s certification date is stated in the body of the HHS ORR letter.

When a victim of trafficking applies for benefits, follow normal procedures for determining eligibility for CCA except:

- ◆ Accept the original HHS ORR letter for children under 18 years old in place of USCIS documentation.

Although trafficking victims are not required to provide any documentation of their immigration status for benefit purposes, they may have various documents, such as Form I-94, *Arrival/Departure Record*, with a stamp showing parole under section 212(d)(5) of the INA, an employment authorization document, etc. The documentation may serve to verify identity.

- ◆ Contact the trafficking verification line at (866) 401-5510 to confirm the validity of the certification letter for children under 18 years old and to notify the ORR of the benefits for which the person has applied. NOTE: Do not contact SAVE concerning victims of trafficking, because SAVE will not have this information.
- ◆ Record the expiration date of the letter for children by manually tracking this, and redetermine eligibility at that time. The expiration date of the HHS ORR certification period is specified in the child’s letter.

An ORR recertification letter issued to the victim of trafficking is required for the child to receive CCA benefits beyond the eight-month ORR certification.

Cancel assistance at the end of the specified ORR certification period unless the household provides a follow-up letter as stated above, or the household otherwise meets alien eligibility requirements. You must give timely notice.

Victims of trafficking may not yet have standard identity documents, such as driver's licenses. Do not automatically deny applications for people who cannot confirm their identity. Call the trafficking verification line at (866) 401-5510 for assistance.

Some victims of trafficking may not yet have or may not be able to get a social security number for work purposes. Assist these persons in obtaining non-work social security numbers.

If you encounter a child you believe may be a trafficking victim, go through your usual channels to obtain instructions on providing the person with assistance in contacting ORR for possible certification by that agency.

If a victim of trafficking gains an eligible alien status, the new eligible alien status is to be used when redetermining eligibility for that child.

Need for Service

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

Policy:

Parents must have one or more of the following needs for service:

- ◆ Training (full-time)
- ◆ Employment (for at least 28 hours per week)
- ◆ Combination of part-time training and part-time employment (for a total of at least 28 hours per week)
- ◆ Child protection
- ◆ Medical absence or incapacity
- ◆ Seeking employment
- ◆ Participation in an approved PROMISE JOBS activity. (PROMISE JOBS workers determine participants' child care needs.)

All parents in a family must meet at least one of the requirements in its entirety. When there are two parents in the home, there must be an overlap in their scheduled hours plus allowable travel or sleep time.

Comment:

A parent may fully meet more than one need for service. For example, a parent may be attending school full time and working 28 hours a week. Approve CCA for both requirements. See [Multiple Needs for Service](#). See [Authorizing Services](#) to determine the units of service.

1. Ms. A is employed 30 hours per week, attends classes at the local community college two nights per week, and is not a FIP recipient. She is registered for six credit hours this semester, which is considered part-time enrollment by the community college. Ms. A can be approved for CCA benefits for her hours of work and for school attendance since she is employed at least 28 hours per week.
2. Mr. B does not receive FIP and is registered for 12 credit hours of classes at the local community college. He also works part time at night, averaging 20 hours per week. Mr. B can be approved for CCA benefits for his hours of school attendance and his hours of work since he is enrolled in school full-time.
3. Ms. C is registered for 12 credit hours of classes and is employed 30 hours per week. Ms. C can be approved for CCA benefits for both her class time and work hours, because she fully meets both needs for service.
4. Mr. D does not receive FIP. He is registered for nine credit hours of classes (part time) which is 10 hours of actual class time according to his school schedule and is employed 20 hours per week. Mr. D is eligible for CCA benefits because he is participating for a total of at least 28 hours per week in school and employment.
5. Mr. F is a single parent with one child. The family receives FIP. Mr. F is employed 15 hours per week. Mr. F is eligible for CCA benefits because his employment is part of his Family Investment Agreement.
6. Mr. and Ms. G have two children and the family receives FIP. Mr. G is employed 20 hours per week and Ms. G is employed 25 hours per week. This family may be eligible for CCA benefits during the hours that Mr. and Mrs. G are both working, as long as all other eligibility requirements are met.

Training

Legal reference: 441 IAC 170.1(234), 170.2(2)"b" and 170.2(4)

Policy:

Families are eligible for Child Care Assistance (CCA) when the parent or parents are in approved vocational or academic training. Training must be on a full-time basis. The training facility defines what is considered full time.

The academic or vocational training must culminate in a specific goal, such as high school completion, improved English skills, or the development of specific academic or vocational skills.

Academic or vocational training programs conducted on-line must include interaction between the instructor and the student, and mechanisms for evaluation and must include measurement of student achievement.

Any FIP recipient who is in academic or vocational training and on a PROMISE JOBS waiting list for expense allowances, including child care, is not eligible for subsidy for the hours in academic or vocational training under CCA.

When CCA funds are determined unavailable for new applicants, a family must meet the specific requirements of the priority group from which applications are being taken to go on the waiting list. See [Priority for Service](#).

Procedure:

Verify student status by getting documentation from the training facility.

Approve training for high school completion activities, adult basic education, high school equivalency, English as a second language, and postsecondary education, up to and including an associate of arts degree or a baccalaureate degree.

Approve a part-time plan only if:

- ◆ The number of credit hours to complete training is less than full-time status,
- ◆ The required prerequisite credits or remedial course work is less than full-time status, or
- ◆ Training is not offered on a full-time basis.

To verify placement on the PROMISE JOBS waiting list, request form 470-2925, *Notice of Waiting List Placement*, from the PROMISE JOBS participant. If the participant does not have a copy of the form, obtain this information using the process established by your office for communicating with the local PROMISE JOBS office.

Comment:

When a training program includes clinics, practicums, student teaching assignments, etc. that are required to be completed before a degree is granted, they are considered part of the approvable training program and child care can be covered.

Work-study time can be covered as long as the student meets the need for service for employment hours. See [Need for Service: Employment](#).

Any training program that will lead to a degree higher than an associate of arts or baccalaureate degree is not approvable training for CCA purposes. This includes all training programs leading to professional, graduate, or doctoral degrees.

See [Nonapprovable Training](#) for reasons why training will not be approved.

Limit on Assistance

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

Policy:

Child care provided while the parent participates in postsecondary education or vocational training has a 24-month lifetime limit. Any assistance issued within a fiscal-month period counts as a month toward the 24-month limit.

Procedure:

Communicate with PROMISE JOBS staff to determine whether the client has used any months of child care for education.

Designate the first "fiscal month" as beginning on the first day of training and continuing to the same calendar day of the next month. Example: August 28 through September 27 = 1 fiscal month.

Continue to count fiscal months using these dates for the remainder of the training term.

Redefine the fiscal month period at the beginning of each training term.

1. One semester scheduled from August 26 through December 20 is counted as a total of four fiscal months:

August 26 through September 25 = 1 fiscal month
September 26 through October 25 = 1 fiscal month
October 26 through November 25 = 1 fiscal month
November 26 through December 25 = 1 fiscal month
Total = 4 fiscal months
2. Two semesters that are scheduled from August 26 through December 20 and from January 13 through May 9 total eight fiscal months. If the parent does not attend summer school, count no additional fiscal months until the fall semester begins.

Comment:

Time spent in high school completion, adult basic education, high school equivalency, or English as a second language does not count toward the 24-month limit.

Months of CCA Used Before March 1, 2009

Legal reference: 441 IAC 170.2(2)"b" and 93.8(6) "b"

Policy:

The IM worker shall count towards the 24-month limit any months of child care used for education that were issued by IM or PROMISE JOBS for care provided before March 1, 2009.

The PROMISE JOBS worker shall not count towards the 24-month limit any months of child care used for education that were issued by IM for care provided before March 1, 2009.

Procedure:

Contact the PROMISE JOBS worker to determine how many months of child care for education the client received for care provided before March 31, 2009.

Comment:

Before March 1, 2009, PROMISE JOBS imposed a 24-month funding limit on **all** supportive services for postsecondary education participants. This funding limit included such things as transportation allowances, fees, books, etc., as well as child care. Count towards the 24-month limit only the fiscal months in which child care was received.

1. Mrs. C currently receives CCA. She attends college full time and works part time. She has received six months of subsidized child care before March 1, 2009, while in school.

Mrs. C loses her job, but continues to attend school. She becomes FIP-eligible on March 1, 2009, and begins receiving benefits. As part of her PROMISE JOBS activities, she continues to attend school full time and receives CCA.

Mrs. C's 24-month lifetime education limit for PROMISE JOBS begins on March 1, 2009. The six months that Mrs. C received CCA before she became a PROMISE JOBS participant do not count toward the 24-month limit on child care that a PROMISE JOBS worker can authorize.

If Mrs. C has a training plan approved by PROMISE JOBS and she remains eligible for FIP and PROMISE JOBS, she can receive a total of 30 months of CCA.

However, if Mrs. C loses PROMISE JOBS eligibility, then the six months of assistance she received before PROMISE JOBS and the number of months she received assistance authorized by PROMISE JOBS all count toward the 24-month limit for any further CCA that might be authorized for education.

2. Mr. M is currently a FIP recipient and receives Child Care Assistance while attending college as a PROMISE JOBS component. Before March 1, 2009, he used ten months of his 24-month limit for education. Mr. M's FIP is canceled. He applies for CCA after March 1, 2009, and is determined eligible. Mr. M has 14 months of CCA benefits remaining for education.
3. Ms. N has used up her 24-month supportive services funding limit at PROMISE JOBS before March 1, 2009. However, only 15 of the 24 months were used for child care. Therefore, Ms. N may apply for CCA after March 1, 2009, and would have nine months of CCA child care remaining to use out of her 24-month lifetime education limit.

Nonapprovable Training

Legal reference: 441 IAC 170.2(2)"b"(1)

Policy:

Child Care Assistance shall be denied for training when:

- ◆ A labor market statistics for a local area indicate low employment potential in the field the client is being trained in. Exceptions may be made when:
 - The client has a job offer before entering the training, or
 - The client is willing to relocate after training to an area where there is employment potential.

Clients willing to relocate must provide documentation from the Department of Workforce Development, a private employment agency, or an employer that jobs paying at least minimum wage for which training is being requested are available in the locale specified by the client.

- ◆ A job in the field the client is being trained in pays less than minimum wage.
- ◆ A client who possesses a baccalaureate degree wants to take additional college coursework unless the coursework is to obtain a teaching certificate or complete continuing education units and will not lead to a masters or other advanced degree.
- ◆ The course or training is one that the client has previously completed.
- ◆ The client was previously unable to maintain the cumulative grade point average required by the training or academic facility in the same training for which application is now being made. This does not apply to parents under the age of 18 who are enrolled in high school completion activities.
- ◆ The course or training is in a field in which the client will not be able to be employed due to known criminal convictions or founded child or dependent adult abuse.
- ◆ The parent is participating in on-line training from home and the training facility does not require specified hours of attendance.

Procedure:

Use form 470-4558, *Notice of Decision: Child Care*, to inform the client that the request for CCA to be paid for training is denied if you are not approving the training program.

When you deny CCA because of nonapprovable training, document the source of your labor market statistics and the basis for your decision. Contact either your local PROMISE JOBS office or Iowa Workforce Development office for current information on labor market statistics.

You may approve Internet training that will be completed from home only when the client can provide documentation that they must attend a regularly scheduled on-line course and that the training is part of the client's full-time coursework. This does not include a class with a suggested number of hours of on-line time.

Do not include hours spent to study as part of the client's vocational or academic training time.

If PROMISE JOBS has denied a classroom training plan for any of the reasons mentioned above, you do not need to make any further eligibility determination for the same casework. CCA will not cover training that PROMISE JOBS has already determined to be nonapprovable for these reasons.

If PROMISE JOBS has denied a classroom training plan for reasons **not** mentioned above, (e.g., due to imposition of a limited benefit plan or because the family will leave FIP before completion of their training plan) then you will need to make an eligibility determination.

Comment:

"College course work" is defined as courses that are academic in nature and generally are completed as part of a degree program. Do not approve child care for graduate-level course work taken during an undergraduate program in preparation for a graduate degree.

"Vocational training" is defined as a program of study generally offered at a community college or a similar training institution that prepares people to perform specific skills, such as auto repair or clerical skills.

Not all courses offered at a community college are considered vocational training. Most community colleges offer associate degree programs that prepare a person to transfer to a four-year institution for completion of a baccalaureate degree. Do not approve child care for such programs for clients who already have a baccalaureate degree.

Employment

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

Policy:

Families are eligible for Child Care Assistance (CCA) when the parent or parents are employed 28 or more hours per week or an average of 28 or more hours per week during the month. Assistance may be provided for:

- ◆ The hours of employment of a single parent. Employment averaging 28 hours per week during the month meets the employment requirement.
- ◆ The hours when both parents in a two-parent home are working. In a two-parent household, **both** parents must fully meet the conditions of need for service based on employment or participation in an educational program. See [Multiple Needs for Service](#) for examples.
- ◆ Sleep time during the daytime hours if the parent works at least six hours between 8:00 p.m. and 6:00 a.m. and:
 - There is not another parent in the home, or
 - The other parent in the home is unable to care for the child during the daytime hours because that parent meets a need for service during those hours.

When the parent or parents are employed 28 or more hours per week and they work from home, you must determine if the employer schedules the parent for set work hours. If the parent is scheduled for set work hours, the need for service is met. If the parent is not scheduled for set work hours, there is no need for service.

Participants in approved PROMISE JOBS activities and people who receive FIP or whose earned income was taken into account in determining the needs of FIP recipients are eligible for CCA regardless of hours of employment, as long as there is a need for child care services. See [Need for Service](#).

Procedure:

Verify the employment need for service by getting verification of the number of hours the client works. Verification can be pay stubs, a statement from the employer, or a statement from the client who is self-employed.

When determining if a client meets the employment need for service, use the same time period and projection method used for the income calculation to determine the number of hours worked.

If a foster parent needs child care services to remain employed, refer the parent to the child's foster care worker. The foster care worker will handle the child care for foster children.

Comment:

Volunteers with AmeriCorps and AmeriCorps*Vista participating 28 or more hours per week may be considered employed for the purpose of this need for service. (See [Availability of Another Child Care Resource](#).)

Court-ordered community service is not considered employment. People who state they are working in exchange for rent, utilities, or other goods or services are not considered employed.

1. Mr. B applies for child care for his 2-year-old son. Mr. B works from home and works 30 hours a week as a computer technician. Mr. B has to be on line to provide support to customers from 8 AM to 2 PM Monday through Friday. Mr. B meets the need for service because he is unavailable to care for his child during his work hours.
2. Ms. D applies for child care for her two children. Ms. D works from home as a medical transcriptionist. Ms. D does not have a set work schedule. She is only required to complete her assigned work. Ms. D does not meet the need for service because she can work around the needs of her children.

Part-Time School and Part-Time Employment

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

Families are eligible for Child Care Assistance (CCA) when the parent or parents are attending school and employed for 28 or more hours per week or an average of 28 or more hours per week in the aggregate during the month. Assistance may be provided for:

- ◆ The hours of part-time employment (less than 28 hours per week) when a parent is enrolled in an approved academic or vocational training program on a full-time basis.
- ◆ The part-time hours spent in an approved academic or vocational training program when the parent is employed at least 28 hours per week.
- ◆ The hours of part-time employment and part-time academic or vocational training when the parent is participating in both activities for a total of at least 28 hours per week in the aggregate.

Child care for training may only be approved for the actual hours spent in classroom instruction plus allowable travel time. Time spent attending classes, taking required tests, laboratory work, clinicals, and other required course activities count towards the hours of participation. Care for study time is not allowed. All other requirements for determining whether training is approvable and limits on assistance found in the section on training, apply to the part-time training in this section. See [Training](#).

Child care for employment may only be approved for the actual hours spent working plus allowable travel time. All other requirements for determining whether employment is approvable found in the section on [Employment](#), apply to the part-time employment in this section.

Comment:

Determine eligibility under this section by determining the total number of hours the parent is employed and participating in an approved training program. Actual work time and class time may be counted. Do not count study time or travel time when determining whether the parent is participating at least 28 hours per week.

1. Ms. A is employed 28 hours per week and is registered for six credit hours at the local community college, which is considered part-time enrollment by the college. She attends classes two nights per week for three hours each night. Ms. A can be approved for CCA benefits for her hours of work and school because she is working full-time (at least 28 hours per week).
2. Mr. B is registered for 12 credit hours of classes at the local community college, which is considered full-time enrollment by the college. He also works part time at night, averaging 15 hours per week. Mr. B can be approved for CCA benefits for his hours of school attendance and work because he is considered to be enrolled full-time in school.
3. Ms. C is registered for six credit hours of classes, which is considered part-time enrollment by the college. She is employed part-time 20 hours per week. According to her class schedule, Ms. C is in class for a total of eight hours per week. Ms. C can be approved for CCA benefits for both her class time and work hours because she is in class or working for a total of 28 hours per week.
4. Ms. D is registered for six credit hours of classes, which is considered part-time enrollment by the college. She is employed part-time 15 hours per week. According to her class schedule, Ms. C is in class for a total of six hours per week. Ms. C cannot be approved for CCA benefits because she is not in class or working for a total of 28 hours per week.
5. Mr. E is registered for six credit hours of classes at college A, which is considered part-time enrollment by the college. He is also registered for six credit hours of classes at college B, which is considered part-time enrollment by the college. Mr. E cannot be approved for CCA benefits because he is not enrolled full-time according to either college.

Child Protection

Legal reference: 441 IAC 170.2(2)

Policy:

Families are eligible for CCA when child care is part of a protective service plan to prevent or alleviate child abuse or neglect and when the social worker determines that protective child care can be approved according to the policies located in 17-C(3), [Topic 13: Protective Child Care](#). The need for protective child care must be documented in the child's service case file.

The child must also meet the following CCA policies:

- ◆ Residency requirements (see [Residency](#))
- ◆ Age requirements (see [Age](#))
- ◆ Citizenship or alien status (see [Alien Status](#))

The social worker is responsible for reviewing the need for protective child care at the end of the certification period. See [Reviewing Eligibility](#).

Procedure:

When a child who needs protective child care meets all other applicable CCA requirements, the social worker completes form 470-4895, *Protective Child Care Documentation*, and forwards it to the CCA worker. Use the information on form 470-4895 to make entries into KinderTrack and approve the family.

NOTE: If a juvenile court judge orders protective child care for a child who does not meet other applicable CCA requirements, do not approve CCA funding for the family. Social work staff must work to identify a funding source to pay for child care services when the services are court-ordered but do not meet CCA requirements for payment.

When the service worker determines that protective child care is necessary, all care provided to that child will be paid by the protective program without regard to the parents' income or other need for service until the need for protective care no longer exists.

If the family's eligibility for protective CCA will be ending, but the family has a continued need for child care services, send the family form 470-4377(M) or 470-4377(S), *Child Care Assistance Review*, and follow procedure under [Reviewing Eligibility](#). Once the protective case is closed, the family will need to reapply for CCA by filing an application.

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.

NOTE: The fact that the child meets the definition for special needs alone does not mean that the child care provider can charge the special needs rate. See [Special Needs Rate](#).

Family Size

Legal reference: 441 IAC 170.2(1)

Policy:

The family includes the following members:

- ◆ Legal spouses (including common law) who reside in the same household.
- ◆ Natural, adoptive, or stepmother or stepfather and children under the age of 18, or under the age of 19 if the child has special needs, who reside in the same household.
- ◆ A parent under the age of 18 and children who reside in the same household. Consider only the teen parent and the teen parent's children in the family size.
- ◆ A child residing with a person or persons not legally responsible for the child's support (caretakers or guardians). Consider the child as a family of one. Consider only the child's income when determining financial eligibility.

Procedure:

Do not consider companion in the home in determining family size or income, unless there is a common child.

The composition of the family does not change when one or more of the family members are temporarily absent from the household. Consider people who are temporarily absent when determining family size. "Temporarily absent" means:

- ◆ Absence with the intent to return home within three months.
- ◆ A medical absence anticipated to be less than three months.
- ◆ An absence for the purpose of education or employment.

Comment:

1. Mr. and Mrs. F have three children. The household size is five.
2. Mr. and Mrs. G are married. Mr. G has two children from his previous marriage, and Mr. and Mrs. G have one child together. This is a household of five.
3. Mr. D and Ms. H are not married but they have a child together. This is a household of three.
4. Mr. and Mrs. J have a daughter under the age of 18. Their daughter has a child of her own. This is considered a household of two. Only the minor parent and her child are counted in family size.
5. Ms. K is the caretaker of her 17-year-old niece, who has a 6-month old baby. This is considered a household of two. Just the 17-year-old and her baby count in household size.
6. Mr. M is the caretaker of his 10-year-old nephew. This is a household of one. Only the nephew is counted in household size.
7. Mr. N has one child and he is the caretaker for his niece. This family is considered as two separate households. One household includes Mr. N and his child, and the other household includes only the niece.
8. Ms. P is in the military. She is assigned overseas and her two children will be staying with their uncle until she returns. The caretaker uncle applies for CCA because he works full time.

The household size remains three, Ms. P and her two children, and all of Ms. P's income continues to count towards CCA eligibility and fees. The uncle's income is not counted.

However, the need for service is based upon the caretaker's work schedule. If the uncle works Monday through Friday from 9 to 5, then CCA may be approved for two units per day, ten units per week.

Projecting Income

Legal reference: 441 IAC 170.2(1)

Policy:

Verify and count the income of any person included in the family size in determining the family's monthly gross income.

To determine eligibility when processing an application, or a review, or when acting on a reported change, project income using one of the following methods:

- ◆ Income received in the 30-day period before the application, review, or reported change if it is indicative of future income, or
- ◆ Income received in a different 30-day period that is indicative of future income, or
- ◆ Income received in a longer period of time that is indicative of future income, such as an average of the income for the last two or three months, but for no more than the past six months, or
- ◆ Verification of future income from the income source, or
- ◆ Self-employment tax returns or books if indicative of future income.

Use the projected income amount to determine whether a family is eligible for CCA benefits **and** whether the family will be required to pay any fees. (See [Fee Schedule](#).)

Procedure:

Accept the statement of the applicant or participant as to what time frame is indicative of future income. However, when the client is unsure of which would be the best indicator of future income, request verification from the income source.

The decision on whether to use the 30 days before the application, review, or reported change, use a different 30-day period, use a longer period, or request verification of future income from the income source should be primarily the client's.

Request verification from the income source if the client does not have pay stubs from the 30-day period or the longer period, if applicable.

Document the period of time used and the calculation in the case record.

Exclude income when you cannot predict the month it will be received. If you can predict the month when income will be received but the amount is uncertain, count only the amount that is certain.

Ms. A and her child are receiving CCA. Ms. A receives \$350 in child support on April 2, 2007, because CSRU took the child's father's state tax refund. Normally Ms. A does not receive child support. She is unsure if she will get this money in the future. This child support is not included in the income projection because we cannot predict if this income will be received again.

Determine monthly income by using "normal months."

- ◆ If someone is paid bi-weekly, the monthly income is the total of the two paychecks received in the month.
- ◆ If someone is paid weekly, the monthly income is the total of the four paychecks received in the month.
- ◆ When a third or fifth check occurs during the period being used to project income, do not ignore it. Instead, convert the income into a normal month's income as follows:
 - Add all check amounts together,
 - Divide the total by the number of checks,
 - Multiply that amount by four if the income occurs weekly, or by two if the income occurs biweekly.

This procedure applies to both earned and unearned income.

1. Mr. and Mrs. A have three children, so this is a household of five. Both parents are employed. Mr. A works 30 hours per week and earns \$500 biweekly. Mrs. A works 40 hours per week and earns \$320 weekly. The family is applying for CCA in July, which has four paydays. Gross monthly income is calculated as follows:

$$\begin{array}{r} \$500 \times 2 = \$1,000 \\ \underline{\$320 \times 4 = \$1,280} \\ = \$2,280 \end{array} \qquad \text{Fee} = \$1.20 \text{ per unit}$$

2. Mr. and Mrs. B have three children, so this is a household of five. Both parents are employed. Mr. A works 30 hours per week and earns \$500 biweekly. Mrs. B works 40 hours per week and earns \$320 weekly. The family is applying for CCA in August, which has five paydays. Gross monthly income is calculated as follows:

$$\begin{aligned}
 & \$500 \times 3 = \$1,500 / 3 = \$500 \times 2 = \$1,000 \quad \text{Fee} = \$1.20 \text{ per unit} \\
 & \underline{\$320 \times 5 = \$1,600 / 5 = \$320 \times 4 = \$1,280} \\
 & \qquad \qquad \qquad = \$2,280
 \end{aligned}$$

The income is converted into a normal month.

3. Ms. C has two children, so this is a household of three. She applies for CCA and provides an employer's statement that indicates she will work an average of 35 hours per week, earning \$8.50 per hour, and she will be paid weekly. Calculate her gross monthly income prospectively as follows:

\$ 8.50	\$ 297.50	Fee = \$0.00
x 35	x 4	
= \$297.50	= \$1,190	

4. Mr. and Ms. D have two children and the family receives FIP. No income calculation is necessary to determine eligibility for this household.
5. Ms. E has two children, so this is a household of three. She works 30 hours per week and earns \$210 per week. She receives \$100 a week in child support for her children. The family returns a *Child Care Review* to the Department in July that includes verification of June's income. June had five paydays and she received five child support checks.

Calculate her gross monthly income prospectively as follows:

Earnings		Child support	
\$ 210.00	June 1	\$ 100.00	June 1
\$ 210.00	June 8	\$ 100.00	June 8
\$ 210.00	June 15	\$ 100.00	June 15
\$ 210.00	June 22	\$ 100.00	June 22
\$ 210.00	June 29	\$ 100.00	June 29
÷ 5		÷ 5	
\$ 210.00		\$ 100.00	
X 4		X 4	
\$ 840		\$ 400	

The income is converted into a normal month. This household has gross income of \$1,240 (\$840 + \$400), and the fee is \$0.00.

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.

Determine monthly gross income for a migrant seasonal farm worker by calculating the total amount of income earned in the 12-month period preceding the date of the application and dividing the total amount by 12. Apply this calculation when the applicant or participant:

- ◆ Performs seasonal agricultural work that requires travel so that the applicant or participant is unable to return to a permanent residence within the same day, and
- ◆ Derives most of the income from seasonal agricultural work performed during the months of July through October. "Most" means a simple majority of the income.

Comment:

Families who are eligible for FIP, PROMISE JOBS, or protective services are eligible for CCA regardless of income.

Countable Income

Legal reference: 441 IAC 170.2(1)

The "monthly gross income" is the monthly sum of income received by a person from the following sources that are identified by the U.S. Census Bureau in computing the median income:

- ◆ **Alimony:** Include all periodic payments family members receive from ex-spouses. Exclude one-time-only property settlements.
- ◆ **AmeriCorps:** Count payments made to participants in AmeriCorps*USA (for participants 17 years and older) and AmeriCorps*NCCC (for participants 16 to 24 years of age) programs as follows:
 - Treat the living allowance (stipend) as earned income.
 - Do not count the child care allowance as income.
 - Exempt the educational award as income.
 - Exempt the unearned in-kind benefits of health insurance, reasonable accommodations, supplies and services made available for AmeriCorps participants who have disabilities as income.

VISTA payments are unearned income, because participants are considered volunteers rather than employees. Title I VISTA volunteer payments are excluded as income as long as the director of ACTION determines that their total value is less than the federal or state minimum wage divided by the hours of service.

To date, the director of ACTION has determined no VISTA payment to equal or exceed the minimum wage. When VISTA payments exceed the minimum wage limit, count the entire amount.

- ◆ **Cash payments.**
- ◆ **Casino profits:** Include income paid to Indian tribe members from profits of a casino. Prorate the income over the number of months for which the income is received.
- ◆ **Child support:** Include the periodic payments from an absent parent for the support of children, even if these payments are made through a state or local government office.
- ◆ **Earnings, wages, or salary:** Include the total money earnings a family member received from work performed as an employee, including wages, salary, Armed Forces pay, commissions, tips, piece-rate payments, cash bonuses earned, and sheltered workshop earnings.

This is the amount before deductions are made for items such as taxes, bonds, pension, union dues, uniforms, and similar purposes. Include the total money earnings of a child who is over 14 years old, unless a full-time student.

- ◆ **Dividends, interest on savings or bonds, income from estates or trusts:** Include dividends from stock holdings or membership in associations, interest on savings or bonds, periodic receipts from estates or trust funds.
- ◆ **Net rental income or royalties:** Include receipts from boarders or lodgers and net royalties and net income from rental of a house, store, or other property to others. "Net rental income" is that income remaining after expenses such as taxes, interest, or borrowed principal to purchase property, insurance, and upkeep of the property.
- ◆ **Net income from farm self-employment:** Include gross receipts minus operating expenses from a person's operation of a farm as an owner, renter, or sharecropper. "Gross receipts" include:
 - The value of all products sold.
 - Payments from government loan programs.
 - Money received from the rental of farm equipment to others.
 - Incidental receipts from the sale of wood, sand, gravel, etc.
 - Money received from farm property if payment is based on a percentage of crops produced.

“Operating expenses” include costs of feed, fertilizer, seed and other farming supplies, cash wages paid to farmhands, cash rent, interest on farm mortgages, farm building repairs, and farm taxes (not state and federal personal income taxes). The value of fuel, food, or other farm products used for family living is not included as part of net income.

NOTE: Do not offset the loss from one self-employment enterprise against the profit of another self-employment enterprise or any other earned or unearned income the household has.

- ◆ **Net income from nonfarm self-employment:** Include gross receipts minus expenses from a family member’s own business, professional enterprise, or partnership. “Gross receipts” include the value of all goods sold and services rendered.

“Expenses” include cost of goods purchased, rent, heat, lights, power, wages and salaries paid, business taxes (not personal income taxes), and similar costs. The value of saleable merchandise consumed by the proprietors of retail stores is not included as part of net income.

NOTE: Do not offset the loss from one self-employment enterprise against the profit of another self-employment enterprise or any other earned or unearned income the household has.

- ◆ **Pensions and annuities:** Include pensions or retirement benefits paid to a retired person or the person’s survivors by a former employer or by a union, either directly or through an insurance company; periodic receipts from annuities or insurance.
- ◆ **Permanent disability insurance:** Include Social Security Disability Insurance (SSDI) payments made by the Social Security Administration, before deductions for medical insurance.
- ◆ **Public assistance or welfare payments:** Include public assistance payments, such as FIP, State Supplementary Assistance, general assistance, and cash payments received under the FIP Diversion program and the statewide Family Self-Sufficiency Grant program.
- ◆ **Railroad retirement insurance:** Include checks from the U.S. Government.
- ◆ **Social Security:** Include Social Security pensions and survivors benefits
- ◆ **Strike pay:** Include strike benefits received from union funds.

- ◆ **Supplemental Security Income:** Include federal, state, and local welfare agency payments to low-income people.
- ◆ **Unemployment compensation:** Include compensation received from government insurance agencies or private companies during periods of unemployment.
- ◆ **Veterans benefits:** Include all monies paid to or on behalf of a family member because of veteran status as income, regardless of the purpose of the payments. Include money paid periodically by Veterans Affairs to disabled members of the armed forces or to survivors of deceased veterans for education and on-the-job training, as well as so-called “refunds” paid to ex-service persons as GI insurance premiums.
- ◆ **Workers compensation:** Include compensation received periodically from private insurance companies for injuries incurred at work. The cost of this insurance must have been paid by the employer and not by the person.
- ◆ **Work study.**

Excluded Income

Legal reference: 441 IAC 170.2(1)

“Total gross income” equals the amount of countable income minus any excluded income. Use the total gross income amount to determine eligibility for Child Care Assistance (CCA) (see [Financial Eligibility](#)) and to determine whether the family will be responsible for paying a portion of the child care costs (see [Fee Schedule](#)).

Exclude the following types of income from the computation of monthly gross income:

- ◆ Earnings of a child 14 years of age or under.
- ◆ Earnings of a child 18 years of age or under who is a full-time student. Assume a child 17 and under is a full-time student unless you have information otherwise. Treat the income of a minor parent in the same way as any other parent.
- ◆ Payments or earnings received by any youth under the Workforce Investment Act (WIA).
- ◆ The first \$65 and 50% of the remainder of income earned at a sheltered workshop or work activity center.

- ◆ The income of the parents with whom a teen parent resides if the application is for the teen parent's child.
- ◆ The income spent on any regular, ongoing cost that is specific to a child's disability. NOTE: A family must be applying for CCA for the special needs child in order to exclude this income.
- ◆ Payment from the Iowa Individual Assistance Grant Program (IIAGP).
- ◆ Loans and grants, such as scholarships, or gifts that are:
 - Obtained and used under conditions that preclude their use for current living costs, or
 - Made or insured under the Higher Education Act to any undergraduate student for educational purposes.
- ◆ Capital gains and money received from sale of property, such as stocks, bonds, a house, or a car. (NOTE: If the person is engaged in the **business** of selling such property, the proceeds are counted as income from self-employment.)
- ◆ Lump-sum inheritances or insurance payments or settlements, such as (but not limited to):
 - Per capita payment to, or funds held in trust for, any person in satisfaction of a judgment of the Indian Claims Commission or the Court of Claims.
 - Payments made pursuant to the Alaska Native Claims Settlement Act, to the extent such payments are exempt from taxation under Section 21(a) of the Act.
 - Any payment received under the Uniform Relocation Assistance and Real Property Acquisition Policies of 1970.
 - Agent Orange Settlement payments. NOTE: This settlement fund is now closed as all funds have been distributed.
- ◆ Use of personal resources, such as:
 - Withdrawals of bank deposits.
 - Tax refunds.
 - Home produce used for household consumption.
- ◆ Payments from the Low-Income Home Energy Assistance Program.

- ◆ 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.

Age

Legal reference: 441 IAC 170.2(2)

Children are eligible for Child Care Assistance (CCA) benefits up to age 13.

EXCEPTIONS:

- ◆ Children with special needs are eligible for CCA benefits up to the age of 19 years. Refer to [Financial Eligibility: Documenting Special Needs](#) for the definition of a “child with special needs.”
- ◆ Children aged 13 up to age 16, where there are special family circumstances that put the safety and well-being of the child at risk if left home alone, **may** be eligible for CCA. There must be exceptional circumstances that put the child at risk.

The parent or guardian must request an exception to policy through the normal channels. See [1-B, EXCEPTIONS TO POLICY](#). The CCA worker should submit documentation of the special circumstances as necessary. The application or review for CCA should be pended until a decision has been made by the Director on the exception to policy.

1. Ms. C applies for CCA for her 13-year-old child. Ms. C works 10 PM to 7 AM Monday through Friday. Ms. C indicates she is not comfortable leaving her child home alone overnight because, “he’ll get into trouble.” There are no special circumstances that put the child’s health and safety at risk being home alone. The CCA worker denies the application for no eligible child in the home.
2. Mr. D applies for child care for his 14-year-old child. Mr. D works Monday through Friday noon to 9 PM. Mr. D and his child live in a documented high crime neighborhood. Mr. D’s home was broken into recently and he has called the police numerous times in the last six months because of people trespassing on his property. The child being home alone until Mr. D returns from work puts the child’s safety at risk.

The CCA worker has Mr. D apply for an exception to policy and forwards the exception and documentation to the Appeals Unit in central office. The worker leaves the application pending. If the director approves the exception to policy, and Mr. D meets all other eligibility criteria, his application for child care is approved.

Verification

Legal reference: 441 IAC 170.5(237A)

Policy:

When requested, applicants and participants must supply information or verification to the Department so that eligibility or continued eligibility for CCA can be determined. "Supply" means the Department receives the requested information or verification by the specified due date.

Income information reported on the application or review must be supported by verification. To verify income, request supporting documentation such as pay stubs, employer statements, social security checks, and child support payments. Document the income in the case file.

Procedure:

Request the information or verification from the applicant or participant in writing. Inform the applicant or participant in writing of the date the information is due and the consequences for failure to supply the information or verification.

Allow the participant ten days to supply the requested information or verification. The ten-day period begins with the day after you issue the written request. When the tenth day falls on a nonworking day or a legal holiday, extend the due date to the next working day for which there is regular mail service.

Extend the deadline when the applicant or participant requests an extension after making every reasonable effort to get the information or verification but being unable to do so.

Applicants or participants may be denied or terminated from assistance unless they give you either:

- ◆ All information or verification you requested to establish eligibility for CCA; or
- ◆ Written permission for another person to release the specific information that is needed to verify the applicant or participant's eligibility or continued eligibility.

You may ask the applicant or participant to sign a release form when the applicant or participant cannot provide the information or when you question information provided by the applicant or participant. An applicant or participant who provides a signed release of information to a specific individual or organization for specific information has met the requirement to provide information and verification.

Acceptance or Denial of Application

Legal reference: 441 IAC 170.3(3), 170.5(237A), 170.6(237A)

Policy:

Approve or deny the application for Child Care Assistance (CCA) within 30 days from the date the signed and dated application form is received by the Department. You can extend the 30-day processing period if:

- ◆ You and the applicant have made every reasonable effort to get information that has not arrived.
- ◆ Emergencies, such as fire, flood, or other conditions beyond the Department's control, delay action.

Procedure:

Use form 470-4558, *Notice of Decision: Child Care*, to notify the applicant of approval or denial of services. When CCA is approved, send form 470-4444, *Certificate of Enrollment*, to the child care provider on the date the determination is made.

Deny services when:

- ◆ The family does not meet the eligibility requirements, including need for service, financial eligibility, or age of the child needing services; or
- ◆ The family fails or refuses to provide requested information needed to determine eligibility; or
- ◆ The funding is not available to provide the service. EXCEPTION: People participating in approved PROMISE JOBS activities and recipients of FIP, or those whose earned income was taken into account when determining the needs of a FIP recipient, are not subject to denial for lack of funding.

The written notice must be "adequate." This means that it must include:

- ◆ A statement of what action is being taken;
- ◆ The reason for the intended action;
- ◆ The manual chapter number and subheading supporting the action;
- ◆ An explanation of the applicant's right to appeal; and
- ◆ The circumstances under which the service is continued during an appeal.

Grace Period Following the Denial of an Application

Legal reference: 441 IAC 170.3(6)

Policy:

Reprocess an application that has been denied for failure to provide requested information when all information needed to determine eligibility is provided within 14 days of the date the notice of decision denying the application was issued. "All information" includes verification of all changes in the family's circumstances.

If the 14th day falls on a weekend or legal holiday, extend the 14th day to the next working day for which there is regular mail service. If the family is eligible for CCA, the effective date of child care eligibility shall be the date the **final** piece of information required to establish eligibility is provided.

Procedure:

If all of the information is not returned by the 14th day after the date of the denial notice, no further action is required and another notice is not sent.

If there were multiple pieces of information requested and some of the information is returned after the denial, do not send a "remain denied" notice. However, it is good practice to try to contact the household to let them know you still don't have everything you need to reinstate the case.

If the previously requested information is provided, but the household also reports another change for which verification is necessary, make every effort to help the client to verify the information.

A written request for information for the new changes is not necessary. Do inform the household that the application cannot be reprocessed until the change is verified. If a generic release is on file, it should be used.

If the new information is not verified by the end of the 14th day after the date of the denial notice, a "remain denied" notice is sent. This is because the original reason for denying the application has been cured, but the household's did not provide the verification of the new information.

When an additional change is reported and it is unlikely you will be able to verify the information before the 14-day period expires, you should inform the client that it would be a good idea to submit a new application to preserve the earliest possible effective date.

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>Guidelines for Child Care Homes with a Child Care Assistance Provider Agreement, Comm. 95</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>◆ <i>Lead Assessment and Control, form 470-4755 or 470-4755(S)</i>

PROVIDER TYPE	REQUIREMENTS
In-home care	<ul style="list-style-type: none">◆ <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:

- ◆ *Comm. 95, Guidelines for Child Care Homes with a Child Care Assistance Provider Agreement.*
- ◆ *Form 470-2890, Payment Application for Nonregistered Providers.*
- ◆ *Form 470-4755 or 470-4755(S), Lead Assessment and Control.*
- ◆ *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.

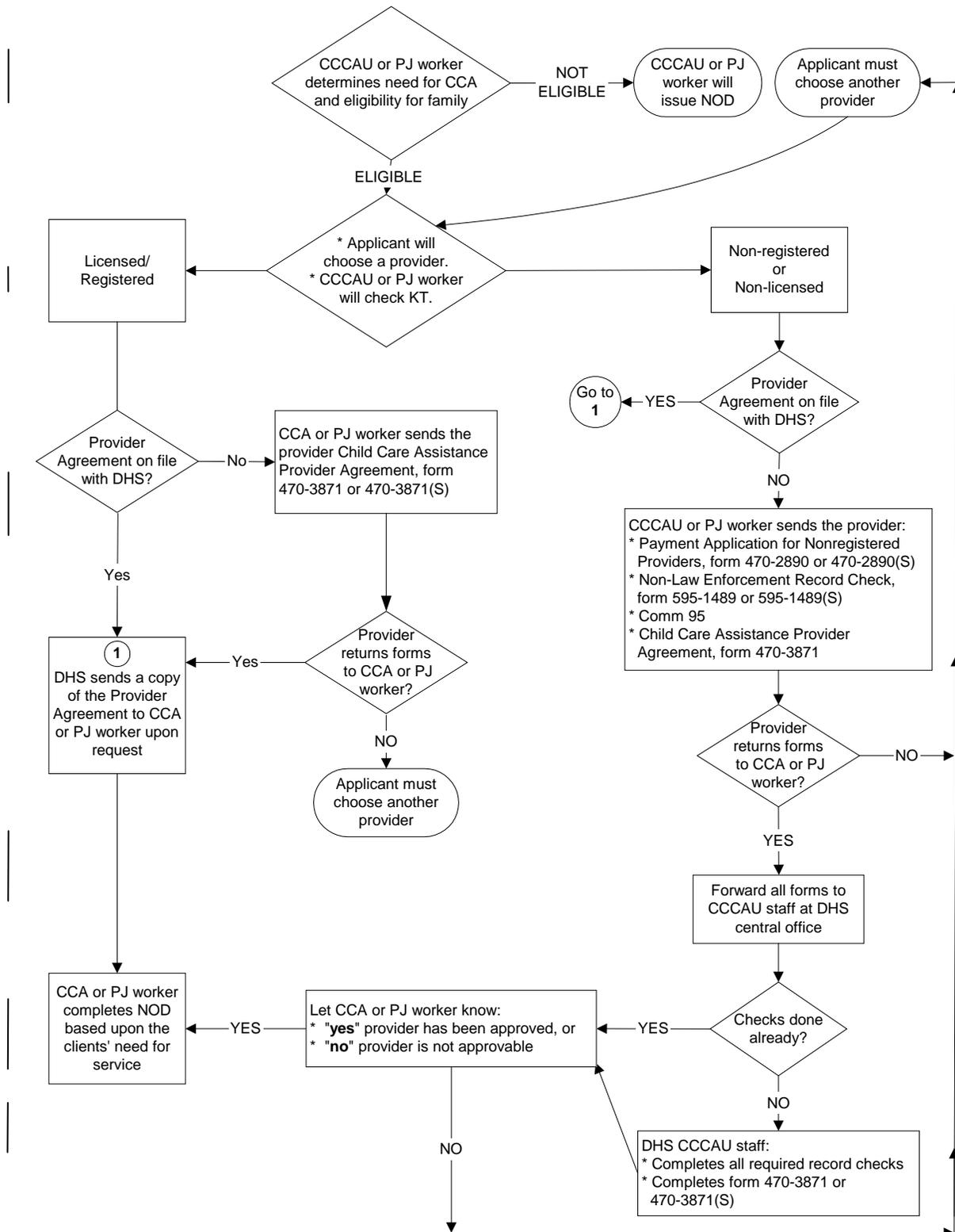
The evaluation team will notify the DHS worker of the results of the evaluation. If the evaluation is returned stating the person is not permitted to provide child care, or is not permitted to reside in a child care home, the provider **is not eligible** for payment by the CCA program.

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.

CCA Provider Eligibility Determination Process and Form Flow



Establishing Payment Rate

Legal reference: 441 IAC 170.4(7)

Child Care Assistance (CCA) payment rates are based on a half-day unit of service. The child care rate tables for basic and special needs care (see [Maximum Payment Rates](#)) represent statewide maximum rate ceilings derived from a market rate survey of child care providers.

Payment policies are organized into the following sections:

- ◆ [Method for calculating a half-day rate](#)
- ◆ [Maximum payment rates](#)
- ◆ [Days of absence](#)
- ◆ [Limits on payment](#)
- ◆ [Appeal of rate calculation](#)

Method for Calculating a Half-Day Rate

To establish the provider's rate of payment, first determine if the provider already has a rate with the Department. Verify the rate by checking the Provider Rates screen of the KinderTrack (KT) system. Refer to 14-H, [KINDERTRACK SYSTEM](#).

If the selected provider does not have a provider agreement with DHS, follow the steps listed under [Nonregistered Providers](#).

There may be circumstances when a provider does not have a rate. Examples:

- ◆ A provider who has never provided services to a child whose care is subsidized by the Department.
- ◆ A provider who has a rate for one age group, but is now expanding to cover additional age groups.

Based on the information submitted on form 470-3871, *Child Care Assistance Provider Agreement*, determine whether the provider has a half-day rate. If the provider does not have a half-day rate:

- ◆ Calculate a half-day rate by dividing the provider's full-day rate by 2, or
- ◆ If the provider has neither a half-day nor full-day rate, calculate a half-day rate by multiplying the provider's hourly rate by 4.5.

- ◆ 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

Approve a special needs rate only when you have received documentation from the parent that the child meets the requirements for a special needs rate, and the provider has supplied the required documentation. The documentation must substantiate both of the following:

- ◆ A qualified professional has assessed the child to meet the definition of a “child with special needs.” (See [Documenting Special Needs](#).)
- ◆ The child care provider is responding to those special needs with (but not limited to) adaptive equipment, more careful supervision, or special staff training.

NOTE: Child care funds are for child care services and not for specialized services provided during the program day. Do not approve a special needs rate for therapeutic services that are provided in the child care setting. This includes, but is not limited to, services such as speech, hearing, physical and other therapies; individual or group counseling; therapeutic recreation; and crisis intervention.

A child care provider serving a child determined eligible for protective child care services may receive payment up to the special needs rate, providing that child also meets the definition for a “child with special needs” and the required documentation has been secured.

In-Home Rate

Legal reference: 441 IAC 170.4(7)“d”

In-home care is always paid at the minimum wage amount. At the current rate of \$7.25 an hour, this calculates to a half-day rate of \$36.25. There is no “special needs” rate for in-home providers.

The in-home half-day unit rate is not a per-child amount. It is the maximum amount paid for all of the children in a family receiving in-home care.

NOTE: Approve in-home care only when the family has three or more children who require child care services. See [Eligible Providers](#) for a complete description of the limits on in-home care.

Under the *Child Care Assistance Provider Agreement*, the provider has the status of an independent contractor. If parents wish to discuss any obligations they may have regarding taxes on payment to the in-home care provider, refer them to the appropriate agencies, including the Social Security Administration and the Internal Revenue Service.

Days of Absence

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

Payment may be made to a provider for a child not in attendance at the child care facility not to exceed four days per calendar month, providing that the child is regularly scheduled on those days and the provider also charges a private individual for days of absence.

This does not mean that providers automatically get four extra days paid per month. It does mean that a provider may charge for a normally scheduled day (up to four) if the child is absent from care on that day.

1. Ms. A normally works Monday through Friday, eight hours per day. Therefore, her children are regularly scheduled to attend child care Monday through Friday for two units each day. However, during June the family was out-of-town for one week for vacation, so the children were not in child care. The provider can bill four days of absence for that week.
2. Mr. B normally works on Monday, Wednesday, and Friday, ten hours per day. Therefore, his children are regularly scheduled to attend child care these three days. During July, the family takes a one-week vacation. The provider can bill three days of absence for the week the children were not in care.
3. Mrs. C normally works Tuesday through Saturday, seven hours per day. Mr. C normally works Monday through Friday, eight hours per day. The children are regularly scheduled to attend child care Tuesday through Friday.

In May, the Memorial Day holiday occurs on Monday. Since this is not a day the children are regularly scheduled to be in care, the provider cannot bill this day as a day of absence.

If a child care provider is closed during a holiday, and a family must use a backup child care provider, it may be acceptable for the primary provider to bill the CCA program for the holiday as a day of absence.

When the provider bills private pay parents for the holiday, then it is acceptable for the provider to bill the Department as a day of absence. In this situation it would be appropriate to pay two providers for the same clock time. If the provider does not bill private pay parents for the holiday, it is not acceptable for the provider to bill the Department as a day of absence. See [Limits on Payment](#).

If a child care provider is closed because the provider is unavailable to provide care (ill or on vacation) and a family must use a backup provider, it is not acceptable for the primary provider to bill the CCA program as a day of absence. This is because the CCA program can only pay a provider for the absence of a child who is normally in care, not for the absence of the provider.

Providers cannot bill for days of absence after care ends. Once care ends, there are no more regularly scheduled days for the child to be absent from care.

1. Mr. D normally works ten hours per day on Monday, Wednesday, and Friday. His children are regularly scheduled to attend child care those three days.

Mr. D's regular child care provider will be closed on New Year's Day, Monday, January 1, 2007, but Mr. D is scheduled to work and must use a backup provider for that day. The regular child care provider does not charge private-pay families for the holiday.

The regular provider **cannot** bill the CCA program for the day of absence for New Year's Day, because CCA must pay for the backup provider.

2. Ms. B normally works Monday through Friday, eight hours per day. Her children are regularly scheduled to attend child care on these days. The regular child care provider will be closed on Labor Day, Monday, September 4, 2006, but Ms. B has to work and must use a backup provider. The regular child care provider charges private pay parents for the holiday.

The regular provider can bill the CCA program for a day of absence for Labor Day.

3. Mrs. E normally works Tuesday through Saturday, seven hours per day. Mr. E normally works Monday through Friday, eight hours per day. The children are regularly scheduled to attend child care Tuesday through Friday.

The regular child care provider will be closed on New Year's Day, Wednesday, January 1, 2003. Neither parent will be scheduled to work on New Year's Day, so the provider will be able to bill this day as a day of absence.

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.

Appeal of Rate Calculation

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

A provider who is in disagreement with the calculation of the half-day unit rate may request a review. Instruct the provider to send a written request for review to the Department service area manager within 15 calendar days of notification of the rate. The request should identify the specific rate in question and the methodology used by the provider to calculate the rate.

The service area manager will provide a written response within 15 calendar days of receipt of the request. When dissatisfied with the response, the provider may request a review by the chief of the Bureau of Financial, Health and Work Supports within 15 calendar days of the response.

Instruct the provider to submit the original request, the response received, and any additional information desired to the bureau chief. The bureau chief will render a decision in writing within 15 calendar days of receipt of the request.

The provider may appeal that decision to the director of the Department or the director's designee within 15 calendar days of the decision. The director or designee will issue the final Department decision within 15 calendar days of receipt of the request.

NOTE: Rate ceilings found in [Maximum Payment Rates](#) cannot be appealed.

Authorizing Services

The policies and procedures for authorizing Child Care Assistance (CCA) are organized into the following sections:

- ◆ [Unit of service](#)
- ◆ [Fee schedule](#)
- ◆ [Child Care Assistance Provider Agreement](#)
- ◆ [Notice of Decision: Child Care](#)
- ◆ [KinderTrack entry](#)

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.

Supervisory approval is required when more than two units are approved per 24-hour period, up to a maximum of four units. Document the explanation of the number of units needed for service in the case file.

Use this information to calculate the total daily and weekly units the parent needs and to complete schedules for the children in the KinderTrack system. See 14-H, [KINDERTRACK SYSTEM](#), for instructions on adding or editing a schedule.

Fixed schedule examples:

- Ms. S is a full-time student with an 18-month-old daughter. She attends classes three days per week from 11:00 a.m. to 2:00 p.m. and two days per week from 9:00 a.m. to 11:00 a.m. Including actual travel time, she is approved for one half-day unit for each of the five workdays that she is in classes. Her estimated weekly usage is five half-day units.

Provider: ABC Childcare Inc		Start Date: 8/20/2010					
Program: CCA		End Date: 12/15/2010					
Rate Type: Standard		Varying Schedule: No					
Flags:							
Non-School Day Schedule:							
	Mon	Tue	Wed	Thur	Fri	Sat	Sun
From:	10:30 am	08:30 am	10:30 am	08:30 am	10:30 am		
To:	02:30 pm	11:30 am	02:30 pm	11:30 am	02:30 pm		
From:							
To:							
Units:	1	1	1	1	1		

- Ms. T is a full-time student with a three-year-old daughter. She attends classes three days per week from 9:00 a.m. to 3:00 p.m. and two days per week from 9:00 a.m. to 4:00 p.m. Her class schedule looks like this:

M – W – F:	9 – 10 a.m.	T – Th:	9 – 11 a.m.
	10 – 11 a.m.		2 – 4 p.m.
	1 – 2 p.m.		
	2 – 3 p.m.		

Including actual travel time, Ms. T is approved for two half-day units for each day that she is in classes. Her estimated weekly usage is ten half-day units.

Provider: ABC Childcare Inc		Start Date: 8/20/2010					
Program: CCA		End Date: 12/15/2010					
Rate Type: Standard		Varying Schedule: No					
Flags:							
Non-School Day Schedule:							
	Mon	Tue	Wed	Thur	Fri	Sat	Sun
From:	08:30 am	08:30 am	08:30 am	08:30 am	08:30 am		
To:	03:30 pm	04:30 pm	03:30 pm	04:30 pm	03:30 pm		
From:							
To:							
Units:	2	2	2	2	2		

3. Ms. W is a full-time student with a two-year-old son. She attends classes three days per week from 9:00 a.m. to 11:00 a.m. and five days per week from 6:00 p.m. to 8:00 p.m. Her class schedule looks like this:

M – W – F: 9 – 10 a.m. T – Th: 6 – 8 p.m.
 10 – 11 a.m.
 6 – 8 p.m.

Including actual travel time, Ms. W is approved for two half-day units on Monday, Wednesday, and Friday, and one half-day unit on Tuesday and Thursday. Her estimated weekly usage is 8 half-day units.

Provider: ABC Childcare Inc		Start Date: 8/20/2010					
Program: CCA		End Date: 12/15/2010					
Rate Type: Standard		Varying Schedule: No					
Flags:							
Non-School Day Schedule:							
	Mon	Tue	Wed	Thur	Fri	Sat	Sun
From:	08:30 am	05:30 pm	08:30 am	05:30 pm	08:30 am		
To:	11:30 am	08:30 pm	11:30 am	08:30 pm	11:30 am		
From:	05:30 pm		05:30 pm		05:30 pm		
To:	08:30 pm		08:30 pm		08:30 pm		
Units:	2	1	2	1	2		

4. Mr. X is a full-time student with an eight-year-old son. He attends classes five days per week from 9:00 a.m. to 10:00 a.m. and from 6:00 p.m. to 8:00 p.m. His class schedule looks like this:

M – F: 9 – 10 a.m.
 6 – 8 p.m.

Including actual travel time, Mr. X is approved for one half-day unit on each day he is in classes. His estimated weekly usage is five half-day units. Because his child is attending school, two schedules are created, one for school days and one for non-school days as follows:

Provider: ABC Childcare Inc		Start Date: 8/20/2010				
Program: CCA		End Date: 12/15/2010				
Rate Type: Standard		Varying Schedule: No				
Flags:						
Non-School Day Schedule:						
	Mon	Tue	Wed	Thur	Fri	Sat Sun
From:	08:30 am	08:30 am	08:30 am	08:30 am	08:30 am	
To:	10:30 am	10:30 am	10:30 am	10:30 am	10:30 am	
From:	05:30 pm	05:30 pm	05:30 pm	05:30 pm	05:30 pm	
To:	08:30 pm	08:30 pm	08:30 pm	08:30 pm	08:30 pm	
Units:	1	1	1	1	1	
School Day Schedule:						
	Mon	Tue	Wed	Thur	Fri	Sat Sun
From:	05:30 pm	05:30 pm	05:30 pm	05:30 pm	05:30 pm	
To:	08:30 pm	08:30 pm	08:30 pm	08:30 pm	08:30 pm	
From:						
To:						
Units:	1	1	1	1	1	

5. Ms. S, the full-time student in Example 1, has accepted a retail job where she is scheduled weekdays from 5:00 p.m. to 9:00 p.m. and Saturday from 8:00 a.m. to 4:00 p.m.

The hours of care needed on days when Ms. S attends classes from 11:00 a.m. to 2:00 p.m. and works from 5:00 p.m. to 9:00 p.m., including actual travel time, total nine. The hours of care needed for the two days she attends classes from 9:00 a.m. to 11:00 a.m. and works from 5:00 p.m. to 9:00 p.m., including actual travel time, total eight. The hours of care needed to work on Saturday total nine.

Ms. S is approved for two half-day units for each of the five weekdays that she is in class and works and two half-day units for Saturday. Her estimated weekly usage is 12 half-day units.

Provider: ABC Childcare Inc		Start Date: 8/20/2010					
Program: CCA		End Date: 12/15/2010					
Rate Type: Standard		Varying Schedule: No					
Flags:							
Non-School Day Schedule:							
	Mon	Tue	Wed	Thur	Fri	Sat	Sun
From:	10:30 am	08:30 am	10:30 am	08:30 am	10:30 am	07:30 am	
To:	02:30 pm	11:30 am	02:30 pm	11:30 am	02:30 pm	04:30 pm	
From:	04:30 pm	04:30 pm	04:30 pm	04:30 pm	04:30 pm		
To:	09:30 pm	09:30 pm	09:30 pm	09:30 pm	09:30 pm		
Units:	2	2	2	2	2	2	

Variable schedule examples:

- Mr. J is employed full time and requires care for his four-year-old child. He normally works 35 hours per week and the days he works vary. He tells his worker that he usually works five days each week.

The worker uses Mr. J’s weekly/daily work schedule plus actual travel time to determine Mr. J will need eight hours of care on days he works and approves a variable schedule for two half-day units per child per workday for a maximum of ten units per week.

Provider: ABC Childcare Inc Select >>	Start Date: 6/1/2010
Program: CCA	End Date: 12/1/2010
Rate Type: Standard	Varying Schedule: <input checked="" type="checkbox"/>
Flags: Select >>	Max Weekly Units: 10
	Max Units Per Day: 2
	Max Weekly Units (S): <input type="text"/>
	Max Units Per Day (S): <input type="text"/>
- Ms. K is a FIP recipient who is employed part time and works 16 to 20 hours per week. She has two children, aged two years and four years.

After talking with Ms. K, the worker finds that she normally works three days per week on varying days, usually in six- to seven-hour shifts. Therefore, Ms. K is approved for a variable schedule, two half-day units for each day for a weekly maximum of six units.

'Provider: ABC Childcare Inc Select >>	'Start Date: 6/1/2010
'Program: PROMISE JOBS ▾	'End Date: 12/1/2010
'Rate Type: Standard ▾	Varying Schedule: <input checked="" type="checkbox"/>
Flags: Select >>	'Max Weekly Units: 6
	'Max Units Per Day: 2
	Max Weekly Units (S):
	Max Units Per Day (S):

3. Mr. B is employed full time and requires care for his eight-year-old child. He normally works 40 hours per week and the days he works vary. He tells his worker that he usually works the day shift six days each week and each shift is normally six or seven hours long. He typically works one weekend day.

The worker uses Mr. B's weekly/daily work schedule plus actual travel time to determine Mr. J will need seven to eight hours of care on days he works. Because the child is school age, the worker approves a variable non-school day schedule for 2 half-day units per workday for a maximum of 12 units per week and a school-day schedule for after school care allowing for 1 unit per school day or 7 units maximum per week.

'Provider: ABC Childcare Inc Select >>	'Start Date: 6/1/2010
'Program: CCA ▾	'End Date: 12/1/2010
'Rate Type: Standard ▾	Varying Schedule: <input checked="" type="checkbox"/>
Flags: Select >>	'Max Weekly Units: 12
	'Max Units Per Day: 2
	Max Weekly Units (S): 7
	Max Units Per Day (S): 1

4. Mr. C is employed 40 hours per week and works third shift from 11:00 p.m. to 7:00 a.m. Days vary but he always works five days and has two days off each week. Mr. C has three children, aged one, three, and four. Mr. C needs child care for both work time and sleep time.

Mr. C is approved for a variable schedule, 2 half-day units for the time he is employed and 1 half-day unit to allow him to sleep after returning home from work for a daily authorization of 3 units and weekly maximum of 15.

The screenshot shows a form with the following fields and values:

- 'Provider: ABC Childcare Inc [Select >>](#)
- 'Program: CCA (dropdown menu)
- 'Rate Type: Standard (dropdown menu)
- Flags: [Select >>](#)
- 'Start Date: 6/1/2010 (calendar icon)
- 'End Date: 12/1/2010 (calendar icon)
- Varying Schedule:
- 'Max Weekly Units: 15
- 'Max Units Per Day: 3
- Max Weekly Units (S): (empty field)
- Max Units Per Day (S): (empty field)

When a change in schedule occurs that does not affect the number of half-day units already approved, it is not necessary to amend the *Notice of Decision: Child Care* to reflect the new work or school schedule.

1. Mr. J is employed full time and requires care for his two children, ages 4 years and 16 months. He works from 7:30 a.m. to 4:00 p.m. He has arranged for care for both children with a registered child development home provider. He also wants to enroll his 4-year-old in preschool three mornings a week from 9:00 a.m. until 11:30 a.m.

The worker uses Mr. J's work schedule plus actual travel time to determine the units of service and approves two half-day units per child per workday.

The worker is not able to approve a third half-day unit for the 4-year-old to attend preschool, because the third unit is not required for Mr. J to remain employed. Also, approving a third unit would mean payment would be made to two providers for the same period of time.

2. Ms. K is employed full time and works 11:00 p.m. to 7:00 a.m. Monday through Friday. She has 2 children, ages 2 years and 4 years. Ms. K requests child care to allow her to sleep during the daytime hours after returning home from work. Ms. K is not charged for child care during the time she is employed.

Ms. K is approved for two half-day units for each day after she works a night shift (Tuesday through Saturday) to allow her to sleep.

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.
--------	-----------	------	-----------------------------

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.

Nonpayment of Fees

Legal reference: 441 IAC 170.4(2), 170.5(3)

The provider is responsible for collecting fees and maintaining records of fees collected. Those records must be available for audit by the Department or its representative.

When a parent does not pay the fee, the provider must demonstrate that a reasonable effort has been made to collect the fee. Reasonable effort means an original billing and two follow-up notices of nonpayment.

Child Care Assistance may be terminated when the Department determines that no payment or partial payment of fees has been received within 30 calendar days following the issuance of the last billing.

Terminate services unless the client establishes inability to pay. (See [Inability to Pay Fees](#).) Notify the client of any adverse action using form 470-4558, *Notice of Decision: Child Care*.

Inability to Pay Fees

Legal reference: 441 IAC 170.4(2)

When the family continues to need service but reports the inability to pay the fee, assess the family's situation and verify whether it is due to the existence of one or more of the following conditions:

- ◆ Extensive medical bills for which there is no payment through Medicaid, Medicare, or other insurance coverage.
- ◆ Shelter costs in excess of 30% of the household income.
- ◆ Utility costs, not including the cost of a telephone, in excess of 15% of the household income.
- ◆ Additional expenses for food resulting from diets prescribed by a physician.

If such a condition exists, continue services without a fee until the condition no longer exists and the family is able to participate in the current cost of service. Document nonpayment and the inability to pay in the case record.

Assess each "inability to pay" case to determine whether the family can be charged a reduced fee. Charge the reduced fee until full participation in fees is possible.

Child Care Assistance Provider Agreement

Legal reference: 441 IAC 170.4(7)

Policy:

The *Child Care Assistance Provider Agreement*, form 470-3871, is the agreement between the child care provider and the Department. The same agreement is used for all Child Care Assistance (CCA) authorized through the Department or through Iowa Workforce Development (IWD) for PROMISE JOBS.

Procedure:

If the chosen provider does not already have an agreement on file, issue form 470-3871 to the provider or parent to secure the provider's signature.

In the agreement, the provider agrees to accept payment through the Department's payment system and not to request additional payment from the parent, except for:

- ◆ The applicable co-payment fee found on the *Notice of Decision*.
- ◆ A late fee assessed when a child is not picked up timely.
- ◆ An "activity fee" to cover field trips, etc.
- ◆ Cost of care used beyond the units approved on the *Notice of Decision*.

The agreement provides that payment may be made to a provider for a child not in attendance for a maximum of four days per calendar month. Allow this payment when the child is **regularly** scheduled on those days and the provider also charges a private customer for days of absence.

The Department may refuse to enter into or may revoke a *Child Care Assistance Provider Agreement* if:

- ◆ The Department finds there to be a hazard to the safety and well-being of a child and the provider cannot or refuses to correct the hazard.
- ◆ The provider has submitted claims for payment for which the provider is not entitled.
- ◆ The provider refuses or fails to cooperate with the Economic Fraud Control Unit of the Department of Investigations and Appeals (DIA).
- ◆ The provider does not provide a social security number or an employer identification number.

- ◆ The provider does not meet one of the applicable requirements found at [Provider Requirements](#).
- ◆ The provider fails to comply with any of the terms and conditions of the *Child Care Assistance Provider Agreement*, form 470-3871 or 470-3871(S).
- ◆ The provider submits attendance documentation for payment and the provider knows or should have known the documentation is false or inaccurate.
- ◆ An overpayment of CCA funds with a balance of \$3,000 or more exists and the provider fails to enter into a repayment agreement with the Department of Inspections and Appeals (DIA) or does not make payments according to the repayment agreement on file with DIA.
- ◆ The provider is found to have more children in care at one time than allowed for the provider type.

See [Provider Agreement Sanction](#) for more information about terminating the agreement.

Ten calendar days advance notice are required to terminate the *Child Care Assistance Provider Agreement*, so that if care must be terminated, parents have adequate time to secure other child care arrangements.

Send a *Notice of Decision: Child Care* to inform the provider that their *Child Care Assistance Provider Agreement* is being terminated. The provider has the right to appeal this decision and may continue to receive CCA payments while the decision is pending.

Any CCA payments received pending the appeal decision will be recouped from the provider if the Department's decision to terminate is upheld in the appeal.

When a *Child Care Assistance Provider Agreement* has been revoked for failing to cooperate with investigations conducted by DIA, the Department will not enter into another agreement with the provider until cooperation occurs.

When a provider requests that the Department enter into a new agreement with them after their agreement has been revoked for not cooperating with DIA if the provider has:

- ◆ Cooperated and all other requirements are met, complete the agreement and return a signed copy to the provider.
- ◆ Not cooperated with DIA, deny the agreement and issue an NOD to the provider informing them that the Department will not enter into an agreement with them until they cooperate with DIA.

Provider Agreement Sanction

Legal reference: 441 IAC 170.5(5)

Policy:

If a *Child Care Assistance Provider Agreement*, form 470-3871 or 470-3871(S), is terminated for any of the reasons found at [Child Care Assistance Provider Agreement](#), except for failure to provide a social security number or employer identification number, the agreement shall remain terminated for the time periods set forth below.

- ◆ The first time the agreement is terminated, the provider may reapply for another agreement at any time.
- ◆ The second time the agreement is terminated, the provider may not reapply for another agreement for 12 months from the effective date of termination.
- ◆ The third and subsequent time the agreement is terminated, the provider may not reapply for another agreement for 36 months from the effective date of termination.

The Department shall not act on an application for a *Child Care Assistance Provider Agreement* submitted by a provider during the sanction period.

Completing the Agreement

Policy:

The *Child Care Assistance Provider Agreement*, form 470-3871 or 470-3871(S), must be prepared:

- ◆ At least every 24 months, or
- ◆ When there is a change in circumstances that requires a change to the form.

Procedure:

The child care provider shall complete all information on page one as requested (except for the agreement number), sign the form, and return the form to the Department's CCA worker.

If the form is returned to the PROMISE JOBS office, it will be forwarded to the Department's CCA worker for processing. (PROMISE JOBS workers do not complete this form.)

The Department worker:

- ◆ Reviews the form to ensure that page one is completely filled out, and that the provider has signed the form.
- ◆ Reviews the provider's rates.
- ◆ Completes the third column of the table on page two with the approved half-day unit rates for each age group.
- ◆ Completes the "Other rates" section with the approved half-day unit rate for each discount rate reported by the provider on page one.

The Department's Child Care Assistance (CCA) worker then signs form 470-3871 or 470-3871(S), *Child Care Assistance Provider Agreement*, and returns a copy to the provider. Form 470-3871 or 470-3871(S) is not valid unless both the provider and the Department's worker have signed it.

Refer to 14-H, [KINDERTRACK SYSTEM](#), for complete instructions for entering agreements.

Provider Tax ID

Policy:

The child care provider must enter their legal name and a valid tax identification number (SSN or EIN) on their *Child Care Assistance Provider Agreement* to be paid by the CCA program. This information is used by State Accounting Enterprise (SAE) to set the provider up as a vendor in the state accounting system.

Procedure:

If the name or tax identification number does not match IRS records, the vendor information will be rejected by SAE and the worker will be notified. Send a request for information to the provider to obtain their correct legal name and tax identification number, explaining that if the correct information is not returned, the provider will not be paid.

When an existing provider requests a change to their business name or tax identification number, send a request for information to obtain verification of the name or tax identification number change. Once this verification is received, make entries in KinderTrack to update the provider's information. Acceptable verification includes:

- ◆ A copy of the provider's social security card,
- ◆ IRS documents that provide the provider's legal business name and employer identification number (EIN).

NOTE: Do not make changes to the provider's KinderTrack record before obtaining verification of the correct information.

Notice of Decision: Child Care

Legal reference: 441 IAC 170.3(3)

Policy:

Use the *Notice of Decision: Child Care*, form 470-4558, to:

- ◆ Notify a client of agency actions that affect the client's eligibility or benefit level. Each client has the right to be given information regarding eligibility and benefit determination.
- ◆ Notify a nonregistered provider of actions that affect the provider's eligibility.
- ◆ Notify licensed, registered, and nonregistered providers when the Child Care Assistance Provider Agreement is canceled, denied, or revoked.

NOTE: The provider will receive a *Certificate of Enrollment*, form 470-4444, when the family NOD is created to notify them that CCA eligibility has been approved, canceled or changed, and the number of units authorized.

Procedure:

CCA workers complete form 470-4558 in the KinderTrack system. NOTE: This form is not available in printed form.

Issue the *Notice of Decision: Child Care* to the family when:

- ◆ An application is approved.
- ◆ An application is denied.
- ◆ A new or different provider is selected.
- ◆ There is a change in family size or income that results in a fee change.
- ◆ Benefits are changed as a result of a review or redetermination.
- ◆ Benefits are canceled.
- ◆ The chosen provider is not eligible to provide child care.

Complete the *Notice of Decision: Child Care* in the KinderTrack system. See 14-H, [KINDERTRACK SYSTEM](#), for instructions.

NOTE: The units authorized on the *Notice of Decision* should be as accurate as possible, but the number of units listed **do not** reflect a guaranteed number of units. The authorized units listed are only a projection of child care need as determined by the parent and CCA worker.

Send a *Certificate of Enrollment* to the provider when:

- ◆ A family application is approved.
- ◆ There is a change in family size or income that results in a fee change.
- ◆ Benefits are changed as a result of a review or redetermination.

Issue the provider a *Provider Cancellation Letter* when:

- ◆ Benefits are canceled.
- ◆ A new or different provider is selected.

Issue the provider a *Provider Pending Letter* when the family is approved but the provider has not yet been approved to receive CCA funding.

Issue a *Notice of Decision: Child Care* to the provider:

- ◆ To notify the provider when a background or abuse check for a provider comes back with a criminal conviction or founded child abuse, and the evaluation team does not approve the provider. See [Provider Requirements](#).
- ◆ To cancel the *Child Care Assistance Provider Agreement* when a provider's license or registration is denied or revoked or a nonregistered provider is no longer eligible to provide care.

You do not need to issue a new *Notice of Decision: Child Care* to account for minor fluctuations in work or training schedules. Make entries to case narratives to explain these fluctuations.

However, if there are large or long-term changes to a person's schedule, such as adding or dropping a class or working overtime on a regular basis, issue a new *Notice of Decision*. The client must report changes within ten days of the change to have extra child care covered by CCA. If the changes are not reported timely, the parent is responsible to pay for units used beyond those authorized.

Comment:

1. Ms. A. has been working an average of 30 hours per week for the last three months. She is approved to use two units per day, five days per week. She contacts the Department on June 3 to report that she has been working 36 hours per week as of May 28 because she is now working six days per week.

Since this change was reported timely, the worker sends Ms. A a new *Notice of Decision: Child Care* approving her for the extra units she needs effective retroactively to May 28.

2. Same scenario as Example 1, but Ms. B reports the change in hours on June 20.

Since the change was not reported timely, Ms. B is responsible to pay out of her own pocket for any extra units she used between May 28 and June 19. A new *Notice of Decision: Child Care* is issued approving the extra units effective June 20, the date the change was reported.

3. Ms. A works full time at a local restaurant. She normally works Tuesday through Saturday from 7:00 AM until 2:30 PM. She has been approved for two units per day, up to ten units per week. Occasionally Ms. A will work late on Friday or Saturday because the restaurant is very busy. On the days she stays late, she uses a third unit of child care.

These occasional, unexpected extra units can be paid to the provider even though not specifically covered in the *Notice of Decision*. The worker verifies that the extra units were necessary due to Ms. A working additional hours on those days and documents the situation in the case narratives to justify the units paid in excess of normal.

4. Ms. B works full time at the local hospital. She normally works Monday through Saturday from 6:00 AM until 3:00 PM. She has been approved for two units per day, up to 12 units per week.

Ms. B's provider submits a claim indicating that she provided child care for 14 units in one of the weeks during the month. However, Ms. B cannot provide documentation to indicate that she worked additional hours resulting in a need for extra units of care.

The extra units cannot be paid. Ms. B is responsible for paying her provider for this extra time beyond the approved units.

KinderTrack Entry

Enter the family case on the KinderTrack (KT) system for every family who applies for CCA. Refer to 14-H, [KINDERTRACK SYSTEM](#), for specific data entry instructions.

Processing Claims

The term "claim" refers to form 470-4534, *Child Care Assistance Billing/Attendance*, or to online submission of time and attendance through the KinderTrack system. Policies for approving claims are organized into three sections:

- ◆ [Provider billing instructions](#)
- ◆ [Returning attendance forms](#)
- ◆ [Reviewing attendance and processing payments](#)

Provider Billing Instructions

Policy:

Providers may bill for services by submitting time and attendance on-line at <https://ccmis.dhs.state.ia.us/ProviderPortal/> or by using form 470-4534, *Child Care Assistance Billing/Attendance*. The on-line provider portal and form 470-4534 allow for submission of bi-weekly attendance information in order to receive payment of services provided during each two-week billing period.

Procedure:

When a provider submits attendance on-line, the attendance is considered electronically signed by the provider. The provider must print form 470-4535, *Child Care Assistance Billing/Attendance Provider Record*, and have the parent sign it. This signed form must be kept by the provider for their records.

When a provider uses form 470-4534, both the provider and parent must sign the form before the provider submits it for payment. Specific instructions for the completion of form 470-4534 are included in [6-Appendix](#).

The provider must retain signed attendance documentation for five years.

EXCEPTION: Attendance may be submitted on form 470-4534 for payment without a parent signature if the provider is **unable** to obtain the parent's signature on an attendance sheet. The provider must attach a note explaining why the signature is missing.

Process the claim as usual and attempt to obtain the parent's signature on the attendance sheet. If you cannot obtain a signature, send a *Notice of Decision: Child Care* to terminate the parent's CCA eligibility. You may also establish an overpayment.

To reduce errors on paper attendance forms, share the following instructions regarding completion of the form with the provider:

- ◆ Each time-in entry must have a corresponding time-out entry.
- ◆ The time-out must be greater than the time-in.
- ◆ "Absent" should only be marked when the child is scheduled to be in care that day but does not attend.
- ◆ Don't forget to mark the "AM" or "PM" for each time-in and time-out.
- ◆ Both the provider and parent must sign the form.
- ◆ For care provided past midnight, the time-out must be 12:00 AM and the next day time-in must be 12:00 AM.

Returning Attendance Forms

Policy:

When a provider submits form 470-4534 *Child Care Assistance Billing/Attendance*, to the Department, the document must be scanned. If the form cannot be scanned because it is incomplete or filled out incorrectly, it must be returned to the provider for corrections within five business days of receipt. The provider must submit a new, or corrected, attendance sheet to request payment for services.

The Department may not make corrections to the attendance form, with the exception of removing stray marks from the scanned image so that the data can be read and sent to KinderTrack.

Procedure:

When form 470-4534 cannot be scanned because it needs corrections or is missing signatures, return the form to the provider along with form 470-4469 or 470-4469(S), *Child Care Claim Cover Letter*. The *Child Care Claim Cover Letter* explains that the time and attendance can't be processed and what corrections are needed.

If form 470-4534 has errors that can't be corrected by the provider and require a new form to be completed, print and send a new billing/attendance sheet for the child for the billing period in question and send this along with the *Child Care Claim Cover Letter*. Retain the original attendance form and a copy of the cover letter. (For instructions on how to print new billing/attendance sheets, see 14-H, [KINDERTRACK SYSTEM](#).)

If the provider indicates on the attendance sheet that the provider is unable to obtain the signature of the parent, do not return the attendance sheet to the provider. Process the claim as usual. The centralized child care unit will contact the parent to obtain the signature.

Reviewing Attendance and Processing Payments

Policy:

Attendance submitted by providers (either on-line or by using the billing/attendance form) is loaded into the Payment Module of the KinderTrack (KT) system. Attendance for each two-week billing period submitted by a provider is assigned a unique payment identification number by KT and becomes a "payment" in the system.

Each payment must be reviewed to verify that the units billed are within the amount authorized by the *Notice of Decision: Child Care*, and that any attendance reported over the units authorized has been documented and authorized by CCA staff before payment is made for the extra units.

The expectation is that claims for child care payment be processed within seven business days of receiving a complete and correct claim.

Procedure:

KT compares attendance information for each payment to the units that have been authorized for the child. KT will automatically authorize attendance for payment when:

- ◆ The attendance submitted by the provider does not exceed the maximum number of daily or weekly units authorized on a varying schedule, or
- ◆ The attendance submitted exactly matches the time in/out on a fixed schedule.

When KT cannot automatically authorize a payment, the worker must review the time and attendance to determine whether all or part of the claim can be paid.

There may be minor variances between the units authorized on the *Notice of Decision: Child Care* and the claim. These minor variances can be paid as long as there is a legitimate need.

If a provider submits a claim for more units than the child has been approved for on the *Notice of Decision: Child Care*, and there is no obvious need, pay the number of units that were approved on the *Notice of Decision: Child Care* and deny the additional units.

Return a copy of the attendance sheet with the *Child Care Claim Cover Letter* to the provider, explaining that the parent should contact the caseworker if the family needs additional units. Send a copy of the *Child Care Claim Cover Letter* to the parent to inform the family that if they need additional units they should discuss this with their caseworker.

If the parent contacts the caseworker, the worker must request verification to show the need for additional units. Pay the additional units if the Department has received documentation of the need for the additional units and the caseworker has approved the additional units.

When the worker determines that a payment can't be processed, it must be returned to the provider within five business days. The claim needs to be rejected in the KT system to track timeliness and reason for return.

When a claim is completed and accepted, the system automatically releases the claim for payment on the daily payment run.

If it is necessary to make a corrective or additional payment to a provider for a billing period that has already been paid, follow the instructions in 14-H, [KINDERTRACK SYSTEM](#).

See 14-H, [KINDERTRACK SYSTEM](#), for instructions on how to process payments in KT.

Paying Providers Who are State Employees

Policy:

State employees who provide child care must submit attendance for payment like other providers, but they cannot be paid through KT. They must be paid through their payroll department.

Procedure:

The provider will submit attendance on-line or to DHS central office for scanning and staff will calculate and "authorize" the payment as usual. However, KT will not allow these payments to be moved to a "paid" status.

Once the payments are "authorized" staff will need to print a Payment Summary report for the payments. See 14-H, [KINDERTRACK SYSTEM](#), for instructions on how to print a payment summary.

Attach a screen print of the attendance detail for each payment from the Payment > Payment page to the payment summary. (See 14-H, [KINDERTRACK SYSTEM](#), for instructions on how to navigate to this page.) Make sure the "show attendance" button is checked and use the print icon at the bottom right of the KT page. Print the first page that shows the daily attendance.

On the Payment Summary write the following:

"The invoice for child care services was submitted to DHS through KinderTrack. These pages are screen prints from KinderTrack to support payment".

The **Supervisor must sign** below this statement.

Send this documentation to the Bureau of Purchasing, Payments, Receipts and Payroll, Hoover Building, 1st Floor.

Case Maintenance

Legal reference: 441 IAC 170.2(237A), 170.4(237A), 170.5(237A) and 170.3(237A,239B)

The following sections describe procedures for:

- ◆ [Reporting changes](#)
- ◆ [Changing providers](#)
- ◆ [Household's mail returned with no forwarding address](#)
- ◆ [Household's mail returned with a forwarding address](#)
- ◆ [Reviewing eligibility](#)
- ◆ [Adverse service actions](#)
- ◆ [Reinstatement](#)

Reporting Changes

Parents are required to report all changes that affect eligibility or benefits in a timely manner. Changes reported within ten calendar days of the date of the change are considered to be reported timely.

The effective date of the change depends upon whether the change was reported timely and whether the change has a positive or negative effect on eligibility.

Changes that must be reported timely include:

- ◆ Changes in employment hours
- ◆ Starting or stopping a job
- ◆ Changes in income
- ◆ Changes in school schedule
- ◆ Changes in household size
- ◆ Changing child care providers

Acting on Changes

Policy:

Act on the change as soon as possible, but no later than ten working days from the date you become aware of the change.

Procedure:

"Acting on a change" includes requesting information within ten working days of the date a change is reported **and** taking action within ten working days of receiving verification of the change.

Positive Changes Reported

Positive changes **do not** require a timely notice to be sent. Changes are considered "positive" when they benefit the family. Examples are:

- ◆ Increase in employment hours resulting in need for more units of care
- ◆ Decrease in income resulting in a reduction in the co-pay fee

When a positive change is reported timely, the effective date on the notice of decision is the date of the change.

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*.

If the parent fails to inform the current provider before terminating services, the terminated provider has the right to bill the CCA program for up to four days of absence. This means that the new provider will not be able to receive CCA payments for these days, and the parent will be responsible for paying the new provider for any care provided during that time.

1. Ms. A. decides to switch from her current provider, ABC Care, to another provider, XYZ Care. She informs ABC Care on Friday, May 11 that her child will not be returning on Monday, May 14. Ms. A also contacts her CCA worker on May 11 to report the change.

The CCA worker issues notices of decision regarding this change on May 11. The letter to ABC Care indicates that ABC Care can no longer bill the CCA program for Ms. A's child after May 11. The certificate of enrollment to XYZ Care indicates XYZ Care may begin billing the CCA program for Ms. A's child effective May 14.

On June 2, both ABC Care and XYZ Care submit claims for payment for child care provided in May. ABC Care receives payment for May 1 through May 11 and XYZ Care receives payment for May 14 through May 30.

2. Same scenario as Example 1, except that Ms. A fails to inform ABC Care that her child will not return after May 11. She contacts her CCA worker about this change on Monday, May 14.

Since Ms. A did not inform ABC Care of the change, ABC Care still expect Ms. A's child to attend care on May 14. Therefore, ABC Care is entitled to bill the CCA program for up to four days of absence that occur before ABC Care is notified of the change by receiving the provider cancellation letter.

The worker issues notices of decision regarding this change on May 14. The letter to ABC Care indicates that ABC Care can no longer bill the CCA program for Ms. A's child after May 16. The certificate of enrollment to XYZ Care indicates XYZ Care may begin billing the CCA program for Ms. A's child effective May 17.

On June 2, 2003, both providers submit claims for payment. ABC Care wants payment up through May 11 plus three days of absence (since they received the provider cancellation letter on May 16).

XYZ Care wants payment from May 14 through May 30. However, XYZ Care cannot receive CCA payment for May 14, 15 and 16, since ABC Care billed these days as absence days. Ms. A must pay XYZ for the three days of care out of her own pocket.

3. Same scenario as Example 2, except the worker calls ABC Care on May 14, the same day the notices of decision are issued, to inform them of the change. The letter to ABC Care indicates they can no longer bill the CCA program for Ms. A's child after May 14. The certificate of enrollment to XYZ Care indicates they may begin billing the CCA program for Ms. A's child effective May 15.

On June 2, both providers submit claims for payment. ABC Care wants payment up through May 11 plus one day of absence (since they were notified by CCA on May 14). XYZ Care wants payment from May 14 through May 30.

In this situation, XYZ Care cannot receive CCA payment for May 14, since ABC Care billed this day as an absence day. Ms. A has to pay XYZ for that day of care out of her own pocket.

4. Ms. A changes providers in March. She informs the Department on March 13 that she stopped going to provider D on March 7 and began using provider E on March 10. Ms. A says that on March 7, she told provider D she would not be back on Monday, March 10.

A notice of decision is sent to Ms. A indicating she is no longer using provider D effective March 7. Provider D is sent a provider cancellation letter. Provider D may not bill the CCA program for any days after March 7. This includes any "days of absence," because the children are no longer "regularly scheduled" with this provider.

Another notice of decision is sent to Ms. A approving CCA effective March 10. A certificate of enrollment is sent to Provider E. Provider E may begin billing effective March 10.

5. Same scenario as Example 4, except Ms. A did not tell provider D that she would not be back on Monday, March 10.

The worker sends a notice of decision to Ms. A indicating she is no longer using provider D effective March 7 and sends provider D a provider cancellation letter. Provider D may not bill the CCA program for any days after March 7 unless provider D incurs any "days of absence" before receiving notification of the change.

The worker sends another notice of decision to Ms. A approving CCA effective March 10. A certificate of enrollment is sent to Provider E. Provider E may begin billing effective March 10 minus any absence days that were paid to provider D.

Ms. A is responsible to pay provider E for any days of care provided that overlap with absence days paid to provider D, because Ms. A failed to inform provider D that she would no longer be using provider D after March 7.

6. Ms. B changes providers in March. She does not inform the Department until April 3 that she stopped going to provider D on March 7 and began using provider E on March 10. Ms. A says that she did not tell provider D she would not be back as of Monday, March 10.

A notice of decision is sent to Ms. B indicating she will no longer be using provider D effective April 3. Provider D is sent a provider cancellation letter. Provider D may bill the CCA program for days of care provided through March 7 as well as up to four days of absence since the provider change was not reported until April 3 by Ms. B.

Another notice of decision is sent to Ms. B approving CCA effective April 3. A certificate of enrollment is sent to Provider E. Provider E may begin billing effective April 3. Ms. B. is responsible for any bills for child care provided between March 10 and April 3.

NOTE: Providers may have a written contract with parents that may include a two-week notice requirement when children are going to leave their care. Providers cannot bill the CCA program for this two-week period if the children do not attend. The provider will have to get this payment directly from the parent.

Household's Mail Returned with No Forwarding Address

Policy:

When the post office returns a household's mail that has no forwarding address the Department cannot verify that the household still lives in Iowa.

Procedure:

Cancel the case for not being able to locate the household. Send the notice to the household's most recent address, even though it may also be returned.

If the household contacts you:

- ◆ Before the effective date of cancellation, see [Reinstatement](#).
- ◆ After the effective date of cancellation, but within the 14-days from the effective date of cancellation, see [Reinstatement After the Effective Date of Cancellation \(Grace Period\)](#).
- ◆ After 14 days from the effective date of cancellation:
 - The household has the right to appeal. See [The Right to Appeal](#) in [1-E](#).
 - Tell the household it has the right to reapply.

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.

For families who do not need to turn in a review form because they are PROMISE JOBS participants, determine if additional information is needed in order to review the family's eligibility. If not, follow procedures for processing a complete review form.

If additional information is needed from a PROMISE JOBS family, request the necessary information and allow 10 days for it to be returned.

- ◆ If the information is returned, follow procedures for processing a complete review form.
- ◆ If the information is not returned, 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.

For families who are receiving CCA for a child with protective needs, the social worker must review the need for protective child care and complete form 470-4895, *Protective Child Care Documentation*, when the family's certification period will end or when there is a change in circumstances that would affect eligibility or the number of units authorized for the family. The form must then be sent to the CCA worker handling the protective CCA case.

A family that is no longer eligible for FIP or protective child care is not automatically eligible for CCA. If a family loses FIP or protective child care eligibility, but still needs child care, send the family form 470-4377(M) or 470-4377(S), and follow procedures in this section, [Reviewing Eligibility](#), to determine whether the family is eligible for CCA. The family is subject to all waiting lists and CCA eligibility policies.

Adverse Service Actions

Legal reference: 441 IAC 170.5(237A)

The following sections describe procedures for:

- ◆ [Reduction of services](#)
- ◆ [Termination of services](#)
- ◆ [Notification of action](#)
- ◆ [Appeals](#)

Reduction of Services

Legal reference: 441 IAC 170.5(4)

Child Care Assistance (CCA) benefits may be reduced when it is determined that:

- ◆ Continued provision of service at its current level is unnecessary; or
- ◆ Funding is not available to continue the service at the current level; or
- ◆ Another resource (person, agency, program, or funding source) that allows the parent to select from the full range of eligible providers is available to provide the same or similar service free of charge to the family that will meet the family's needs.

Reassess the family to determine the level of service to be provided.

EXCEPTION: Families who receive FIP or are participating in approved PROMISE JOBS activities continue to be eligible for CCA and are not subject to reduction.

Termination of Services

Legal reference: 441 IAC 170.5(3)

Child Care Assistance (CCA) may be terminated at the request of the applicant or when the Department determines that:

- ◆ The family no longer meets the eligibility requirements, including need for service, financial eligibility, and age of the child needing services;
- ◆ The specific need to attain goals and objectives toward which service was directed has been achieved;
- ◆ The applicant refuses to provide documentation of eligibility requirements;
- ◆ After repeated efforts, it is evident that the family is unwilling to accept further service;
- ◆ No payment or partial payment of parent fees has been received within 30 days following the issuance of the last billing;
- ◆ Another resource (person, agency, program, or funding source) that allows the parent to select from the full range of eligible providers is available to provide the same or similar service free of charge to the family that will meet the family's needs; or
- ◆ Funding is not available to provide the service.

Notification of Action

Legal reference: 441 IAC 170.6(237A)

Give timely and adequate notice to the client whenever it is proposed that a service be reduced or terminated.

“Timely” means the notice is mailed at least ten calendar days before the action would become effective. The timely notice period begins on the day after the notice is mailed.

“Adequate” means the written notice includes:

- ◆ A statement of what action is being taken;
- ◆ The reason for the intended action;
- ◆ The manual chapter number and subheading supporting the action;
- ◆ An explanation of the applicant’s right to appeal; and
- ◆ The circumstances under which benefits are continued when an appeal is filed.

Send the original of the notice to the applicant, file a copy in the case record.

NOTE: Providers must be notified in writing that a client’s eligibility has changed or ended. Send the provider a *Certificate of Enrollment*, form 470-4444, or *Provider Cancellation Letter* as appropriate. Timely notification requirements **do not** apply, but the provider should be adequately notified of the change in service.

Appeals

Legal reference: 441 IAC 170.6(237A)

Notify the applicant of the right of appeal when you notify the applicant of any adverse action. The *Notice of Decision: Child Care*, form 470-4558, contains the notice of appeal rights.

When an applicant wishes to appeal a decision, encourage the applicant to complete form 470-0487 or 470-0487(S), *Appeal and Request for Hearing*, but accept any written request.

Proceed according to [1-E](#), RESPONSIBILITIES OF DEPARTMENT’S REPRESENTATIVE. Immediately submit the appeal form and the notice of adverse action to the Department’s Appeals Section. Forward a summary of the basis for the action to the Appeals Section within ten days.

NOTE: Although providers cannot appeal a notice of decision that was sent to a parent, providers may appeal Department decisions that affect them at any time (such as amount of payment, denial of their provider agreement, or calculation of their half-day rate). When a provider wishes to appeal a Department decision, the procedure is the same as for a parent's appeal.

Reinstatement

Legal reference: 441 IAC 170.3(6)

Eligibility policies and procedures on when a case can be reinstated without a new application are organized into the following sections:

- ◆ [Reinstatement before the effective date of cancellation](#)
- ◆ [Reinstatement after the effective date of cancellation](#)

Reinstatement Before the Effective Date of Cancellation

Legal reference: 441 IAC 170.3(6)

Policy:

When all information is provided before the effective date of cancellation and eligibility can be reestablished, you must reinstate a case without a new application. This is true even if you don't make the necessary computer entries until after the effective date of cancellation.

If there is a change in the family's circumstances, the change must be verified before the case can be reinstated. The effective date of child care eligibility is the day following the day the case was canceled.

Procedure:

See [Notification of Action](#) for notification requirements. Issue adequate and, if appropriate, timely notice whenever an attempt at reinstatement is made.

Reinstatement After the Effective Date of Cancellation (Grace Period)

Legal reference: 441 IAC 170.3(6)

Policy:

When a case is canceled for failure to provide requested information, reinstate the case when all information needed to determine eligibility, including verification of all changes in the family's circumstances, is provided within 14 days of the effective date of cancellation.

If the 14th day falls on a weekend or legal holiday, extend the due date to the next working day for which there is regular mail service. The effective date of child care eligibility shall be the date the **final** piece of information required to establish eligibility is provided.

This policy also applies when a household is canceled for unable to locate because mail was returned to the Department without a forwarding address. If the household contacts the Department within 14 days of the effective date of cancellation and provides a current address consider this providing the information needed to establish eligibility.

Procedure:

See [Notification of Action](#) for notification requirements. Issue adequate and, if appropriate, timely notice whenever an attempt at reinstatement is made.

If all of the information is not returned by the 14th day after the effective date of cancellation, no further action is required and another notice is not sent.

If there were multiple pieces of information requested and some of the information is returned, do not send a "remain canceled" notice. However, it is good practice to try to contact the household to let them know you still don't have everything you need to reinstate the case.

If the previously requested information is provided, but the household also reports another change for which verification is necessary, make every effort to help the client to verify the information. A written request for information for the new changes is not necessary, but inform the household that benefits cannot be reinstated until the change is verified. If a generic release is on file, it should be utilized.

If the new information is not verified by the end of the 14th day after the effective date of cancellation, a "remain canceled" notice is sent. This is because the original reason for cancellation has been cured, but the household cannot be reinstated due to a change in circumstances that has not been verified.

When an additional change is reported and it is unlikely you will be able to verify the information before the 14-day period expires, inform the client that it would be a good idea to submit a new application to preserve the earliest possible effective date, in case the information cannot be verified.

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. Mr. A, a CCA participant, fails to provide an employer's statement of earnings that was requested by the Department. The IM worker issues a notice to cancel the case effective December 15 for failure to provide requested information.

The household's grace period runs through December 29. Mr. A provides the IM worker with the employer's statement on December 16. There have been no other changes in the household circumstances. The IM worker reinstates Mr. A's child care effective December 16.

2. Ms. B, a CCA participant, fails to provide three pieces of information that were requested by the Department. The IM worker issues a notice to cancel the case effective December 15 for failure to provide requested information. The household's grace period runs through December 29.

Ms. B provides the IM worker two of the items on December 17 and the third item on December 20. There have been no other changes in the household circumstances. The IM worker reinstates Ms. B's child care effective December 20.

3. Ms. C, a CCA participant, fails to provide two pieces of information that were requested by the Department. The IM worker issues a notice to cancel the case effective December 10 for failure to provide requested information. The household's grace period runs through December 24.

Ms. C provides the IM worker the two items on December 29. The household is not eligible to be reinstated and no additional notice is issued to the family. The family must file a new application if they wish to receive CCA.

4. Mr. D, a CCA participant, fails to provide three pieces of information that were requested by the Department. The IM worker issues a notice to cancel the case effective December 16 for failure to provide requested information. The household's grace period runs through December 30.

Mr. D provides the IM worker two of the items on December 21 and the third item on December 26. On December 26 Mr. D reports that he has changed jobs. The IM worker explains to Mr. D that he has until December 30th to provide verification of the end of his old job and the beginning of the new job.

Mr. D does not provide verification of the end of the old job or the beginning of the new job. The household is not eligible to be reinstated. The IM worker issues a "remain canceled" notice to the household.

5. Ms. E, a CCA participant, fails to provide three pieces of information that were requested by the Department. The IM worker issues a notice to cancel the case effective December 16 for failure to provide requested information. The household's grace period runs through December 30.

Ms. E provides the IM worker two of the items on December 21 and the third item on December 26. On December 26 Ms. E reports that she has changed jobs. The IM worker explains to Ms. E that she has until December 30th to provide verification of the end of the old job and the beginning of the new job.

Ms. E provides verification of the end of the old job but does not provide verification of the beginning of the new job. The household is not eligible to be reinstated. The IM worker issues a "remain canceled" notice to the household.

6. Mr. F, a CCA participant, fails to provide three pieces of information that were requested by the Department. The IM worker issues a notice to cancel the case effective December 16 for failure to provide requested information. The household's grace period runs through December 30.

Mr. F provides the IM worker two of the items on December 21 and the third item on December 26. On December 26, Mr. F reports that he has changed jobs. The IM worker explains to Mr. F that he has until December 30 to provide verification of the end of his old job and the beginning of the new job.

Mr. F provides verification of the end of the old job and the beginning of the new job on December 29. The IM worker reinstates Mr. F's child care effective December 29.

7. Ms. G, a CCA participant, fails to provide two pieces of information that were requested by the Department. The IM worker issues a notice to cancel the case effective December 10. The household's grace period runs through December 24.

Ms. G provides the IM worker with both pieces of information on December 16. On December 18, Ms. G reports that she has started a new job. The IM worker has not reinstated the case. The IM worker explains to Ms. G that she has until December 24 to provide verification of the beginning of the new job.

Ms. G does not provide the verification of the new job. The IM worker issues a "remain canceled" notice to the household.

Cooperation With Investigations

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

To be eligible for CCA, applicants and participants must cooperate with the Economic Fraud Control Unit of the Department of Inspections and Appeals (DIA) when the applicant's or participant's case is referred for investigation.

DIA conducts front-end investigations of applicant as well as participant cases. DIA also conducts fraud investigations. Cooperation is required with both types of investigations.

When the Economic Fraud Control Unit notifies you that a client has failed to cooperate in an investigation, deny or cancel CCA. EXCEPTION: Do not cancel or deny CCA if the investigation centers solely around a person whose income and need for service do not affect CCA eligibility.

Issue a timely *Notice of Decision* to cancel CCA.

Procedures for front-end investigation and what to do when a client reapplies after being canceled for failure to cooperate are explained in the following sections:

- ◆ [Front-end investigation procedures](#)
- ◆ [Application after failure to cooperate](#)

Front-End Investigation Procedures

Refer questionable cases, whether regarding the client and the provider, to the Economic Fraud Control Unit of the Department of Inspections and Appeals (DIA) for front-end investigation. Before making a referral, do the following:

- ◆ For a family eligibility or provider payment issue, take a "prudent person" approach to the information the client or provider gives you. Allow the client or provider the opportunity to explain the situation or resolve any questionable information.
- ◆ For a provider regulation issue, talk to the registration person about the situation.

Referring a Household to the Investigation Unit

Make referrals for investigation using form 470-5130, *DHS Investigative Referral to DIA*. One or more of the factors listed on the form must be present in order to make a referral.

You do not need to complete another *DHS Investigative Referral to DIA* when a client has agreed to cooperate with the investigator within 30 days of a noncooperation. This 30-day period is from the date that the investigator has notified you that the client has not cooperated. Inform the investigator that the client has contacted you and agreed to cooperate, so that the investigator can schedule an appointment with the client.

If the client contacts the investigator, the investigator will schedule an appointment with the client and notify you.

If the household resolves the issue with you before the investigation is completed, document this in the case record and notify the investigator.

Investigation Process

Legal reference: 481 IAC 72.2(10A), 72.3(10A)

The purpose of a front-end investigation is to prevent households and providers from fraudulently receiving CCA. Front-end investigations are conducted to:

- ◆ Determine if information supplied by the client is correct.
- ◆ Determine if claim forms submitted by the provider are correct.
- ◆ Determine if payments issued to the provider were correct.
- ◆ Assist in reducing the program error rate.
- ◆ Identify overpayments for recovery.

If an interview is needed, the investigator sets up the interview. The interview request notifies the client that the case has been referred to the Economic Fraud Control Unit. Before the interview, the investigator informs the client or provider of:

- ◆ The purpose of the investigation.
- ◆ The type of information being reviewed.
- ◆ The client's responsibility to cooperate.
- ◆ The provider's responsibility to cooperate.
- ◆ The consequences of refusing to cooperate in an investigation

The investigator:

- ◆ Decides which eligibility items need further verification.
- ◆ May request and have access to the DHS client file if the investigator deems it is necessary.
- ◆ Must follow the terms of the contract between the Department and DIA with respect to confidentiality.
- ◆ Reports the results of the investigation to the client's IM worker.

Acting on Investigation Findings

Legal reference: 481 IAC 72.4(10A)

After an investigation has been completed, determine eligibility taking into consideration the findings of the investigator. Consider the evidence in the investigator's findings as verified information.

When the front-end investigation reveals a need for further investigation, no additional referral is required. If you so request, the investigator will attend appeal hearings and testify to the information gathered by the investigator.

Application After Failure to Cooperate

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

When a household reapplies after being denied or canceled for failure to cooperate with a front-end investigation, decide whether the situation is resolved and document this decision in the case record.

- ◆ If the situation is resolved, notify DIA of this decision and approve the application if otherwise eligible.
- ◆ If the situation has not been resolved, the household must cooperate with front-end investigations before eligibility can be determined. Assistance cannot be reestablished until cooperation criteria have been met.

If a household that failed to cooperate later meets the front-end investigation requirements and is otherwise eligible, approve assistance effective the date the household applied. Do not process the approval until you are notified that cooperation has actually occurred.

If the household contacts you before the date of cancellation and expresses willingness to cooperate, tell them that they must cooperate with DIA before the effective date of cancellation or they will need to reapply for CCA.

When a household reapplies on or before the date of cancellation, the household is eligible for benefits on the effective date of cancellation. If the application is received after the date of cancellation, assistance is effective the date the Department receives the application.

Ms. A, a CCA participant, fails to cooperate with the front-end investigation. DIA informs the IM worker of the failure in early April. The IM worker issues a notice on April 5 to cancel assistance effective April 15.

On April 10, Ms. A contacts the IM worker and states her intent to cooperate with the front-end investigation. However, the IM worker must refer the case to DIA. The investigator is not able to meet with Ms. A until May 20. As a result, Ms. A cannot resolve the issue before the effective date of cancellation. The case is canceled April 15.

Because she cannot be reinstated, Ms. A must file an application. She files an application on April 16, cooperates with the investigation, and is otherwise eligible; the application is approved effective April 16.

Overpayment Recovery

Legal reference: 441 IAC 170.9(237A)

When a child care provider receives a duplicate payment or a payment greater than allowed, the amount of the overpayment must be recovered.

Recovery is made through the provider or the client, depending on the circumstances surrounding the overpayment. If a client's or provider's financial circumstances change, the Department and the Department of Inspections and Appeals (DIA) have the authority to revise the recoupment plan.

The following sections describe procedures for:

- ◆ [Overpayments subject to recovery](#)
- ◆ [How to determine when the overpayment occurred](#)
- ◆ [How to calculate overpayments](#)
- ◆ [Failure to cooperate](#)
- ◆ [Notifying DIA of the overpayment](#)
- ◆ [DIA overpayment recovery process](#)
- ◆ [Overpayment refunds and payments](#)
- ◆ [Sanctions for provider fraud](#)
- ◆ [Appeals process](#)

Overpayments Subject to Recovery

Legal reference: 441 IAC 170.9(237A)

Recover overpayments caused by:

- ◆ [Provider error](#)
- ◆ [Client error](#)
- ◆ [Agency error](#)
- ◆ [Assistance paid pending an appeal decision](#)

Establish the amount of the overpayment and initiate recovery no later than 90 days after the overpayment is discovered.

Do not make a referral to DIA if the provider has returned the state warrant for the overpayment in question, as long as the warrant covers the total amount of the overpayment and the period of overpayment is only one month. For recovery purposes, the person has not "received" the benefit if the warrant is not cashed, so no overpayment exists.

If a household files for bankruptcy, send the notice of bankruptcy to DIA immediately, so the state can file a claim in the United States Bankruptcy Court.

Provider Error

Legal reference: 441 IAC 170.1(237A)

Recover overpayments that result from the following child care provider errors:

- ◆ False or misleading statements on billing claim about the children receiving services.
- ◆ False or misleading documentation of hours when service was provided.
- ◆ Failure to report receiving duplicate warrants within ten days of receipt.
- ◆ Failure to report and refund payments received for more units than the amount authorized on the most recent form 470-4558, *Notice of Decision: Child Care*, within ten days of receiving the payment.

Client Error

Legal reference: 441 IAC 170.1(237A)

Recover overpayments that result from the following client errors:

- ◆ False or misleading oral or written statements about the client's income, household composition, school schedule, hours of employment, or any other circumstances affecting eligibility or benefits.
- ◆ Failure to report changes in income, household composition, school schedule, hours of employment, failure to participate in PROMISE JOBS activities, or any other circumstance affecting eligibility or benefits of the client, as outlined on the *Notice of Decision: Child Care*, within ten days of the change.

Agency Error

Legal reference: 441 IAC 170.1(237A)

Recover overpayments that result from agency error. This includes the following situations:

- ◆ The Department errs in determining eligibility or the appropriate number of units.
- ◆ The Department errs in timely making changes when the Department has the information.
- ◆ The Department incorrectly pays a child care provider due to errors in typing or copying, computer input errors, or mathematical errors.

Assistance Paid Pending an Appeal Decision

Legal reference: 441 IAC 170.9(2)

If a client or a child care provider loses an appeal, the client or provider is also responsible for repaying the excess amount received during the appeal process. Recovery will begin no later than one month after the month the final decision is issued (or the second month if required by timely notice standards).

How to Determine When an Overpayment Occurred

Legal reference: 441 IAC 170.9(2)

Policy:

The beginning date of an overpayment is based on whether it occurs:

- ◆ [During the application process](#), or
- ◆ [Due to change in eligibility or need for service](#), or
- ◆ [Due to erroneous provider reporting](#).

The ending date of the overpayment is the last day an overpayment occurred.

Overpayment During the Application Process

Legal reference: 441 IAC 170.9(2)

Policy:

Consider an overpayment that occurs during the application process to begin with the date of eligibility.

Comment:

Ms. P applies for CCA on July 13. A notice of decision approving benefits is sent August 5, with an effective date for eligibility of July 13.

Later the worker discovers that Ms. P was receiving child support at the time of her application, but did not include this information. The calculation to determine the amount of overpayment to Ms. P starts at the beginning date of eligibility, July 13.

Overpayment Due to a Change in Eligibility or Need for Service

Legal reference: 441 IAC 170.9(2)

Policy:

If an overpayment occurs due to a change in eligibility or need for service that was not reported within ten days of the date of change, determine when the overpayment began by determining the date the change would have been effective if it would have been reported timely.

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.

Procedure:

Recoup agency error overpayments from the parents, or the person serving in the capacity of the parent who received assistance when the overpayment occurred because of a Department error:

- ◆ In determining eligibility or the appropriate number of units, or
- ◆ In timely making changes when the Department has the information.

Recoup agency error overpayments from the provider when the Department incorrectly pays the provider because of errors in typing or copying, computer input errors or mathematical errors.

DIA Overpayment Recovery Process

Legal reference: 441 IAC 170.9(5); 441 IAC 11.1 (217,421)

Policy:

The Department of Inspections and Appeals (DIA) reviews the circumstances of each referral, and then decides whether recovery should be initiated immediately, or if a referral should be made to the county attorney for prosecution. For a complete guide to the overpayment recovery process, please refer to 6-G, [RECOVERY OF PUBLIC ASSISTANCE DEBTS](#).

Records of the Public Assistance Debt Recovery Unit are confidential in accordance with 1-C, [CONFIDENTIALITY AND RECORDS](#).

Issuing a Demand for Repayment

Legal reference: 481 IAC 71.5(10A)

Policy:

The debt establishment and repayment process begins with a notice to the debtor that an overpayment has occurred.

DIA sends form 470-4530, *Notice of Child Care Assistance Overpayment*, to either the client or provider.

A demand letter is sent whether the case is active or closed.

The client or provider has 30 days from the date of the demand letter to enter into a repayment agreement or to appeal the overpayment.

DIA reviews the circumstances of each referral and decides whether recovery should be initiated immediately or a referral should be made to the county attorney for prosecution.

When Recovery Is Suspended or Waived

Legal reference: 441 IAC 170.9(7)

Policy:

The Department of Inspections and Appeals (DIA) is responsible for suspensions and waivers of recovery efforts. Recovery is suspended on nonfraud overpayments when the amount of the overpayment is less than \$35. Recovery is waived on nonfraud overpayments that are less than \$35 and have been in suspension for three years.

Procedure:

Even though recovery may be suspended, refer all overpayments of less than \$35 on canceled cases to DIA.

Overpayment Refunds and Payments

Legal reference: 441 IAC 170.9(5)

Policy:

A client or provider may wish to refund a Child Care Assistance (CCA) overpayment in part or in full before the end of the 30-day appeal period.

Procedure:

The client or provider may come directly to the CCA worker with the refund. When the client or provider makes a payment by check or money order, the client should make the remittance payable to the "Iowa Department of Human Services."

Client Refunds

Legal reference: 441 IAC 170.9(5)

Policy:

A Child Care Assistance (CCA) client may refund a CCA overpayment in part or in full before the end of the 30-day appeal period.

Procedure:

Provide the client with form 470-0009, *Official Receipt*, for the refund. Identify the payment as a client CCA refund.

Complete form 470-0010, *Adjustment to Overpayment Balance*. The client's name must be listed as the debtor on form 470-0010.

Forward a copy of form 470-0009, *Official Receipt*, together with the repayment and form 470-0010, *Adjustment to Overpayment Balance*, to the Cashier's Office, Room 14, Bureau of Purchasing, Payments, Receipts and Payroll, 1305 E Walnut St., Des Moines, Iowa 50319-0114.

Both form 470-0009 and form 470-0010 must identify the refund as a CCA repayment.

The Cashier's Office will process the refund and apply it to an outstanding overpayment as appropriate.

See [6-Appendix](#) for instructions on completing form 470-0010. See 23-B, [COLLECTIONS](#), for information on refunds made to the Department. Also see [23-B-Appendix](#) for instructions on completing the *Official Receipt*.

Provider Refunds

Legal reference: 441 IAC 170.9(5)

Policy:

A child care provider may refund a Child Care Assistance (CCA) overpayment in part or in full before the end of the 30-day appeal period.

Procedure:

When a child care provider returns the original CCA warrant, complete form 470-0009, *Official Receipt*, and forward a copy of the receipt and the returned warrant to: Cashier's Office, Room 14, Bureau of Purchasing, Payments, Receipts and Payroll, 1305 E Walnut St., Des Moines, Iowa 50319-0114.

If a CCA provider wants to refund a CCA overpayment in part or in full before the end of the 30-day appeal period, accept the refund. Provide the provider with form 470-0009, *Official Receipt*, for the refund. Identify the payment as a provider CCA refund.

Complete form 470-0010, *Adjustment to Overpayment Balance*. The provider's name must be listed as the debtor on form 470-0010.

Forward a copy of form 470-0009, *Official Receipt*, together with the repayment and form 470-0010, *Adjustment to Overpayment Balance*, to the Cashier's Office, Room 14, Bureau of Purchasing, Payments, Receipts and Payroll, 1305 E Walnut St., Des Moines, Iowa 50319-0114.

Both form 470-0009, *Official Receipt*, and form 470-0010, *Adjustment to Overpayment Balance*, must identify the refund as a CCA repayment.

The Cashier's Office will process the refund and apply it to an outstanding overpayment as appropriate.

See [6-Appendix](#) for instructions on completing form 470-0010. See 23-B, [COLLECTIONS](#), for information on refunds made to the Department. Also see [23-B-Appendix](#) for instructions on completing the *Official Receipt*.

Appeal Filed After Client or Provider Refund

Legal reference: 441 IAC 170.9(5)

Policy:

When a client or provider makes voluntary repayments in the 30-day appeal period and later appeals before the end of the 30 days, notify DIA by forwarding to DIA:

- ◆ An updated form 470-0464, *Overpayment Recovery Information Input*, or
- ◆ An updated copy of the "Overpayment Recovery Information Input Summary" screen.

Show the pending appeal status code and the date the appeal was filed in red.

Do not accept further payments until either the appeal is withdrawn or you receive a final decision that upholds the Department's action. Voluntary repayments already received will not be returned to the provider, unless the final decision directs the Department to do so.

If a client or provider loses an appeal, the client or provider is also responsible for repaying the excess amount received during the appeal process. Recovery should begin no later than one month after the month the final decision is issued. (The recovery may be delayed until the second month because of timely notice.)

Client or Provider Payments

Legal reference: 441 IAC 170.9(5)

Policy:

The Department of Inspections and Appeals (DIA) sends form 470-0130, *Billing Statement*, each month to debtors who have made cash agreements to repay their claim. The Overpayment Recovery system issues these statements on the last working day of the month.

This statement:

- ◆ Tells the debtor the amount of the payment due for the month.
- ◆ Lists all payments received during the current month. (This billing cycle also determines delinquent accounts.)
- ◆ Serves as a receipt.

Procedure:

A client or provider may send payment on a recoupment action directly to the CCA worker. If you receive a payment, issue form 470-0009, *Official Receipt*. Attach the receipt and payment to form 470-0010, *Adjustment to Overpayment Balance*, and send them to: Cashier's Office, Bureau of Purchasing, Payments, Receipts and Payroll, Room 14, 1305 E Walnut St., Des Moines, Iowa 50319-0114.

Payments from clients or providers should be accompanied with the top portion of the billing statement the client or provider has received from DIA. The statement contains identifying numbers so that a payment can be applied to the correct debtor's account. If there is no accompanying document or identifying numbers, the cashier must search the system to find the debtor record.

When the client or provider makes a payment by check or money order, instruct the client to make the remittance payable to the "Iowa Department of Human Services."

Sanctions for Provider Fraud

Legal reference: 441 IAC 170.7(234)

Policy:

If a child care provider is convicted of fraudulently receiving Child Care Assistance (CCA) funds, they are subject to sanctions from the CCA program. There are three levels of sanctions that may be imposed:

- ◆ Review of the provider's claims for payment from the CCA program.
- ◆ Suspension from receipt of CCA payments for six months.
- ◆ Ineligibility to receive further CCA payments.

The type of sanction imposed on the provider depends upon the nature of the fraudulent practice. The Department's central office staff will consider the following factors in determining what type of sanction to impose:

- ◆ Prior violations or sanctions.
- ◆ Seriousness of the violation.
- ◆ Extent of the violation.
- ◆ Whether a lesser sanction will be sufficient to remedy the problem because the provider has received education or instruction and is willing to follow program rules in the future.

Procedure:

Department staff take the following steps when imposing a provider sanction:

1. Upon notification by the Department of Inspections and Appeals (DIA) that a provider has been convicted of fraudulently receiving CCA funds, the Department's central office staff will determine which level of CCA sanction will be imposed.
2. Once the Department's central office has determined the type of CCA provider sanction that will be imposed, the Department's child care staff for the county where the provider is located will be notified by e-mail to send the provider a *Notice of Decision: Child Care* to cancel the *Child Care Assistance Provider Agreement* and impose the sanction.

The Department's central office will also send this e-mail to the state level PROMISE JOBS coordinator who will notify the appropriate PROMISE JOBS county offices.

The effective date of the *Notice of Decision: Child Care* imposing the sanction shall be the first of the month following timely and adequate notice requirements. A copy of this notice should be sent to the corresponding PROMISE JOBS county office.

If a provider attempts to reapply to receive CCA funding for child care before the sanction has ended, send the provider a *Notice of Decision: Child Care* to deny the request for a new *Child Care Assistance Provider Agreement*.

NOTE: This sanction does not affect the provider's ability to remain registered or licensed. The sanction affects only eligibility to receive CCA funding from the Department.

3. At the same time the *Notice of Decision* is sent to impose the sanction, Department staff shall send each CCA family a notice to inform them that a sanction is being imposed on their provider and offer to assist the family in finding another provider.

PROMISE JOBS staff shall send any FIP families who are using the sanctioned provider the *Notice of Child Care Assistance Provider Sanction*, form 470-4053.

NOTE: A list of all children who are authorized to receive care from the sanctioned provider will be generated to serve as the mailing list for the *Notice of Child Care Assistance Provider Sanction*. This list will be included in the e-mail notification sent from the Department's central office to the Department's field staff about the provider sanction.

4. The *Notice of Decision: Child Care* imposing the sanction requires the provider to submit the names and addresses of all children (both CCA eligible **and** private-pay children) receiving care to the Department's CCA worker within five business days.

If the provider submits the names, send the *Notice of Child Care Assistance Provider Sanction* to all families who have not already received notification.

If the provider fails to submit the names and addresses within five business days as required, staff should contact the Department's central office. The Department's central office will request that the attorney general file a petition with the district court of the county in which the provider is located for issuance of a temporary injunction enjoining the provider from providing child care until the names and addresses are submitted to the Department.

The Department will maintain a list of sanctioned child care providers and make it available to the public on the Department's web site. The Department's field staff will be notified when a provider is added to the list of sanctioned providers.

NOTE: Before approving a provider's CCA payment and before signing a new or updated *Child Care Assistance Provider Agreement*, check the sanction list to ensure that providers who are suspended or ineligible for CCA funding are not approved to receive CCA payments in error.

Appeals Process

Legal reference: 441 IAC 7.5(9)

Policy:

Clients and providers can appeal an overpayment claim.

Procedure:

Process appeal requests according to procedures in [1-E, RESPONSIBILITIES OF DEPARTMENT'S REPRESENTATIVE](#). Prepare the appeal summary and send it to the Department's Appeals Section. Staff in the Appeals Section will decide whether to certify a request to the Department of Inspections and Appeals (DIA) for a hearing.

All of the forms used to notify the client or provider of a Child Care Assistance (CCA) overpayment have appeal rights on the back and constitute notices of adverse action. The Department grants a hearing according to policies and procedures in [1-E, APPEALS PROCEDURES](#).

The provider or client has 30 days to appeal an overpayment and the amount of the overpayment. The 30-day appeal period begins the day after the demand letter has been issued. Collection efforts will not begin until the 30-day appeal period is over. Voluntary provider or client repayments can be made within the 30-day period.

If an appeal is received within the 30-day period, notify DIA by forwarding an updated form 470-0464, *Overpayment Recovery Information Input*, or an updated copy of the "Overpayment Recovery Information Input Summary" screen to DIA. Show the pending appeal status code and the date the appeal was filed in red. The repayment process is suspended until the appeal process is complete.

Collection efforts cannot begin until a final appeal decision is made which upholds the Department's action.

CCA payments continue during the appeal process. If a client or provider loses an appeal, the client or provider is also responsible for repaying the excess amount received during the appeal process. Recovery should begin no later than one month after the month the final decision is issued.